



# Massachusetts Cannabis Control Commission

## Marijuana Retailer

### General Information:

License Number: MR284574  
Original Issued Date: 05/15/2024  
Issued Date: 05/15/2024  
Expiration Date: 05/15/2025

## ABOUT THE MARIJUANA ESTABLISHMENT

Business Legal Name: Clovercraft LLC

Phone Number: 413-246-9845 Email Address: kperrier@fivestarcorp.net

Business Address 1: 17 East St.

Business Address 2:

Business City: Easthampton

Business State: MA

Business Zip Code: 01027

Mailing Address 1: 17 East St.

Mailing Address 2:

Mailing City: Easthampton

Mailing State: MA

Mailing Zip Code: 01027

## CERTIFIED DISADVANTAGED BUSINESS ENTERPRISES (DBES)

Certified Disadvantaged Business Enterprises (DBEs): Not a DBE

## PRIORITY APPLICANT

Priority Applicant: no

Priority Applicant Type: Not a Priority Applicant

Economic Empowerment Applicant Certification Number:

RMD Priority Certification Number:

## RMD INFORMATION

Name of RMD:

Department of Public Health RMD Registration Number:

Operational and Registration Status:

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

If no, describe the circumstances below:

## PERSONS WITH DIRECT OR INDIRECT AUTHORITY

Person with Direct or Indirect Authority 1

Percentage Of Ownership: 51

Percentage Of Control: 33

Role: Manager

Other Role:

First Name: Ezra

Last Name: Parzybok

Suffix:

Gender: Male User Defined Gender:  
What is this person's race or ethnicity?: White (German, Irish, English, Italian, Polish, French)  
Specify Race or Ethnicity:

Person with Direct or Indirect Authority 2  
Percentage Of Ownership: 32.67 Percentage Of Control: 33  
Role: Manager Other Role:  
First Name: Kevin Last Name: Perrier 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: Southampton

Person with Direct or Indirect Authority 3  
Percentage Of Ownership: 16.33 Percentage Of Control: 33  
Role: Manager Other Role:  
First Name: Volkan Last Name: Polatol 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: Turkish

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: Ezra Last Name: Parzybok Suffix:  
Marijuana Establishment Name: Clovercraft LLC dba Budzee Business Type: Other  
Marijuana Establishment City: Easthampton Marijuana Establishment State: MA

Individual 2  
First Name: Volkan Last Name: Polatol Suffix:  
Marijuana Establishment Name: Clovercraft dba Budzee Business Type: Other  
Marijuana Establishment City: Easthampton Marijuana Establishment State: MA

Individual 3  
First Name: Volkan Last Name: Polatol Suffix:  
Marijuana Establishment Name: Volcann LLC dba Dreamer Business Type: Marijuana Retailer  
Marijuana Establishment City: Southampton Marijuana Establishment State: MA

Individual 4

First Name: Kevin	Last Name: Perrier	Suffix:
Marijuana Establishment Name: Clovercraft LLC dba Budzee	Business Type: Other	
Marijuana Establishment City: Southampton	Marijuana Establishment State: MA	

MARIJUANA ESTABLISHMENT PROPERTY DETAILS

Establishment Address 1: 17 East St.  
Establishment Address 2:  
Establishment City: Easthampton Establishment Zip Code: 01027  
Approximate square footage of the establishment: 2900 How many abutters does this property have?: 10  
Have all property abutters been notified of the intent to open a Marijuana Establishment at this address?: Yes

HOST COMMUNITY INFORMATION

Host Community Documentation:

Document Category	Document Name	Type	ID	Upload Date
Community Outreach Meeting Documentation	COM Newspaper Notice - Attachment A - {Clovercraft} - (1.6.24).pdf	pdf	65aa3eaa58452f000898fe0c	01/19/2024
Community Outreach Meeting Documentation	Statement Regarding Surrendering Retail License.pdf	pdf	65bd31487252ab0008870744	02/02/2024
Plan to Remain Compliant with Local Zoning	Plan to remain compliant Clovercraft LLC dba The Ounce Club.pdf	pdf	65bd31987252ab00088707e6	02/02/2024
Community Outreach Meeting Documentation	Clovercraft HCA Fully Executed01112024-compressed-compressed.pdf	pdf	65bd365e7252ab00088710e9	02/02/2024
Certification of Host Community Agreement	Revised HCA Certification Form - {Clovercraft} - (Retail).pdf	pdf	65bd372458452f0008a7e354	02/02/2024
Community Outreach Meeting Documentation	COM Requirements CChecklist Presentation.docx-merged-compressed.pdf	pdf	65bd3a2058452f0008a7e6e2	02/02/2024
Community Outreach Meeting Documentation	COM Abutter Letter - Attachment B - {Clovercraft} - (1.3.24)-merged.pdf	pdf	65bd3ab658452f0008a7e73f	02/02/2024
Community Outreach Meeting Documentation	COM Abutter Letter - Attachment C - {Clovercraft} - (1.3.24).pdf	pdf	65bd3ae358452f0008a7e756	02/02/2024
Community Outreach Meeting Documentation	COM Attestation Form - {Clovercraft} - (Retail).pdf	pdf	65bd3d3758452f0008a7eaab	02/02/2024

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
Plan for Positive Impact	PIP - {Clovercraft dba The Ounce Club} - (1.4.24) .pdf	pdf	65a6a5c80f1a250008b2d0f9	01/16/2024

ADDITIONAL INFORMATION NOTIFICATION

Notification:

### INDIVIDUAL BACKGROUND INFORMATION

#### Individual Background Information 1

**Role:** Manager **Other Role:**  
**First Name:** Ezra **Last Name:** Parzybok **Suffix:**  
**RMD Association:** Not associated with an RMD  
**Background Question:** yes

#### Individual Background Information 2

**Role:** Owner / Partner **Other Role:**  
**First Name:** Kevin **Last Name:** Perrier **Suffix:**  
**RMD Association:** Not associated with an RMD  
**Background Question:** no

#### Individual Background Information 3

**Role:** Owner / Partner **Other Role:**  
**First Name:** Volkan **Last Name:** Polatol **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
Secretary of Commonwealth - Certificate of Good Standing	Cert GS SOC Clovercraft.PDF	pdf	65a6a8da0f1a250008b2ddc1	01/16/2024
Department of Revenue - Certificate of Good standing	Cert of Good Standing Clovercraft DOR.pdf	pdf	65a6ac8ffa86d00008d4a84e	01/16/2024
Articles of Organization	Articles of Organization - {Clovercraft}.pdf	pdf	65aa230e58452f000898f9db	01/19/2024
Bylaws	Operating Agreement - {Clovercraft}.pdf	pdf	65aa23447252ab00087832f1	01/19/2024
Department of Unemployment Assistance - Certificate of Good standing	Clovercraft Cert of Compliance DU.pdf	pdf	65aeedac7252ab00087af00a	01/22/2024

No documents uploaded

**Massachusetts Business Identification Number:** 001449081

**Doing-Business-As Name:** The Ounce Club

**DBA Registration City:** Easthampton

### BUSINESS PLAN

Business Plan Documentation:

Document Category	Document Name	Type	ID	Upload Date
Plan for Liability Insurance	Plan to Obtain Liability Insurance - {Clovercraft}.pdf	pdf	65aa280c7252ab00087833a0	01/19/2024
Proposed Timeline	Proposed Timeline - {Clovercraft} - (1.19.24).pdf	pdf	65aa29e158452f000898fad5	01/19/2024

Business Plan	Business Plan - {Clovercraft} - (2.2.24).pdf	pdf	65bd333c7252ab0008870c48	02/02/2024
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### OPERATING POLICIES AND PROCEDURES

Policies and Procedures Documentation:

Document Category	Document Name	Type	ID	Upload Date
Plan for obtaining marijuana or marijuana products	Plan for Obtaining Marijuana - Retail - {Clovercraft} - (1.16.24).pdf	pdf	65a6fea7fa86d00008d56f85	01/16/2024
Restricting Access to age 21 and older	Plan to Restrict Access 21 - Retail - {Clovercraft} - (1.16.24).pdf	pdf	65a6fea9fa86d00008d56f99	01/16/2024
Prevention of diversion	Prevention of Diversion - {Clovercraft} - (1.16.24).pdf	pdf	65a6fead0f1a250008b3ae41	01/16/2024
Security plan	Security Plan - Retail - {Clovercraft} - (1.16.24).pdf	pdf	65a6feaffa86d00008d56fb2	01/16/2024
Transportation of marijuana	Transportation of Marijuana - Retail - {Clovercraft} - (1.16.24).pdf	pdf	65a6ff2afa86d00008d5704f	01/16/2024
Inventory procedures	Inventory procedures - Retail - {Clovercraft} - (1.16.24).pdf	pdf	65a6ff2cfa86d00008d57063	01/16/2024
Quality control and testing	Quality Control and Testing - Retail - {Clovercraft} - (1.16.24).pdf	pdf	65a6ff2d0f1a250008b3af3f	01/16/2024
Dispensing procedures	Dispensing Procedures - Retail - {Clovercraft} - (1.16.24).pdf	pdf	65a6ff2ffa86d00008d57077	01/16/2024
Personnel policies including background checks	Personnel Policies - Retail - {Clovercraft} - (1.16.24).pdf	pdf	65a6ff320f1a250008b3af53	01/16/2024
Record Keeping procedures	Record Keeping Procedures - {Clovercraft} - (1.16.24).pdf	pdf	65a6ff960f1a250008b3afca	01/16/2024
Maintaining of financial records	Maintaining Financial Records - Retail - {Clovercraft} - (1.16.24).pdf	pdf	65a6ff98fa86d00008d57117	01/16/2024
Qualifications and training	Qualifications and training - Retail - {Clovercraft} - (1.16.24).pdf	pdf	65a6ff990f1a250008b3afde	01/16/2024
Energy Compliance Plan	Energy Compliance Plan - Retail - {Clovercraft} - (1.16.24).pdf	pdf	65a6ff9bfa86d00008d5712b	01/16/2024
Diversity plan	Diversity Plan - {Clovercraft} - (1.19.24).pdf	pdf	65aa37307252ab00087835d0	01/19/2024
Storage of marijuana	Storage of Marijuana - Retail - {Clovercraft} - (1.16.24).pdf	pdf	65bd33f658452f0008a7dfc0	02/02/2024

### MARIJUANA RETAILER SPECIFIC REQUIREMENTS

No documents uploaded

No documents uploaded

### ATTESTATIONS

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

Commission.: I Agree

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

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

Notification:

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

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

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

#### ADDITIONAL INFORMATION NOTIFICATION

Notification:

#### COMPLIANCE WITH POSITIVE IMPACT PLAN - PRE FEBRUARY 27, 2024

No records found

#### COMPLIANCE WITH DIVERSITY PLAN

No records found

#### HOURS OF OPERATION

Monday From: 9:00 AM	Monday To: 11:00 PM
Tuesday From: 9:00 AM	Tuesday To: 11:00 PM
Wednesday From: 9:00 AM	Wednesday To: 11:00 PM
Thursday From: 9:00 AM	Thursday To: 11:00 PM
Friday From: 9:00 AM	Friday To: 11:00 PM
Saturday From: 9:00 AM	Saturday To: 11:00 PM
Sunday From: 10:00 AM	Sunday To: 9:00 PM

# Today in History

The Associated Press

TODAY is Saturday, Jan. 6, the sixth day of 2024. There are 360 days left in the year.

**TODAY'S HIGHLIGHT IN HISTORY:**  
On Jan. 6, 2021, supporters of President Donald Trump, fueled by his false claims of a stolen election, assaulted police and smashed their way into the Capitol to interrupt the certification of Democrat Joe Biden's victory, forcing lawmakers into hiding; most of the rioters had come from a nearby rally where Trump urged them to "fight like hell." A Trump supporter, Ashli Babbitt, was shot and killed by a police officer as she tried to breach a barricaded doorway inside the Capitol. Capitol Police Officer Brian Sicknick, injured while confronting the rioters, suffered a stroke the next day and died from natural causes, the Washington, D.C., medical examiner's office said. Congress reconvened hours later to finish certifying the election result.

**ON THIS DATE:**  
In 1412, tradition holds that Joan of Arc was born in Domremy.

In 1838, Samuel Morse and Alfred Vail gave the first successful public demonstration of their telegraph in Morristown, New Jersey.

In 1912, New Mexico became the 47th state.

In 1919, former President Theodore Roosevelt died in Oyster Bay, New York at age 60.

In 1941, President Franklin D. Roosevelt, in his State of the Union address, outlined a goal of "Four Freedoms": Freedom of speech and expression; the freedom of people to worship God in their own way; freedom from want; freedom from fear.

In 1974, year-round daylight saving time began in the United States on a trial basis as a fuel-saving measure in response to the OPEC oil embargo.

In 1982, truck driver William G. Bonin was convicted in Los Angeles of 10 of the "Freeway Killer" slayings of young men and boys. (Bonin was later convicted of four other killings; he was executed in 1996.)

In 1994, figure skater Nancy Kerrigan was clubbed

on the leg by an assailant at Detroit's Cobo Arena; four men, including the ex-husband of Kerrigan's rival, Tonya Harding, went to prison for their roles in the attack. (Harding pleaded guilty to conspiracy to hinder prosecution, but denied any advance knowledge about the assault.)

In 2001, with his opponent, Vice President Al Gore, presiding in his capacity as president of the Senate, Congress formally certified George W. Bush the winner of the bitterly contested 2000 presidential election.

**TODAY'S BIRTHDAYS:** Country musician Joey Miskulin (Riders in the Sky) is 75. Former FBI director Louis Freeh is 74. Rock singer-musician Kim

Wilson (The Fabulous Thunderbirds) is 73. Singer Jett Williams is 71. Actor-comedian Rowan Atkinson is 69. World Golf Hall of Famer Nancy Lopez is 67. Actor Scott Bryce is 66. R&B singer Kathy Sledge is 65.

Friday's Puzzle Answer

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

## WONDERWORD

By DAVID OUELLET

**HOW TO PLAY:** All the words listed below appear in the puzzle — horizontally, vertically, diagonally and even backward. Find them, circle each letter of the word and strike it off the list. The leftover letters spell the WONDERWORD.

**IT'S TIME TO 'ROISTER'** Solution: 12 letters

F U N C T I O N O I N U E R E  
I P G A L L I V A N T E E N N  
E L A R E J O I C E V S J O G  
S I T R O S I N G I T O O I A  
T F H E A U C H T A Y E Y T G  
A T E Y A D P S U R C L F A E  
T O R A A M E R A N Y G U C E  
N U I R M F A S A L P N L A T  
E C N R I N R M E H O I O V A  
M H G U T E R V O S G M U N R  
E D S H V O I H I O U U D G B  
S O P I F L E C N A D O A A E  
U W N R A L L Y L E V E R L L  
M N E T H G I L E D R A M A E  
A P P L A U S E T R E C N O C

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Amusement, Anniversary, Applause, Carouse, Celebrate, Concert, Dance, Delight, Drama, Engage, Enjoy, Festive, Fiesta, Function, Gala, Gallivant, Gathering, Group, Hurray, Joyful, Laugh, Lively, Loud, Mingle, Mood, Parade, Performance, Rally, Rejoice, Restaurant, Reunion, Revel, Sing, Team, Touchdown, Uplift, Vacation  
**Yesterday's Answer: Voiceover**  
The NEW Volume 76 can be purchased online at www.WonderWordBooks.com, or call 1-800-642-6480. (In Canada, call 1-855-232-2367)

# Bridge Club

The Northampton Bridge Club welcomes anyone who wishes to play duplicate bridge. Online games are played on bridgebase.com at 7 p.m. on Tuesdays and Thursdays; in-person games are played at 1 p.m. on Wednesdays at the Christ United Methodist Church, 271 Rocky Hill Road (Route 66) in Northampton.

Visit northamptonbridgeclub.org and click "HELP" to learn more. For additional help, contact Philippe at phgalaski@gmail.com. For chil-

dren to learn how to play bridge, visit ACBLEF.org.

There were six tables in the online play on Jan. 2.

Yan Drabek-Steve Peck 67.27, Alan Frank-James Osofsky 59.55, Margaret Winslow-Tim Joder 57.27, Myrna Butler-Barry Laflam 52.27, Paul Burnham-Sonja Smith 47.73, David Rosnick-Abhijit Dutta 45.45.

There were four tables in the in-person play on Jan. 3.

Barry LaFlam-James Nowill 63.49, Philippe Galaski-Judy Hyde 62.70, Carol Fricker-Susan Daily 57.94.

## LEGAL NOTICES

### Legals

**Outreach Meeting**  
We are giving notice that a Community Outreach Meeting for Clovercraft LLC, a proposed marijuana retail, is scheduled for January 20, 2024, 11am at our proposed location 17 East St. Easthampton, MA.

This is a current cannabis delivery business that will be adding a retail license. There will be an opportunity for the public to ask questions at the meeting. Please email questions to ezparz@gmail.com January 6

4431729

### READERS BEWARE

On occasion ads that run in our newspaper may require an initial investment, such as "Work At Home" ads. We do try to screen ads; however, please thoroughly investigate the situation before sending any money or giving out your credit card numbers, as you do so at your own risk!

Also be aware that ads that have a 900 telephone is an "extra charge (per minute) call". While 800 telephone numbers cost nothing to call, they may refer you to a 900 number with a charge per minute. So please be careful!

### Legals

**Commonwealth of Massachusetts The Trial Court Probate and Family Court Hampshire Probate and Family Court 15 Atwood Drive Northampton, MA 01060 (413) 586-8500**

**CITATION ON PETITION FOR FORMAL ADJUDICATION Docket No. HS23P0842EA**

**Estate of: Alisabette Leigh Ermod**

**Date of Death: 10/27/2023**  
To all interested persons: A Petition for **Formal Adjudication of Intestacy and Appointment of Personal Representative** has been filed by

**Ora McKenna of Belchertown, MA and Michael Ermod of West Hartford, CT**

requesting that the Court enter a formal Decree and Order and for such other relief as requested in the Petition.

The petitioner requests that: **Ora McKenna of Belchertown, MA and Michael Ermod of West Hartford, CT**

be appointed as Personal Representative(s) of said estate to serve Without Surety on the bond in unsupervised administration.

### IMPORTANT NOTICE

You have the right to obtain a copy of the Petition from the Petitioner or at the Court. You have a right to object to this proceeding. To do so, you or your attorney must file a written appearance and objection at this Court before: **10:00 a.m. on the return day of 02/07/2024.**

This is NOT a hearing date, but a deadline by which you must file a written appearance and objection if you object to this proceeding. If you fail to file a timely written appearance and objection followed by an affidavit of objections within thirty (30) days of the return day, action may be taken without further notice to you.

UNSUPERVISED ADMINISTRATION UNDER THE MASSACHUSETTS UNIFORM PROBATE CODE (MUPC)

A Personal Representative appointed under the MUPC in an unsupervised administration is not required to file an inventory or annual accounts with the Court. Persons interested in the estate are entitled to notice regarding the administration directly from the Personal Representative and may petition the Court in any matter relating to the estate, including the distribution of assets and expenses of administration.  
WITNESS, Hon. Diane S. Velez Harris, First Justice of this Court.  
Date: January 02, 2024

Michael J. Carey  
Register of Probate  
January 6  
4431700

### LEGAL NOTICE DEADLINES

Monday's paper	Friday at 9am	Thursday's paper	Tuesday at Noon
Tuesday's paper	Friday at 3pm	Friday's paper	Wednesday at Noon
Wednesday's paper	Monday at Noon	Saturday's paper	Thursday at Noon

### Sudoku

Complete the grid so that every row, column and 3x3 box contains every digit from 1 to 9 inclusively.

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

1/6 DIFFICULTY RATING: ★★★★★

Visit [gazettenet.com/milestones](http://gazettenet.com/milestones) then:

- 1 Choose A Milestone
- 2 Select a Design
- 3 Add a Message
- 4 Upload Photos
- 5 Choose Date
- 6 Purchase

**EASY!**

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**REDUCE. REUSE. RECYCLE.**

**LEGAL NOTICE DEADLINES**

Monday's paper	Friday at 9am	Thursday's paper	Tuesday at Noon
Tuesday's paper	Friday at 3pm	Friday's paper	Wednesday at Noon
Wednesday's paper	Monday at Noon	Saturday's paper	Thursday at Noon

# PIONEER VALLEY and beyond! MARKETPLACE

IN PRINT • Daily Hampshire Gazette • Greenfield Recorder • Amherst Bulletin • Athol Daily News • AND ONLINE 24/7

### ANNOUNCEMENTS

Announcements

**BEST BIBLE STUDY ON EARTH.COM**

### EMPLOYMENT

Help Wanted

**FOSTER FARRAR** is looking for part time help in our **Electrical Department**. Some experience needed. Apply at **Foster Farrar, 145 King Street, Northampton**. No phone calls please.

**Lost & Found**  
If you have lost or found an animal, we will run your ad for free.

### Full Time

**LaBelle's Rest home** has the following positions available  
**Part time**  
**Care Coordinator** 3-11 shift  
**Part time/Full time**  
**Kitchen Manager**  
Please call for more information, between 7-3, Monday through Friday  
**LaBelle's Rest Home, 3 High St Shelburne Falls 413-625-6560.**

**8' MEYER** Power angle poly plow. \$500 413-326-0645

**HAIR DRYER, HAND HELD** Clairol 6 temperatures, styling attachment - only \$4 413) 584-0598

**MICHAEL KORS NEW DOWN PARKA** \$150.00 Original Cost: \$695. rcabral00@gmail.com

**Mr. Heater** - Big Buddy propane heater. New in the box. \$100 413-923-4899.

**Recliner** - dark blue, 1 yr old. \$250 OBO 413-237-5532

### MERCHANDISE

**Fast Action Ads**

**Snow plow** - 6 1/2ft. Electric hydrolic. Plow frame & controls. \$300 413-923-4899

**Television, 32" SONY BRAVIA, VG, w/ remote, manual, ROKU and swivel base, \$100, 413-529-0346**

**Toro snowblower** - 8hp. 24". Electric start. Very good condition. \$200 413-535-2958

**VINTAGE 1950'S 7UP ADVERTISING ICE CHEST.** Embossed Aluminum \$35 (413) 535-9577

**Women's low boots:** Chaco Ramblers, hardly worn, terracotta, size 6.5. \$5. Call 413-218-4873

(2) 175-70-13 like new Bf Goodrich snow tires \$75 or best offer (413)648-9889

(4) 245-45-18 studded snow tires \$175 or best offer (413)648-9889

**1 PAIR HUMMEL Book ends.** Apple tree boy & girl. \$75 or best offer. 978-830-4569

### MERCHANDISE

**Fast Action Ads**

**2 ANTIQUE PLANET JR. HANDLE SETS** For seeder & cultivator. \$20/ea or 2/\$35. Red\_elft@yahoo.com

**26 VOL. COMPLETE SET of Old Western** hardcover books. Excellent condition w/master index, hundreds of photos. \$75/B.O. 978-830-4569

**2 DARK PINE** drop leaf end tables. Very good condition. \$75 each or both for \$125. 978-830-4569

**2 FLOOR LAMPS** with leaded glass shades. Very good condition. \$125 each or both for \$200. 978-830-4569

**330 GRANBY OIL TANK,** gauge, legs & vent. Heat, waste, Diesel, gas, etc. \$295 (413) 325-4674

**4 SUMITOMO Studded snow tires.** 205-55R16, good tread. \$200. 413-367-3527

**CIRCULATION BOOSTER** Revitive circulation booster \$50 (413) 774-2529 johnwalker30@comcast.net

### MERCHANDISE

**Fast Action Ads**

**CRAFTSMAN SNOWBLOWER** 26" 9 hp serviced with books \$450 obo (413)648-9889

**HANDBAG:** Black saffiano leather clutch, front flap, 7.5"Hx10"Lx3.5"D. Never used; \$10. (413) 775-3158

**KING BED METAL HEADBOARD** Black powder coated steel headboard. \$125 (413) 522-1388

**LADIES SWATCH WATCH** - Blk & off white enamel (chess board pattern). Very good condition. \$45. 978-830-4569

**LONGBERGER** 2009 gingerbread house basket, 12"Hx9"Lx7"W, dark brown. As new; \$20. 413-775-3158

**PLASTIC** Toolbox for back of full size pickup. Good condition. \$50obo (413)648-9889

**PORTABLE OXYGEN** Inogen One - 1600 new \$400 (413) 774-2529 johnwalker30@comcast.net

### MERCHANDISE

**Fast Action Ads**

**SET OF 4 STUDDED SNOW TIRES 205/70/R15** Good condition. \$200. 413-369-4686, 413-369-4127

**SNOW BLOWER** 8hp/24" elect \$215 (413) 648-5296 dancer\_rich@yahoo.com

**SPODE 'Christmas Tree'** covered butter dish, England. Stain on inside cover rim. \$6. 413-775-3158

**SPODE 'Christmas Tree'** traditional salt & pepper set, 2 7/8" tall, China. Brand new; \$6. (413) 775-3158

**TONNEAU COVER** 6' 4L x 60"W, fits Toyota Tacoma 1988 - 2004. \$250. 413-369-4686, 413-369-4127

**TOYOTA TACOMA TRUCK BODY** 6' 4" x 60", off of a 2004 extra cab. Good shape. \$1500. 413-369-4686, 413-369-4127

### Lawn & Garden

**BARK MULCH And wood chips.** Rough Cut Lumber, North Dana Road. New Salem (978)575-0475.

**Statement regarding the Town/Abutter letter regarding using “current cannabis delivery”:**

I can attest that we have surrendered the Delivery license and are not currently operating.

  
Ezra Parzybok 1/29/24

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

Clovercraft LLC d/b/a The Ounce Club is located in the HB (highway business) -zoned district of the City of Easthampton and attests that it will, through its operation of a Cannabis Retail Dispensary establishment in the City of Easthampton, MA, continue to follow and remain compliant with all local zoning requirements, including but not limited to the following sections of the Easthampton Zoning Bylaw:

### **USE REGULATIONS**

5.0 Applicability of Use Regulations 5.1 Permitted Uses  
5.2 Uses Subject to Other Regulations 5.3 Table of Use Regulations

#### **10.92 Application Requirements For Special Permit**

Standard application requirements for Special Permits and Site Plan Approvals

#### **10.93 Standards and Conditions**

##### **10.10.4 Place**

##### **10.10.5 Time and Manner**

##### **10.10.7 Other (securing a Host Agreement)**

The **duration of the permits are unlimited** until a change of use and new building permit is secured at the location. No other provisions are stipulated locally.

**EASTHAMPTON HOST COMMUNITY AGREEMENT FOR MDO AND RO**

**Section A. Parties and Definitions**

**1. Parties**

<b>Easthampton</b>	Means	The City of Easthampton, Massachusetts a municipal corporation existing within the Commonwealth of Massachusetts with a usual place of business at: 50 Payson, Avenue Easthampton, MA 01027
<b>Company</b>	Means	Clovercraft LLC, a Massachusetts limited liability company having licensure as a MDO and seeking licensure as an RO with a place of business at: 17 East Street Easthampton, MA 01027

## 2. Definitions

<b>Agreement</b>	Means this Community Host Agreement entered into by the Parties pursuant to M.G.L. c. 94G, § 3(d) as amended to date and all other <b>Legal Requirements</b> .
<b>CCC</b>	Means the Massachusetts Cannabis Control Commission.
<b>Commencement Date</b>	Means the date the <b>Parties'</b> rights and obligations under this <b>Agreement</b> become operative, which shall be the date all <b>Parties</b> have executed this <b>Agreement</b> and the Agreement has been approved by the CCC.
<b>Extension Period(s)</b>	Means any extension of the <b>Term</b> of this <b>Agreement</b> to be negotiated by and between the <b>Parties</b> at a future date. The inclusion of this definition does not mean or intend to imply that any <b>Extension Period(s)</b> are in existence or will be agreed to by the <b>Parties</b> .
<b>Gross Sales</b>	<p>Means the gross of all sales transactions including but not limited to sales from the production, sales, operations, or services by the <b>Company</b> from the <b>MDO</b> and <b>RO</b> and shall include but shall not be limited to the sale of adult-use marijuana, marijuana infused products, and any other products containing marijuana sold by the <b>MDO</b> and <b>RO</b>. As used in this <b>Agreement</b> <b>Gross Sales</b> shall be interpreted to include to the maximum extent all categories of sales or revenue permitted under M.G.L. c.94G, § 3(d) or other <b>Legal Requirements</b>.</p> <p><b>Gross Sales</b> shall not include documented intercompany transfers of marijuana or products containing marijuana between <b>Marijuana Establishments</b> with common ownership or control each of which is located in <b>Easthampton</b> (including the <b>Company's</b> <b>MDO</b> and or <b>RO</b>), but shall include documented intercompany transfers of marijuana grown or products containing marijuana manufactured by a <b>Marijuana Establishment</b> located in <b>Easthampton</b> and a <b>Marijuana Establishment</b> located outside <b>Easthampton</b> whether or not such <b>Marijuana Establishments</b> are in common ownership.</p>
<b>CIF</b>	Means the <b>Community Impact Fee</b> as detailed in Section C.2. of this <b>Agreement</b> .
<b>Legal Requirements</b>	Means all federal, state and local laws, statutes, ordinances, regulations, covenants or other legal requirements of any nature or kind as amended to date whether imposed by law or otherwise applicable to the cultivation, manufacture, delivery or sale of marijuana or products containing marijuana including but not limited to Chapter 334 of the Acts of 2016, The Regulation and Taxation of Marijuana Act, as amended by Chapter 55 of the Acts of 2017, An Act to Ensure Safe Access to Marijuana (collectively referred to as the "Act") all as amended to date, and applicable regulations issued by the Commonwealth of Massachusetts or the CCC all as amended to date and such approvals as may be issued by <b>Easthampton</b> in accordance with its Zoning Ordinance, Ordinances and other applicable regulations.

**Local Tax** Means the marijuana local tax option as detailed in the Legal Requirements. All retail sales of marijuana by the **Company** operating in **Easthampton** are subject to the marijuana local tax option. The marijuana local tax option is imposed in the same manner as the Commonwealth's marijuana excise tax. For the purpose of determining the application of the marijuana local tax option, the **Company** must source all retail sales of marijuana occurring in **Easthampton** to **Easthampton**. Marijuana is not subject to the **Local Tax** when re-sold to another **Marijuana Establishment** or when sold as medical marijuana pursuant to the **Legal Requirements**.

**Marijuana Establishment** Means the holder of any license issued by the **CCC**.

**MCL** Means the holder of a Marijuana Cultivator License issued by the **CCC** including where applicable a "Craft Marijuana Cooperative" licensee allowing for the cultivation, processing, packaging of marijuana and the transfer and delivery of marijuana products to other **CCC** licensed **Marijuana Establishments**, but not to consumers.

**MPM** Means the holder of a Marijuana Product Manufacturer license issued by the **CCC** allowing the licensee to obtain, manufacture, process and package marijuana and marijuana products, to deliver marijuana and marijuana products to **Marijuana Establishments** and to transfer marijuana and marijuana products to other **Marijuana Establishments**, but not to consumers unless otherwise allowed by the **Legal Requirements**.

**MRF** Means the holder of a Marijuana Research Facility license issued by the **CCC** allowing the licensee to cultivate, purchase or otherwise acquire marijuana for the purpose of conducting research regarding marijuana and marijuana products. A Marijuana Research Facility may not sell marijuana it has cultivated.

**MTC** A Registered Marijuana Dispensary (also known as a "medical marijuana treatment center"), is an entity holding a licensee from the **CCC** allowing it cultivate, process and retail its own marijuana and marijuana products for medical use.

**MDO** Means the holder of a Marijuana Wholesale Delivery License or Marijuana Delivery Operator's license issued by the **CCC** pursuant to the **Legal Requirements**, which among other things is authorized to purchase at Wholesale and Warehouse Finished Marijuana Products acquired from a Marijuana Cultivator, Marijuana Product Manufacturer, Microbusiness or Craft Marijuana Cooperative, and sell and deliver Finished Marijuana Products, Marijuana Accessories and Marijuana Branded Goods directly to Consumers, but shall not operate a storefront under this license. An **MDO** shall not be considered to be a Marijuana Retailer or **RO** under the Easthampton Zoning Ordinance, or under 935 CMR 500.002: Definitions or 935 CMR 500.050: Marijuana Establishments and shall be subject to 935 CMR 500.050 (1)(b): Control Limitations all pursuant to

the Legal Requirements and as amended to date.

**Opening Date**

The Company currently holds a license and all necessary permits for the MDO. The **Opening Date** as used here means the sooner of the (a) date the Company opens its RO to consumers or (b) six (6) months from the day the Company (1) receives a "Final License" or such other license and/or approval as may be required for the operation of the RO in Easthampton from the CCC and/or such other state licensing or monitoring authority, as the case may be, and (2) receives any and all necessary and required permits, licenses and/or approvals required by Easthampton, and (3) all appeal periods related the forgoing licenses and permits have expired with no appeal having been taken.

**Property**

17 East Street, Easthampton, MA where the Company intends to operate an MDO and/or RO consisting as generally shown and described on Exhibit A attached hereto and incorporated herein.

**Party/ies**

Means any entity whose name appears in Section A(1) of this Agreement. Parties Means all the Parties collectively named in Section A(1) of this Agreement.

**RO**

Means an entity holding a license from the CCC to purchase and deliver marijuana and marijuana products from Marijuana Establishments and to sell or otherwise transfer marijuana and marijuana products to Marijuana Establishments and to retail adult consumers excluding an MDO.

**Site Plan**

Means the Site Plan attached hereto as part of Exhibit A attached hereto and incorporated herein.

**Site Control**

Means proof acceptable to the Parties, which may be a letter from the Owner of the Property indicating that the Company has a legal interest in the Property where the Marijuana Establishment will be located and is shown on the Site Plan. Site Control may be shown by providing any of the following (which may have the business/monetary terms redacted): (a) a copy of the deed to the Property demonstrating the Company's ownership; (b) a copy of a lease with a duration at least as long as this Agreement; (c) an option to purchase the Property; (d) a copy of a legally enforceable agreement to transfer title to the Property to the Company; or (which may have the business terms redacted) (e) other legally binding permission to use the Property for the term of this Agreement acceptable to Easthampton as demonstrated by Exhibit B attached hereto and incorporated herein.

**Social Equity Company**

Means a company or individual eligible for treatment as a Certified Economic Empowerment Applicant or Social Equity Program Participants under the under the CCC's Social Equity or other Program approved by the CCC.

**Term**

Means the length of this Agreement. This Agreement shall begin on the Commencement Date and shall expire five (5) years from the Opening Date.

**Use**

Means use of the Property as an MDO and/or

**RO.**

**Warehouse** Means an indoor structure or a portion of the structure on the licensee's Premises used by a **ME** for the onsite storage of Marijuana and Marijuana Products in compliance with the **Legal Requirements**. For **Wholesale Delivery Licensees** the location of the Warehouse shall be the Licensee's principal place of business in the host community.

**Warehousing** Means the onsite storage of Marijuana and Marijuana Products that have been purchased at **Wholesale** for eventual resale.

**Wholesale** Means the wholesale transfer of Marijuana or Marijuana Product between **ME's**. **Wholesale Agreement** means a contract between **ME's** defining the terms of Transfer of Marijuana or Marijuana Products between the **ME's**.

**Section B. Recitals**

WHEREAS, the **Parties** previously entered into a Host Community Agreement on March 11, 2021 for the **Company** to operate an **RO** on the **Property**; and

WHEREAS the **Parties** subsequently entered into an AMENDMENT TO HOST COMMUNITY AGREEMENT with an effective date of July 31, 2022; and

WHEREAS the **Company** now wishes to enter into a Host Community Agreement for an **RO** in addition to the **MDO** on the **Property**;

WHEREAS the Parties wish to enter into a Host Community Agreement which will supersede and replace the Host Community Agreement dated March 11, 2021, but do not intend to supersede or waive any rights created by the AMENDMENT TO HOST COMMUNITY AGREEMENT dated July 31, 2022 except as expressly stated herein; and

WHEREAS, the **Company** is lawfully formed under the General Laws of Massachusetts with intent to provide cannabis for customers of **Company** from the **MDO** and/or **RO** at the **Property**; and

WHEREAS, the **Company** desires to operate an **MDO** and/or **RO** at the **Property** in **Easthampton**; and

WHEREAS, the **Company** has represented to **Easthampton** that it is a **Social Equity Company**;

and

WHEREAS, the **Company** has provided **Easthampton** with a **Site Plan** and proof of **Site Control**;

and

WHEREAS, nothing contained herein shall be construed to forego any other **Legal Requirements** which the **Company** must meet to operate an **MDO** and/or **RO** either from the Commonwealth of Massachusetts, **Easthampton** or any other licensing authority; and

WHEREAS, the **Parties** agree the **Company's** business might impact **Easthampton** resources, including, but not limited to, Easthampton's road system, law enforcement, fire protection services, inspectional services, permitting services, and public health services in ways unique to the business of the **Company** and draw upon **Easthampton's** resources in a manner not shared by the general population; and

WHEREAS, the Parties agree that the **Company's** impact on **Easthampton** may be positive as the **Company** expects its operations will increase employment, property evaluations and resulting real estate tax income to **Easthampton** and increase municipal revenues from impact fees.

WHEREAS, the **Company** wishes to minimize and mitigate its non-positive impact on **Easthampton**, while also maximizing and enhancing its positive impact on **Easthampton**; and

WHEREAS, in compliance with the **Legal Requirements** the **Parties** wish to enter into this **Agreement** in order to set forth the terms and conditions for the **Company** to operate an **MDO** and/or **RO** in **Easthampton**; and

NOW, THEREFORE, for good and valuable consideration the receipt and sufficiency of which is acknowledged by the **Parties**, the **Parties** mutually agree as follows:

#### **Section C. Terms and Conditions of this Agreement.**

##### **1. Term**

Effective as of the **Commencement Date** of this Agreement, the Host Community Agreement dated March 11, 2021 for the **Company** to operate an **RO** on the Property is superseded and replaced by this Host Community Agreement but the rights and obligations created by the AMENDMENT TO HOST COMMUNITY AGREEMENT dated July 31, 2022 shall remain except as expressly replaced herein; and

- a. This **Agreement** shall commence on the **Commencement Date** and run for the **Term** and any **Extension Period(s)**. Prior to the conclusion of the **Term**, if allowed by law, the **Parties** may in good faith attempt to agree upon an **Extension Period** or the terms of a new Community Host Agreement. During such negotiations, the terms of this **Agreement** shall continue in full force and effect until the **Parties** reach accord on a subsequent agreement in writing or either **Party** notifies the other that it does not intend to continue negotiating and that the terms of this **Agreement** will therefore expire at the end of the **Term**.
- b. Upon conclusion of the **Term** the **Parties** shall have all rights and obligations pursuant to the **Legal Requirements** and other laws of the Commonwealth of Massachusetts. Provided however, the **Parties** agree that the **Company** may not operate an **MDO** or **RO** in **Easthampton** after the **Term** unless a subsequent Community Host Agreement or other such agreement is entered into by and between the **Company** and **Easthampton** if then required by **Legal Requirements**.
- c. Any renegotiation of this **Agreement** or negotiation of a subsequent agreement shall include a review of positive and negative impacts upon **Easthampton**, its residents, and businesses resulting from operation of the **Company's** operations, including, without

limitation, community health, associated business growth, traffic, crime, use of Easthampton's resources, proximate property value impacts, and other documented impacts.

## 2. CIF And LOCAL TAX

- a. **Easthampton** has agreed not to collect a **CIF** on the **MDO** pursuant to the **AMENDMENT TO HOST COMMUNITY AGREEMENT** dated July 31, 2022. **Easthampton** agrees not to collect an **HCA** during the initial **Term** of this Agreement on the **MDO** or **RO** but reserves the right to renegotiate the **CIF** upon any successive term or renegotiation of this Agreement.
- b. **Local Tax** Pursuant to the **Legal Requirements** the **Company** agrees to pay, a three percent (3%) tax on the **Gross Sales** from its **MDO** and **RO** operations, if any.
- c. Provided the **Company** continues its **MDO** and/or **RO** operations, if any, as detailed in this Agreement, **Easthampton** may at its sole and absolute discretion continue to levy the **Local Tax** after the **Term**, if permitted to do so by the **Legal Requirements** or Massachusetts law.

## 3. Annual Reporting/Recordkeeping:

- a. If requested by **Easthampton**, the **Company** shall within thirty six (30) days following the one (1) year anniversary of the **Opening Date** and on each anniversary thereafter, the **Company** shall provide **Easthampton** with **MDO** and/or **RO Gross Sales** records for the immediately preceding year.
- b. The **Company** shall provide **Easthampton** with the same access to its financial records (to be treated as confidential to the extent allowed by law) as it is required by the Commonwealth to obtain and maintain pursuant to its license for the **MDO** and/or **RO** from the **CCC** or such other state licensing or monitoring authority, as the case may be. To this end, upon request from **Easthampton** the **Company** shall provide **Easthampton** with duplicate copies of any document or report or other filing made to any state or federal regulatory authority as they relate to the **Company's** operation of the **MDO** and/or **RO** or its status as a **Social Equity Company**.
- c. The **Company** shall keep its books, financial records and other compilations of financial and other data in accordance with general accepted accounting standards and principals, **CCC** regulations or the **Legal Requirements**, and shall retain a complete copy of such records including those provided to **Easthampton** for the period of time required by law, but in no event less than seven (7) years from the date the documents was created.

## 4. Re-Opener/Review of Agreement

In the event that the **Company** seeks local or state approval, or both, to allow on-site consumption of cannabis at the **MDO** and/or **RO**, then the **Parties** shall negotiate an amendment to this Agreement to including but not limited to **CIF** ensure the adequate protection of the health, safety, and general and pecuniary well-being of **Easthampton** and the **Company's** patrons.

5. **Real/Personal Property Taxes and other Payments**

During the Term of this Agreement the Company:

- a. Shall pay real estate taxes for all property(ies) the Company owns or for which it is legally or contractually liable to pay real estate taxes in **Easthampton** and shall pay personal property taxes for all personally owned property by the Company which is located in **Easthampton**; and
- b. Shall pay for all purchases of water, sewer and other municipal services from **Easthampton** for which it is legally or contractually liable; and
- c. Shall pay **Easthampton** for any "fees" annual or otherwise associated with the permitting or operation of its **MDO** and/or **RO** or other business operations as required by **Easthampton's Legal Requirements**; and
- d. Shall not seek tax exempt or nonprofit status from any local, state or federal government.

6. **Default and Termination**

- a. **Voluntary Termination for Discontinuance of Operations:** Except as to obligations which survive the termination this Agreement, the Parties' obligations set forth in this Agreement shall cease and this Agreement shall terminate fifteen (15) days after notice is provided by the Company that it has (1) ceased retail sales from its **MDO** and/or **RO** in **Easthampton** and (2) notifies the other Party of same. Providing, however, that the Company may only terminate this Agreement pursuant to this provision if the Company is otherwise in complete compliance with its obligations under this Agreement.
- b. **Events of Default:** The Company shall be in default of this Agreement if any of the following occur:
  - i. The Company fails to make any payment required under this Agreement, and such payment failure is not cured within thirty (30) business days of the date such payment was due; or
  - ii. As to the **RO** only, if the Company fails to conduct sales from its **RO** by the **Opening Date**; or
  - iii. The Company breaches any other provision of this Agreement, and such failure is not cured within thirty (30) days of notification from **Easthampton** of said breach; or
  - iv. The Company shall be declared insolvent or adjudicated as bankrupt, or if the Company shall seek relief by the filing of a petition for an arrangement under Chapter XI, XII or any other Chapter of the Federal Bankruptcy Act, or if a receiver shall be appointed for its business or its assets, and the appointment of such receiver is not vacated within thirty (30) days after such appointment; or
  - v. The Company shall make an assignment for the benefit of creditors.

- c. Upon the occurrence of any of the forgoing defaults, **Easthampton** shall have the right, at its sole option and without prejudice to its rights under this **Agreement**, at law or equity, to terminate this **Agreement**. Further, in addition to any other remedy under this **Agreement**, upon the happening of any default and subject to any applicable grace and cure period, **Easthampton** may, at its option, declare immediately due and payable, all monetary payments then due and owing or which may come due and owing under this **Agreement** and such amount shall constitute a debt provable in bankruptcy and receivership and shall become immediately due and payable upon notice to the **Company** subject to the **Company's** rights under federal bankruptcy and state receivership laws.
- d. In the event of default by the **Company** the **Company** shall pay **Easthampton's** reasonable fees and costs, including reasonable attorneys' fees paid or incurred by **Easthampton** for enforcing the terms, provisions, covenants, conditions in this **Agreement**. If **Easthampton** files suit for an alleged default, and the **Company** substantially prevails in defending such litigation as determined by a court of competent jurisdiction, **Easthampton** shall pay the reasonable fees and costs including reasonable attorney fees incurred by the **Company** in defending such action.
- e. **Additional Default Provisions**
  - i. **Easthampton** may terminate this **Agreement** if **Easthampton** reasonably determines that:
    1. There is a substantial change in the **Use** or **Site Plan** of the **Property** without prior approval from **Easthampton**.
    2. The **Company** is failing or has failed to diligently pursue all necessary permits for the **RO** following the **Commencement Date** and the **Company** has not cured same within sixty (60) days of notice from **Easthampton**; or
    3. The **Company** loses **Site Control** and the **Company** has not cured same within sixty (60) days of notice from **Easthampton**; or
    4. The **Company** ceases to conduct sales from its **MDO** or **RO** in the **Easthampton** and has not notified **Easthampton** of its voluntary termination for discontinuance of operations as set forth above.
  - ii. Absent cure by the **Company**, payment of any fee, levy tax or the like of any nature or kind, including any liquidated damages then due and owing like shall be paid to **Easthampton** by certified funds or attorney's IOLTA account check within thirty (30) days of the last day to cure such default.

## 7. Community Support

- a. The **Company** shall use its reasonable best efforts to hire citizens of **Easthampton**, and in doing so shall, to the extent allowed by state and federal law, give preference in hiring to **Easthampton** residents and shall use its reasonable best efforts to utilize local vendors,

suppliers, contractors and builders.

- b. Equity Hiring. The **Company** shall use its reasonable best efforts in light of other provisos of this **Agreement** and to the extent permissible by law, in a legal and non-discriminatory manner to hire staff that meet any of the following criteria: Individuals with a drug-related CORI, but that are otherwise legally employable in a cannabis-related enterprise; Individuals from Black, African American, Hispanic or Latino descent; Individuals that are residents of Areas Of Disproportionate Impact, as defined by the Cannabis Control Commission; Individuals that are Cannabis Control Commission-designated Social Equity Program participants; and/or Individuals that are United States military veterans.
- c. The **Company** to the extent allowed by state and federal law shall endeavor to use its reasonable best efforts to have at least Fifty Percent (50%) of its employees, vendors suppliers and contractors are either **Easthampton** residents or based in **Easthampton**.
- d. The **Company** shall provide **Easthampton** on or before the first day of February of each calendar year a report detailing the **Company's** attempt to comply with this section along with statistical data on residence or place of business of its employees, vendors and contractors.

#### 8. Support by Easthampton

- a. Assuming the **Company** is in compliance with its obligations under this **Agreement**, **Easthampton** agrees to submit to the CCC, or such other state licensing or monitoring authority, as the case may be, certification of compliance with applicable local bylaws relating to the **Company's** application(s) filed with **Easthampton**, but makes no representation or promise that it will act on any other license or permit request, including, but not limited to, any Special Permit or other zoning application submitted by the **Company**, in any particular way other than by the **Easthampton's** normal and regular course of conduct, subject to the statutes, rules, regulations and guidelines governing them. **Easthampton** agrees to use reasonable efforts to work with the **Company**, if approved, to help assist the **Company** with its community support and employee outreach programs.
- b. This **Agreement** does not affect, limit, or control the authority of **Easthampton's** boards, commissions, and departments to carry out their respective powers and duties to decide upon and to issue, or deny, applicable permits and other approvals subject to the statutes and regulations of the Commonwealth, the General and Zoning Bylaws of the City, or applicable regulations of those boards, commissions, and departments, or to enforce said statutes, bylaws, and regulations. **Easthampton** by entering into this **Agreement** is not thereby required or obligated to issue such permits and approvals as may be necessary for the **Company** to operate its MDO and/or RO in **Easthampton**, or to refrain from enforcement action against the **Company** or its business and/or for violation of the terms of said permits and approvals or said statutes, bylaws, and regulations.

#### 9. Indemnification of Easthampton by the Company

- a. Beginning on the **Commencement Date**, the **Company** shall defend, indemnify, and hold harmless ("**Indemnify**") **Easthampton**, its elected officials, officers, employees, special employees, board members, volunteers, agents, and the like (collectively "**Indemnified Parties**") against all claims, actions, demands, fines, penalties, costs, expenses, damages, losses, obligations, judgments, liabilities and suits involving the

Indemnified Parties, of any kind or nature including reasonable attorneys' fees, reasonable experts' fees, and associated court costs ("**Liabilities**") that arise from or relate in any way to the enforcement by the Federal government of the United States Controlled Substances Act or any other federal law governing medical marijuana and/or recreational marijuana. Provided however, that if a state or federal investigation of **Easthampton** or the **Company** is based on the issue of whether this **Agreement** complies with M.G.L. c. 94G, § 3(d), this indemnification provision does not obligate or apply to the **Company** with regard such investigation or subsequent enforcement action.

- b. The foregoing express obligation of Indemnification running to **Easthampton** shall not be construed to negate or abridge any other obligation of indemnification, contribution or the like running from the **Company** to **Easthampton** if any action or proceeding is brought against **Easthampton** arising out of any occurrence described in this section.
- c. Upon notice from **Easthampton** that **Indemnification** under section 9(a) above is required under this **Agreement**, the **Company** shall deposit the sum of Fifty Thousand and 00/100 Dollars (\$50,000.00) with the Mayor for **Easthampton** who shall thereafter use such funds to defend, settle or **Indemnify** the **Indemnified Parties** using legal counsel selected by and controlled solely by **Easthampton**. Such legal fees, costs and expenses shall be charged at regular and customary municipal rates. Upon notice from **Easthampton** that additional funds are necessary under this provision, the **Company** shall replenish said Fifty Thousand and 00/100 Dollars (\$50,000.00). Upon resolution of the **Liabilities**, **Easthampton** shall return any unused amounts of the forgoing payment to the **Company** along with an accounting of any money spent under this provision. The provision of the accounting by **Easthampton** shall not create any right of action of any kind or nature against **Easthampton** by the **Company** and is provided for information and accounting purposes only.
- d. Providing that the **Company** has satisfied its obligations under this **Agreement** no such action or proceeding shall be settled without the approval of both **Easthampton** and the **Company**.
- e. Notwithstanding anything to the contrary in this section, the **Company's** obligations to **Indemnify Easthampton** under this provision section shall have no set cap or limit.

#### **10. Diversion Mitigation**

In cooperation with and to the extent requested by **Easthampton's** Police Department, and consistent with the **Legal Requirements**, the **Company** shall work with **Easthampton's** Police Department to implement a compliant diversion prevention plan, a form of which plan to be in place prior to the **Sales Commencement Date**. Such plan will include, but, is not limited to:

- a. training employees to be aware of, observe, and report any unusual behavior in patients, caregivers, authorized visitors or other employees that may indicate the potential for diversion; and
- b. strictly adhering to sales amounts and time periods per the **Legal Requirements** or guidelines; and

- c. rigorous customer identification and verification procedures; and
- d. utilizing so called seed-to-sale tracking software to closely track all inventory in the **Company** operations.

## 11. Security

To the extent requested by the **Easthampton** Police Department, and consistent with the **Legal Requirements**, the **Company** shall cooperate and work with the **Easthampton** Police Department.

- a. The **Company** shall maintain security at the least in accordance with the security plan presented to **Easthampton** and approved by the local and state licensing and regulation authorities as the case may be.
- b. The **Company** shall at all times comply with all applicable laws and regulations regarding the operations of the **MDO** and/or **RO** and the security thereof. Such compliance shall include, but will not be limited to: providing hours of operation; after-hours contact information and access to surveillance operations; and requiring dispensary agents to produce their Agent Registration Card to law enforcement upon request.
- c. To the extent requested by the **Easthampton** Police Department, and subject to the security and architectural review requirements of the applicable licensing or monitoring authority, as the case may be, the **Company** shall work with **Easthampton's** Police Department in determining the placement of exterior security cameras and to ensure the placement of interior and exterior security cameras to provide an unobstructed view in each direction of the public way(s) on which the **MDO** and/or **RO** is located. Such camera(s) may be altered by the **CCC** during its security and architectural review process.
- d. The **Company** shall maintain a cooperative relationship with the **Easthampton** Police Department, including, but not limited to, periodic meetings to review operational concerns, security, delivery schedule and procedures, cooperation in investigations, and communication to the **Easthampton** Police Department of any suspicious activities on or in the immediate vicinity of the **MDO** and/or **RO** and with regard to any anti-diversion procedures.
- e. The **Company** shall promptly report the discovery of the following occurrences within **Easthampton** to the **Easthampton's** Police Department within twenty-four (24) hours of the **Company** becoming aware of such event: diversion of marijuana; unusual discrepancies identified during inventory; theft; loss and any criminal action; unusual discrepancy in weight or inventory during transportation; any vehicle accidents, diversions, losses, or other reportable incidents that occur during transport; any 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 related to marijuana, or dispensary agents; an alarm activation or other event that requires response by public safety personnel; failure of any security alarm system due to a loss of electrical power or mechanical malfunction that is expected to last longer than eight hours; and any other breach of security.

## 12. Miscellaneous Provisions

- a. Entire Agreement: This **Agreement** constitutes the entire agreement and understanding of the **Parties**, is an integrated document and supersedes any and all prior agreements and understandings of the **Parties**, whether oral written or otherwise.
- b. Should **Easthampton** require information or “cooperation” from the **Company** including but not limited to information regarding sales, the **Company** shall be required to provide no more documentation for its record keeping obligation for sales to **Easthampton** than it is required to provide the **CCC** and/or the Massachusetts Department of Revenue and no more cooperation than is required by the **Legal Requirements**.
- c. In no event shall **Easthampton** be responsible for the return of, nor shall the **Company** receive a credit of any nature or kind for any payment, fee, levy, tax, assessments or the like of any kind or nature paid or to be paid by the **Company** to **Easthampton** under this or any prior agreement (collectively “Payments”) except as otherwise expressly provided for in this **Agreement**. Providing further that if this or any prior agreement is deemed by a court of competent jurisdiction to violate Massachusetts Law and **Easthampton** is ordered to return such payments made under this or any prior agreement, **Easthampton’s** obligation to return such payments shall not exceed the amount ordered by said court and such judgment or order shall not include interest of any nature or kind including without limitation statutory, contractual, pre or post judgment interest of any nature or kind and shall be repaid by **Easthampton** in equal payments over a period of sixty (60) months.
- d. **Statute of Repose**: If a legal proceeding of any nature or kind is brought by the **Company** which relates in any way to the any payment made or due under this **Agreement**, such legal action shall be brought within thirty (30) days of the date such Payment comes due and owing or such legal or other action shall be and is forever barred and waived.
- e. The recitals and definitions at the beginning of this **Agreement** are deemed incorporated herein, and the **Parties** hereto represent they are true, accurate and correct.
- f. The **Parties** expressly waive any defense to enforcement of this **Agreement** based upon noncompliance with federal law regarding the legal status of cannabis.
- g. No On-Site Consumption: The on-site consumption of marijuana products at the **MDO** and/or **RO** or **Property** is prohibited.
- h. Due Diligence: Where any **Party** to this **Agreement** is required to act such **Party** shall act in good faith and with due diligence.
- i. Payments: Time is of the essence for the payments and/or actions required under this **Agreement**. The **Parties** acknowledge that the failure to make the payments and/or take the actions as outlined in this **Agreement** is a material breach of this **Agreement**.
- j. Assignment of Rights: This **Agreement** is binding upon the **Parties**, their successors, assigns and legal representatives. The **Company** shall not assign, sublet, or otherwise transfer its rights nor delegate its obligations under this **Agreement**, in whole or in part, without the prior written consent of **Easthampton** which may not be unreasonably withheld by **Easthampton**. The **Company** shall not assign, obligate or pledge any of the monies payable under this **Agreement**, except by and with the written consent of **Easthampton**.

- k. Change of Ownership & Control Of Company: Prior to a change of ownership in the **Company**, where an individual or entity acquires an amount of equity in the **Company** that changes its control, or the transfer or sale of the **Company's** License(s) the **Company** shall notify **Easthampton** of same. Prior to a change in control of the **Company**, where an individual or entity shall be in a position to control the decision making of the **Company**, the **Company** shall notify **Easthampton** at least sixty (60) days in advance.
- A used herein a position to control the decision-making of the **Company** means any of the following: actual control of more than 50% of the voting equity in the **Company**; and/or power to appoint directors; and/or contractual rights to control the **Company**; and/or the right to veto significant events. In the event of an assignment of ownership and/or control as described above, the **Company** shall ensure the controlling new or controlling entity executes such documents as are reasonably necessary to guarantee the **Company's** continued performance under this **Agreement**.
- l. Relocation Nothing contained in this **Agreement** shall be construed so as (a) to prevent the **Company** from opening an additional **ME** elsewhere or in **Easthampton** providing, however, that each such establishment shall require its own **Community Host Agreement**, or (b) relocating its **MDO** and/or **RO** within **Easthampton** provided the **Company** receives prior consent of **Easthampton** which shall not be unreasonably withheld and all required licenses and permits to do so. Upon relocation, if any the **Parties'** rights and obligations under this **Agreement** as to **MDO** and/or **RO** contemplated in this **Agreement** will continue, if any such relocation of the **Company's** **MDO** may, at **Easthampton's** with reasonable cause, require the re-negotiation or amendment of this **Agreement**.
- m. Waiver or Modification: No modification, amendment or waiver of any of the provisions contained in this **Agreement**, or any representation, promise or condition in connection with the subject matter of this **Agreement** shall be binding upon any **Party** unless made in writing and signed by such **Party** to be bound or by a duly authorized officer or agent of such **Party**.
- n. Further Assurances: The **Parties** agree to execute all reasonable documents and perform all reasonable acts necessary or appropriate to effectuate the performance of the terms of this **Agreement**.
- o. Tax Consequences: This **Agreement** contains no representations as to potential tax liabilities associated with this **Agreement** and the **Parties** agree that unless expressly included in this **Agreement** or otherwise made in writing their attorneys have made no representation with regard to tax consequences or liabilities associated with this **Agreement**.
- p. The **Parties** acknowledge that no promise or inducement which is not contained in this **Agreement** has been made to him/her or it, and in executing this **Agreement** he/she or it has not relied upon any statement or representation not contained in this **Agreement**.
- q. Reliance on Representations: Each of the **Parties** agrees that they have relied on the representation and warranty of each and every other **Party** made in writing in this **Agreement** and that but for such representations or warranties such **Party** would not have

executed this **Agreement**.

Unknown or Different Facts or Law: The **Parties** acknowledge that they or their attorneys may hereafter discover facts different from or in addition to those which they or their attorneys now know or believe to be true with respect to the subject matter of this **Agreement**. The **Parties** agree that the **Agreement** shall be and remain in effect notwithstanding any such different or additional facts.

- r. No Rights in Non-Parties: No individual or entity not a **Party** to this **Agreement** shall have any rights whatsoever with regard to this **Agreement**. Further stating that nothing contained in this **Agreement** shall create a contractual relationship with or a cause of action in favor of a third party against either **Easthampton** or the **Company**.
- s. No Joint Venture, Partnership or Agency: Nothing contained in this **Agreement** shall be deemed or construed as creating a joint venture or partnership between any of the **Parties** hereto. No **Party** is by virtue of this **Agreement** authorized as an agent, employee or legal representative of any other **Party**. No **Party** shall have any power or authority to bind or commit any other. No **Party** shall hold itself out as having any authority or relationship in contravention of this section.
- t. Plain Meaning: Unless specifically defined in this **Agreement**, all words used in this **Agreement** shall be given their plain and ordinary meaning.
- u. Legal Construction: Each **Party** has read all portions of this **Agreement** and has had it explained by his/her or its attorney if the **Party** is represented by an attorney. The **Parties** agree that the terms of this **Agreement** shall not be interpreted in favor of or against any **Party** as the draftsman, but shall be interpreted solely for the purposes of fairly effectuating the express intent of the **Parties** as detailed in this **Agreement**.
- v. Headings: In interpreting this **Agreement** headings shall have no meaning and shall be treated as being provided for informational purposes only.
- w. Severability: Except for the release provisions, if any term, provision, covenant or condition of this **Agreement** shall be held by a court of competent jurisdiction to be invalid, void or unenforceable, in whole or in part, such decision shall not affect the validity of any remaining portion of this **Agreement** and the remaining portion of this **Agreement** shall stand in full force and effect, and shall in no way be effected, impaired or invalidated.
- x. Forum Selection and Jurisdiction: This **Agreement** shall be governed solely by the laws of the Commonwealth of Massachusetts without giving effect to conflicts of laws principles. The **Parties** irrevocably and unconditionally consent to the exclusive jurisdiction of the Commonwealth of Massachusetts Superior Court and the venue of Hampshire County, Massachusetts to resolve all disputes, claims or controversies arising out of or relating to this **Agreement** or any agreement, document or instrument executed and delivered in connection to or with this **Agreement** or the negotiation, breach, validity, termination or performance of this **Agreement** and the transactions contemplated hereby. The **Parties** further irrevocably waive any objection to proceeding based upon lack of personal jurisdiction or to the laying of venue and further irrevocably and unconditionally waive and agree not to make a claim in any court that the action has been brought in an inconvenient forum.

- aa. Authority to Execute Agreement: Each **Party** executing this **Agreement** warrants and represents to the other **Parties** that he/she or it is an the duly authorized representative of the **Party** holding valid and legal authority to execute this **Agreement** and to bind themselves and the entities they represent to the terms of this **Agreement**.
- bb. Execution in Multiple Parts/Signatures: To facilitate execution, this **Agreement** may be executed in two (2) or more counterparts each of which shall be deemed an original but all of which shall constitute one and the same document. A scanned, duplicate or facsimile copy of a signature on this **Agreement** shall have the same force and effect as if such signature were an original signature.
- cc. Participation of Counsel: The **Parties** have participated through legal counsel in negotiations leading to this **Agreement**.
- dd. Survival Clause: If any term or condition of this **Agreement** or any application thereof shall to any extent be held invalid, illegal or unenforceable by a court of competent jurisdiction, the validity, legality, and enforceability of the remaining terms and conditions of this **Agreement** shall not be deemed affected thereby unless one or both **Parties** would be substantially or materially prejudiced.
- gg. Upon request and notice from either **Party**, the **Parties** may meet on an annual basis to discuss this **Agreement**, to the **Companies** operations in Easthampton, the effects of such operations on **Easthampton** and any other topic the **Parties** so choose to discuss.
- hh. Notices: Any and all notices, consents, demands, requests, approvals, or other communications required or permitted under this **Agreement**, shall be in writing and delivered by hand or mailed postage prepaid, return receipt requested, by registered or certified mail or by other reputable delivery service, to the **Parties** at the addresses set forth below. Any such notice or correspondence shall be deemed given when so delivered by hand, if so mailed, when deposited with the U.S. Postal Service or, if sent by private overnight or other delivery service, when deposited with such delivery service.
- ii. **Approval By the CCC.** Should this **Agreement** fail to be approved by the CCC the parties shall endeavor in good faith to renegotiate any terms which prevented approval by the CCC.

All notices required hereunder shall be provided in writing at the following addresses:

Clovercraft LLC,

17 East Street  
Easthampton, MA 01027

With a copy to:

Michael Schneider, Esq.  
Doherty, Wallace, Pillsbury & Murphy, P.C.  
One Monarch Place. 1414 Main St # 1900,  
Springfield, MA 01144

**Easthampton:**

City of Easthampton, Massachusetts  
Attn: Mayor  
Easthampton Municipal Building 50 Payson Avenue  
Easthampton, MA. 01027

with a copy to

Bacon Wilson P.C.  
Attn: Mark A. Tanner, Esq.  
57 Center Street  
Northampton, MA 01060

The **Parties** shall promptly notify each other of any change of their respective addresses set forth above, after which notification such new address shall become the notice address hereunder.

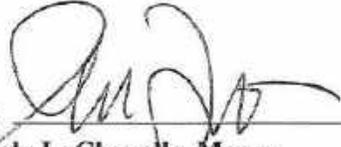
**SIGNATURE PAGES TO FOLLOW**

IN WITNESS WHEREOF, we have hereunto set our hands and seals on the dates indicated below our signatures.

THE COMPANY

CITY OF EASTHAMPTON

By:   
\_\_\_\_\_  
Ezra Parzybok, Manager

By:   
\_\_\_\_\_  
Nicole LaChapelle, Mayor

Dated: 1/10/24

Dated: 1/10/24

**EXHIBIT A**  
SITE PLAN AND DESCRIPTION OF MARIJUANA ESTABLISHMENT



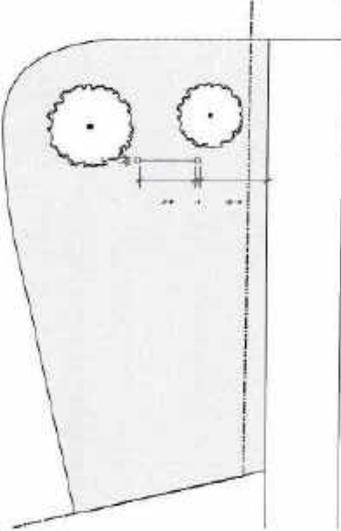
4 EXISTING BUILDING FRONTAGE  
Scale: 1/8" = 1'-0"



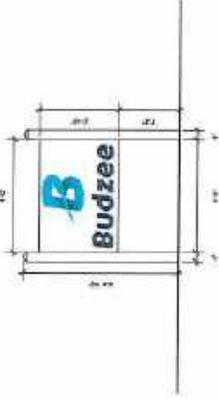
5 EXISTING PARKING AREA  
Scale: 1/8" = 1'-0"



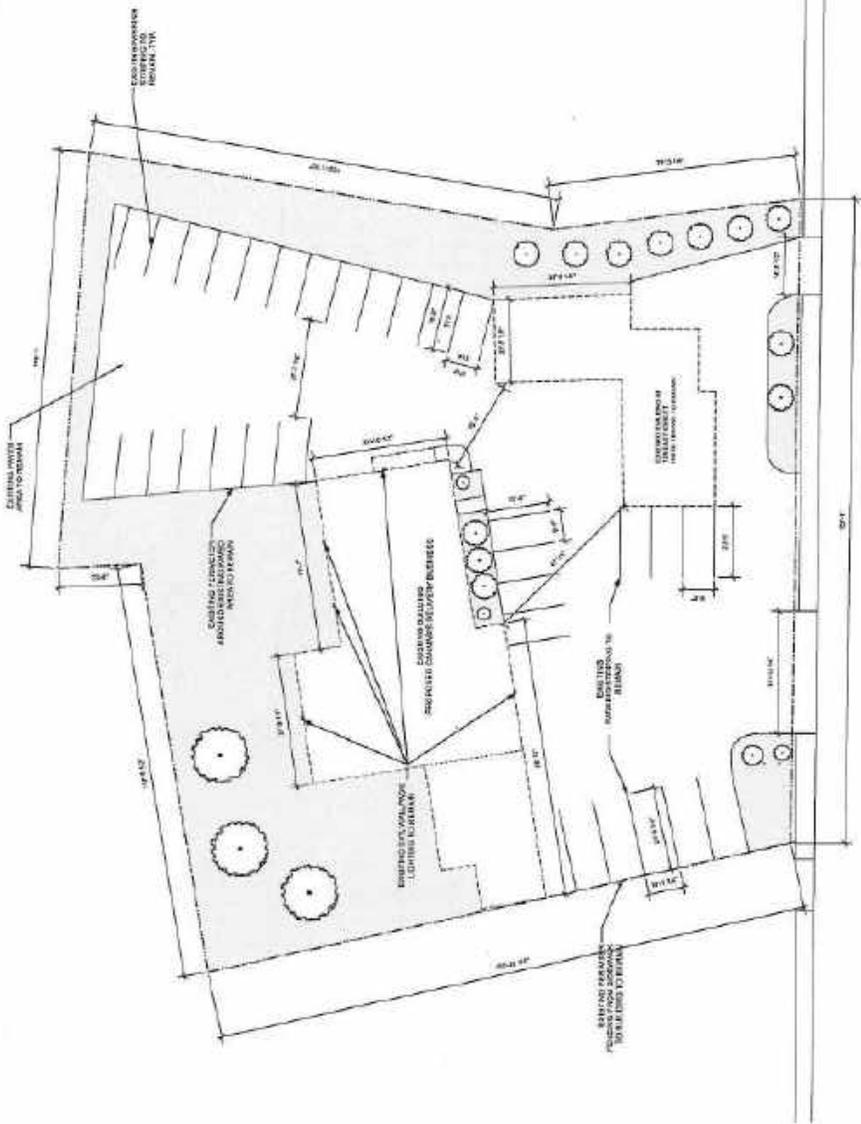
6 EXISTING SIGN POSTS  
Scale: 1/8" = 1'-0"



5 ENLARGED SITE PLAN AT SIGN POSTS  
Scale: 1/8" = 1'-0"



7 ENLARGED ELEVATION OF SIGN POSTS  
Scale: 1/8" = 1'-0"



1 SITE PLAN  
Scale: 1/8" = 1'-0"

**FLOOR PLAN NOTES**  
1. ALL DIMENSIONS SHOWN UNLESS OTHERWISE NOTED.

**LEGEND**  
SYMBOLS FOR SIGN POSTS AND DIMENSIONS

ALL DIMENSIONS IN FEET AND INCHES  
1/8" = 1'-0"  
DATE: 06/22/2021  
PROJECT: BUDZEE SIGNAGE  
DRAWN BY: [Name]  
CHECKED BY: [Name]  
APPROVED BY: [Name]



Project Title: BUDZEE SIGNAGE  
Project Location: [Address]

EXHIBIT A

PROJECT:	BUDZEE SIGNAGE
DATE:	06/22/2021
DRAWN BY:	[Name]
CHECKED BY:	[Name]
APPROVED BY:	[Name]

ARCHITECTURAL SITE PLAN

A-100

6/22/2021

## EXHIBIT A

### Description of Establishment: Clovercraft LLC retail marijuana establishment:

The facility at 17 East St. Easthampton will serve as a retail cannabis retail store. The entire building is approximately 4100sf, containing vault and offices. The proposed retail floor area accessible to the public is approximately 1200sf.

Parking will be on site in the 12 front spaces, two of which are handicapped, with additional parking on the side of approximately 15 spots.

COMMERCIAL LEASE

LEASE made this 15th day of December, 2020 by and between Norwich Properties, LLC, Hampshire County, Massachusetts, hereinafter referred to as the "LESSOR", and Clovercraft LLC, of Easthampton, MA, Hampshire County, Massachusetts hereinafter referred to as the "LESSEE".

1. PREMISES: The LESSOR hereby leases to the LESSEE and the LESSEE leases from the LESSOR the premises located at 17 East St, Easthampton, Massachusetts, to wit: approximately 6,000 square feet of commercial space.

2. TERM: The term of this LEASE shall be for 3 years (36) months commencing on January 1st, 2020, and ending on December 31st, 2023.

2A. OPTIONS: Provided LESSEE is in good standing in all material requirements under this lease, including payment of all base or additional rent, and notifies LESSOR in writing at least 180 days in advance, Lessee may extend this lease for one additional 5 year term(s), under the same conditions as stated herein, except rent shall be amended as provided in attachment A to this lease.

3. RENT: LESSEE agrees to pay LESSOR, without diminution, deduction or set-off, rent for the Premises in the sum of See attachment A, payable in advance in equal monthly installments of as provided in Attachment A which are payable on the first day of every calendar month. If the commencement date of the rent is on a day other than the first day of the month, then the first month's rent shall be prorated for the proportionate fraction of the whole month.

LESSEE shall also be responsible for all such other payments as delineated under this LEASE, as rent, on the first of each month, unless the LEASE section identifying that obligation states a different payment schedule.

If the rent specified above is to change or if the term of this LEASE is extended or renewed, then the change in rent shall be attached to this LEASE as an appendix and signed by LESSOR and LESSEE.

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Lessee Initials

4.A. LAST MONTH'S RENT: A last month's rent in the amount of N/A (\$0.00 ) shall be required. This shall be adjusted and added to on the anniversary date of any option extension exercised by LESSEE.

4.B. SECURITY DEPOSIT: A Security Deposit in the amount of N/A dollars (\$0.00 ) is due from the LESSEE on \_\_\_\_\_, 20\_\_ and shall be retained by LESSOR against any default in rent payment, damages or other costs incurred by LESSOR as a result of acts or omissions by LESSEE. Said Security Deposit may be retained in any manner or place by LESSOR.

5. UTILITIES:

All applications and connections for necessary utility service for and on the demised premises shall be made in the name of the LESSEE only, and LESSEE shall be solely liable for all charges thereto as they become due, including but not limited to gas, electricity, internet, television, and telephone services, if separately metered to LESSEE. LESSOR shall provide water and sewer, unless water and/or sewer is separately metered to LESSEE.

6. USE OF LEASED PREMISES:

A. LESSEE shall use the leased premises for a Cannabis Delivery Operations and related use. LESSEE hereby specifically acknowledges that no trade or occupation shall be conducted in the leased premises or use made thereof which will be unlawful, improper, noisy, offensive or contrary to any law or municipal by-law or ordinance in Easthampton, Massachusetts.

B. The LESSEE agrees to cause all deliveries to be made in a manner that does not interfere with other tenants or impede access to the building, or cause unsanitary or unsightly conditions, and the LESSEE agrees not to use the back hallway, if any, for storage of trash but to use it only as an emergency exit.

C. No amusement machines of any kind are allowed without the written consent of the LESSOR. No live entertainment of any kind without the written consent of LESSOR.

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Lessee Initials

D. A music box is allowed; however, if any complaints are received about the volume of the machine, then the machine will have to be removed within one (1) week of written notice by the LESSOR.

7. MAINTENANCE OF PREMISES:

A. The LESSEE shall be responsible for and agrees to maintain the both the interior and exterior of the leased premises in the same condition as they are at the commencement of the term hereof, or as they may be put in during the said term, reasonable wear and tear, damage by fire and other casualty only excepted, and whenever necessary, to replace glass therein, acknowledging that the leased premises are now or shall be placed in good order by the LESSEE at LESSEE'S expense and the glass whole. This maintenance shall not include snow and ice removal from sidewalks and doorways in front of the leased premises. However, LESSEE shall keep of the area within the demised premises and surrounding the demised premises clean and free of all debris, rubbish, paper etc. The LESSEE shall not permit the leased premises to be overloaded, damage, stripped or defaced not suffer any waste. LESSEE shall obtain written consent of LESSOR and the Town, when necessary, before erecting any sign on the premises and shall obtain the written consent of the LESSOR before placing posters or bulletin boards in the windows. The LESSEE agrees to wash the front windows as needed, if retail space. The LESSEE further agrees to keep the premises in a clean condition. The LESSOR shall have a right to terminate this LEASE forthwith if the LESSEE shall receive a Board of Health violation notice which is not rectified to the satisfaction of the Town Board of Health within two weeks of the LESSEE'S receipt of said notice. The LESSOR shall also have the right to terminate this LEASE in the event that the LESSEE shall receive more than two violation notices from the Town Board of Health within a three month period during the term of this LEASE, or if the continued sanitary conditions pose a health and safety hazard to neighbors or the building.

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Lessee Initials

B. LESSEE  LESSOR  shall provide and pay for a garbage removal for the removal of garbage from the premises as long as allowed by the Town. It shall be the LESSEE'S responsibility to remove the garbage from the demised premises to the receptacles located as indicated by LESSOR.

C. The LESSEE agrees to provide an extermination service to service the demised premises as needed.

8. REPAIRS:

A. Subject to the LESSOR'S prior written approval, LESSEE shall be responsible for all restoration, renovations and repairs of the demised premises including new wiring, plumbing, carpentry and all related interior work, all at their own cost and expense. It is agreed by the LESSEE that they shall strictly comply with the instructions and approval of the LESSOR for all of the planned renovations, and that the work shall be up to industry standards and meet all the requirements of the Town, Commonwealth of Massachusetts or Federal Government as applicable. LESSEE shall apply for, receive, and pay for all appropriate permits before any work is initiated. LESSOR shall be responsible for roofs, foundations, and other structural elements, including exterior walls, unless such damage was caused by the LESSEE, LESSEE's invitees, guests, agents or contractors, at which time LESSEE shall be liable for all costs of such repairs.

B. Upon completion by the LESSEE of all such planned renovations and restorations of the demised premises, LESSEE shall at all times during the term of this LEASE, and at his own cost and expense, make all repairs, alterations and replacements, and be liable for the payment of the same. LESSOR shall be responsible for all exterior structural repairs to the building including walls and roof unless said repairs are made necessary by LESSEE'S negligence.

9. ALTERATIONS/ADDITIONS: The LESSEE shall not make any structural alterations or additions to the leased premises, but may make non-structural alterations provided that the LESSOR consents thereto in writing, which consent shall not be unreasonably withheld or delayed. All such allowed alterations shall be at the LESSEE'S expense and shall be in quality at least equal to the present construction. LESSEE shall not permit any

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Lessee Initials

mechanic's liens, or similar liens, to remain upon the leased premises for labor and material furnished to LESSEE in connection with work of any character performed or claimed to have been performed at the direction of the LESSEE and shall cause any such lien to be released or record forthwith without cost to LESSOR. Any alterations, fixtures or improvements made by the LESSEE shall become the property of the LESSOR at the termination of occupancy, as provided herein, except for those alterations or improvements listed on "Schedule B" attached hereto, which shall remain the property of LESSEE upon termination of this Lease or any extension hereof. The LESSEE and not the LESSOR shall be responsible for causing the premises to be in compliance with the Americans With Disabilities Act, if required, during the term of this LEASE.

10. ASSIGNMENT/SUBLEASING: The LESSEE shall not assign, sublet, transfer, hypothecate or otherwise alienate this LEASE or LESSEE'S interest in and to all or any part of the demised premises, nor shall LESSEE grant any person any licensed permission to use the demised premises without LESSOR'S prior written consent on each occasion, which consent shall not be unreasonable withheld. Any attempt to transfer, sublet, assign, license to use, hypothecate or other alienation of this LEASE shall be void and shall confer no rights on third parties.

11. SUBORDINATION: This LEASE shall be subject and subordinate to any and all mortgages, deeds of trust and other instruments in the nature of a mortgage, now or at any time hereafter, a lien or liens on the property of which the leased premises are a part and the LESSEE shall, when requested, promptly execute and deliver such written instruments as shall be necessary to show the subordination of this LEASE to said mortgages, deeds of trust or other such instruments in the nature of a mortgage.

12. LESSOR'S ACCESS: The LESSOR or agents of the LESSOR may, at reasonable times, enter to view the premises and remove placards and signs not approved and affixed as herein provided, and make repairs and alterations as LESSOR should elect to do and may show the leased premises to others, and at any time within six (6) months before the expiration of the term, may affix to any suitable part of the leased premises a notice of letting or selling the leased premises or property of which the leased premises are a part and keep the same so affixed without hindrance or

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molestation and to enter and show the demised premises to prospective Lessees.

13. INDEMNIFICATION AND LIABILITY: The LESSEE shall save the LESSOR harmless from all loss and damage occasioned by the use or escape of water or by the bursting of pipes, as well as from any claim or damage resulting from neglect in not removing snow and ice from the sidewalks on the premises so leased, or by any nuisance made or suffered on the leased premises, unless such loss is caused by the neglect of the LESSOR.

The LESSEE further covenants that it will protect, save harmless and indemnify LESSOR from any claims, causes of action, violations or other action resulting from the LESSEE's use of the property, including all claims of injury to persons or employees, unless resulting from the LESSOR's intentional wrongful conduct or gross negligence.

14. LESSEE'S LIABILITY INSURANCE:

A. The LESSEE shall maintain with respect to the leased premises and the property of which the leased premises are a part, comprehensive public liability insurance in the amount not less than \$1,000,000.00 with property damage insurance in limits not less than \$500,000.00 in responsible companies qualified to do business in Massachusetts and are in good standing therein insuring the LESSOR as well as the LESSEE against injury to persons or damage to property as divided. The LESSEE shall deposit with the LESSOR certificates for such insurance at or prior to the commencement of the term, and thereafter within thirty (30) days prior to the expiration of any such policies. All such insurance certificates shall provide that such policies shall not be canceled without at least ten (10) days prior written notice to each insured name therein.

B. In addition to the rent herein specified, the LESSEE shall pay to the LESSOR as additional rent the any yearly increase in insurance premiums over and above those premiums for calendar year 2015 all of which shall be due and payable to LESSOR with thirty (30) days of the date of billing of LESSOR to LESSEE.

15. FIRE, CASUALTY, EMINENT DOMAIN: Should a substantial portion of the leased premises, or of the property or which they are a part, be substantially damaged by fire or other casualty or

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Lessee Initials

be taken by eminent domain, the LESSOR may elect to terminate this LEASE. When such fire, casualty or taking renders the leased premises substantially unsuitable for their intended use, a just and proportionate abatement of rent shall be made, and the LESSEE may elect to terminate this LEASE if:

(a) the LESSOR fails to give written notice within thirty (30) days of intention to restore leased premises, or

(b) the LESSOR fails to restore the leased premises to a condition substantially suitable for their intended use with ninety (90) days of said fire, casualty or taking.

The LESSOR reserves, and the LESSEE grants to the LESSOR, all rights which the LESSEE may have for damages or injury to the leased premises for any taking by eminent domain, except for damage to the LESSEE'S fixtures, property, equipment, or for moving expenses so designated by the Town or entity exercising eminent domain.

#### 16. DEFAULT AND BANKRUPTCY:

A. (a) LESSEE'S failure to pay any installment of rent or additional rent pursuant to any paragraphs of this lease, including, 3, 14, 17 and 18 of this LEASE shall constitute a default and shall result in the automatic and immediate cancellation and termination of this LEASE following the five (5) day written notice to the LESSEE. LESSEE shall immediately remove itself and its employees from the demised premises and surrender same to the LESSOR;

(b) LESSEE'S failure to immediately surrender the premises in accordance with this provision shall result in the LESSOR'S having all remedies available to LESSOR under this LEASE and under the General Laws of the Commonwealth of Massachusetts, including an immediate right to commence action to evict LESSEE.

(c) LESSEE freely, voluntarily, knowingly, and willingly hereby waives the terms and provisions of Chapter 186, ' 11, as amended, of the General Laws of Massachusetts, together with any and all rights said provision would have bestowed upon LESSEE. It is understood and agreed by and between the LESSEE and LESSOR that as a result of this waiver, LESSOR shall have the unquestioned right and privilege to immediately commence an

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Lessee Initials

eviction proceeding against LESSEE if LESSEE fails and refuses to immediately remove itself and surrender the demised premises to LESSOR in accordance with this provision.

B. In the event that:

(a) The LESSEE shall default in the observance or performance of any other of the LESSEE'S covenants, agreements, or obligations hereunder and such default shall not be corrected within thirty (30) days after written notice thereof; or

(b) The LESSEE shall be declared bankrupt or insolvent according to law, or, if any assignment shall be made to LESSEE'S property for the benefit of creditors, then the LESSOR shall have the right thereafter, while such default continues, to re-enter and take complete possession of the leased premises to declare the term of this LEASE ended, and remove the LESSEE'S effects, without prejudice to any remedies which might be otherwise used for arrears or rent or other default. The LESSEE shall indemnify the LESSOR against all loss of rent and other payments which the LESSOR may incur by reason of such termination during the residue of the term. If the LESSEE shall default, after reasonable notice thereof, in the observance or performance of any conditions or covenants of LESSEE'S part to be observed or performed under or by virtue of any of the provisions in any article of this LEASE, the LESSOR, without being under any obligation to do so and without thereby waiving such default, may remedy such default for the account and at the expense of the LESSEE. If the LESSOR makes any expenditures or incurs any obligations for the payment of money in connection therewith, including but not limited to, reasonable attorney's fees in instituting, prosecuting or defending any action or proceeding, such sums paid or obligations incurred, with interest at the rate of 12% per annum and costs, shall be paid to the LESSOR by the LESSEE as additional rent.

C. Upon entry or termination of this Lease as a result of LESSEE'S breach thereof, LESSEE agrees, notwithstanding any entry or re-entry by landlord, whether by summary proceeding, termination or otherwise, to pay and be liable for on the days originally fixed herein for the payment thereof, amounts equal to the several installments of rent and other charges under the terms of this LEASE, as if this LEASE had not been terminated or landlord has not entered or re-entered as aforesaid, and whether the

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Lessee Initials

premises be relet or remain vacate in whole or in part, except in the event the premises be relet, LESSEE shall have a credit in the net amount of rent received after deduction of all reasonable expenses by landlord in reletting during the remainder of this LEASE term. If the Lease is terminated or a breach occurs by Lessee, Lessor may, at its sole discretion, immediately or at any other time initiate suit or other collection action to retrieve any money due or accruing for rent or damages under this contract to that date. The bringing of any collection action or suit shall not prejudice Lessor from bringing at any time subsequent claims or suits as additional money or damages accrue under this Lease until its end date, unless specifically waived in writing by Lessor.

17. REAL ESTATE: LESSEE shall pay any increase in real estate taxes directly due to LESSEE's use of the Leased Premises.

18. OTHER MUNICIPAL CHARGES: LESSEE shall also pay as additional rent all other public charges with respect to the demised premises, such as, but not limited to, water and sewer use charges and betterment assessments, assessed or becoming payable for in respect of the demised premises if separately metered to LESSEE or the result of LESSEE's specific use of the Leased Premises. LESSEE may call upon LESSOR to prosecute appropriate proceedings to contest the validity or amount of any such assessment. LESSOR shall promptly furnish to LESSEE copy of any notice of assessment of a public charge received by LESSOR concerning the premises.

19. INDEMNIFICATION: LESSEE covenants at their expense at all times during the term and such further time as LESSEE occupies the demised premises or any part thereof to assume exclusive control of the premises and the adjacent sidewalks, if any, and all tort liabilities incident to the control or leasing thereof, and to defend, indemnify and save LESSOR harmless from all injury, loss, claim or damage to or for any person or property anywhere occasioned by any omission, fault, neglect or other misconduct or LESSEE or anyone claiming under LESSEE.

20. PAYMENT OF LESSOR'S COST OF ENFORCEMENT: LESSEE covenants and agrees to pay on demand LESSOR'S expenses, including reasonable attorney's fees, incurred in enforcing any obligation of LESSEE under this Lease, or for damages due by LESSEE.

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Lessee Initials

21. ESTOPPEL CERTIFICATE: Upon not less than thirty (30) days prior written request, either LESSOR or LESSEE agrees, in favor of the other, to execute, acknowledge and deliver a statement in writing certifying that this LEASE in unmodified and in full force and effect (or, if there have been any modifications that the same are in full force and effect as modified and stating the modifications) and the dates to which the fixed rent and additional rent and other charges have been paid and any other information reasonably requested. Any such statement pursuant to this section may be relied upon by any prospective purchaser, mortgagee or lending source.

22. OVERLOADING; NUISANCE; ETC.: LESSEE shall not injure, overload, deface or otherwise harm the demised premises; not commit any nuisance; not permit the emission of any objectionable noise or odor; nor make, allow, nor suffer any waste; nor make any use of the demised premises which is improper, offensive or contrary to any law, ordinance, order or regulation of any public authority or which will invalidate any insurance, nor shall LESSEE harass, threaten, injure or breach the quiet enjoyment of the LESSOR or any of his agents, employees or assigns.

23. EFFECT OF WAIVERS OF DEFAULT: Any consent or permission by LESSOR to any act or omission which otherwise would be a breach of any covenant or condition herein, or any waiver by LESSOR of the breach of any covenant or condition, herein shall not in any way be held or construed (unless expressly so declared) to operate so as to impair the continuing obligation of any covenant or condition herein, or otherwise, except as to the specific instance, operate to permit similar acts or omissions.

24. NO ACCORD AND SATISFACTION: No acceptance by LESSOR of a lesser sum than the fixed rent, additional rent or any other charge then due shall be deemed to be other than on account of the earliest installment of such rent or charge due, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent or other charge be deemed an accord and satisfaction, and LESSOR may accept such check or payment without prejudice to LESSOR'S right to recover the balance of such installment or pursue any other remedy in this LEASE provided.

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Lessee Initials

25. REMEDIES CUMULATIVE: Any and all rights and remedies which LESSOR may have under this LEASE, at law and equity, shall be cumulative and shall not be deemed inconsistent with each other, and any two or more of all such rights and remedies may be exercised at the same time insofar as permitted by law.

26. NOTICE: Any notice from the LESSOR to the LESSEE relating to the leased premises or to the occupancy thereof, shall be deemed duly served, if left at the leased premises addressed to the LESSEE, or if mailed to the leased premises or to the occupancy thereof, notice to landlord shall be deemed duly served, if mailed to the LESSOR, postage prepaid, addressed to the LESSOR, at such address as the LESSOR may from time to time advertise in writing. All rent and notices shall be paid and sent to the LESSOR at Norwich Properties 123 Union St Suite 200 Easthampton, MA 01027.

27. SURRENDER: The LESSEE shall, at the expiration or other termination of this Lease, remove all LESSEE'S goods and effects from the leased premises (including, without hereby limiting the generality of the foregoing, all signs and lettering affixed or painted by the LESSEE, either inside or outside the leased premises). LESSEE shall deliver to the LESSOR the leased premises and all keys, locks thereto, and other fixtures connected therewith and all structural alterations and additions made to or upon the leased premises, in the same condition as they were at the commencement of the term, or as they were put in during the term hereof, reasonable wear and tear and damage by fire or other casualty only excepted. In the event of the LESSEE'S failure to remove any of the LESSEE'S property from the premises, LESSOR is hereby authorized, without liability to LESSEE for loss or damage thereto, and at the sole risk of LESSEE, to remove and store any of the property at LESSEE'S expense, or to retain same under LESSOR'S control or to sell at public or private sale, without notice any or all of the property not so removed and to apply the net proceeds of such sale to the payment of any sum due hereunder, or to destroy such property.

28. QUIET ENJOYMENT: LESSOR agrees that upon LESSEE paying the rent and performing and observing the agreements, conditions and other provision on their part to be performed and observed, LESSEE shall and may hold and enjoy the premises during the term of the LEASE without any manner of hindrance or molestation for LESSOR or anyone claiming under LESSOR, subject,

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however, to the terms of this LEASE and any instruments having a prior lien. LESSEE shall have the right to terminate this LEASE after thirty (30) days notice to LESSOR and such hindrance shall continue unabated during that time for breach of any covenant contained in this section, however, landlord is not responsible for breaches of quiet enjoyment of LESSEE caused by third parties, other Lessees or the community at large.

29. RULES AND REGULATIONS: LESSEE shall observe and comply with all such reasonable rules and regulations as the LESSOR may make from time to time to promote or preserve the safety, care and cleanliness of the premises and the preservation of the good order therein.

30. APPLICABLE LAW AND CONSTRUCTION: This Lease shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts and, if any provisions of this LEASE shall to any extent be invalid, the remainder of this LEASE shall not be effected thereby. There are no oral or written agreements between LESSOR and LESSEE affecting this LEASE. This LEASE may be amended only in instruments in writing executed by LESSOR and LESSEE. The titles of the several sections contained herein are for the convenience only and shall not be considered in construing this LEASE. Unless repugnant to the context, the words "LESSOR" and "LESSEE" appearing in this LEASE shall be construed to mean those named above and their respective heirs, executors, administrators, successors and assigns and those claiming through or under them respectively.

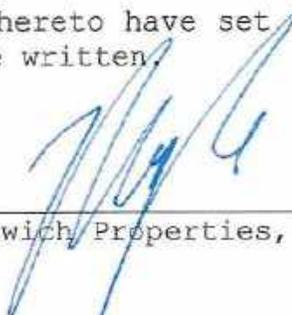
31. HOLDING OVER: If LESSEE or anyone claiming under LESSEE shall remain in possession of the demised premises or any part thereof after the expiration of the term of this LEASE without any agreement in writing between LESSOR and LESSEE, the person remaining in possession shall be deemed a tenant from month-to-month, subject to the provisions of this LEASE insofar as the same may be made applicable to a tenancy from month-to-month.

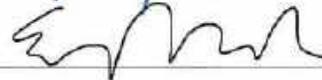
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Lessee Initials

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year first above written.

\_\_\_\_\_  
Witness

  
\_\_\_\_\_  
Witness

  
\_\_\_\_\_  
Norwich Properties, Lessor

 2/17/21  
\_\_\_\_\_  
, Lessee

\_\_\_\_\_  
Lessee Initials

ADDENDUM A

Rent during the initial term of this lease, payable on the first of each month, shall be:

Term	Monthly	Annually
Prior to commencement of operations no payment shall be due	\$	\$
Upon Occupancy monthly rent shall be \$12,000.00	\$12,000.00	\$144,00.00

Rent during the option term(s) of this lease, payable on the first of each month, shall be:

Term	Monthly	Annually
Year 1 of 5 year option	\$12,500	\$150,000
Year 2 of 5 year option	\$12,900	\$154,800
Year 3 of 5 year option	\$13,300	\$159,600
Year 4 of 5 year option	\$13,700	\$164,400
Year 5 of 5 year option	\$14,100	\$169,200

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Lessee Initials

# Host Community Agreement Certification Form

## Instructions

Certification of a host community agreement is a requirement of the application to become a Marijuana Establishment (ME) and Medical Marijuana Treatment Center (MTC). Applicants must complete items 1-3. The contracting authority for the municipality must complete items 4-8. Failure to complete a section will result in the application not being deemed complete. This form should be completed and uploaded into your application. Please note that submission of information that is “misleading, incorrect, false, or fraudulent” is grounds for denial of an application for a license pursuant to 935 CMR 500.400(2) and 501.400(2).

## Certification

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

1. Name of applicant:

Clovercraft LLC dba The Ounce Club

2. Name of applicant’s authorized representative:

Ezra Parzybok

3. Signature of applicant’s authorized representative:



4. Name of municipality:

Easthampton

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

Nicole LaChapelle



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



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



8. Host community agreement execution date:





**NOTE: THE COMMUNITY OUTREACH MEETING HAD NO ATTENDEES AND THUS, A PRESENTATION WAS NOT GIVEN.**

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**COM Requirements (for Presentation notes- not for attendees):**

**“Welcome. We are here to talk about Clovercraft LLC and their proposed Retail Cannabis store 17 East St. 01027.**

**The site is correctly zoned retail**

**Security**

- **Preventing Diversion**
  - **Nuisance**
  - **Traffic**
  - **Positive Impact**
  - **They will answer your questions**
- 
- **Location** of the proposed Marijuana Establishment.
  - What type(s) of Marijuana Establishment will be sited at the location?
  - Is the proposed Marijuana Establishment **allowed under current zoning** bylaws/ordinances or is a zoning amendment required to allow it to go there? **We are correctly zoned.**
  - Is the proposed Marijuana Establishment allowed by right or does it require local zoning permitting? What permits are required? **The town selects us for a Host Agreement**
  - Is there a local licensing regulation pertaining to Marijuana Establishments? **There are town bylaws for “retail.”**
  - Is there a local Board of Health regulation pertaining to Marijuana Establishments? **No**
  - Does the proposed location comply with the 500-foot buffer zone from existing public or private school buildings (K-12)? **Yes**

- If the applicant is moving into an existing building or building a new one, will its premises comply with the **security** requirements set forth in 935 CMR 500? **We will have:**
  - Video Surveillance
  - Alarm System
  - Secure Vault
  - Secure Transport
  - Background Checks
  - Law Enforcement video access
  - Certified Staff training
  - Controlled Access by specific staff (not all staff can go in all locations of the dispensary)
  - ID check (and false ID training)
  
- What steps will be taken by the Marijuana Establishment to prevent **diversion to minors**?
  - Seed to sale tracking
  - Strict Inventory Protocols
  - Strict Waste Disposal requirements
  - Employee incentives for diversion control (bonuses for reporting incidents)
  - Employees go through extensive background checks (state requirement)
  - High risk to losing license is a deterrent
  - No visible product
  - No slang words
  - No advertising to audiences with less than 85% adults over 21
  
- Information demonstrating how the applicant intends to ensure that the location will not constitute a **nuisance** to the community as defined by law.

- Noise, Dust, Vibration, Odor, Light, (Retail locations have sophisticated air scrubbers to clean the air.)
- Infrared cameras allow low light detection (dark sky compliant so don't disrupt neighbors)
- Air/Odor scrubbing devices
- Pre-packaged product prevents odor
- A plan for how the Marijuana Establishment will positively impact the community.
  - 3% Gross Sales Tax
  - ~~3% Impact fee (only industry that pays this)~~
  - Employment (higher than average wage and cannabis is the fastest growing job category in the U.S.)
  - Evidence of opiate reduction (see provided community impact report)
  - Evidence of increased property values (see above)
  - Increased foot traffic from hilltowns
  - Normalize cannabis in EASTHAMPTON and reduce shame for consumers

Further notes:

- It is a myth that cannabis is a “cash only” business. Cash is very secure and there are now banks in the state that work with the industry. Cash in a dispensary is as secure as it is in a bank (and there is less of it.)
- Edibles are limited to 5mg per serving. Medical dispensaries can have a 100mg edible so the adult-use market will have much more conservative edible options. Still, edibles do not cause toxicity in the body and do not cause fatal overdose in adults, children or pets (unlike “Tide Pods,” household chemicals, and readily available pharmaceuticals and OTC medication such as Ibuprofen)
- The fastest growing consumer demographic is adults 50 and above. We are seeking that demographic and feel providing a more

sophisticated and educational retail environment is good for our business model and good for the community

- We are parents ourselves and have done extensive research on the cannabis industry across the country. We feel that although the community should be vigilant and informed, this is a much safer substance than alcohol, cigarettes, and many OTC drugs, as well as street marijuana. The evidence shows **that the use of other, more harmful drugs decreases** as adults have access to legal, regulated, and taxed cannabis. Thus, we feel cannabis will be a net benefit to communities- not a harm.
- It is a myth that the State does not heavily regulate cannabis. Their regulation prevents non wealthy individuals from entering the industry, ensuring the status quo even in licensed marijuana shops.
- Cannabis is not in a vacuum- there are many things in our society that cause harm and also have benefits.

# **Cannabis:** **Community Impact** **Report**

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# **Cannabis as an adjunct to or substitute for opiates in the treatment of chronic pain.**

PubMed

**Format:** Abstract

J Psychoactive Drugs. 2012 AprJun;44(2):12533.

Lucas P<sup>1</sup>.

## **Author information**

### **Abstract**

There is a growing body of evidence to support the use of medical cannabis as an adjunct to or substitute for prescription opiates in the treatment of chronic pain. When used in conjunction with opiates, cannabinoids lead to a greater cumulative relief of pain, resulting in a reduction in the use of opiates (and associated sideeffects) by patients in a clinical setting. Additionally, cannabinoids can prevent the development of tolerance to and withdrawal from opiates, and can even rekindle opiate analgesia after a prior dosage has become ineffective. Novel research suggests that cannabis may be useful in the treatment of problematic substance use. These findings suggest that increasing safe access to medical cannabis may reduce the personal and social harms associated with addiction, particularly in relation to the growing problematic use of pharmaceutical opiates. Despite a lack of regulatory oversight by federal governments in North America, community based medical cannabis dispensaries have proven successful at supplying patients with a safe source of cannabis within an environment conducive to healing, and may be reducing the problematic use of pharmaceutical opiates and other potentially harmful substances in their communities.

PMID: 22880540 DOI: 10.1080/02791072.2012.684624 [Indexed for MEDLINE]

<https://www.ncbi.nlm.nih.gov/pubmed/22880540> 1/1

## **Study Links Medical Marijuana Dispensaries to Reduced Mortality From Opioid Overdose**

May 17, 2016

*By Eric Sarlin, M.Ed., M.A., NIDA Notes Contributing Writer*

During the past 2 decades, nearly half of U.S. states implemented policies that sanction marijuana use for medical purposes. Researchers have been hard put, however, to draw firm conclusions about the policies' public health ramifications. Now, NIDA-supported researchers have found that providing legal and practical access to marijuana may have both positive and negative impacts.

Economists Dr. David Powell and Dr. Rosalie Pacula at the RAND Corporation, in Santa Monica, California, and Dr. Mireille Jacobson at the University of California, Irvine (UCI) studied three medical marijuana policies (see [Recommended, Not Prescribed](#)). They found that the policies, despite their common motivation, have had varied, and sometimes offsetting, indirect effects on substance use and related problems. The most striking finding was that legally protected marijuana dispensaries (LMDs) were associated with lower rates of dependence on prescription opioids, and deaths due to opioid overdose, than would have been expected based on prior trends. On the other side of the ledger, however, LMDs also were associated with higher rates of recreational marijuana use and increased potency of illegal marijuana.

### **The Opioid Connection**

Between 2004 and 2014, seventeen states provided legal protection to dispensaries. In these states, patients who meet eligibility requirements for medical marijuana had ready and safe access to the drug. In contrast, patients in states that allowed doctors to recommend marijuana but did not have LMDs may have turned to illicit or quasi-illicit sources, and feared legal jeopardy, to obtain the drug.

Dr. Powell and his coinvestigators compared rates of opioid-related treatment admissions and mortality rates in states with and without LMDs using data from the annually compiled Treatment Episodes Data Set (TEDS) and the National Vital Statistics System, respectively.

Their analysis revealed that states with LMDs had lower opioid-overdose mortality rates and fewer admissions to treatment for opioid addiction than they would have had without the dispensaries. The estimated sizes of the reductions were 16 to 31 percent in mortality due to prescription opioid overdoses, and 28 to 35 percent in admissions for treatment of opioid addiction. This latter reduction was steeper, up to 53 percent, among patients who entered treatment independently of the criminal justice system. The researchers also noted a trend whereby the longer LMDs were in place, the more the incidence of opioid-related problems declined.

To account for these findings, the RAND/UCI team speculates that some patients with chronic pain may find that marijuana affords valuable analgesia with more acceptable side effects than opioids. LMDs will make it easier for such patients to obtain and use marijuana, and so reduce their reliance on opioids to manage their pain. Another possible explanation, the researchers suggest, is that where LMDs exist, recreational drug users may find marijuana simpler and less risky to divert than prescription opioids. Both scenarios could reduce a population's exposure to opioid medications and the associated problems of overdose and addiction.

# THE EFFECT OF LEGALIZING RETAIL MARIJUANA ON HOUSING VALUES: EVIDENCE FROM COLORADO

Cheng Cheng , Walter J. Mayer , Yanling Mayer  First published: 30 January 2018

<https://doi.org/10.1111/ecin.12556>

## Abstract

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Does legalizing retail marijuana generate more benefits than costs? This paper provides a first step toward addressing that question by measuring the benefits and costs that are capitalized into housing values. We exploit the time-series and cross-sectional variations in the adoption of Colorado's municipality retail marijuana laws (RMLs) and examine the effect on housing values with a difference-in-differences strategy. **Our estimates show that the legalization leads to an average 6% increase in housing values, indicating that the capitalized benefits outweigh the costs.** In addition, we find suggestive evidence that this relatively large housing value appreciation is likely due to RMLs inducing strong housing demand while having no discernible effect on housing supply. Finally, we show that the effect of RMLs is heterogeneous across locations and property types. (*JEL* K20, R28)

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<https://onlinelibrary.wiley.com/doi/abs/10.1111/ecin.12556>

# Legal Marijuana Is A Boon to The Economy, Finds Study

Mona Zhang Contributor



PUEBLO, CO - September 3, 2016: Jason, a Colorado native and an employee at Los Sueños Farms LLC, puts stakes in to growing cannabis plants. Los Sueños Farms is the owner of 36 acres of rich farmland in Pueblo County, Colorado, which it leases to four Colorado licensed retail marijuana cultivators. (Photo by Vince Chandler / The Denver Post)

Researchers found that legalizing marijuana had a positive impact on the economy of Pueblo County, Colo. In a landmark report out of the Colorado State University-Pueblo's Institute of Cannabis Research, researchers found that a taxed and regulated cannabis industry contributed more than \$58 million to the local economy, [reports The Denver Post](#).

While there was about \$23 million in added costs to legalization – including law enforcement and social services – the county still ended up with a net positive impact of more than \$35 million.

The research itself was funded by state and local marijuana taxes, [reported CPR](#). "When compared to other similar communities in states where cannabis is not legal in any form, Pueblo appears to be doing better on a number of measures," read the report.

The study's authors pointed out some of the harms associated with legalization, including an increase in illegal marijuana grow operations and confusion among law enforcement officers trying to keep up with ever-changing pot regulations. But the report is notable in dispelling some of the harms that are often attributed to legalization: The researchers found no evidence that legal cannabis contributed to increased homelessness or increased youth use of marijuana.

Pueblo has made headlines for its scholarships that are funded by a local marijuana excise tax. Last year, the county dedicated \$420,000 to scholarships for 210 students. This year, the county is set to triple the number of scholarships it offers as tax collections are expected to top \$750,000, [reports KOAA](#).

Legalizing marijuana on the federal level could result in an additional \$105.6 billion between 2017 and 2025, according to a new report from the cannabis analytics firm New Frontier. That figure includes projections for business tax revenues, payroll withholdings, and a 15% sales tax. Meanwhile, fully legalizing cannabis today would add 654,000 jobs and up to 1 million jobs by 2025.

It's clear that marijuana legalization can be a boon to local economies with robust regulatory regimes in place. Contrary to fears that retail marijuana outlets could have a negative effect on property values, a [study on Colorado municipalities](#) found that legalization actually led to a 6% increase in housing values.

But lawmakers should be wary of legalizing marijuana solely for the potential economic benefits. Colorado's first "marijuana czar" Andrew Freedman, who now consults for governments on legalization matters, has repeatedly warned against legalization for the purpose of generating tax revenue.

As [he told me in an interview](#) in 2016: "At the end of the day, the debate shouldn't be about tax revenue. 'Should we lock up fewer people for marijuana?' vs. 'Is this going to create more of a burden on public safety?'—that's where the debate should be."

<https://www.forbes.com/sites/monazhang/2018/03/13/legal-marijuana-is-a-boon-to-the-economy-finds-study/#45943199ee9d> 3/3

# **Marijuana and the 'Gateway Theory'**

**Experts agree that the use of marijuana is not causally linked to the use of other illicit substances**

- "There is compelling and enduring evidence that marijuana is not a gateway drug, ... Yet, non-evidence-based political factors on both the left and the right remain the reason for the persistence of the gateway myth."

[The Benjamin Center for Public Policy Initiatives at SUNY New Paltz University, The Marijuana Gateway Fallacy, 2017](#)

**Sequentially, most consumers of illicit substances first experimented with either alcohol or tobacco**

- "Alcohol is the most commonly used substance, and the majority of polysubstance using respondents consumed alcohol prior to tobacco or marijuana initiation. Respondents initiating alcohol use in sixth grade reported significantly greater lifetime illicit substance use and more frequent illicit substance use than those initiating alcohol use in ninth grade or later. ... Our results ... assert that the earlier one initiates alcohol use, the more likely that they will engage in future illicit substance use."

[Prioritizing alcohol prevention: Establishing alcohol as the gateway drug and linking age of first drink with illicit drug use, The Journal of School Health, 2016](#)

**Statistically, the overwhelming majority of people to try marijuana do not go on to use other illicit drugs, and most typically cease their use of marijuana by middle age**

- "[T]he majority of people who use marijuana do not go on to use other 'harder' substances."

[US National Institute on Drug Abuse, "Is marijuana a gateway drug?" factsheet](#)

- "Substance use tends to decline towards the end of young adulthood. This decline is true for alcohol as well as illicit drug use. ... For marijuana, ... peak use occurred at about age 19, remained stable for the next four to five years, and then declined."

[Predictors of marijuana use among married couples: The influence of one's spouse, Drug and Alcohol Dependence, 2007](#)

**In jurisdictions where marijuana is legally accessible, adults typically report decreasing their use of other controlled substances. In this sense, marijuana appears to act more as a potential 'exit drug' rather than as an alleged 'gateway'**

- "[F]indings on cannabis substitution effect and the biological mechanisms behind it strongly suggest that cannabis could play a role in reducing the public health impacts of prescription and non-prescription opioids. ... The growing body of research supporting the medical use of cannabis as an adjunct or substitute for opioids creates an evidence-based rationale for governments, health care providers, and academic researchers to consider the implementation and assessment of cannabis-based interventions in the opioid crisis."

[Rationale for cannabis-based interventions in the opioid overdose crisis, Harm Reduction Journal, 2017](#)

- "Among respondents that regularly used opioids, over three-quarters (76.7%) indicated that they reduced their use since they started medical cannabis. This was significantly ( $p < 0.0001$ ) greater than the patients that reduced their use of antidepressants (37.6%) or alcohol (42.0%). Approximately two-thirds of patients decreased their use of anti-anxiety (71.8%), migraine (66.7%), and sleep (65.2%) medications following medical cannabis."

[Substitution of medical cannabis for pharmaceutical agents for pain, anxiety, and sleep, Journal of Psychopharmacology, 2017](#)

**In clinical settings, marijuana use is associated with reduced cravings for cocaine and opiates**

- "In this longitudinal study, we observed that a period of self-reported intentional use of cannabis ... was associated with subsequent periods of reduced use of crack [cocaine]. ... Given the substantial global burden of morbidity and mortality attributable to crack cocaine use disorders alongside a lack of effective pharmacotherapies, we echo calls for rigorous experimental research on cannabinoids as a potential treatment for crack cocaine use disorders."

[Intentional cannabis use to reduce crack cocaine in a Canadian setting: A longitudinal analysis, Addictive Behaviors, 2017](#)

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**Format:** Abstract

J Psychopharmacol. 2017 May;31(5):569575. doi: 10.1177/0269881117699616. Epub 2017 Apr 4.

## **Substitution of medical cannabis for pharmaceutical agents for pain, anxiety, and sleep.**

Piper BJ<sup>1,2,3</sup>, DeKeuster RM<sup>4,5</sup>, Beals ML<sup>6</sup>, Cobb CM<sup>4,7</sup>, Burchman CA<sup>8,9</sup>, Perkinson L<sup>10</sup>, Lynn ST<sup>10</sup>, Nichols SD<sup>11</sup>, Abess AT<sup>12</sup>.

### **Author information**

#### **Abstract**

A prior epidemiological study identified a reduction in opioid overdose deaths in US states that legalized medical cannabis (MC). One theory to explain this phenomenon is a potential substitution effect of MC for opioids. This study evaluated whether this substitution effect of MC for opioids also applies to other psychoactive medications. New England dispensary members ( n = 1,513) completed an online survey about their medical history and MC experiences. Among respondents that regularly used opioids, over threequarters (76.7%) indicated that they reduced their use since they started MC. This was significantly ( p < 0.0001) greater than the patients that reduced their use of antidepressants (37.6%) or alcohol (42.0%). Approximately twothirds of patients decreased their use of antianxiety (71.8%), migraine (66.7%), and sleep (65.2%) medications following MC which significantly ( p < 0.0001) exceeded the reduction in antidepressants or alcohol use. The patient's spouse, family, and other friends were more likely to know about their MC use than was their primary care provider. In conclusion, a majority of patients reported using less opioids as well as fewer medications to treat anxiety, migraines, and sleep after initiating MC. A smaller portion used less antidepressants or alcohol. Additional research is needed to corroborate these selfreported, retrospective, crosssectional findings using other data sources.

**KEYWORDS:** Marijuana; opioids; stigma

PMID: 28372506 DOI: 10.1177/0269881117699616

[Indexed for MEDLINE]

## **Alcohol Establishments and Violence**

The link between bars and violence has been recognized over time and across cultures – the classic ‘bar room brawl’ is commonly depicted in popular culture, and all too often we hear about people being injured, killed or sexually assaulted in relation to licensed establishments. Research, too, has found that bars and clubs are high risk locations for violence and aggression. What is behind this relationship? This outline summarizes some of the **Key Findings**, and provides some broad explanations in terms of **Alcohol Intoxication**, **Situational Factors**, and **Motivational Factors**.

### **Key Findings:**

- Aggression is most likely to occur in bars where customers are intoxicated or drunk (Quigley, Leonard, & Collins, 2003; Graham & Wells, 2001).
- Most incidents of alcohol related aggression occur on weekends (Gerson & Preston, 1979).
- Young males are particularly high risk for aggression in bars, a finding found in many different countries, including the U.K., Canada, the United States, and Australia (Archer, Holloway, & McLoughlin, 1995; Graham & Wells, 2001; Leonard, Quigley, & Collins, 2002; Homel & Clark, 1994).
- Incidents in bars and clubs often occur between strangers and involve only males or groups of males (Graham & Wells, 2003).
- Incidents of aggression in bars frequently occur in high traffic areas such as the dance floor, near serving areas, or near exits (Homel & Clark, 1994).
- Conflicts often occur outside of the bar in the parking lot or on the street after closing and often relate to a conflict that started inside the bar (Marsh & Kibby, 1992).
- Common reasons for the initiation of aggression includes such factors as: trouble making and offensive behavior; sexual overtures to strangers; conflicts with staff; and interpersonal/relationship issues (Graham & Wells, 2001).
- A substantial proportion of incidents that occur in bars and clubs are due to untrained, unfair or aggressive bar staff (Wells, Graham, & West, 1998).

### **Alcohol Intoxication and Aggression:**

- Alcohol may be linked to aggression by increasing risk-taking and impulsive behavior (Graham, Wells, & West, 1997).
- Alcohol makes the drinker less able to think clearly, properly assess a situation, and plan and carry out effective and nonaggressive responses to conflict (Gibbs, 1986).
- Alcohol intoxication may make a person feel more powerful and strong – ‘liquid courage’; and more likely to overestimate their own power and mastery of the situation (McClelland, Davis, Kalin, & Wanner, 1972).
- When drinking, a person is more likely to focus on the present without thinking about the past or the future (alcohol-induced ‘myopia’ or short-sightedness) (Graham, West, & Wells, 2000).

### Situational factors:

- Permissive attitudes by bar staff, crowded bars, high levels of noise and music, poor ventilation, and a high proportion of intoxicated customers have all been identified as risk factors for bar aggression (Quigley, Leonard, & Collins, 2003; Graham et al., 1980).
- Bars that have a reputation for fights is a key factor. In bars where aggression is seen as normal and accepted, the environment provides a stage for grievances and macho concerns to be played out (Graham & Wells, 2003; Graham et al., 1980).
- The cultural values of young men who frequent bars also appears to be very important. A recent study of male university students found that aggression in bars reflected a 'rite of passage' or a form of social conformity, allowing them to feel strong, manly and dominant (Graham & Wells, 2003).

### Motivations for Aggression in the Bar Setting:

- **Macho concerns.** Maintaining one's reputation and honor is a common reason behind bar violence. Demonstrating one's masculinity, dominance, sexual prowess, and physical strength to others are important factors among young males (Neff, Prichoda, & Hoppe, 1991).
- **Restore justice or Settle a grievance.** People often act out when they perceive the actions of others as being wrong or harmful, and often respond aggressively by 'punishing' the violator (Tedeschi & Felson, 1994).
- **Emotional or Impulsive Response.** An emotional desire to hurt someone may occur in response to frustration. With the decision to fight made, an emotional reaction tends to make the fight more severe, and/or cause participants to persevere even in the face of serious injury (Berkowitz, 1986).
- **"Weekend Warriors".** Many bar settings often have a pleasurable and festive atmosphere relating to aggression, where individuals actively go looking for trouble, or engage in fighting simply for the sake of fighting (Tomsen, 1997).

### Bars & Violence References

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# Teen marijuana use falls as more states legalize

By [Christopher Ingraham](#) The Washington Post December 16, 2014

Teen alcohol and drug use -- including marijuana use -- was down across the board in 2014.

That's the big take-home from the [2014 Monitoring the Future](#) study by the University of Michigan and the National Institutes on Drug Abuse, which was released Tuesday morning. The MTF is an annual survey of 40,000 8th-graders, 10th-graders and 12th-graders. It's notable both for its size and for the fact that it was conducted this past spring, in the midst of a nationwide conversation about drug reform in the run-up to the midterm elections. Here's what the survey found:

Marijuana use? Down. Alcohol use? Way down. Cigarettes? Waaay down. Fewer than 15 percent of 12th- graders reported using cigarettes any time in the past month, down from well over 35 percent in the late 1990s. Monthly alcohol use dropped from nearly 55 percent of 12th-graders in 1992 to less than 40 percent in 2014. Even weed, which has been on a flatter trajectory since the 1990s than the other substances, is down year over year.

These numbers comport with [findings earlier this year](#) from the National Survey on Drug Use and Health, the government's other major substance use barometer.

Even better news is that frequent, daily use -- which experts agree is the most harmful to developing young minds -- is also down considerably. Cigarettes posted the sharpest drop in daily use, falling from nearly 25 percent of 12th graders in 1997 to about 7 percent in 2014. Frequent alcohol use has declined, although less dramatically. Frequent marijuana use had been on a slight rise for roughly the second half of the 2000s, but since about 2011 it's either held steady or fallen.

"Both alcohol and cigarette use in 2014 are at their lowest points since the study began in 1975," the study's authors conclude in [a press release](#). The National Institutes of Drug Abuse agrees: "with marijuana use appearing to level off, and rates of many other drugs decreasing, it is possible that prevention efforts are having an effect," said director Nora D. Volkow in a release.

The marijuana findings are particularly noteworthy given that Colorado and Washington state implemented full-scale retail marijuana markets this year, and Oregon, Alaska and Washington, D.C., voters [opted to do the same](#). A central tenet of legalization

opponents, from present-day prohibitionists like [Andy Harris](#) all the way back to [Richard Nixon](#), has been that loosening restrictions on marijuana will "send the wrong" message to youngsters and lead to an explosion in teen use. Harris sums up the mindset best in a recent [appearance at the Heritage Foundation](#): "Relaxing [marijuana] laws clearly leads to more teenage drug use. It should be intuitively obvious to everyone that if you legalize marijuana for adults, more children will use marijuana because the message that it's dangerous will be blunted."

While it's a politically potent message -- nobody wants to see more kids doing drugs -- there's [a substantial body of research](#) showing that teen pot use hasn't risen in the states that have legalized medical marijuana. In 2014, a year when marijuana was all over the news and national attitudes toward the drug are relaxing, teen use actually trended *downward*.

Or, look at it from the other side: In the early 1990s the federal drug war was in full swing. But teen marijuana use spiked sharply during that period. It didn't start falling until the late '90s, when the first states began implementing medical marijuana laws.

This isn't to say that repealing harsh marijuana laws will necessarily *cause* teen use to trend downward. But it does at the very least illustrate that it's impossible to draw a straight line from "relaxing marijuana laws" to "increased teen use," as Harris and other prohibition enthusiasts do. And there are compelling arguments to be made that taking the marijuana trade off the black market, and letting government and law enforcement agencies, rather than criminals, control the marijuana market, will lead to [better overall drug use outcomes](#) among teens.

Regardless of where you come down on the drug war, there's something in here for everyone to be cheerful about. The kids, broadly speaking, are alright.

[https://www.washingtonpost.com/news/wonk/wp/2014/12/16/teen-marijuana-use-falls-as-more-states-legalize/?utm\\_term=.b243e426ec45](https://www.washingtonpost.com/news/wonk/wp/2014/12/16/teen-marijuana-use-falls-as-more-states-legalize/?utm_term=.b243e426ec45) 2/3

## **Want Teens to Smoke Less Pot? Legalize It:**

**Evolutionary psychology predicted it, data now confirms it.**

**Psychology Today: February 3, 2018**

<https://www.psychologytoday.com/us/blog/beastly-behavior/201802/want-teens-smoke-less-pot-legalize-it> 1/5

As of January 2018, 29 U.S. states have legalized marijuana for medical use. Another 14 have decriminalized possession of the drug, and eight states have fully legalized marijuana even for recreational use. Critics of this trend, including Attorney General Jeff Sessions, have [long argued that](#) the legalization of marijuana "will lead to more marijuana use, including among children and teens, causing all sorts of public health problems down the line." In short, those favoring strict drug laws believe that as marijuana becomes more available and less stigmatized, teen drug use will go up. It's a straightforward and logical belief.

The reality is that, to date, not one jurisdiction, either in the U.S. or elsewhere, has seen a marked increase in teen drug use following the relaxation of marijuana restrictions. Not one. [Both Colorado and Washington, the pioneer states of marijuana legalization, have actually seen drops in teen marijuana use following legalization. The drop in Colorado was particularly dramatic. Despite the wave of legalization, nationwide teen drug use is at a 20-year low](#)

This is no quirk, nor is it just too early to see the inevitable spike in teen drug use. The spike was never going to happen. U.S. drug policy is predicated on the seemingly straightforward belief that increased access leads to increased use, and that increased enforcement leads to decreased use. Simple, logical, but wrong. In fact, as far as teens and young adults are concerned, that logic may be exactly backward.

Access and consequences are just two factors that influence a teenager's decision to use drugs or not. Obviously, if access is completely restricted, then there is no room for a "decision" to be made in the first place. However, since the nearly five-decades-long

“war on drugs” has failed to remove access from the equation, we have attempted, with the best of intentions, to stigmatize drug use instead. We educate our children about the health and personal dangers of drugs and the harsh penalties for getting caught. Unfortunately, this approach fails to consider how adolescents actually make decisions.

Although evolutionary biology may seem like a strange field to look for guidance on drug policy, the phenomenon known to biologists as “costly signaling” explains why stigmatization is altogether ineffective at reducing drug use among teenagers. In many species, including humans, individuals engage in various behaviors meant to signal to others that they are healthy and strong, a desirable mate, and a formidable rival. As I describe in my new book, [Human Errors](#), these costly signals can take many forms, but among them are behaviors that are seen as risky, dangerous, unhealthy, and even foolhardy.

The logic of the coded message is simple: An individual must be impressive if they can withstand the costs and dangers that come with risky behaviors. Costly signaling is believed to be a major reason why risky behaviors [US](#) are so much more prevalent among rapidly maturing teenagers, especially males, than they are in children or adults. Among many social animals, males are known to incur great costs and risks in order to advertise their strength and vitality to peers, and these costly signals are usually effective.

Like many evolutionary behaviors, fitness displays are not done consciously; individuals don’t intend for these actions to serve as advertisements to others. But there is good evidence that this is what drives the adolescent impulse toward risky behaviors. For instance, unless they have developed a dependency, teenagers rarely partake in drugs or alcohol when they are alone. This makes sense from an evolutionary perspective. Costly signaling only works when there is an audience of peers.

Most drug deterrence initiatives repeat the refrain that drugs are harmful and taboo. But this is precisely what makes them so attractive to teens, especially teenage boys. In their minds, it frames drug use as an opportunity to show off to others and advertise

fitness. The greater the stigma against marijuana, the more valuable the costly signaling is for teenagers who dare to buck the taboo.

The opposite is also true. When marijuana is legalized, and society acknowledges that the drug can be enjoyed safely, smoking pot is no longer a costly signal. Of course, this does not deflate all interest in the drug among teenagers, but it does undercut the stigma of danger that is so attractive to teenagers who are desperate to prove

themselves to their peers. When marijuana use is legal and safe, decision-making about it among teenagers follows a more predictable, adult-like pattern. No one argues that legalization will solve all of our drug problems — adults get hooked on drugs also — but it may indeed do more good than harm, at least for marijuana use among teenagers.

There are many factors to consider as we debate drug policy, but the claim that criminalization and stigmatization will drive down teen drug use flies in the face of basic evolutionary psychology. In this and other areas of public policy, the emerging message from decades of social science research is that easing taboos on dangerous behaviors actually helps our most vulnerable citizens. Unfortunately, under the new leadership of the Department of Justice, drug policy appears to be taking shape despite the scientific evidence, rather than because of it.

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## **Cannabis, Schizophrenia, and Psychosis; Drugs in Context:**

Schizophrenia Research and Treatment

Volume 2011, Article ID 501726, 9 pages

<http://dx.doi.org/10.1155/2011/501726>

Review Article

### **Cannabinoids for the Treatment of Schizophrenia? A Balanced Neurochemical Framework for Both Adverse and Therapeutic Effects of Cannabis Use**

#### Abstract

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Recent studies have found that cannabinoids may improve neuropsychological performance, ameliorate negative symptoms, and have antipsychotic properties for a subgroup of the schizophrenia population. These findings are in contrast to the longstanding history of adverse consequences of cannabis use, predominantly on the positive symptoms, and a balanced neurochemical basis for these opposing views is lacking. This paper details a review of the neurobiological substrates of schizophrenia and the neurochemical effects of cannabis use in the normal population, in both cortical (in particular prefrontal) and subcortical brain regions. The aim of this paper is to provide a holistic neurochemical framework in which to understand how cannabinoids may impair, or indeed, serve to ameliorate the positive and negative symptoms as well as cognitive impairment. Directions in which future research can proceed to resolve the discrepancies are briefly discussed. [see full study: **Schizophrenia Research and Treatment Volume 2011, Article ID 501726, 9 pages** <http://dx.doi.org/10.1155/2011/501726>]

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Prescription drugs can cause psychosis:

[J Clin Psychiatry](#). 2001 Jan;62(1):30-3.

### **Antidepressant-associated mania and psychosis resulting in psychiatric admissions.**

#### Abstract

##### **BACKGROUND:**

The safety and tolerability of the selective serotonin reuptake inhibitors [SSRIs such as Prozac, Zoloft] and the newer atypical agents have led to a significant increase in antidepressant use. These

changes raise concern as to the likelihood of a corresponding increase in adverse behavioral reactions attributable to these drugs.

Forty-three (8.1%) of 533 patients were found to have been admitted owing to antidepressant-associated mania or psychosis.

#### **CONCLUSION:**

Despite the positive changes in the side effect profile of antidepressant drugs, the rate of admissions due to antidepressant-associated adverse behavioral effects remains significant.

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## **Does legalizing marijuana help or harm Americans? Weighing the statistical evidence**

April 8, 2019 6.46am EDT

The legalization of marijuana has been a topic of contention and confusion for both sides of the debate.

The federal government still deems it illegal. But marijuana has been legalized for recreational use in 10 states and the District of Columbia, and a further 21 broadly legalize medical marijuana.

Researchers like myself finally have some data to assess claims made on both sides. Let's take a closer look at three major arguments around marijuana legalization – and how the statistics stack up against them.

[theconversation.com/does-legalizing-marijuana-help-or-harm-americans-weighing-the-statistical-evidence-109402](https://theconversation.com/does-legalizing-marijuana-help-or-harm-americans-weighing-the-statistical-evidence-109402) 2/5

#### **Liberty Vittert**

Visiting Assistant Professor in Statistics, Washington University in St Louis

A study from Georgia State University found that alcohol sales fell by 15% in states where only medical marijuana had been legalized and by 20% in counties where recreational marijuana is sold legally. However, the states made more than enough back from marijuana sales, since marijuana taxes are typically greater than alcohol taxes.

Other states are reaping the benefits of marijuana taxes as well. California pulled in \$345 million in 2018 and Washington \$376 million. New Frontier Data, a cannabis data website, predicts the legalized cannabis market will grow to US\$25 billion by 2025.

However, there are a lot of questions about how much tax revenue states will actually earn, especially considering that some states have missed their projections by a long shot.

For example, the governor of California predicted a much larger \$643 million in revenue. Meanwhile, projections for Washington suggested that the state would earn only \$160 million.

While projections for other types of goods are typically more reliable, this is an entirely new market and therefore prone to error. Why? Well, the jury is still out. Some researchers and pundits have guessed that in California taxes are too high, that the black market is too strong or that the red tape of bureaucracy is just too much.

Regardless, it's clear that marijuana tax revenue has increased year over year for every state that has legalized recreational marijuana. While naysayers are touting California's missed projections, Colorado, while struggling to meet its projections in the first three years after legalization, eventually exceeded its projection.

## **Is legalized marijuana hurting youth?**

A well-trodden argument against legalization is that it could lead youth to use it more. For example, anti-drug group DARE has blamed marijuana for a rise in school suspensions and youth suicide, among other things.

Here is the problem: Researchers simply don't have enough data yet.

Studies have shown that youth marijuana use **actually decreases** in states where medical marijuana has been legalized. Researchers guess that this may be due to kids viewing marijuana as medicinal instead of recreational.

While other **studies** have suggested that legalizing marijuana can lead to increased use, this could simply be reporting bias. In other words, if it is legalized, people are more willing to be honest about use.

**Other studies** show quite the opposite. For example, Colorado teens had a statistically significant drop in marijuana use over the past three years since recreational legalization.

While there are strong indicators that the legalization of recreational marijuana leads to decreased use in youth, only time will give the final verdict.

## **Does marijuana increase crime?**

Many who are against legal marijuana claim that it could lead to an increase in violent crime.

Even in Colorado last year, there were **rumblings** from Gov. Hickenlooper about banning marijuana, since crime in Colorado has been rising since 2014, the same year marijuana was legalized.

There is really no doubt that states which allow medical marijuana show **absolutely no increase** in their violent and nonviolent crime statistics. In fact, crime might actually decrease.

However, crime **has increased** in many of the cities where recreational marijuana is legal. Homicides in Seattle, D.C. and Denver – all major cities with legal marijuana – have increased over the past few years. But homicides have **also increased** in cities without recreational marijuana, such as Chicago, St. Louis, Baltimore, New Orleans and Kansas City.

A homicide increase over four years alone in cities where marijuana is legalized reveals absolutely nothing. This is a classic case for the statistical saying "correlation does not necessarily mean causation." Take California, for instance. Murders in Oakland are down, but murders in Fresno are up. How can that be recreational marijuana's fault?

However, legalized marijuana does seem to have an effect on the justice system. According to FBI crime data, in 2017, there were 659,000 marijuana arrests in the U.S. There were also **1.2 million** violent crimes with victims, but only **518,617** arrests for these same violent crimes. This means that there are more than 700,000 victims who have suffered without justice.

In states with legalized recreational marijuana, police now no longer spend time on marijuana arrests and can spend more time on solving these types of crime. FBI data from Colorado and Washington show that crime clearance rates – the number of times that the police solved a crime – **increased** for both violent and property crimes after legalization.

While there are still many unknowns surrounding the legalization of recreational marijuana, I believe that this shows that it will be a positive influence.

[theconversation.com/does-legalizing-marijuana-help-or-harm-americans-weighing-the-statistical-evidence-109402](http://theconversation.com/does-legalizing-marijuana-help-or-harm-americans-weighing-the-statistical-evidence-109402) 2/5

Further reading:

**What Were the Consequences of Legalizing Weed in Colorado?**

<https://www.snopes.com/fact-check/legal-cannabis-colorado/>

**How Dangerous is Marijuana Really, round-table discussion.**

<https://www.themarshallproject.org/2019/01/14/how-dangerous-is-marijuana-really>

Clovercraft LLC  
17 East St.  
Easthampton, MA 01027

To: Abutters within 300' of 17 East St.  
and Easthampton City Departments

January 3, 2024

Dear Abutters and City of Easthampton,

We are giving notice that a Community Outreach Meeting for Clovercraft LLC, a proposed marijuana retail, is scheduled for January 20, 2024, 11:00 am at our proposed location 17 East St. Easthampton, MA. This is a current cannabis delivery business that will be adding a retail license. There will be an opportunity for the public to ask questions at the meeting. Please email questions to [ezparz@gmail.com](mailto:ezparz@gmail.com)

Sincerely,

A handwritten signature in black ink, appearing to read 'Ezra Parzybok', with a stylized, cursive script.

Ezra Parzybok  
Consultant



Ezra Parzybok <ezra@blueskiescan.com>

## Fwd: 17 East Street - Cannabis Retail Notice of Community Meeting

1 message

**Jeffrey Bagg** <jbagg@easthamptonma.gov>  
To: Ezra Parzybok <ezra@blueskiescan.com>

Wed, Jan 17, 2024 at 9:35 AM

Ezra per your other email please consider this email and the one below as confirmation the City received and distributed the notice of community meeting for 17 East Street.

Jeff Bagg  
Planning Director  
Easthampton, MA  
50 Payson Ave  
413-529-1406  
[jbagg@easthamptonma.gov](mailto:jbagg@easthamptonma.gov)

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

From: **Jeffrey Bagg** <jbagg@easthamptonma.gov>  
Date: Wed, Jan 10, 2024 at 10:43 AM  
Subject: [17 East Street](#) - Cannabis Retail Notice of Community Meeting  
To:

- Mayor
- Police Chief
- Fire Chief & Deputy Fire Chief
- Building Commissioner
- Department of Public Works Director
- City Engineer & Staff Engineer
- Senior Planner
- Associate Planner
- Conservation Agent
- Health Agent
- Historical Commission Chair
- Licensing Clerk
- Assessor
- Finance Director
- EDIC
- Zoning Board of Appeals Chair
- Planning Board Chair
- Affordable Fair Housing Partnership Chair
- City Council
- City Attorney

Good morning,

The owner of 17 East Street is seeking a change in use from Cannabis Delivery to Cannabis Retail at the property of 17 East Street.

Pursuant to the Cannabis Control Commission (CCC) regulations they are required to notify the City and abutters within 300 feet of a community meeting. This is not a City meeting; it is required for them to review the proposed plan with anyone interested. Please see attached notice of the meeting to be held on January 20, 2024 at 11 a.m. A brief project summary is attached.

This is an early step in the process required as part of their formal application to the Cannabis Control Commission.

After the CCC application is deemed complete, they must seek a Special Permit from the Planning Board. City officials will be notified again about the Special Permit application and more detailed plans and information will be available at that time. Pursuant to the City's Zoning Ordinance a total of six retail establishments are allowed. Currently we have four retail establishments operating (INSA, Verb is Herb, Liberty & Fyre Ants); the project at 17 East St would be considered the fifth.

Sincerely,

Jeff Bagg  
Planning Director  
Easthampton, MA  
50 Payson Ave  
413-529-1406  
[jbagg@easthamptonma.gov](mailto:jbagg@easthamptonma.gov)

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**2 attachments**



**COM Town Letter - Retail - {Clovercraft} - (1.3.24).pdf**  
42K



**Exhibit A Description on Establishment Clovercraft.pdf**  
25K

Clovercraft LLC  
17 East St.  
Easthampton, MA 01027

To: Abutters within 300' of 17 East St.  
and Easthampton City Departments

January 3, 2024

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Sincerely,

A handwritten signature in black ink, appearing to read 'Ezra Parzybok', with a stylized, cursive script.

Ezra Parzybok  
Consultant

# Community Outreach Meeting Attestation Form

## Instructions

Community Outreach Meeting(s) are a requirement of the application to become a Marijuana Establishment (ME) and Medical Marijuana Treatment Center (MTC). 935 CMR 500.101(1), 500.101(2), 501.101(1), and 501.101(2). The applicant must complete each section of this form and attach all required documents as a single PDF document before uploading it into the application. If your application is for a license that will be located at more than one (1) location, and in different municipalities, applicants must complete two (2) attestation forms – one for each municipality. Failure to complete a section will result in the application not being deemed complete. Please note that submission of information that is “misleading, incorrect, false, or fraudulent” is grounds for denial of an application for a license pursuant to 935 CMR 500.400(2) and 501.400(2).

## Attestation

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

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



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

a. Date of publication:

b. Name of publication:

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

a. Date notice filed:

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

a. Date notice(s) mailed:

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

- a. The type(s) of ME or MTC to be located at the proposed address;
- b. Information adequate to demonstrate that the location will be maintained securely;
- c. Steps to be taken by the ME or MTC to prevent diversion to minors;
- d. A plan by the ME or MTC to positively impact the community; and
- e. Information adequate to demonstrate that the location will not constitute a nuisance as defined by law.

8. Community members were permitted to ask questions and receive answers from representatives of the ME or MTC.



Name of applicant:

Name of applicant's authorized representative:

Signature of applicant's authorized representative:



## **Positive Impact Plan Clovercraft Retail**

This program will meet the spirit and objectives of state law M.G.L. Ch. 94G §4 requires Licensed Marijuana Establishments to, “...engage in processes and policies that promote and encourage full participation in the regulated cannabis industry by people from communities that have previously been disproportionately harmed by marijuana prohibition and enforcement and to positively impact those communities.”

The Commission has identified the groups Positive Impact Plans are intended to impact as the following:

- Past or present residents of the geographic ADI, which have been defined by the Commission and identified in its *Guidance for Identifying Areas of Disproportionate Impact*.
- Commission-designated Economic Empowerment Priority applicants;
- **Commission-designated Social Equity Program participants;**
- Massachusetts residents who have past drug convictions; and
- Massachusetts residents with parents or spouses who have drug convictions.
- The above persons are hereinafter be referred to as the **Primary Target Group (PTG)**

### **Programs:**

#### **1. Hiring from ADIs:**

- a. Utilize online platforms like LinkedIn and local newspapers for job postings, focusing on Holyoke and other ADIs.
- b. Conduct at least two major hiring drives per year, specifically targeting residents from these areas (and Holyoke in particular). Hiring Drive will be advertised on our social media and with LinkedIn and the Holyoke Sun.

#### **2. Engagement with SE-Owned Businesses:**

- a. Collaborate with industry-specific consultants, professionals, and trainers with owners designated as SE, and identify potential SE-owned business partners through our contacts and networking. The City of Holyoke maintains a list of SE applicants from which we will contact owners for collaboration.
- b. As for ancillary businesses, our network within the industry knows of consultants, designers, and contractors whose owners are certified as Social Equity and operating their businesses while they pursue or sustain participation in the industry. Holyoke, ADI, engages with an SE-owned ancillary consultancy for example. As there is no CCC-provided list of SE applicants or SE ancillary businesses, our engagement with these companies will be through word of mouth, attending conferences and industry events, and other means.

### **Goals:**

These above programs will facilitate direct assistance in the achievement of some or all of the following goals for at least one social equity business and hiring Holyoke PTGs:

**1. Hiring from ADIs:**

- a. Hire at least 50% of new employees annually from Holyoke or other ADIs.

**2. Engage with at least one SE-owned ancillary business.**

- a. Form partnerships with at least one Social Equity (SE)-owned ancillary business annually and one SE-owned operating licensee.

**Measurements and Metrics:**

**1. For Hiring from ADIs:**

- a. Monitor the number and percentage of new hires from Holyoke or other ADIs, with a target of hiring at least two new employees from ADIs per year. Additionally, we will tabulate the percentage of hires as Holyoke residents.

**2. For Engagement with SE-Owned Businesses:**

- a. Track the number of SE-owned businesses engaged annually, aiming for at least one new partnership or contract per year. If we have an invoice or contract with this business, we have a metric.
- b. Did we engage with at least one Social Equity program participant who is an operating licensee (or seeking licensing) to meet the spirit of 94G §4?

**Acknowledgments**

*The applicant 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.*

*No actions taken, or programs instituted by the applicant will violate the Commission's regulations with respect to limitations on ownership or control or other applicable state laws.*

*No donation or program to support any specifically named organizations or the furtherance of their goals have been proposed as this is a direct mentor-to-mentee program.*

*We acknowledge that the progress or success of our plan's goals must be documented upon license renewal, which occurs one year from provisional licensure, and each year thereafter.*

*We attest we will not provide any of our Positive Impact Plan program resources to Independent Testing Laboratories.*



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

William Francis Galvin  
Secretary of the  
Commonwealth

January 9, 2024

TO WHOM IT MAY CONCERN:

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

**CLOVERCRAFT LLC**

in accordance with the provisions of Massachusetts General Laws Chapter 156C on **JULY 29, 2020.**

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: **EZRA JACOB PARZYBOK**

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

The names of all persons authorized to act with respect to real property listed in the most recent filing are: **EZRA PARZYBOK PARZYBOK, EZRA JACOB PARZYBOK**



In testimony of which,

I have hereunto affixed the

Great Seal of the Commonwealth

on the date first above written.

*William Francis Galvin*

Secretary of the Commonwealth



## CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE



CLOVERCRAFT LLC  
17 EAST ST  
NORTHAMPTON MA 01060-4244

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

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

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

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

### *What if I have questions?*

If you have questions, call us at (617) 887-6400 or toll-free in Massachusetts at (800) 392-6089, Monday through Friday, 9:00 a.m. to 4:00 p.m..

### *Visit us online!*

Visit [mass.gov/dor](https://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**  
**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: 001449081

1. The exact name of the limited liability company is: CLOVERCRAFT LLC

**2a. Location of its principal office:**

No. and Street: 139 DAMON RD.  
 City or Town: NORTHAMPTON State: MA Zip: 01060 Country: USA

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

No. and Street: 139 DAMON RD.  
 City or Town: NORTHAMPTON State: MA Zip: 01060 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:**

DELIVERY SERVICE

**4. The latest date of dissolution, if specified:**

**5. Name and address of the Resident Agent:**

Name: EZRA PARZYBOK  
 No. and Street: 30 NORWOOD AVE  
 City or Town: NORTHAMPTON State: MA Zip: 01060 Country: USA

I, EZRA PARZYBOK 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	EZRA JACOB PARZYBOK	139 DAMON RD. NORTHAMPTON, MA 01060 USA

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

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
SOC SIGNATORY	EZRA JACOB PARZYBOK	139 DAMON RD. NORTHAMPTON, MA 01060 USA

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

<b>Title</b>	<b>Individual Name</b> First, Middle, Last, Suffix	<b>Address</b> (no PO Box) Address, City or Town, State, Zip Code
REAL PROPERTY	EZRA JACOB PARZYBOK	139 DAMON RD. NORTHAMPTON, MA 01060 UNI

**9. Additional matters:**

**SIGNED UNDER THE PENALTIES OF PERJURY, this 29 Day of July, 2020,  
EZRA PARZYBOK**

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

THE COMMONWEALTH OF MASSACHUSETTS

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

July 29, 2020 02:04 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*

## ARTICLE I

### DEFINITIONS

The following terms used in the Operating Agreement shall have the following meanings (unless otherwise expressly provided herein);

(a) "Adjusted Capital Account" means, for each Member, such Member's Capital Account balance increased by such Member's share of "minimum gain" and of "partner nonrecourse debt minimum gain" (as determined pursuant to Treasury Regulation Sections 1.704-2(g) and 1.704-2(i)(5), respectively).

(b) "Articles of Organization" shall mean the Articles of Organization of Clovercraft, LLC, as filed with the Secretary of the Commonwealth of Massachusetts, as the same may be amended from time to time. A copy of the Articles of Organization is attached hereto as Exhibit A.

(c) "Capital Account" as of any given date shall mean the Capital Contribution to the Company by a Member as adjusted up to the date in question pursuant to Article VII.

(d) "Capital Contribution" shall mean any agreed contribution to the capital of the Company in cash, property or services by a Member whenever made.

(e) "Class A Interest" shall mean the proportionate Membership Interest of the Company represented by all outstanding Class A Units. During the Exclusivity Period the Class A Interest shall comprise 51% of the Membership Interest of the Company. Following the expiration of the Exclusivity Period, the Class A Interest shall comprise 10% of the Membership Interest of the Company.

(f) "Class A Member" shall mean any Person who: (1) owns at least one Class A Unit, (2) has been admitted to the Company as a Member in accordance with this Operating Agreement, (3) has executed a counterpart of this Operating Agreement as a Member, and (4) has not resigned, withdrawn, or been expelled as a Member, or, if other than an individual, been dissolved.

(g) "Class A Percentage Interest" shall mean a Class A Member's proportionate interest in the Class A Interest, which shall be calculated for each Class A Member by dividing the number of Class A Units owned by such Class A Member by the total number of Class A Units issued and outstanding.

(h) "Class A Unit" shall mean a unit representing a fractional part of the Class A Interest.

(i) "Class B Interest" shall mean the proportionate Membership Interest of the Company represented by all outstanding Class B Units. During the Exclusivity Period the Class B Interest shall comprise 49% of the Membership Interest of the Company. Following the expiration of the Exclusivity Period, the Class B Interest shall comprise 90% of the Membership Interest of the Company.

(j) "Class B Member" shall mean any Person who: (1) owns at least one Class B Unit, (2) has been admitted to the Company as a Member in accordance with this Operating Agreement, (3) has

executed a counterpart of this Operating Agreement as a Member, and (4) has not resigned, withdrawn, or been expelled as a Member, or, if other than an individual, been dissolved.

(k) "Class B Percentage Interest" shall mean a Class B Member's proportionate interest in the Class B Interest, which shall be calculated for each Class B Member by dividing the number of Class B Units owned by such Class B Member by the total number of Class B Units issued and outstanding.

(l) "Class B Unit" shall mean a unit representing a fractional part of the Class B Interest.

(m) "Code" shall mean the Internal Revenue Code of 1986 or corresponding provisions of subsequent superseding federal revenue laws.

(n) "Commission" shall mean the Massachusetts Cannabis Control Commission.

(o) "Company" shall refer to Clovercraft, LLC.

(p) "Deficit Capital Account" shall mean, with respect to any Member, the deficit balance, if any, in such Member's Capital Account as of the end of the taxable year.

(q) "Distributable Cash" means all cash, revenues and funds received by the Company from Company operations, less the sum of the following to the extent paid or set aside by the Company: (i) all principal and interest payments on indebtedness of the Company and all other sums paid to lenders; (ii) all cash expenditures incurred incident to the normal operation of the Company's business; (iii) such Reserves as the Managers deem reasonably necessary to the proper operation of the Company's business.

(r) "Economic Interest" shall mean, with respect to each Member, such Member's right to share in the income, gains, losses, deductions and credits of the Company, but does not include any non-economic rights of a Member, including, without limitation, the right to vote or to participate in management, except as provided in the Massachusetts Act.

(s) "EEA" shall mean a certified Economic Empowerment Applicant, as such term is defined in 935 CMR 500.

(t) "Entity" shall mean a general partnership, a limited partnership, a domestic or foreign limited liability company, a trust, an estate, an association, a Company or any other legal or commercial entity.

(u) "Event of Disassociation" means the resignation, death or incapacity of a Member, as provided in Section 36 and 42 of the Massachusetts Act.

(v) "Exclusivity Period" shall mean the period of time during which licenses to operate an MDO are limited on an exclusive basis to businesses controlled by and with majority ownership comprised of an EEA or SEPP. The Exclusivity Period shall expire upon such date that is thirty six (36) months after the date that the first MDO receives a notice to commence operations, unless the Commission votes to establish a different date for the expiration of the Exclusivity Period.

(w) "Fiscal Year" shall mean the Company's fiscal year, which shall end each year on June 30<sup>th</sup>.

(x) "Gifting Member" shall mean any Member who gifts, bequeaths or otherwise transfers for no consideration (by operation of law or otherwise, except with respect to bankruptcy) all or any part of its Membership Interest.

(y) "Manager" shall mean one or more Managers designated in the manner provided in this Agreement.

(z) "Massachusetts Act" shall mean the Massachusetts Limited Liability Company Act (M.G.L. Ch. 156C).

(aa) "MDO" shall mean a Marijuana Delivery Operator, as such term is defined in 935 CMR 500.

(ab) "Member" shall mean any Class A Member and any Class B Member. "Member" does *not* include a Person who succeeds to the Economic Interest of a Member, unless such Person is admitted to the Company as a new Member in accordance with this Operating Agreement.

(ac) "Membership Interest" shall mean, with respect to each Member, such Member's proportionate equity interest in the Company. Each Class A Member's Membership Interest, shall be equal to such Member's Class A Percentage Interest multiplied by 0.51. Each Class A-1 Member's Membership Interest, shall be equal to such Member's Class A-1 Percentage Interest multiplied by 0.1. Each Class B Member's Membership Interest, shall be equal to such Member's Class B Percentage Interest multiplied by 0.49.

(ad) "Net Profits" and "Net Losses" shall mean the income, gain, loss, deductions and credits of the Company in the aggregate or separately stated, as appropriate, determined in accordance with the method of accounting selected by the Managers at the close of each Fiscal Year on the Company's information tax return filed for federal income tax purposes.

(ae) "Operating Agreement" shall mean this Operating Agreement as originally executed and as amended from time to time.

(af) "Person" shall mean an individual or Entity, and the heirs, executors, administrators, legal representatives, successors, and assigns or such "Person" where the context so permits.

(ag) "Reserves" shall mean, with respect to any fiscal period, funds set aside or amounts allocated during such period to reserves which shall be maintained in amounts deemed sufficient by the Managers for capital expenditures, working capital and to pay taxes, insurance, debt service or other costs or expenses incident to the ownership or operation of the Company's business.

(ah) "Selling Member" shall mean any Member which sells, assigns, or otherwise transfers for consideration all or any portion of its Membership Interest.

(ai) "SEPP" shall mean a certified Social Equity Program Participant, as such term is defined in 935 CMR 500.

(aj) "Tax Distributions" shall mean distributions to Members intended to cover the potential federal, state or local tax obligations of such Members on account of the cumulative allocation to them of Net Profits and Net Losses pursuant to this Agreement. For purposes of the foregoing, such federal, state and local tax obligations of each Member shall be assumed to equal the highest effective combined federal and state income tax rate applicable to any Member (or, in the case of a flow-through entity, the tax rate applicable to the members of such flow-through entity) multiplied by the cumulative allocation to such Member of Net Profits in excess of Net Losses.

(ak) "Transferring Member" shall collectively mean a Selling Member and a Gifting Member.

(al) "Treasury Regulations" shall include proposed, temporary and final regulations promulgated under the Code in effect as of the date of filing the Articles of Organization and the corresponding sections of any regulations subsequently issued that amend or supersede such regulations.

## ARTICLE II

### FORMATION OF COMPANY

The Company whose address is 19 Wemelco Way, Easthampton, MA, was formed as a limited liability company under the Massachusetts Act by the filing of its Articles of Organization with the Secretary of the Commonwealth of Massachusetts on July 29, 2020

## ARTICLE III

### BUSINESS OF COMPANY

The name and purposes of the Company shall be as set forth in the Articles of Organization. This Operating Agreement the powers of the Company and its Managers and Members, and all matters concerning the conduct and regulation of the business of the Company, shall be subject to such provisions in regard thereto, if any, as are set forth in the Articles of Organization.

## ARTICLE IV

### MANAGERS

**Section 4.1 - Management.** The business and affairs of the Company shall be managed by its Managers. Each Manager shall direct, manage and control the business of the Company to the best of their ability and shall devote such time to the affairs of the Company as may be reasonably necessary for performance by the Manager of his, her or its duties hereunder, provided that the Manager shall not be required to devote full time to such affairs

**Section 4.2 - Powers of Manager.** Except for situations in which the approval of the members

is expressly required by this Operating Agreement or by nonwaivable provisions of applicable law, 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. All management and other responsibilities not specifically reserved to the Members in this Agreement shall be vested in the Managers. Without limiting the generality of the foregoing, the Managers shall have power and authority on behalf of the Company:

- (a) To acquire property from any Person as the Managers may determine;
- (b) To open bank accounts in the name of the Company, and to be the sole signatory thereon;
- (c) To borrow money for the Company from banks, other lending institutions, individuals, the Manager, Members, or affiliates of the Managers or Members on such terms as the Managers deems appropriate, and in connection therewith, to mortgage, hypothecate, encumber and grant security interests in the assets of the Company to secure repayment of the borrowed sums;
- (d) To purchase liability and other insurance to protect the Company's property and business;
- (e) To hold and own any Company real and/or personal properties in the name of the Company;
- (f) To invest any company funds temporarily (by way of example but not limitation) in time deposits, short term governmental obligations, commercial paper or other investments;
- (g) to sell or otherwise dispose of all or substantially all of the assets of the Company as part of a single transaction or plan;
- (h) To execute on behalf of the Company all instruments and documents, including, without limitation, checks; drafts; notes and other negotiable instruments; mortgages or deeds of trust; security agreements; financing statements; documents providing for the acquisition, mortgage or disposition of the Company's property; assignments; bills of sale; leases; partnership agreements, operating agreements of other limited liability companies; and any other instruments or documents necessary or appropriate, in the opinion of the Manager, to the business of the Company;
- (i) To employ accountants, legal counsel, managing agents or other experts to perform services for the Company and to compensate them from Company funds;
- (j) To enter into any and all agreements on behalf of the Company, with any other Person for any purpose, in such forms as the Managers may approve;
- (k) To do and perform all other acts as may be necessary or appropriate to the conduct of the Company's business; and

- (l) To delegate his, her or their power and authority to another party of his, her or their choice by the use of a valid Power of Attorney.

**Section 4.3 - Member Approval Requirements.** Notwithstanding the provisions of Section 4.2, without the affirmative vote of Members representing at least two-thirds of the Membership Interest of the Company, no Manager shall cause the Company to take any of the following actions:

- (a) To remove a Manager with or without cause;
- (b) To elect a Manager to fill a vacancy;
- (c) To cause the Company to enter into any agreement or arrangement with any Manager or an Affiliate of any Manager, pursuant to which any Manager or any of such Affiliates is to receive compensation of any kind;
- (d) To approve additional Class A Members;
- (e) To issue additional Class A Units;
- (f) To elect to dissolve the Company; or
- (g) To amend any of the material terms of this Operating Agreement.

**Section 4.4 – Class B Member Approval Requirements.** Notwithstanding the provisions of Section 4.2, without the affirmative vote of Members of Members representing at least seventy five percent (75%) of the Class B Percentage Interest, no Manager shall cause the Company to take any of the following actions:

- (a) To approve additional Class B Members;
- (b) To issue additional Class B Units; or

**Section 4.5 - Managers Has No Exclusive Duty to Company.** The Managers shall not be required to manage the Company as his or her sole and exclusive or their sole and exclusive function and he, she or they may have other business interests and may engage in other activities in addition to those relating to the Company.

**Section 4.6 - Indemnity of Manager.** The Company shall indemnify the Managers from and against any claim by any third party seeking monetary damages against such Managers arising out of such Manager' performance of their duties in good faith and in accordance with Section 8 of the Massachusetts

**Section 4.7 - Number, and Tenure.** The Company shall, at all times, have three (3) Managers unless the number of Managers is increased pursuant to an affirmative vote of Members representing at least two-thirds of the Membership Interest of the Company. Each Manager shall hold office until it sooner dies, resigns, is removed or becomes disqualified. Members may also serves as Managers but

no Manager need be a Member.

**Section 4.8 - Resignation.** Any Managers of the Company may resign at any time by giving written notice to the Members of the Company. The resignation of any Manager shall take effect upon receipt of notice thereof or at such later time as shall be specified in such notice; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The resignation of a Managers who is also a Member shall not, by itself, affect the Manager's rights as a Member and shall not constitute a withdrawal of a Member.

**Section 4.9 - Removal.** Any Manager may be removed, with or without cause, by the affirmative vote of Members representing at least two-thirds of the Membership Interest of the Company. If cause is assigned for removal of any Manager, such Manager may be removed only after a reasonable notice and opportunity to be heard before the body proposed to remove him. The removal of a Manager who is also a Member shall not, by itself, affect the Manager's rights as a Member and shall not constitute a withdrawal of a Member.

**Section 4.10 - Vacancies.** Any vacancy occurring for any reason in the number of Managers of the Company may be filled by the affirmative vote of Members representing at least two-thirds of the Membership Interest of the Company.

**Section 4.11 – Manager Compensation.** Subject to the written consent of Members representing at least two-thirds of the Membership Interest of the Company, the Company may pay fees to the Manager and/or Affiliates of the Manager for services they provide on behalf of the Company pursuant to one or more separate Services Agreements. All fees will be based on the fair market value of the services contracted for, and shall be paid as an expense of the Company prior to determining Distributable Cash.

## **ARTICLE V**

### **MEMBERS**

**Section 5.1 - Limitation of Liability.** Each Member's liability shall be limited as set forth in this Operating Agreement by the Massachusetts Act and other applicable law.

**Section 5.2 - Voting Rights.** Members shall have no voting rights except for situations in which the approval of the members is expressly required by this Operating Agreement or by nonwaivable provisions of applicable law. In such situations when approval of the members is expressly required, each Member shall have a pro-rata vote commensurate with his or her Membership Interest in the Company unless approval of from a single class of Members is required, in which case each eligible Member shall have a pro-rata vote commensurate with his or her Percentage Interest of such class. No Member (other than a Member who is also a Manager) shall have any power or authority to bind the Company unless the Member has been authorized by the Managers to act as an agent of the Company.

**Section 5.3 – List of Members.** Exhibit B of this Operating Agreement shall list the names

and addresses of all Members of the Company, the number of Units they own of each class, and their proportionate Membership Interest. Such list shall be immediately updated any time an existing Member ceases to be a Member, a new Member is admitted to the Company, a Member transfers Units to a new Member or a third party, or the Company issues new Units. A current copy of Exhibit B shall be immediately provided to any Member upon written request of such Member.

#### **Section 5.4 – Class A Members.**

- (a) Membership Interest. During the Exclusivity Period, each Class A Member's Membership Interest, shall be equal to such Member's Class A Percentage Interest multiplied by 0.51. Following the expiration of the Exclusivity Period, each Class A Member's Membership Interest, shall be equal to such Member's Class A Percentage Interest multiplied by 0.1.
- (b) Economic Interest. During the Exclusivity Period, each Class A Member's Economic Interest, shall be equal to such Member's Class A Percentage Interest multiplied by 0.51. Following the expiration of the Exclusivity Period, each Class A Member's Economic Interest, shall be equal to such Member's Class A Percentage Interest multiplied by 0.1.
- (c) New Class A Members. No Person or Entity, other than those currently identified in Exhibit B, shall become a Class A Member of the Company, except for pursuant to the affirmative vote of Members representing at least two-thirds of the Membership Interest of the Company. Prior to the expiration of the Exclusivity Period, no Person or Entity shall be eligible to be a Class A Member unless he or she is certified as an EEA or a SEPP.
- (d) New Class A Units. The Company shall issue no new Class A Units, other than those currently identified in Exhibit B.

#### **Section 5.5 –Class B Members.**

- (a) Membership Interest. During the Exclusivity Period, each Class B Member's Membership Interest, shall be equal to such Member's Class B Percentage Interest multiplied by 0.49. Following the expiration of the Exclusivity Period, each Class B Member's Membership Interest, shall be equal to such Member's Class B Percentage Interest multiplied by 0.9.
- (b) Economic Interest. During the Exclusivity Period, each Class B Member's Economic Interest, shall be equal to such Member's Class B Percentage Interest multiplied by 0.49. Following the expiration of the Exclusivity Period, each Class B Member's Economic Interest, shall be equal to such Member's Class B Percentage Interest multiplied by 0.9.
- (c) New Class B Members. No Person or Entity, other than those currently identified in Exhibit B, shall become a Class B Member, except for pursuant to the affirmative vote of Members representing at least seventy five percent (75%) of the Class B Percentage Interest.
- (d) New Class B Units. The Company shall issue no new Class B Units, other than those currently identified in Exhibit B, except for pursuant to the affirmative vote of Members representing at least seventy five percent (75%) of the Class B Percentage Interest.

## ARTICLE VI

### CONTRIBUTIONS TO THE COMPANY AND CAPITAL ACCOUNTS

**Section 6.1 - Members' Capital Contributions.** Member Capital Contributions shall be made in full on admission to the Company. The capital contributions of the Class B Members shall result in one hundred percent (100%) of the capitalization of the Company, less the amount contributed by the Class A Members.

**Section 6.2 - Additional Contributions.** Additional Capital Contributions may be made from time to time as determined by the Managers. Members are under no obligation to make additional Capital Contributions; however, a Class B Member's decision not to make an additional Capital Contribution may result in a *pro rata* dilution of his or her Class B Percentage Interest. In no event shall any additional capital contributions result in a dilution of the Class A Interest.

**Section 6.3 - Capital Accounts.** A separate Capital Account will be maintained for each Member. In general, each Member's Capital Account will be:

- (a) increased by (i) the amount of money contributed by such Member to the Company; (ii) the agreed fair market value of property or services contributed by such Member to the Company (net of liabilities secured by such contributed property that the Company is considered to assume or take subject to under Section 752 of the Code); and (iii) allocations to such Member of Net Profits; and
- (b) decreased by (i) the amount of money distributed to such Member by the Company; (ii) the fair market value of property distributed to such Member by the Company (net of liabilities secured by such distributed property that such Member is considered to assume or take subject to under Section 752 of the Code); and (iii) allocations to the account of such Member Net Losses. Capital Accounts will be maintained in accordance with the requirements of 704(b) of the Code and the Treasury Regulations promulgated thereunder.

**Section 6.4 - Capital Accounts of Transferees.** In the event of a permitted sale or exchange of a Membership Interest in the Company, the Capital Account of the transferor shall become the Capital Account of the transferee to the extent it relates to the transferred Membership Interest in accordance with Section 1.704-1(b)(iv) of the Treasury Regulations. The Managers may, at their option, at the time a new Member is admitted, close the Company books (as though the Company's tax year had ended) or make *pro rata* allocations of loss, income and expense deductions to a new Member for that portion of the Company's tax year in which a Member was admitted in accordance with the provisions of Section 706(d) of the Code and the Treasury Regulations promulgated thereunder.

**Section 6.5 - Interest On and Return of Capital Contributions.** No Member shall be entitled to interest on its Capital Contribution or to return of its Capital Contribution, except as otherwise specifically provided for herein.

## ARTICLE VII

## ALLOCATIONS OF PROFIT AND LOSS

**Section 7.1 - Allocations of Profit and Losses.** After giving effect to the special allocations set forth in Section 7.2, the Net Profits and Net Losses of the Company for each Fiscal Year will be allocated to the Members in accordance with their relative Membership Interests and in compliance with applicable tax law.

### **Section 7.2 - Special Allocations.**

- (a) **Limitation on and Reallocation of Losses.** No Member shall be allocated Losses or deductions if the allocation causes a deficit in the Member's Adjusted Capital Account. If a Member receives (i) an allocation of Loss or deduction (or item thereof) or (ii) any distribution which causes a deficit in the Member's Adjusted Capital Account at the end of any taxable year, then all items of income and gain to the Company (consisting of a pro rata portion of each item of Company income, including gross income and gain) for that taxable year shall be allocated to that Member, before any other allocation is made of Company items for that taxable year, in the amount and in proportions required to eliminate the excess as quickly as possible.
- (b) **Qualified Income Offset.** If any Member unexpectedly receives an adjustment, allocation, or distribution described in Treasury Regulations § 1.704-1(b)(2)(ii)(d)(4), (5) or (6), items of income and gain shall be specially allocated to all such Members in an amount and manner sufficient to eliminate, as quickly as possible and to the extent required by Treasury Regulations § 1.704-1(b)(2)(ii)(d), the deficit in the Adjusted Capital Account of such Member, provided that an allocation pursuant to this Section 6.02(b) shall be made if and only to the extent that such Member would have a deficit in the Adjusted Capital Account after all other allocations provided for in this Article VII have been tentatively made as if this Section 6.02(b) were not included herein.).
- (c) **Minimum Gain Chargeback.** Except as set forth in Treasury Regulation § 1.704-2(f)(2), (3) and (4), if, during any Fiscal Year, there is a net decrease in Minimum Gain, each Member, prior to any other allocation pursuant to this Article VII, shall be specially allocated items of gross income and gain for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount equal to that Member's share of the net decrease of Minimum Gain, computed in accordance with Treasury Regulation § 1.704-2(g). Allocations of gross income and gain pursuant to this Section 4.02(c) shall be made first from gain recognized from the disposition of Company assets subject to non-recourse liabilities (within the meaning of the Treasury Regulations promulgated under Code § 752), to the extent of the Minimum Gain attributable to those assets, and thereafter, from a pro rata portion of the Company other items of income and gain for the taxable year. It is the intent of the parties hereto that any allocation pursuant to this Section 4.02(c) shall constitute a "minimum gain chargeback" under Treasury Regulation § 1.704-2(f). With respect to a net decrease in Member Loan Minimum Gain, items of gross income and gain shall be specially allocated in a manner consistent with the principles of the preceding sentence and Treasury Regulation § 1.704-2(i)(4).

- (d) Code § 754 Adjustment. To the extent an adjustment to the tax basis of any COMPANY asset pursuant to Code § 734(b) or § 743(b) is required, pursuant to Treasury Regulation § 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of the adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases basis), and the gain or loss shall be specially allocated to the Members in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to that Section of the Treasury Regulations.
- (e) Nonrecourse Deductions. Nonrecourse Deductions for a taxable year or other period shall be specially allocated among the Members in proportion to their Membership Interests.
- (f) Member Loan Nonrecourse Deductions. Any Member Loan Nonrecourse Deduction for any taxable year or other period shall be specially allocated to the Member who bears the risk of loss with respect to the loan to which the Member Loan Nonrecourse Deduction is attributable in accordance with the intent of Treasury Regulation § 1.704-2(i).
- (g) Guaranteed Payments. Any payment to a Member for services rendered to the Company, which is not governed for all purposes by an agreement other than this Agreement, shall be deemed to be a "guaranteed payment" described in and governed by Section 707(c) of the Code. To the extent any compensation paid to any Member by the Company, is determined by the Internal Revenue Service not to be a guaranteed payment under Code § 707(c) or is not paid to the Member other than in the Person's capacity as a Member within the meaning of Code § 707(a), the Member shall be specially allocated gross income of the Company in an amount equal to the amount of that compensation, and the Member's Capital Account shall be adjusted to reflect the payment of that compensation.
- (h) Unrealized Receivables. If a Member's Membership Interest is reduced (provided the reduction does not result in a complete termination of the Member's Membership Interest), the Member's share of the Company "unrealized receivables" and "substantially appreciated inventory" (within the meaning of Code § 751) shall not be reduced, so that, notwithstanding any other provision of this Agreement to the contrary, that portion of the Profit otherwise allocable upon a liquidation or dissolution of the Company pursuant to Article XII hereof which is taxable as ordinary income (recaptured) for federal income tax purposes shall, to the extent possible without increasing the total gain to the Company or to any Member, be specially allocated among the Members in proportion to the deductions (or basis reductions treated as deductions) giving rise to such recapture. Any questions as to the aforesaid allocation of ordinary income (recapture), to the extent such questions cannot be resolved in the manner specified above, shall be resolved by the Boards.

## ARTICLE VIII

### DISTRIBUTIONS

**Section 8.1 – Distributions during Operations.** Distributions shall only be made from Distributable Cash and only at such times as determined by the Manager in its reasonable discretion subject to the limitations on distributions described in Section 8.2. Distributions shall be made in the following order and priority:

- (a) **Tax Distributions.** The Manager shall, quarterly, project the Tax Distributions for the current Fiscal Year and distribute from Distributable Cash, prior to the due date for federal estimated tax payments, twenty-five percent (25%) of the projected amount due to the Members such that they can make necessary estimated tax payments. Any excess amounts determined to have been distributed to the Members based upon said projections shall be promptly repaid to the LLC.
- (b) **Pro Rata Distributions.** Any further distributions for a Fiscal Year shall be made to the Members in proportion to each Member's respective Membership Interest on the record date of such distribution.

**Section 8.2 – Limitations on Distributions during Operations.** In no event shall any distribution from Available Cash be made under this Article VIII to the extent that such distribution would (i) violate the terms of any financing arrangement to which the Company is a party, or (ii) result in an inability on the part of the Company to pay its debts as they become due. No Member shall have the right to demand and receive property other than cash irrespective of the nature of its Capital Contribution. All amounts withheld pursuant to the Code or any provisions of state or local tax law with respect to any payment or distribution to the Members from the Company shall be treated as amounts distributed to the relevant Member or Members pursuant to Section 8.1.

**Section 8.3 – Distributions upon Dissolution.** Upon dissolution of the Company, all property ("Assets") of the Company (including any Distributable Cash) shall be distributed as follows:

- (a) First, to establish reserves against anticipated or unanticipated Company liabilities, as reasonably determined by the Manager;
- (b) Second, to pay the creditors of the Company, including the Manager, a Member, or a third party who has loaned or advanced money to the Company or has deferred any reimbursements or fees;
- (c) Third, to all Members with positive Capital Account balances (after such balances have been adjusted to reflect all debits and credits required by applicable Treasury Regulations under I.R.C. § 704(b) for all events through and including the distributions upon dissolution of the Company) to the extent of such positive balances. In the event that any part of such net assets consists of notes or accounts receivable or other non-cash assets, the Manager may take whatever steps it deems appropriate to convert such

assets into cash or into any other form which would facilitate the distribution thereof. If any assets of the Company are to be distributed in kind, such assets shall be distributed on the basis of their fair market value net of any liabilities; and

- (d) Lastly, any remainder shall be distributed to the Members, with the Class A Members receiving ten percent (10%) and the Class B Members receiving ninety percent (90%).

## ARTICLE IX

### ACCOUNTING REPORTS

**Section 9.1 - Accounting Period.** The Company's accounting period shall be the calendar year.

**Section 9.2 - Records, Audits and Reports.** The Managers shall maintain records and accounts of all operations and expenditures of the Company. At a minimum the Company shall keep at its principal place of business the following records:

- (a) A current and a past list setting forth in alphabetical order the full name and last known business, residence, or mailing address of each Member, both past and present;
- (b) A copy of the Articles of Organization of the Company and all amendments thereto, together with executed copies of any powers of attorney pursuant to which any articles of amendment have been executed;
- (c) Copies of the Company's federal, state, and local income tax returns and financial statements for the three most recent years, or if such returns or statements were not prepared for any reason, copies of the information and statements provided to, or which should have been provided to, the members to enable them to prepare their federal, state and local tax returns for such period;
- (d) Copies of the Company's current effective written Operating Agreement and all amendments thereto and copies of any written operating agreements no longer in effect;
- (e) A writing setting forth the amount of cash, if any, and a statement of the agreed value of other property or services contributed by each member and the times at which or the events upon the happening of which any additional contributions are to be made by each Member;
- (f) A writing stating events, if any, upon the happening of which the Company is to be dissolved and its affairs wound up;
- (g) Other writings, if any, prepared pursuant to a requirement in this Agreement.

**Section 9.3 - Returns and Other Elections.** The Managers shall cause the preparation and

timely filing of all 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, shall be furnished to the Members as soon as practical after the end of the Company's Fiscal Year but in any event prior to the date upon which Federal and Massachusetts State tax returns are required to be filed by Members.

The Manager shall select the "Tax Matters Partner", in accordance with Section 6231 of the Internal Revenue Code of 1986, as amended, who will manage administrative tax proceedings with the Internal Revenue Service.

All elections permitted to be made by the Company under federal or state laws shall be made by the Manager in its sole discretion.

## ARTICLE X

### VOLUNTARY TRANSFER

**Section 10.1 – Restrictions on Voluntary Transfers.** No Member shall voluntarily sell, assign, pledge or otherwise transfer (collectively, "transfer") any Units of the Company or any right or interest therein, except by a transfer that meets the requirements hereunder. Any voluntary transfer made in violation of this Article X shall be void and of no legal effect.

#### **Section 10.2 - Right of First Refusal for Members of the same Class**

- (a) If any Member (the "Selling Member") proposes to transfer any Units of the Company (the "Offered Units"), then the Selling Member shall give written notice of the proposed transfer (a "Transfer Notice") to the Company and all other Members. The Transfer Notice shall name the proposed transferee and state the number of Offered Units, the price per Unit and all other material terms and conditions of the transfer.
- (b) For fifteen (15) days following the date of the Transfer Notice (the "First Option Period"), each Member that owns Units of the same class as the Offered Units (the "Eligible Members") shall have the option to elect to purchase a portion the Offered Units at the price and upon the terms set forth in the Transfer Notice by providing written notice to the Company and the Selling Member prior to the expiration of the First Option Period. Such written notice shall state how many of the Offered Units he or she will purchase.
- (c) In the event that the aggregate number of Offered Units that the Eligible Members elect to purchase exceeds the available number of Offered Units, each Eligible Member's option to purchase the Offered Units shall be limited by the percentage of all outstanding Units (exclusive of the Offered Units) that are the same class as the Offered Units, which the Eligible Member owns on the date of the Transfer Notice.

#### **Section 10.3 – Secondary Right of Refusal for Members of different Classes**

- (a) In the event that the aggregate number of Offered Units that the Eligible Members elect to purchase is less than the available number of Offered Units, then, for fifteen (15) days following the expiration of the First Option Period (the “Second Option Period”), the Members other than the Eligible Members (the “Remaining Members”) shall have the option to purchase, at the price and upon the terms set forth in the Transfer Notice, such Offered Units that the Eligible Members did not elect to acquire in the First Option Period (the “Remaining Offered Units”). Each Remaining Member may exercise their option to purchase the Remaining Offered Units by providing written notice to the Company and the Selling Member prior to the expiration of the Second Option Period. Such written notice shall state how many Units of the Remaining Offered Units he or she will purchase.
- (b) In the event that the aggregate number of Remaining Offered Units that the Remaining Members elect to purchase exceeds the available number of Remaining Offered Units, each Remaining Member’s option to purchase the Remaining Offered Units shall be limited by the percentage of all outstanding Units (exclusive of the Offered Units), which the Remaining Member owns on the date of the Transfer Notice.

**Section 10.4 – Third Right of Refusal for the Company.** In the event that the aggregate number of Offered Units that the Eligible Members elect to purchase is less than the available number of Offered Units, then, for fifteen (15) days following the expiration of the Second Option Period (the “Third Option Period”), the Company shall have the option to elect to purchase, at the price and upon the terms set forth in the Transfer Notice, all or any lesser part of the Offered Units not otherwise purchased by the Members. The Company may exercise its option to purchase such Offered Units by providing written notice to the Selling Member prior to the expiration of the Third Option Period. Such written notice shall state how many Units of the Offered Units the Company will purchase.

#### **Section 10.5 - Transfer of Offered Units**

- (a) In the event that the Eligible Members, Remaining Members, and/or the Company, in the aggregate, elect to acquire all, but not less than all, of the Offered Units, the Company shall so notify the Selling Member and settlement shall be made at the principal office of the Company in cash within seventy-five (75) days after the date of the Transfer Notice; *provided that* if the terms of payment set forth in the Transfer Notice were other than cash against delivery of such consideration, the Eligible Members, Remaining Members, and/or the Company shall pay for the Offered Units on the same terms and conditions set forth in the Transfer Notice.
- (b) In the event that the Eligible Members, Remaining Members, and/or the Company do not elect to acquire all of the Offered Units, the exercise of the options shall not be valid and the Selling Member shall not be obligated to sell the Offered Units to Eligible Members, Remaining Members, and/or the Company, as the case may be and the Selling Member may, within seventy-five (75) days after the date of the Transfer Notice, transfer the Offered Units to the proposed transferee or any other

purchaser (subject to Article X), *provided that* this sale shall not be on terms and conditions more favorable to the purchaser than those contained in the Transfer Notice. Notwithstanding any of the above, all Offered Units transferred pursuant to this Section shall be subject to the provisions of this Section in the same manner and to the same extent as before the transfer.

**Section 10.6 - Exemptions.** The following transfers shall be exempt from the requirements of Sections 10.2, 10.3 and 10.4:

- (a) A transfer pursuant to and in accordance with the terms of any validly authorized merger, consolidation, reclassification of Units or capital reorganization of the Company, or pursuant to a sale of substantially all of the Membership Interest or assets of the Company;
- (b) A transfer to a Person who is already a Member of the Company; or
- (c) A transfer to an entity that is an Affiliate of a Member of the Company;
- (d) An involuntary transfer resulting from a Member's Disassociation for cause or by operation of law.

**Section 10.7 - Admission of Substitute Member.** A transfer of a Member's Units, whether voluntary or involuntary, shall only entitle the transferee to the transferring Member's Economic Interests until the permitted Transferee shall become a Substitute Member upon satisfaction of all of the following conditions:

- (a) Filing of a duly executed and acknowledged written instrument of assignment in a form approved by the Manager specifying the Units being assigned and setting forth the intention of the that the assignee succeed to all of the assignor's Membership Interests as a Substitute Member of the Company;
- (b) Execution, acknowledgment and delivery by the assignor and assignee of any other instruments reasonably required by the Managers including an agreement of the assignee to be bound by the provisions of this Operating Agreement; and
- (c) The existing Members' approval of the Substitute Member (in accordance with the terms of Sections 5.4 and 5.5) and concurrent and complete Disassociation of all of the Membership and Economic Interests of the transferring Member.

**Section 10.8 – Sale of All Outstanding Membership Interest.** In the event that a third-party makes a bona fide offer to purchase substantially all of the outstanding Membership Interest of the Company, and Members representing at least two-thirds of the outstanding Membership Interests of the Company accept such offer, the remaining Members of the Company shall accept such offer as well, so long as the terms and conditions of the offer are the same for all Members and in proportion to each Member's Membership Interest.

## ARTICLE XI

### DISASSOCIATION

**Section 11.1 – Triggering Events.** Any Member may be disassociated (i.e., expelled) from the Company upon the occurrence of any of the following triggering events:

- (a) Upon Voluntary or Involuntary Transfer of all of the Member's Units;
- (b) Any Member who meets the definition of a "covered person" and becomes subject to a "disqualifying event" at any time during operation of the Company (as those terms are defined in Regulation D, Rule 506(d)) may automatically, by action of the Manager:
  - a) be disassociated, or
  - b) be stripped of its voting rights as appropriate and necessary to preserve the Company's securities registration exemption under Regulation D, Rule 506. Stripped voting rights shall be re-allocated amongst the Remaining Members in proportion to their Membership Interest.
- (c) In the case of any Member that is a legal entity, the Member's:
  - i. Dissolution, suspension, or failure to maintain the legal operating status of a Company, partnership or limited liability company that is a Member of the Company; or
  - ii. Becoming a debtor in Bankruptcy;
  - iii. The appointment of a trustee, receiver, or liquidator of the Member or of all or substantially all of the Member's property including its Units in the Company pursuant to an action related to the Member's insolvency; or
- (d) In the case of any Member who is an individual:
  - i. The Member's death;
  - ii. Becoming a debtor in Bankruptcy;
  - iii. The appointment of a guardian or conservator of the property of the Member; or
  - iv. A judicial determination of incapacity or other such determination indicating that the Member has become incapable of performing its duties under this Agreement.

- (e) Any Class A Member shall be disassociated in the event that it ceases to be either an EEA or a SEPP prior to the expiration of the Exclusivity Period.

**Section 11.2 – Effect of Disassociation.** Immediately upon mailing of a notice of Disassociation sent by the Manager to a Member’s last known address, unless the reason for Disassociation can be and is cured within sixty (60) days, a Member will cease to be a Member of the Company and shall thereafter be known as a Disassociated Member. A Disassociated Member or its legal successor shall retain its Economic Interest in the Company so long as it retains its Units.

## **ARTICLE XII**

### **DISSOLUTION**

The Company shall be dissolved and its affairs shall be wound up upon the happening of any of first to occur of the following:

- (a) A disposition of all, or substantially all of the assets of the Company;
- (b) the affirmative vote of Members representing at least two-thirds of the Membership Interest of the Company; or
- (c) entry of a decree of final dissolution under Section 43 of the Massachusetts Act.

## **ARTICLE XIII**

### **MISCELLANEOUS PROVISIONS**

**Section 13.1 - Notices.** Any notice, demand, or communication required or permitted to be given by any provision of this Operating Agreement shall be deemed to have been sufficiently given or served for all purposes if delivered personally to the party or to an executive officer of the party to whom the same is directed or, if sent by registered or certified mail, postage and charges prepaid, addressed to the Member's and/or Company's address, as appropriate, which is set forth in this Operating Agreement. Except as otherwise provided herein, any such notice shall be deemed to be given three business days after the date on which the same was deposited in a regularly maintained receptacle for the deposit of United States mail, addressed and sent as aforesaid.

**Section 13.2 - Application of Massachusetts Law.** This Operating Agreement, and the application of interpretation hereof, shall be governed exclusively by its terms and by the laws of the Commonwealth of Massachusetts, and specifically the Massachusetts Act.

**Section 13.3 - Waiver of Action for Partition.** Each Member irrevocably waives during the term of the Company any right that it may have to maintain any action for partition with respect to the property of the Company.

**Section 13.4 - Amendments.** This Operating Agreement may not be amended except by the

affirmative vote of Members representing at least two-thirds of the Membership Interest of the Company.

**Section 13.5 - Execution of Additional Instruments.** Each Member hereby agrees to execute such other and further statements of interest and holdings, designations, powers of attorney and other instruments necessary to comply with any laws, rules or regulations.

**Section 13.6 - Construction.** Whenever the singular number is used in this Operating Agreement and when required by the context, the same shall include the plural and vice versa, and the masculine gender shall include the feminine and neuter genders and vice versa.

**Section 13.7 - Headings.** The headings in this Operating Agreement are inserted for convenience only and are in no way intended to describe, interpret, define, or limit the scope, extent or intent of this Operating Agreement or any provision hereof.

**Section 13.8 - Waivers.** The failure of any party to seek redress for violation of or to insist upon the strict performance of any covenant or condition of this Operating Agreement shall not prevent a subsequent act, which would have originally constituted a violation, from having the effect of an original violation.

**Section 13.9 - Rights and Remedies Cumulative.** The rights and remedies provided by this Operating 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 or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

**Section 13.10 - Severability.** If any provision of this Operating Agreement or the application thereof to any person or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of this Operating Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

**Section 13.11 - Heirs, Successor 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 Operating Agreement, their respective heirs, legal representatives, successors and assigns.

**Section 13.12 - Creditors.** None of the provisions of this Operating Agreement shall be for the benefit of or enforceable by any creditors of the Company.

**Section 13.13 - Counterparts.** This Operating Agreement may be executed in counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

**Section 13.14 - Rule Against Perpetuities.** The parties hereto intend that the Rule against Perpetuities (and any similar rule of law) not be applicable to any provisions of this Operating Agreement. However, notwithstanding anything to the contrary in this Operating Agreement, if any provision in this Operating Agreement would be invalid or enforceable because of the Rule against Perpetuities or any similar rule of law but for this Section 13.14, the parties hereto hereby agree that any future interest which is created pursuant to said provision shall cease if it is not vested within twenty-one years after the death

of the survivor of the group composed of the Members who are individuals and their issue who are living on the date of this Operating Agreement and their issue, if any, who are living on the effective date of this Operating Agreement.

**IN WITNESS WHEREOF**, the undersigned Members have executed this Operating Agreement of Clovercraft, LLC, a Limited Liability Company as of the date provided next to their signature. Member signatures hereunder will constitute acceptance of this Operating Agreement and all subsequent amendments.

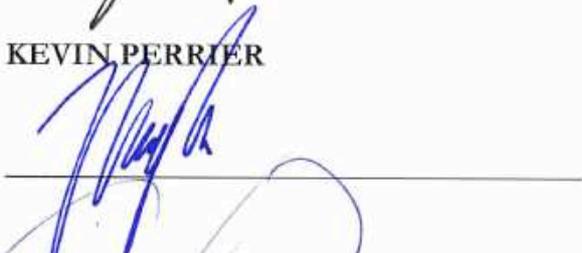
**EZRA PARZYBOK**



**Date:**

12/10/20

**KEVIN PERRIER**



**Date:**

12-9-20

**VOLKAN POLATOL**



**Date:**

12-9-20

EXHIBIT A

**ARTICLES OF ORGANIZATION**

See Attached Articles of Organization

**EXHIBIT B**

**MEMBERS  
OF  
CLOVERCRAFT, LLC**

<b>MEMBER</b>	<b>CLASS A UNITS</b>	<b>CLASS B UNITS</b>	<b>MEMBERSHIP INTEREST</b>
Ezra Parzybok	51	0	51%
Kevin Perrier	0	60	32.67%
Volkan Polatol	0	30	16.33%
<b>TOTAL</b>	51	90	100%

EXHIBIT C  
MANANGERS  
OF  
CLOVERCRAFT, LLC

Ezra Parzybok
Kevin Perrier
Volkan Polatol

Clovercraft LLC  
17 East St.  
Easthampton, MA

Jan 15,2024

Plan for insurance; the below insurance companies can provide general liability insurance coverage for no less than \$1,000,000 per occurrence and \$2,000,000 in aggregate, annually, , except as provided in 935 CMR 500.105(10)(b) or otherwise approved by the Commission. The deductible for each policy shall be no higher than \$5,000 per occurrence and will be activated by an insurer before being granted a final license by the Commission.

Tony Carastro; Cannabis Insurance Consultants, [tony@carastroins.com](mailto:tony@carastroins.com)  
Borawski Insurance, Northampton, MA [www.borawskiinsurance.com](http://www.borawskiinsurance.com)  
SafeHerb 155 Franklin Road, Suite 200 Brentwood, TN 37027



**BUSINESS PLAN**  
**Clovercraft, LLC**  
d/b/a  
**The Ounce Club**  
Easthampton, MA



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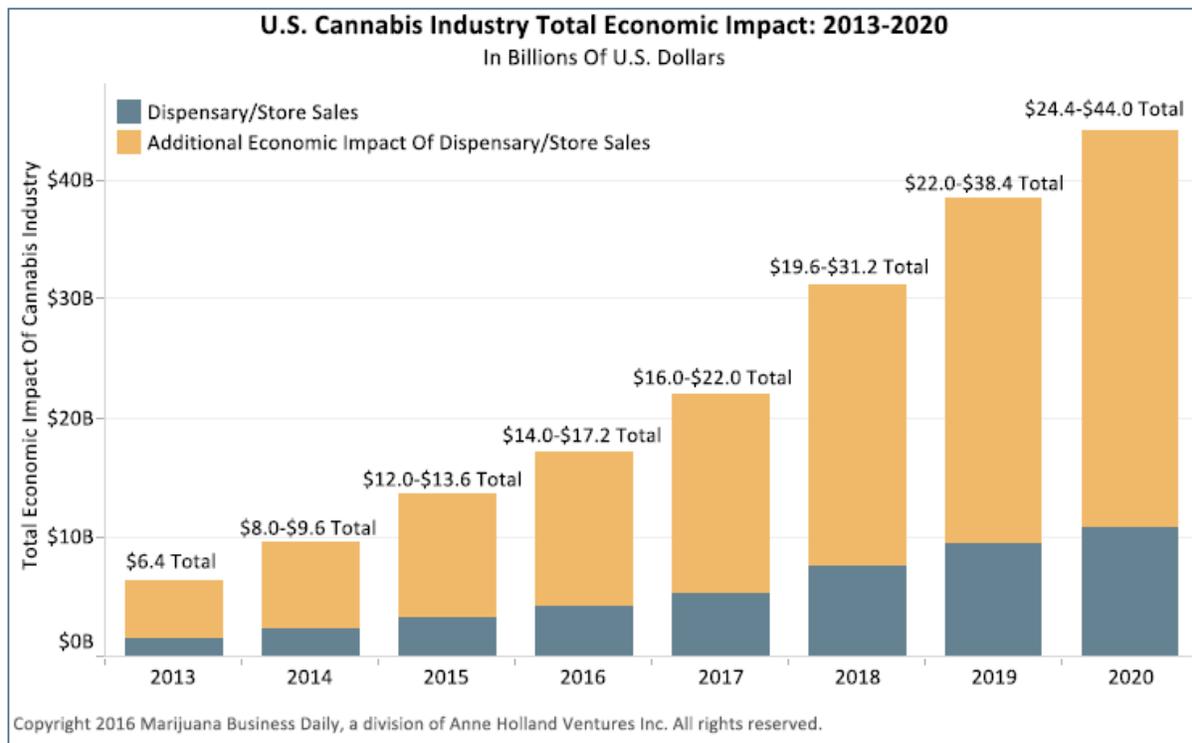
# 1. Executive Summary

## SNAPSHOT: Clovercraft LLC.

### Business Overview

- Massachusetts Retail Cannabis Dispensary
- Gross revenues are projected to be **\$1.3M** in year one, climbing to **\$1.4M** in years two and three.
- Clovercraft is privately funded and will require approximately **\$266,400** for start up
- Investment will be used to fund capital costs, startup expenses, and 1 year of working capital requirements.

**Overview:** **Clovercraft LLC** (*Clovercraft*) is a Massachusetts-registered Limited Liability Corporation, established to sell quality cannabis products. Clovercraft offices will be located in the City of Easthampton. Our retail establishment will be in full compliance with all state and local regulations.



*Clovercraft* will offer a range of market mature products. We intend to build market share by appealing to a broad spectrum of customer groups and demographics. We will achieve this goal by supplying select cannabis products of both our own white label and from among the best that Massachusetts cultivators and manufacturers have to offer - focusing on small, craft-brand companies where possible.

*Clovercraft* will engage in a variety of public relations and marketing strategies. These will include engagement and support of local community activities as well as consultative participation in marijuana

educational seminars. These services are intended to build market as marijuana companies will face stiff competition. The differing types, methods and costs of cultivation will likely create a range of product qualities and price points to contend with. Larger cultivator and manufacturers are expected to conquer market share by offering quality and pricing that satisfies mass-market needs while leaving quality, passion, artisanal care, and hand-crafted prices to the small to medium-sized market where *Clovercraft* intends to play, initially.

**Competition:** The Massachusetts adult-use marijuana industry is still in the emerging stages of market growth. Clovercraft will undoubtedly see competition from other establishments. It is evident that medical marijuana growers, confronted by the project slump of the medical niche in favor of the recreational market, will rapidly make their product available open recreational retail stores of their own.

These services are intended to build market awareness of the *Clovercraft* brand, highlight the quality of our products, and encourage community objectives that reflect with which Clovercraft’s wishes to be associated.

**Price/Profitability Projections:** It’s important to note a few keys to this plan and how projections have been calculated. Customer flow and sales volume has been estimated following a study of the sales patterns and trends in the states of Colorado, California, Washington, and Oregon. Since these states have a longer cannabis sales history than Massachusetts, their pricing trends over the past 2-3 years are useful and relevant to our projections. We have also considered current black-market pricing in Massachusetts along with the Cannabis Benchmarks. The above study suggests the following: Weekdays an average of 24 customers per hour (cph). Weekends an average of 35 cph. The average purchase per customer is estimated to be \$71.00.

**Risk/Opportunity:** The most significant risk associated with our business model is timing. The early movers offering consistent quality and availability will have a distinct advantage and strong position within the local market. Rapid product launch will lead to the realization of a product offering that not only caters to immediate market needs, but that preemptively embraces the projected demands of the market. Implementing our strategy in a timely manner will involve community activities as well as consultative participation in cannabis educational seminars.

**Capital Requirements:** The capital requirements for *Clovercraft* to execute this business plan are approximately **\$235,400** including working capital and a further **\$57,300** (including inventory) of permitting costs for the first year of operations.

The Company will allocate the invested capital to the following:

Construction, Fit-out, and operations	91,400
Permits, Consulting, Licensing, and, Applications	57,300
Production and Retail Equipment	94,000
Working Capital	50,000
<b>TOTAL</b>	<b>292,700</b>

## Financial Snapshot:

Key Financials	Year 1	Year 2	Year 3	Year 4	Year 5
Retail Sales	3,802,408	4,888,810	5,238,928	5,396,096	5,557,979
<b>TOTAL REVENUE</b>	<b>3,802,408</b>	<b>4,888,810</b>	<b>5,238,928</b>	<b>5,396,096</b>	<b>5,557,979</b>
Total COGS	2,281,445	2,444,405	2,619,464	2,698,048	2,778,989
Non-deductible expenses	542,304	568,574	585,331	602,591	620,368
Income Tax @30%	456,289	733,322	785,839	809,414	833,697
<b>Estimated net income</b>	<b>408,297</b>	<b>995,846</b>	<b>1,091,126</b>	<b>1,124,160</b>	<b>1,158,185</b>

### Keys to Success:

- Licensing
- Build-out
- Community outreach, training, and engagement
- Effective management of funding and working capital

## 2. Project Overview

### 2.1 Introduction

*Clovercraft* will sell a range of cannabis flower, tinctures, vape pens, edibles, confectionary, and topicals. All products will be tested and packaged in accordance with Massachusetts laws and Cannabis Control Commission regulations.

### 2.2 Company Ownership

*Clovercraft*, LLC is wholly owned by Ezra Parzybok, Kevin Perrier, and Volkan Polatol.

### 2.3 Legal Counsel

#### **Michael D. Cutler**

Michael D. Cutler has practiced law in Massachusetts for more than 35 years, focusing on criminal defense, civil litigation, and state and municipal administrative proceedings. He has served as a town planning board member evaluating applications for real estate development permits; he has represented applicants seeking such permits and others, including liquor licenses. He is state-certified to represent

prisoners and patients in state criminal post-conviction and mental health proceedings, to train and re-certify private lawyers who accept such appointments, and is state-certified to represent prisoners, convicted of murder at trial, in post-conviction proceedings in state and federal court. As a 20-year member of the National Legal Committee of NORML, Attorney Cutler is well connected with colleagues in states that protect medical marijuana.

#### **Richard M. Evans**

Richard M. Evans has practiced law in Western Massachusetts for over 35 years, concentrating in the representation of non-profit state and regional land conservation organizations. As a Main Street practitioner, he has represented many business owners, buyers and sellers of neighboring state overcoming the threat of federal interference.

### 3. Products

#### 3.1 Product Description

As cannabis emerges from the shadow of domestic prohibition it reveals itself to be a widely popular drug, second only to alcohol and nicotine. *Clavercraft* will offer a range of edible, topical, and cannabis extract products from strains across the spectrum of Indica, Sativa, and hybrid flower cultivars to serve market demand. Many of the strains we have selected for sale and use in our products are prized genetics and have become sought after at legal and medical marijuana dispensaries nationwide. *Clavercraft* will carefully select only the superior current and future stars of the cannabis constellation.

*Clavercraft* will offer the following product classes for sale:

**THC-Infused Edibles** – Cannabis edibles are preferred by some consumers because ingesting cannabinoids through the GI tract provides a different and often more therapeutic effect than inhaling. *Clavercraft* will offer a range of attractive, appetizing, and appealing, adult-use focused edible products.



**Flower** - The curing process is a critical determinant of the final quality of cannabis. While all cultivators and manufacturers understand the importance of the process, most accept sacrificing high quality for speed and convenience of production. At the same time, while some manufacturers do take the time to produce a beautifully cured product, their offerings are often defeated by woefully inadequate dispensing methods that see the product deteriorating rapidly pre-sale. We address this problem by selecting flower buds that are correctly cured, and creating standard, pre-packaged, and weighed portions that help preserve freshness, quality, and flavor up to and beyond at the time of sale.



**Topicals** – These are external applications of cannabis that can be used to treat body pain or skin conditions. Topicals are infused with THC, CBD, and other cannabinoid extracts. Topicals include lotions, creams, balms, and oils. As they are non-psychoactive, topicals are often chosen by individuals who need the therapeutic benefits of cannabis without the cerebral euphoria associated with other delivery methods.

**Other Products** – While our core products will be those listed above, Clovercraft fully intends to offer

a number of cutting-edge products and will, by carefully studying available opportunities, offer an election of exceptional products offered by the top manufacturers.

## 4. The Market

### 4.1 Market Overview

Currently, 39 states in America and the District of Columbia have legalized cannabis use in some form (medical or recreational). The majority of these states have allowed sales for medical use and eleven states, including Massachusetts, have legalized recreational or adult-use. Since 70% of the population resides in states that have legalized the use of cannabis for medical use, recreational use, or both, this indicates immense possibilities for the future growth of the industry.

### 4.2 Target Market

On November 8, 2016, Massachusetts voters approved the adult recreational use of marijuana. In 2017, an eight-person Cannabis Control Commission (CCC) was appointed by the Massachusetts state government to write the draft regulations for the law. The final regulations were released in April 2018, and outline the requirements for cultivation, production, security, transport, and retail sale of cannabis to consumers over 21 years of age. The CCC is now accepting applications for Licensed Marijuana establishments.

With 39 cities, 312 towns, and 14 counties, the local municipalities of Massachusetts have been granted the authority to govern their own recreational cannabis industry which will inevitably result in varying local by-laws on the production, manufacturing, and sale of the plant across the state.

The advent of medical marijuana legalization in 2012 has helped produce market conditions that have created a more educated and sophisticated product consumer. It is natural, therefore, that the emerging adult-use market will lead consumers to have high expectations for the quality of the products they consume.

*Clovercraft's* high-end licensed cannabis company will supply quality products while building a brand that represents a culture of sophistication, quality, respect for the plant, respect for the customer's interaction with cannabis, and the safe adult-use of cannabis and cannabis products.

## 5. Competition

### 5.1 Competitive Landscape

Companies in the cannabis industry typically compete on product type, quality, volume, and reliability. As a result of the maturity of a once illicit market, price competition, while an important factor, has widely recognized norms and expectations. These conditions may superficially appear to make competing on the price a somewhat lower expectation. Nonetheless, the volume of potential cultivators, manufacturers and retailers makes price competition a genuine possibility. We intend to counter this eventual trend with a robust pricing strategy that ensures the Cost of Goods Sold is carefully balanced against a potentially variable sales price providing revenue stability and continued profitability.

### 5.2 Direct Competition

The direct competition for *Clovercraft* will come, unsurprisingly, from retailers that sell similar products with the same high quality and volume. The exact nature of such competition is difficult to quantify as the state of Massachusetts is in the early stages of issuing adult-use cannabis licenses, and it is estimated that many applicants will fall by the wayside due to lack of resources before completing the licensing process. With that said, *Clovercraft* feels that as the industry is inchoate, working collaboratively with retail competitors in the area may benefit the local community, the industry, and the needs and objectives of *Clovercraft*.

### 5.3 Competitive Advantages

- Self-financed business with strong working capital
- Extensive retail experience
- Strategic location
- Competitive pricing
- Proximity to complementary businesses
- Effective and collaborative management
- Timing of entry into the marketplace

## 6. Strategy and Execution

### 6.1 Summary

*Clovercraft* will be recognized as a cannabis retailer that offers a range of distinctive products representing excellence, quality, sophistication, and mindful production practices, that thoughtfully represent customer needs, shared ideals, and community values. *Clovercraft* will carve out a significant niche among competitors using sales, marketing and presentation methods that reflect a deeper understanding of the context for adult-use cannabis.

### 6.2 Marketing Strategy

**Value Proposition** - *Clovercraft* will offer for retail sale exceptional flower and THC-infused products offering customers the convenience and pleasure of a premium cannabis experience.

Our high-quality cannabis products will be created by cultivators and manufacturers using careful cultivation, processing and extraction methods that demonstrate respect for the needs and nature of the cannabis plant. *Clovercraft* product users will, through the purchase of our products, signal their appreciation for a locally-sourced, sophisticated, flavorful product, available from a supplier that reflects the needs and values of their community.

The customer will recognize *Clovercraft* as a brand retailer that offers an entirely natural product free from contaminants; where quality, consistency, and an appreciation of the recreational and healthful benefits of cannabis are held in high esteem.

*Clovercraft* customers, together with *Clovercraft*, will take an active role in supporting events and activities that matter to the community on a local or national level; and together, will take part in those endeavors through the various means from support to sponsorship.

**Product Differentiation** - The biggest players in the market use cultivation and extraction techniques that often require the use of chemicals such as butane or methods that tend to strip the integrity and flavor of the cannabis plant, leaving a discernible aftertaste. While this approach aids product consistency, reduces costs, and simplifies processing, it inevitably compromises the end-product.

*Clovercraft's* core flower products will consist of the standard eighth, quarter, and half ounce sizes, carefully pre-packaged to preserve quality and freshness. This will eliminate both the tendency of bud tenders to break large buds or colas into smaller buds which dry out and blend in with inferior product before resale and will also eliminate extraneous odors.

*Clovercraft's* ensures that we source products that maintain and amplify the cannabis plant's natural characteristics, preserving the flavor, complexity, and healthful benefits for which it is valued and appreciated. We achieve this by buying products created using methods that compete favorably with industrial cultivation techniques while producing a superior product using processes that offer excellent energy efficiency and minimal environmental impact when compared to other approaches.

**Direct marketing through our retail drivers** – As the main thrust of our marketing efforts is to build a brand and product loyalty relationship with both resellers and end-users, our marketing and sales efforts must work hand in hand. We will engage our client-base personally with a range of marketing collateral that includes, but is not limited to, product information leaflets, safe product use information, advertising posters, product displays, and community campaign literature to support our wholesale and retail sales efforts. We will establish marketing partnerships through workshops, presentations, and mutually beneficial training seminars that further strengthen our brand.

**State, regional, and locally focused advertising and advertorials** – The Massachusetts regulations regarding cannabis advertisements through print advertising, online advertising, sponsorship and more, present many challenges. These challenges are further exacerbated by the unwillingness of players like Facebook and Google to allow paid, cannabis-related advertisements across their medium. Federal laws that currently prohibit the sale of cannabis products across state lines devalue any need for brand-building beyond adjoining state borders in the short term.

As long as the principal market for our immediate future lies within the state of Massachusetts and surrounding states, this is where the main thrust of our advertising opportunities lie. While there are numerous national cannabis advertising lacking for the more discerning or sophisticated demographic,

**Price point** - While price is rarely the most important factor affecting buying behavior, it should strive to achieve parity with the customer's perceived value of the product. All pricing will ultimately be determined by economic and marketplace conditions, not least those driven by competitors and their pricing models. Nonetheless, cannabis products enjoy – in no small degree – the benefits of commodity values. Most vendors have a good idea of the fair market price for cannabis products, as do the majority of current consumers. Our target market users will seek out, or be attracted to, a product that offers quality and value.

**Promotion** - The *Clovercraft* Brand and products will be promoted through the following means:

**Branding through product appearance and packaging** – *Clovercraft* products will be attractively presented in a manner that suggests and reinforces the high-quality cannabis experience for which they stand. Our pure flower and THC-infused product packaging will boast design attributes that make them unique, distinctive, and distinguishable from afar.

**Customer engagement through community support activities** – *Clovercraft* embraces community outreach, engagement, and support as a central tenet of our brand ethos. We aim to support activities, events, and organizations that benefit the local community and the causes our client-base support. Through packaging, marketing collateral and advertisements, current and prospective customers will be invited to visit our website and share in our support of local charities and organizations. These efforts will demonstrate *Clovercraft* customers' values to the local community while reinforcing the *Clovercraft* brand.

**Direct advertising** – The most straightforward and unfettered means of advertising to current and prospective customers is through direct advertising in the form of e-mail, electronic newsletters, social media and the like. Using branded marketing collateral (available from our retail sellers) in product packages, on websites, and social media, current and prospective customers will be invited to participate in our program of community campaigns and events.

*2021 Clovercraft* will navigate the state advertising regulations by a policy of indirect advertising; leveraging our educational and community outreach programs to build brand and product awareness, through advertorials and carefully "sanitized" brand messaging and advertisements aimed exclusively at the target Massachusetts demographic, and direct advertising through our customer database as this grows via promotional activities.

**Customer Service Excellence** - *Clovercraft* must engage their customers with superlative customer service. It is essential that each member of staff knows our products well, can speak to our brand ethos, and understands customer needs and expectations. The entire *Clovercraft* team must strive to act as individual brand ambassadors at all times.

**Sales and Marketing Relationship:** As a retail vendor of cannabis products *Clovercraft* is compelled to approach the sales and marketing challenge with firm intent. We must strive to successfully engage our target market groups in a manner that facilitates sales by creating the desire to purchase among the end-user audience. Retail customers will learn about our product range and will be enticed to select our store and/or our products above others through the activities mentioned above. Our marketing strategy will ensure that wholesale customers view *Clovercraft* as a thoughtful, reliable and knowledgeable product supplier offering branded products with which its customers can readily identify. At the same

time, end-users will view *Clovercraft* as a responsible, mindful supplier of high-quality cannabis products that meets their consumption needs in a manner that also satisfies their ethical, environmental, health, and recreational aspirations.

**Marketing Objectives:** To persuade consumers that our brand and products represent qualities and features that they desire.

**Market Channels** - Retail sales of cannabis are strictly limited to licensed retail outlets, medical cannabis dispensaries and, in the future, cannabis cafes and smoke clubs as well as delivery. The location, presence, and licensing status of these establishments are publicly available through a single online source. Regulations effectively preclude opportunities for online purchases as the transportation of cannabis products is strictly regulated. Similarly, home delivery licenses are not yet permitted. *Clovercraft* will sell its products solely through our licensed retail cannabis establishment.

**Educational activities** – Massachusetts state regulations encourage all licensed cannabis establishments to provide relevant educational opportunities for their local communities. *Clovercraft* has created a comprehensive series of courses and lectures and will leverage the legitimate advertising and promotion of these courses to strengthen and enhance our brand and its underlying ethos.

Participation in these classes will require online enrollment, providing additional opportunities to gather direct advertising data. The courses include:

- Cannabis 101 – An introduction to the complex world of cannabis.
- Effective Medicinal Cannabis Use to Manage Ailments
- Cannabis Use for Seniors
- The cannabis Industry – An introduction to entrepreneurship in the industry.

**Community informational activities** – The *Clovercraft* team will engage in support of lectures, seminars, and promotional exercises at our retail outlet and community events. These activities may include educational activities, allowing *Clovercraft* to partner in activities that help us

- Persuade consumers that our brand and product fit well with their consumption patterns, lifestyle and self-image.
- Engage consumers in our community supportive marketing efforts.
- Satisfy and exceed customer service expectations.

**Retail Target Market** - The traditional thrust of the Massachusetts cannabis market will aim to serve men in the 21-40 years age group primarily. While this is a market we fully intend to exploit, anecdotal evidence suggests that the real growth market lies elsewhere. *Clovercraft* aims to direct its products, marketing, and branding at three additional groups that we see as the emerging market.

- **Consumers over 40 years old** – Those over 40 years old are statistically the highest earners in the household. They are more likely to have mature, sophisticated tastes, more aches and pains, a greater appreciation for high-quality products, and a willingness to pay for this higher quality.
- **Adult female consumers** – With a tendency for the industry to aim marketing at men in the 21-40 years age group, women struggle to find products with which they can readily identify. Our products will be presented and packaged in a manner that women will find attractive, and that will demonstrate that cannabis is a product for them rather than a male-dominated culture to which they must adapt.

- **Independent medical consumers** – While medical marijuana dispensaries will undoubtedly continue to thrive in one form or another, many current medical marijuana patients are merely regular consumers leveraging medical marijuana as a means to legitimize their purchase of adult-use cannabis. The advent of retail outlets will effectively eliminate the need for such patients to visit dispensaries to fulfill their marijuana needs. Genuine medical consumers with a good understanding of which form of marijuana offers them the benefits that they seek them and new medical consumers who prefer to explore the benefits of cannabis through anecdotal advice or recommendations, will possibly do so through retail outlets rather than medical dispensaries.

## 6.3 Sales Strategy

### Target Sales Market



As a retail cannabis sales operation, our primary target sales market must be the current and potential adult consumers. It is challenging to make an exact prediction of the number of future retail outlets that will be created statewide. We can make sensible estimates, however. There are currently 34 medical cannabis outlets in the state, most of which will likely make a rapid transition to selling recreational cannabis or supplying cannabis to retail outlets.

Based on the fact that there are some 200 marijuana dispensaries awaiting licensure through the Commission, and that some of these will likely opt to apply for recreational retail licenses, it is estimated that by the end of 2021, 85 adult-use cannabis retail outlets will have received provisional licenses, with a further 114 retail store applications pending. Naturally, these will be spread throughout the cities and towns of the state that have not chosen to prohibit cannabis or have not imposed a moratorium.

## 6.4 Implementation Strategy

### Capex/Opex capital

The license application process requires that applicants demonstrate and document that the capital funds required to execute their business plan successfully are available (in escrow, initially), and have been obtained from legitimate sources. The *Clovercraft* business plan demonstrates a need for **\$235,400** in capital expenditure for space preparation, fit-out, systems, and equipment, and a further **\$57,300** to meet initial licensing needs, and the establishment of a strategic reserve totaling **\$250,000** during the first twelve months of operation. These initial funds are readily available and privately funded.

### License Application

The process for license application is divided into three principal "packets." These packets may be submitted simultaneously or sequentially. Each packet must be approved before the next will be considered. However, all packages must be submitted before any review commences. All three packages and the application fees must be fully approved before a provisional license will be granted. Once a

provisional license has been granted the state will verify the approval of the relevant municipality. Subsequently, the state relevant will perform specific inspections before allowing construction to commence which, when completed satisfactorily, will lead to a full license. No production activity or retail sales may begin before a full license has been granted.

### **Construction, Fit-out, and Systems Acquisition**

The *Clovercraft* facility will be constructed, installed and commissioned under the supervision of an architect.

### **Operations organization, Policies, and Inspection**

The state of Massachusetts imposes substantial demands regarding systems and administration for cannabis establishment operators. State law provides powers to impose fines for violations of these regulations. Accordingly, it is essential that we ensure our systems, policies, and administrative routines are robust, compliant and efficient before any state inspection and the subsequent commencement of operations.

## **7. Management and Staff**

The proper management of all aspects of the proposed project is crucial to the success of *Clovercraft*. We will bring together a diverse team that offers the direct experience and knowledge to achieve both our business and community goals. The principal owners and operators will be:

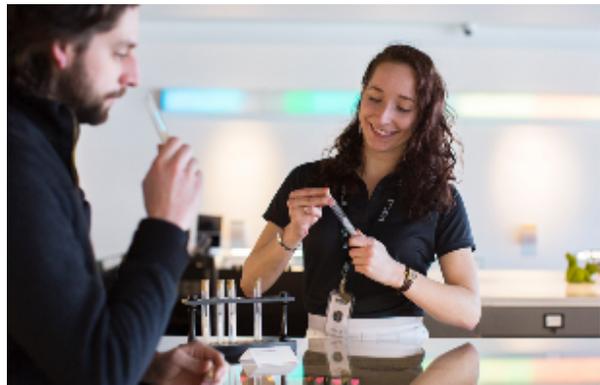
**Ezra Parzybok:** Compliance and marijuana education

**Kevin Perrier:** CEO and logistics

**Volkan Polatol:** Staff training, sales channels, marketing

### **7.1 Personnel plan**

Making allowances for sickness, personal days, vacations, and the like, we anticipate 7 full-time employees with salaries ranging from \$30,000 to \$60,000 per annum, and hourly staff wages starting \$15 per hour. We feel that a living wage will help build and solidify a team that is inspired to contribute to the success of *Clovercraft* and the city of Northampton.



## **8. Financials**

### **8.1 Financial Assumptions**

The appended pro forma financial statements are based upon the following financial assumptions:

- Conservative sales estimates – Sales are estimated using average spend x average customer flow for a similarly-sized MMJ dispensary (an average of several states).
- General costs and salaries are estimated to increase 3%, year-on-year.
- COGS are estimated by primary product types.

### IMPORTANT NOTE

The retail sale of cannabis products is our reason for existence. We have been licensed by the state and local authorities to provide and sell inspected, quality cannabis products for adult use, and, where appropriate, to educate our clientele on any questions they might have about the safe use of these products.

Inevitably, many customers will seek out cannabis for its perceived medical benefits. **We are not doctors, and consequently, cannot give medical advice.** We can offer guidance and share anecdotal stories of what customers have experienced from some of the different strains and delivery methods (tincture, edibles, etc...) that we offer, but **we cannot give assurances that any cannabis product will work to alleviate any particular ailment or symptom.**

As a licensed retail establishment we are mandated to follow the state's requirements for tracking sales. The state requires that we track and record all sales transactions including customer details. This is also an essential element of our company policy of rigorous compliance with all state and local legislation and by-laws, and a key component of our strategy to combat diversion.

**NO** customer may enter our production premises without first presenting a valid, recognized, photo ID to the Duty Manager. Valid ID must be shown before entering the facility and at the Point of Sale for data-entry purposes.  
**There are NO EXCEPTIONS, and NO EXCUSES to this rule.**

#### 1. Restricting Access to age 21 and older

- 1.1. All employees and registered agents must be 21 years of age or older.
- 1.2. All visitors must be 21 years of age or older.
- 1.3. In accordance with 935 CMR 500.110 (1) (a) and 935 CMR 500.105 (14), **NO** person may enter our premises without first producing a valid, state or federal, photo ID.
- 1.4. Valid ID must be presented to the Duty Manager prior to entering the facility, and at the Point of Sale for data-entry purposes.
- 1.5. No person under 21 years of age may enter the premises. There are **NO** exceptions to this rule.
- 1.6. Loitering, in accordance with 935 CMR 500.110 (1) (b) is not permitted under any circumstances. Any person suspected of loitering should be politely questioned by a member of staff and, if unable to credibly account for their presence, be asked to leave the vicinity. Should the person refuse, the matter should be elevated to the Operations Manager who may, if necessary, contact local law enforcement for assistance in removing the person from the facility.
- 1.7. All cannabis waste will be rendered unusable and safely disposed of as outlined in **Cannabis Waste Disposal Procedures**, above.
- 1.8. All access to cannabis products will be strictly controlled and monitored as outlined in **Prevention of Diversion**, above.

## 1.1. Quality Control and Testing

### 1.1.1. Incoming marijuana inventory

- 1.1.1.1. In accordance with 935 CMR 500.160 (9), no marijuana product shall be sold or otherwise marketed for adult use that has not first been tested by an independent, state-licensed, testing laboratory and deemed to comply with the standards required under 935 CMR 500.160
- 1.1.1.2. We must ensure that only the leaves and flowers of the female marijuana plant are processed accordingly in a safe and sanitary manner as prescribed below:
  - Well cured and generally free of seeds and stems;
  - Free of dirt, . Sand, debris, and other foreign matter;
  - Free of contamination by mold, rot, other fungus, and bacterial diseases;
  - Prepared and handled on food-grade stainless steel tables; and
  - Packaged in a secure area.
- 1.1.1.3. All of the raw cannabis materials used in our products are tested by our cultivation suppliers. The initial quality control and testing of these raw cannabis materials is the responsibility of these suppliers. That being said, there are certain steps that we can take to ensure that the products entering our inventory are tested, have achieved the correct quality, and are stored and rotated in a manner that best ensures their continued quality throughout their shelf-life.
  - All products must be thoroughly checked upon arrival at our facility in accordance with **Transportation of Marijuana and Inventory Control and Reconciliation** protocols above.
  - Should the accompanying test report indicate contaminant levels in excess of those accepted by DPH protocols identified in 935 CMR 500. 160 (1), the Operations Manager will immediately notify senior management who will notify the commission within 72 hours.
  - Together, the Operations Manager, the testing laboratory, and the original producer will determine whether the product is suitable for remediation or whether the entire batch must be destroyed in accordance with 935 CMR 500.105 (12).
  - Each of the three parties should submit a report on the incident to the Commission.
  - The Operations Manager should check each item and identify any that are outdated, damaged, mislabeled, contaminated or compromised. Any such products should be set aside for disposal.
  - Once the products enter our inventory it is the Operations Manager's responsibility to ensure that:
    - 1.1.1.3.○.1. Stock is efficiently rotated to ensure that older product is used before newer product.

- 1.1.1.3.○.2. All stock is appropriately stored to prevent spoiling and damage to the product.

**1.1.2. Outgoing marijuana inventory**

- 1.1.2.1. In accordance with 935 CMR 500.160 (9), no marijuana product shall be sold or otherwise marketed for adult use that has not first been tested by an independent, state-licensed, testing laboratory and deemed to comply with the standards required under 935 CMR 500.160
- 1.1.2.2. All of our products are sold pre-packaged and tested by a state-licensed, marijuana test laboratory. The final quality control and testing of our products is the responsibility of both the test laboratory and the Company. There are certain steps that we must take to ensure that the products leaving our inventory for delivery to licensed retail establishments are tested, have achieved the correct quality, and are stored and rotated in a manner the best ensures their continued quality throughout their shelf-life.
- 1.1.2.3. All products must be thoroughly checked prior to shipment from our facility in accordance with **Transportation of marijuana and Inventory Control and Reconciliation** protocols above.
- 1.1.2.4. No production batch may be cleared for shipment before a sample has been submitted to the testing lab for analysis and the relevant test report has been received by us and entered into the database.
- 1.1.2.5. Should the test report indicate contaminant levels in excess of those accepted by DPH protocols identified in 935 CMR 500. 160 (1), the Operations Manager will immediately notify senior management who will notify the commission within 72 hours.
- 1.1.2.6. Together, the Operations Manager, the testing laboratory, and the original cultivator will determine whether the product is suitable for remediation or whether the entire production batch must be destroyed in accordance with 935 CMR 500.105 (12).
- 1.1.2.7. Each of the three parties should submit a report on the incident to the Commission.
- 1.1.2.8. The Operations Manager should check each item and identify any that are outdated, damaged, mislabeled, contaminated or compromised. Any such products should be set aside for disposal.
- 1.1.2.9. Whilst our products remain in our inventory it is the Operations Manager's responsibility to ensure that:
  - Stock is efficiently rotated to ensure that older product is sold before newer product.
  - All stock is appropriately stored to prevent spoiling and damage to the product.

**1.1.3. Hygiene**

- 1.1.3.1. All agents whose job includes contact with marijuana is subject to the requirements for food handlers specified.
- 1.1.3.2. Any agent working in direct contact with marijuana shall conform to sanitary practices while on duty, including:
  - Maintaining adequate personal cleanliness; and

- Washing hands appropriately.
- 1.1.3.3. Hand-washing facilities shall be located in production areas and where good sanitary practices require employees to wash and sanitize their hands.
- 1.1.3.4. There shall be sufficient space for placement of equipment and storage of materials as is necessary for the maintenance of sanitary operations.
- 1.1.3.5. Litter and waste shall be properly removed so as to minimize the development of odor and the potential for the waste attracting and harboring pests.
- 1.1.3.6. Floors, walls, and ceilings shall be constructed in such a manner that they may be adequately kept clean and in good repair.
- 1.1.3.7. All contact surfaces shall be maintained, cleaned, and sanitized as frequently as necessary to protect against contamination.
- 1.1.3.8. All toxic items shall be identified, held, and stored in a manner that protects against contamination of marijuana.
- 1.1.3.9. Water supply shall be sufficient for necessary operations.
- 1.1.3.10. Plumbing shall be of adequate size and design and maintained to carry sufficient quantities of water to required locations throughout the establishment.
- 1.1.3.11. The establishment shall provide its employees with adequate, readily accessible toilet facilities.
- 1.1.3.12. Storage and transportation of finished products shall be under conditions that will protect them against physical, chemical, and microbial contamination.

## **Personnel Policies and Background Checks**

**1. Introduction**

- 1.1. Changes in Policy
- 1.2. Employment-At-Will
- 1.3. Marijuana Establishment Agent

**2. Roles, Qualifications, Training, and Selection**

- 2.1. Facility Job Classifications and Requirements:
- 2.2. Employee Training and Selection

**3. Employment Policies**

- 3.1. Employee Classifications
- 3.2. Equal Employment Opportunity & American with Disabilities Act.
- 3.3. Diversity Plan
- 3.4. Confidentiality.
- 3.5. Employment of Minors.
- 3.6. Employment of Relatives
- 3.7. Introductory Period
- 3.8. Personnel Records and Employee References
- 3.9. Privacy
- 3.10. Immigration Law Compliance
- 3.11. Religious Accommodation
- 3.12. Political Neutrality

**4. Hours of Work and Payroll Practices**

- 4.1. Pay Periods and Paydays
- 4.2. Overtime
- 4.3. Rest and Meal Periods
- 4.4. Time Cards
- 4.5. Payroll Deductions
- 4.6. Wage Garnishment

**Standards of Conduct and Employee Performance**

- 4.7. Anti-Harassment and Discrimination
- 4.8. Prohibited Conduct
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# 1. Introduction

## 1.1. The Employee Handbook

- 1.1.1. This Employee Handbook ("Handbook") is designed to summarize certain personnel policies and benefits of the "Company" and to acquaint employees with many of the rules concerning employment with the Company. This Handbook applies to all employees, and compliance with the Company's policies is a condition of employment. This Handbook supersedes all previous employment policies, written and oral, express and implied. The Company reserves the right to modify, rescind, delete, or add to the provisions of this Handbook from time to time at its sole and absolute discretion. This Employee Handbook is not a binding contract between the Company and its employees, nor is it intended to alter the at-will employment relationship between the Company and its employees. The Company reserves the right to interpret the policies in this Handbook and to deviate from them when, in its discretion, it determines it is appropriate.

## 1.2. Changes in Policy

- 1.2.1. Since our business is constantly changing, the Company expressly reserves the right to revise, modify, delete, or add to any and all policies, procedures, work rules, or benefits stated in this handbook or in any other document, except for the policy of at-will employment as described below. Nothing in this employee handbook or in any other document, including benefit plan descriptions, creates or is intended to create a promise or representation of continued employment for any employee. Any changes to your at-will employment status, described below, must be in writing and must be signed by the Company.
- 1.2.2. With respect to all other changes to Company policies, we will notify you of these changes in writing. No oral statements or representations can in any way alter the provisions of this Handbook. Changes will be effective on dates determined by the Company. and you may not rely on policies that have been superseded.
- 1.2.3. **If you are uncertain about any policy or procedure, please check with your Supervisor or Human Resources Manager.**

## 1.3. Employment-At-Will

- 1.3.1. Employment with the Company is on an at-will basis, unless otherwise specified in a written employment agreement. You are free to resign at any time, for any reason, with five days notice. Similarly, the Company is free to conclude the employment relationship at any time for any lawful reason, with or without cause, and with five days notice.
- 1.3.2. Nothing in this Handbook will limit the right of either party to terminate an at-will employment. No section of this Handbook is meant to be construed, nor should be construed as establishing anything other than an employment-at-will relationship. This Handbook does not limit management's discretion to make personnel decisions such as reassignment, change of wages and benefits, demotion, etc. No person other than the Executive Director, President, or a member of the Board of Directors has the authority to enter into an agreement for employment for any specified period of time or to make an agreement for employment other than at-will terms. Only the Executive Director, President, or member of the Board of Directors of the Company has the authority to make any such agreement, which is only binding if it is in writing and signed by the President of the Company.

## **1.4. Marijuana Establishment Agent - Background Checks**

- 1.4.1. The Commonwealth of Massachusetts requires that all board members, directors, employees, executives, managers, or volunteers of a Marijuana Establishment must be 21 years of age or older and in possession of a state-issued Registration Card. Consequently, all those described above are subject to extensive background checks.
- 1.4.2. Executive officers, managers and employees of a Licensed Marijuana Establishment shall apply for registration for all of its board members, directors, employees, executives, managers, and volunteers who are associated with that Marijuana Establishment.
- 1.4.3. The Commission shall issue a registration card to each individual determined to be suitable for registration. All such individuals shall:
  - 1.4.3.1. be 21 years of age or older;
  - 1.4.3.2. not been convicted of an offense in the Commonwealth involving the distribution of controlled substances to minors, or a like violation of the laws of another state, the United States or foreign jurisdiction, or a military, territorial, or Native American tribal authority; and
  - 1.4.3.3. be determined suitable for registration consistent with the provisions of 935 CMR 500.800 and 500.802.
- 1.4.4. The Commonwealth of Massachusetts requires, as a condition of employment in a Licensed Marijuana Establishment, the possession of a valid marijuana establishment agent Registration Card. No board member, director, employee, executive, manager, or volunteer may be engaged by a Licensed Marijuana Establishment without possession of a valid Registration Card.
- 1.4.5. Consequently, denial or revocation of a registration card by the Commission will render any individual unemployable by a Licensed Marijuana Establishment. This may lead to the withdrawal of offers of employment or appointment in the event of a denial of a registration card, and immediate dismissal in the event of revocation of a registration card.
- 1.4.6. The Company shall notify the Commission no more than one business day after a marijuana establishment agent ceases to be associated with the establishment. The registration shall be immediately void when the agent is no longer associated with the Company..
- 1.4.7. Registration cards are valid for one year from the date of issue, and may be renewed on an annual basis upon a determination by the Commission that the applicant for renewal continues to be suitable for registration.
- 1.4.8. After obtaining a registration card for a marijuana establishment agent, the Company is responsible for notifying the Commission of any changes to the information that the establishment was previously required to submit to the Commission or after discovery that a registration card has been lost or stolen.
- 1.4.9. All marijuana establishment agents shall carry the registration card associated with the appropriate Marijuana Establishment at all times while in possession of marijuana products, including at all times while at the establishment or while transporting marijuana products.
- 1.4.10. A marijuana establishment agent affiliated with multiple Marijuana Establishments shall be registered as a marijuana establishment agent by each Marijuana Establishment and shall be issued a registration card for each establishment.

## 2. Roles, Qualifications, and, Training

### 2.1. Facility Job Classifications and Requirements:

2.1.1. **Operations Manager** - The operations manager is the face of the facility. The manager must interface with staff, law enforcement, vendors, and customers. The principal responsibility of the operations manager is to coordinate and facilitate the operations of the facility. They must maintain records, have contact with suppliers, embrace customer service and understand marketing. They will train employees and decide which products to acquire from suppliers, and determine best pricing based on market conditions. They are responsible for keeping up with all changes in local and state law regarding operation of the facility. The most important job of the store manager is to ensure the security and integrity of our inventory.

2.1.2. **Wholesale Sales Agent** - The store has a need for retail professionals who can communicate articulately and passionately with customers about a wide range of cannabis products. Desirable backgrounds include previous marijuana vertical experience, sales, pharmacy, education, and customer service. Knowledge of cannabis, the varieties of cannabis, and their effects is highly relevant. They must be keenly aware of the difference of Indica, Sativa and their hybrids. A sales agent will maintain records in accordance with the Operations Manual, serve customers, offering advice and recommendations, be mindful and vigilant in terms of security, and diversion. Sales agents will be trained by the operations manager. This position may be full-, or part-time.

2.1.3. **Retail Associate** - Our facility has an ongoing need for retail associates to sell our range of cannabis products. This product range includes, but is not limited to:

- Edibles
- Extracts
- Pre-rolls
- Tinctures
- Beverages
- Vape pens

As with all employees, their duties include ensuring the integrity of the facility's security systems and protecting the facility and its customers from outside criminal disturbance. Desired backgrounds include previous marijuana vertical experience, pharmacy, education, and customer service. Knowledge of cannabis,

the varieties of cannabis, and their effects is highly relevant. They must be keenly aware of the difference of Indica, Sativa and their hybrids. A retail associate will maintain records in accordance with the Operations Manual, offering advice and recommendations, be mindful and vigilant in terms of security, and diversion. Retail associates will be trained by the operations manager. This position may be full-, or part-time.

## 2.2. Employee Training and Selection

2.2.1. Our retail facility is looking for motivated, friendly, articulate and compassionate people to help sell products and provide our customers and consumers with the finest cannabis products available. We look for people with the above attributes and certain preferred core skills. We are willing to train others in order to ensure workforce diversity. Some of the desirable backgrounds we are looking for include sales, pharmacy, and those with previous experience in the sale of cannabis products through various networks. Previous work experience in a medical or retail marijuana facility is highly desirable. We generally train all employees in the following subjects, but tailor each course according to their role within our organization.

- 2.2.1.1. Cannabis Science
- 2.2.1.2. Massachusetts Cannabis Law
- 2.2.1.3. Wholesale Sales
- 2.2.1.4. Packaging Labeling and Inventory
- 2.2.1.5. Sanitation and Maintenance of the Facility
- 2.2.1.6. Security of the Facility and Deliveries
- 2.2.1.7. Back-office business and management roles such as, account management, administration, etc.

## 3. Employment Policies

### 3.1. Employee Classifications

- 3.1.1. The following terms are used to describe employees and their employment status:
- 3.1.2. **Exempt Employees** - Employees whose positions meet specific tests established by the Federal Labor Standards Act ("FLSA") and Massachusetts state law. In general, exempt employees are those engaged in executive, managerial, high-level administrative and professional jobs who are paid a fixed salary and perform certain duties. In addition, certain commissioned sales employees and highly paid computer professionals are exempt. Exempt employees are not subject to the minimum wage and overtime laws.

- 3.1.3. **Non-exempt Employees** - Employees whose positions do not meet specific tests established by the FLSA and Massachusetts state law. All employees who are covered by the federal or state minimum wage and overtime laws are considered non-exempt. Employees working in non-exempt jobs are entitled to be paid at least the minimum wage per hour and a premium for overtime.
- 3.1.4. **Regular Employee** - Employees who are hired to work on a regular schedule. Such employees can be either full-time or part-time. The distinction between full-time and part-time depends upon the number of hours that an employee works.
- 3.1.5. **Full-Time Employee**- Employees who are not temporary employees, independent contractors, or independent consultants and who are regularly scheduled to work a schedule of 40 hours per work week.
- 3.1.6. **Part-Time Employee** - Employees who are not temporary employees, independent contractors, or independent consultants and who are regularly scheduled to work less than 40 hours per work week.
- 3.1.7. **Temporary Employees** - Employees who are hired as interim replacements to temporarily supplement the workforce or to assist in the completion of a specific project. Employment assignments in this category are of limited duration and the temporary employee can be let go before the end of the defined period. Short term assignments generally are periods of three (3) months or less, however, such assignments may be extended. All Temporary employees are at-will regardless of the anticipated duration of the assignment [see Employment-at-Will Policy). Temporary employees retain that status unless and until notified in writing of a change.
- 3.1.8. **Independent Contractor or Consultant** - These individuals are not employees of the Company and are self-employed. An independent contractor or consultant is engaged to perform a task according to his/her own methods and is subject to control and direction only as to the results to be accomplished. Independent contractors or consultants are not entitled to benefits.
- 3.1.9. Each employee will be advised of his or her status at the time of hire and any change in status. Regardless of the employee's status, the employee is employed at-will and the employment relationship can be terminated by the Company or the employee at any time, with or without cause.
- 3.2. **Equal Employment Opportunity & American with Disabilities Act.**
  - 3.2.1. It is the policy of the Company to provide equal employment opportunities to all employees and employment applicants without regard to unlawful considerations of race, religion, creed, color, national origin, sex, sexual orientation, gender identity, age, ancestry, physical or mental disability, medical condition including medical characteristics, marital status or any other classification protected by applicable local, state or federal laws. This policy prohibits unlawful discrimination based on the perception that anyone has any of those characteristics, or is associated with a person who has or is perceived as having any of those characteristics. This policy applies to all aspects of employment, including, but not limited to, hiring, job assignment, working conditions, compensation, promotion, benefits, scheduling, training, discipline and

termination. Reasonable accommodation is available for qualified individuals with disabilities, upon request.

- 3.2.2. The Company expects all employees to support our equal employment opportunity policy, and to take all steps necessary to maintain a workplace free from unlawful discrimination and harassment.
- 3.2.3. In compliance with the Americans with Disabilities Act (ADA), the Company provides accommodation to the disabled to the full extent required by law. The Company may require medical certification of both the disability and the need for accommodation. Keep in mind that the Company can only seek to accommodate the known physical or mental limitations of an otherwise qualified disabled individual. Therefore, it is your responsibility to come forward if you are in need of an accommodation. The Company will engage in an interactive process with the employee to identify possible accommodations, if any will help the applicant or employee perform the job. We further recognize that employees with life threatening illnesses, including but not limited to cancer, heart disease and AIDS, may wish to continue engaging in as many of their normal pursuits as their condition allows, including work. As long as these employees are able to meet acceptable performance standards with or without reasonable accommodation, and medical evidence indicates that their working does not present a substantial threat to themselves or others, they will be permitted to do so.

### **3.3. Diversity Plan**

It is the policy of this company to foster equal opportunity for all employees and to promote principles of diversity management that will enhance the level of effectiveness and efficiency of its business operations. The concept of diversity management is a strategic business objective that seeks to increase organizational capacity in a workplace where the contributions of all employees are recognized and valued. Our company's goal is to build a high-performing, diverse workforce based on mutual acceptance and trust. It is also our company's policy to select the best qualified applicant for the job, regardless of race, national origin, gender, age, disability, religion, sexual orientation, or any other non-merit factor.

### **3.4. Confidentiality.**

- 3.4.1. In the course of employment with the Company, employees may have access to "Confidential Information" regarding the Company, which may include its business strategy, future plans, financial information, contracts, suppliers, customers, personnel information or other information that the Company considers proprietary and confidential. Maintaining the confidentiality of this information is vital to the Company's competitive position in the industry and, ultimately, to its ability to achieve financial success and stability. Employees must protect this information by safeguarding it when in use, using it only for the business of the Company and disclosing it only when authorized to do so and to those who have a legitimate business need to know about it. This duty of confidentiality applies whether the employee is on or off the Company's premises, and during and even after the end of the employee's employment with the Company. This duty of confidentiality also applies to communications transmitted by the Company's electronic communications. See Internet, Email and Computer Use policy, below.

- 3.4.2. As a condition of employment with the Company, all employees must sign a Non-Disclosure Agreement.

### **3.5. Employment of Relatives**

- 3.5.1. The Company recognizes that the employment of relatives in certain circumstances, such as when they will work in the same department, or supervise or manage the other, or have access to confidential or sensitive information regarding the other, can cause problems related to supervision, safety, security or morale, or create conflicts of interest that materially and substantially disrupt the Company's operations. When the Company determines any of these problems will be present, it will decline to hire an individual to work in the same department as a relative of an existing employee. Relatives subject to this policy include: father, mother, sister, brother, current spouse or domestic partner, child (natural, foster, or adopted), current mother-in-law, current father-in-law, grandparent, or grandchild.
- 3.5.2. If present employees become relatives during employment, the Company should be notified so that we may determine whether a problem involving supervision, safety, security or morale, or a conflict of interest that would materially and substantially disrupt the Company's operations exists. If the Company determines that such a problem exists, the Company will take appropriate steps to resolve the problem, which may include reassignment of one relative (if feasible) or asking for the resignation of one of the relatives.

### **3.6. Introductory Period**

- 3.6.1. The first 30 days of employment are considered an introductory period for all newly hired employees. During this time, you will learn your new responsibilities, get acquainted with fellow employees, and determine whether you are happy with the position. Also, during this time, your manager will monitor your performance. Upon completion of the introductory period, your manager will review your performance. If the Company finds your performance satisfactory and decides to continue your employment, you will be advised of any improvements expected. This is also an opportunity for you to make suggestions to improve the Company's efficiency and operations. Completion of the introductory period does not entitle you to remain employed by the Company for any definite period of time, but instead allows both you and the Company to evaluate whether or not you are right for the position. Your status as an at-will employee does not change. The employment relationship may be terminated with or without cause and with or without advance notice, at any time by you or the Company.

### **3.7. Personnel Records and Employee References**

- 3.7.1. The Company maintains a personnel file and payroll records for each employee as required by law. Personnel files and payroll records are the property of the Company and may not be removed from Company premises without written authorization. Because personnel files and payroll records are confidential, access to the records is restricted. Generally, only those who have a legitimate reason to review information in an employee's file are allowed to do so. Disclosure of personnel information to outside sources will be limited. However,

the Company will cooperate with requests from authorized law enforcement or local, state, or federal agencies conducting official investigations and as otherwise legally required.

- 3.7.2. Employees may contact a Human Resources representative to request a time to review their payroll records and/or personnel file. With reasonable advance notice, an employee may review his or her own records in the Company's offices and in the presence of an individual appointed by the Company to maintain the records. No copies of documents in your file may be made, with the exception of documents that you have previously signed, or documents that may be obtained by you subject to state and/or federal law. You may add your comments to any disputed item in the file.
- 3.7.3. By policy, the Company will provide only the former or present employee's dates of employment and position(s) held with the Company and eligibility for rehire, if asked. Compensation information may also be verified if written authorization is provided by the employee.

### **3.8. Privacy**

- 3.8.1. The Company is respectful of employee privacy. All employee demographic and personal information will be shared only as required in the normal course of business. If a healthcare plan becomes available in the future, healthcare enrollment information will be kept in a separate folder from other human resources forms. Workers' Compensation information is not considered private healthcare information; however, this information will be released only on a need-to-know basis.
- 3.8.2. The Company does not make or receive any private healthcare information through the course of normal work. If any employee voluntarily shares private healthcare information with a member of management, this information will be kept confidential. If applicable, the Company will set up guidelines for employees and management to follow to ensure that company employees conform to the requirements of the Health Insurance Portability and Accountability Act (HIPAA).

### **3.9. Immigration Law Compliance**

- 3.9.1. In compliance with the Immigration Reform and Control Act of 1986, each new employee, as a condition of employment, must complete the Employment Eligibility Verification Form 1-9 on day of hire and present documentation establishing identity and employment eligibility within three business days of date of hire. Former employees who are rehired must also complete an 1-9 form if they have not completed an 1-9 form with the Company within the past three years, or if their previous 1-9 form is no longer retained or valid. You may raise questions or complaints about immigration law compliance without fear of reprisal.

### **3.10. Religious Accommodation**

- 3.10.1. The Company will make reasonable accommodations for employees' observance of religious holidays and practices unless the accommodation would cause an undue hardship on the Company's operations. If you desire a religious accommodation, you are required to make the request in writing to your manager as far in advance as possible. You are expected to strive to find co-workers who

can assist in the accommodation (e.g., trade shifts) and cooperate with the Company in seeking and evaluating alternatives.

### **3.11. Political Neutrality**

- 3.11.1. Maintenance of individual freedom and our political institutions necessitates broad scale participation by citizens concerning the selection, nomination and election of our public office holders. The Company will not discriminate against any employee because of identification with and support of any lawful political activity. Company employees are entitled to their own personal political position. The Company will not discriminate against employees based on their lawful political activity engaged in outside of work. If you are engaging in political activity, however, you should always make it clear that your actions and opinions are your own and not necessarily those of the Company, and that you are not representing the Company.

## **4. Hours of Work and Payroll Practices**

### **4.1. Pay Periods and Paydays**

- 4.1.1. Employees are paid on a weekly basis. All employees will be paid on Friday of each week. All employees are paid by check on the above-mentioned payday. If the regular payday falls on a weekend or Company holiday, employees will be paid on the last business day before the holiday and/or weekend.

### **4.2. Overtime**

- 4.2.1. non-exempt employees will be paid in accordance with Federal and Massachusetts state law. All overtime work by non-exempt employees must be authorized in advance by their manager. Only hours actually worked will be used to calculate overtime pay.

### **4.3. Rest and Meal Periods**

- 4.3.1. All rest and meal periods will be in accordance with Massachusetts state law. To the extent Massachusetts state law does not require rest and meal breaks, non-exempt employees will be provided a 10-minute rest break for every four hour period of work. This time is counted and paid as time worked. Non-exempt employees scheduled to work more than a five hour period will be provided a 30-minute unpaid meal period.

### **4.4. Time Cards**

- 4.4.1. Non-exempt employees are required to keep an accurate and complete record of their attendance and hours worked. Time cards are official business records and may not be altered without the employee's supervisor's approval and may not be falsified in any way.

### **4.5. Payroll Deductions**

- 4.5.1. Various payroll deductions are made each payday to comply with federal and state laws pertaining to taxes and insurance. Deductions will be made for the following: Federal and State Income Tax Withholding, Social Security, Medicare, State Disability Insurance & Family Temporary Disability Insurance, and other items designated by you or required by law (including a valid court order). You can adjust your federal and state income tax withholding by completing the proper federal or state form and submitting it to Accounting. At the start of each

calendar year, you will be supplied with your Wage and Tax Statement (W-2) form for the prior year. This statement summarizes your income and deductions for the year.

#### **4.6. Wage Garnishment**

- 4.6.1. A garnishment is a court order requiring an employer to remit part of an employee's wages to a third party to satisfy a just debt. Once the Company receives the legal papers ordering a garnishment, we are required by law to continue making deductions from your check until we have withheld the full amount or until we receive legal papers from the court to stop the garnishment. Even if you have already paid the debt, we still need the legal papers to stop the garnishment.

## **5. Standards of Conduct and Employee Performance**

### **5.1. Anti-Harassment and Discrimination**

- 5.1.1. The Company is committed to providing a work environment free of sexual or any form of unlawful harassment or discrimination. Harassment or unlawful discrimination against individuals on the basis of race, religion, creed, color, national origin, sex, sexual orientation, gender identity, age, ancestry, physical or mental disability, medical condition including medical characteristics, marital status or any other classification protected by local, state or federal laws is illegal and prohibited by Company policy. Such conduct by or towards any employee, contract worker, customer, vendor or anyone else who does business with the Company will not be tolerated. Any employee or contract worker who violates this policy will be subject to disciplinary action, up to and including termination of his or her employment or engagement. To the extent a customer, vendor or other person with whom the Company does business engages in unlawful harassment or discrimination, the Company will take appropriate corrective action.

### **5.2. Prohibited Conduct**

- 5.2.1. Prohibited harassment or discrimination includes any verbal, physical or visual conduct based on sex, race, age, national origin, disability or any other legally protected basis if:
- 5.2.1.1. submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment or engagement.
  - 5.2.1.2. submission to or rejection of such conduct by an individual is used as a basis for decisions concerning that individual's employment or engagement; or it creates a hostile or offensive work environment.
- 5.2.2. Prohibited harassment includes unwelcome sexual advances, requests for sexual favors and lewd, vulgar or obscene remarks, jokes, posters or cartoons, and any unwelcome touching, pinching or other physical contact. Other forms of unlawful harassment or discrimination may include racial epithets, slurs and derogatory remarks, stereotypes, jokes, posters or cartoons based on race, national origin, age, disability, marital status or other legally protected categories.
- 5.2.3. Prohibited harassment might also be transmitted using the Company's electronic communications system, or through other on-line conduct.

### **5.3. Complaint Procedure**

- 5.3.1. Employees or contract workers who feel that they have been harassed or discriminated against, or who witness any harassment or discrimination by an employee, contract worker, customer, vendor or anyone else who does business with the Company, should immediately report such conduct to their supervisor or any other member of management.
- 5.3.2. Do not allow an inappropriate situation to continue by not reporting it, regardless of who is creating the situation. No employee, contract worker, customer, vendor or other person who does business with this organization is exempt from the prohibitions in this policy. In response to every complaint, the Company will conduct an investigation and, if improper conduct is found, take appropriate corrective action.
- 5.3.3. To the extent that an employee or contract worker is not satisfied with the Company's handling of a harassment or discrimination complaint, he or she may also contact the appropriate state or federal enforcement agency for legal relief.

### **5.4. Attendance**

- 5.4.1. Punctuality and regular attendance are essential to the successful operation of the Company's business. If an employee is unable to report to work (or to report to work on time) for any reason, the employee must notify his or her supervisor before his or her starting time. If an employee desires to leave work for any reason during the workday, the employee must obtain the approval of his or her supervisor prior to leaving. In the event that the employee fails to call his or her supervisor or report for work for 3 consecutive
- 5.4.2. workdays, the employee will be deemed to have voluntarily resigned from his or her employment with the Company and will be removed from the payroll. Excessive absenteeism or tardiness may subject the employee to disciplinary action, up to and including termination.

### **5.5. Discipline and Standards of Conduct**

- 5.5.1. As an at-will employer, the Company may impose discipline whenever it determines it is necessary or appropriate. Discipline may take various forms, including verbal counseling, written warnings, suspension, demotion, transfer, reassignment or termination. The discipline imposed will depend on the circumstances of each case; therefore, discipline will not necessarily be imposed in any particular sequence. Moreover, at any time the Company determines it is appropriate, an employee may be discharged immediately.
- 5.5.2. Every organization must have certain standards of conduct to guide the behavior of employees. Although there is no possible way to identify every rule of conduct, the following is an illustrative list (not intended to be comprehensive or to limit the Company's right to impose discipline for any other conduct it deems inappropriate]. Keep in mind that these standards of conduct apply to all employees whenever they are on Company property and/or conducting Company business (on or off Company property]. Engaging in any conduct the Company deems inappropriate may result in disciplinary action, up to and including termination. Such conduct may include:
  - 5.5.2.1. Dishonesty;
  - 5.5.2.2. Any agent found to have diverted marijuana, engaged in unsafe practices, or been convicted or entered a guilty plea for a felony charge of distribution of a drug to a minor jay be subject to immediate dismissal.
  - 5.5.2.3. Falsification of Company records;

- 5.5.2.4. Unauthorized use or possession of property that belongs to the Company, a coworker, or member of the public;
- 5.5.2.5. Possession or control of illegal drugs, weapons, explosives, or other dangerous or unauthorized materials;
- 5.5.2.6. Fighting, engaging in threats of violence or violence, use of vulgar or abusive language, horseplay, practical jokes or other disorderly conduct that may endanger others or damage property;
- 5.5.2.7. Insubordination, failure to perform assigned duties or failure to comply with the Company's health, safety or other rules;
- 5.5.2.8. Unauthorized or careless use of the Company's materials, equipment or property;
- 5.5.2.9. Unauthorized and/or excessive absenteeism or tardiness;
- 5.5.2.10. Lack of teamwork, poor communication, unsatisfactory performance, unprofessional conduct, or conduct improper for the workplace;
- 5.5.2.11. Sexual or other illegal harassment or discrimination;
- 5.5.2.12. Unauthorized use or disclosure of the Company's confidential information;
- 5.5.2.13. Violation of any Company policy.

## 5.6. **Dress Code**

- 5.6.1. What we wear to work is a reflection of the pride we have in our Company, in what we do, and in ourselves. Although dress code requirements will vary according to job responsibilities, we ask that your appearance at all times show discretion, good taste, and not present a hazard in the performance of your job.
- 5.6.2. Approval or disapproval of what constitutes appropriate dress is at the discretion of the duty manager.

## 5.7. **Safety**

- 5.7.1. The Company is committed to providing a safe workplace. Accordingly, the Company emphasizes "safety first." It is the employee's responsibility to take steps to promote safety in the workplace and work in a safe manner. By remaining safety conscious, employees can protect themselves and their coworkers.
- 5.7.2. Employees are expected to promptly report all unsafe working conditions, accidents and injuries, regardless of how minor so that any potential hazards can be corrected.

## 5.8. **Substance and Abuse**

- 5.8.1. The Company is committed to providing its employees with a safe and productive work environment. In keeping with this commitment, it maintains a strict policy against the use of alcohol, smoking, and the unlawful use of drugs in the workplace. Consequently, no employee may consume or possess alcohol, or use, possess, sell, purchase or transfer illegal drugs at any time while on the Company's premises or while using the Company vehicles or equipment, or
- 5.8.2. No employee may report to work with illegal drugs (or their metabolites) or alcohol in his or her bodily system. The only exception to this rule is that employees may engage in moderate consumption of alcohol that may be served and/or consumed as part of an authorized Company social or business event.
- 5.8.3. "Illegal drug" means any drug that is not legally obtainable or that is legally obtainable but has not been legally obtained in accordance with the Laws of the Commonwealth of Massachusetts. It includes prescription drugs not being used for prescribed purposes or by the person to whom it is prescribed or in prescribed

amounts. It also includes any substance a person holds out to another as an illegal drug.

5.8.4. Any violation of this policy will result in disciplinary action, up to and including termination of employment.

5.8.5. Any employee who feels he or she has developed an addiction to, dependence upon, or problem with alcohol or drugs, legal or illegal, is strongly encouraged to seek assistance before a violation of this policy occurs. Any employee who requests time off to participate in a rehabilitation program will be reasonably accommodated. However, employees may not avoid disciplinary action, up to and including termination, by entering a rehabilitation program after a violation of this policy is suspected or discovered. When, in the Company's sole and absolute discretion, the Company determines it is appropriate, an employee may be offered the option of participating in and satisfactorily completing a Company-approved drug and/or alcohol rehabilitation program in lieu of termination.

## **5.9. Workplace Searches**

5.9.1. To protect Company property, prevent diversion, and to ensure the safety of all employees, the Company reserves the right to inspect and search any employee's office, desk, drawers, cabinets, files, locker, equipment, including computers, e-mail and voicemail, Company vehicles, and any area on Company premises. In this regard, it should be noted that all offices, desks, file drawers, cabinets, lockers, and other Company equipment and facilities are the property of the Company, and are intended for business use.

5.9.2. Employees should have no expectation of privacy with respect to items brought onto Company property and/or stored in Company facilities. Inspection may be conducted at any time, without notice, at the discretion of the Company.

5.9.3. In addition, when the Company deems appropriate, employees may be required to submit to searches of their personal vehicles, parcels, purses, handbags, backpacks, briefcases, lunch boxes or any other possessions or articles brought on to the Company's property.

5.9.4. Persons entering the premises who refuse to cooperate in an inspection conducted pursuant to this policy may not be permitted to enter the premises. All employees must cooperate in an inspection; failure to do so is insubordination and will result in disciplinary action, up to and including termination.

## **5.10. Social Media Policy**

5.10.1. The Company is committed to utilizing social media to enhance its profile and reputation, to listen and respond to customer opinions and feedback, and to drive revenue, loyalty and advocacy. We encourage employees to support our activities through their personal social networking channels while adhering to the guidelines outlined in this section.

5.10.2. For the purpose of this section, social media and networking refers to the use of web-based and mobile applications for social interaction and the exchange of user generated content. Social media channels can include, but are not limited to: Facebook, Twitter, LinkedIn, YouTube, blogs, review sites, forums, online communities and any similar online platforms.

5.10.3. Employees are expected to conduct themselves in a professional manner, to respect the views and opinions of others, and to demonstrate respect for the company, its ownership, clients, guests, vendors, employees and competitors.

5.10.4. The Company and its employees are committed to conducting ourselves in accordance with best industry practices in social networking, to being responsible citizens and community members, to listening and responding to feedback, and

to communicating in a courteous and professional manner. Behavior and content that may be deemed disrespectful, dishonest, offensive, harassing or damaging to the company's interests or reputation are not permitted.

- 5.10.5. The use of social media channels on company time for personal purposes is not allowed.
- 5.10.6. Any social media contacts, including "followers" or "friends," that are acquired through accounts (including but not limited to email addresses, blogs, Twitter, Facebook, YouTube, LinkedIn, or other social media networks) created on behalf of the Company will be the property of the Company.
- 5.10.7. Employees must not disclose private or confidential information about the Company, its employees, clients, suppliers or customers on social networks. Employees must respect trademarks, copyrights, intellectual property and proprietary information. No third-party content should be published without prior permission from the owner.
- 5.10.8. The Company maintains the right to monitor company-related employee activity in social networks. Violation of policy guidelines is grounds for discipline, up to and including termination.

#### **5.11. Cell Phone Policy**

- 5.11.1. The use of personal cell phones at work is discouraged because it can interfere with work and be disruptive to others. Therefore, employees who bring personal cell phones to work are required to keep the ringer shut off or placed on vibrate mode when they are in the facility, and to keep cell phone use confined to breaks and meal periods. Conversations should be had away from areas where other employees are working. When cell phone use interferes with the satisfactory performance of an employee's duties or disturbs others, the privilege of using a personal cell phone at work may be taken away and other disciplinary action, up to and including termination, may be imposed.
- 5.11.2. The Company may provide cell phone allowances to employees in certain positions in an effort to improve efficiency and effectiveness. When cell phones are used for Company business, employees must comply with all Company policies governing conduct, including our policies prohibiting discrimination, harassment, and violence in the workplace. When using the cell phone in a public place, please remember to maintain the confidentiality of any private or confidential business information. As a courtesy to others, please shut cell phones off or place on vibrate mode during meetings.

## **6. Employee Benefits and Services**

### **6.1. General**

- 6.1.1. Aside from those benefits required by state and federal regulations, the Company also offers additional benefits for its full-time employees.
- 6.1.2. From time to time, benefits may be added or deleted from the benefits package.
- 6.1.3. The Company reserves the right to make such changes. This Handbook does not contain the complete terms and/or conditions of any of the Company's current benefit plans. It is intended only to provide general explanations.
- 6.1.4. For information regarding employee benefits and services, employees should contact Human Resources.

### **6.2. COBRA**

- 6.2.1. Under the provisions of the Consolidated Omnibus Budget Reconciliation Act (COBRA) of 1986, if you are covered under the Company's group health

insurance plan(s) you are entitled to continue your coverage in the event that your employment with the Company ends. Under COBRA, the Company must offer each qualified beneficiary (the employee and any covered dependents) who would otherwise lose coverage under the plan as a result of a qualifying event an opportunity to continue their insurance coverage. A qualifying event is defined as termination of employment, a reduction in the number of hours of employment, death of covered employee, divorce or legal separation, a dependent child ceases to be dependent, eligibility of the covered employee for Medicare, or an employer's bankruptcy.

### **6.3. Worker's Compensation**

- 6.3.1. All states have Workers' Compensation laws whose purpose is to promote the general welfare of people by providing compensation for accidental injuries or death suffered in the course of employment. These laws are designed to provide protection to workers suffering occupational disabilities through accidents arising out of, and in the course of employment.
- 6.3.2. The Company carries Workers' Compensation Insurance for all employees and pays the entire cost of the insurance program.
- 6.3.3. An employee who suffers an injury or illness in connection with the job is usually eligible to receive payment through the insurance company for lost wages.
- 6.3.4. In addition to disability payments, necessary hospital, medical and surgical expenses are covered under Workers' Compensation, with payments being made directly to the hospital or physician.
- 6.3.5. Workers' Compensation benefits to injured workers also includes assistance to help qualified injured employees return to suitable employment.

### **6.4. Social Security Benefits (FICA)**

- 6.4.1. During your employment, you and the Company both contribute funds to the Federal government to support the Social Security Program. This program is intended to provide you with retirement benefit payments and medical coverage once you reach retirement age.

### **6.5. Unemployment Insurance**

- 6.5.1. The company pays a state and federal tax to provide employees with unemployment insurance coverage in the event they become unemployed through no fault of their own or due to circumstances described by law. This insurance is administered by applicable state agencies, who determine eligibility for benefits, the amount of benefits (if any), and duration of benefits.

## **7. Employee Leaves of Absence and Time Off**

### **7.1. General**

- 7.1.1. While regular attendance is crucial to maintain business operations, the Company recognizes that, for a variety of reasons, employees may need time off from work. The Company has available a number of types of leaves of absence. Some are governed by law and others are discretionary. For all planned leaves, however, employees must submit a request at least 14 days in advance; in case of emergencies, employees should submit the request as soon as they become aware of the need for leave. All leaves must have the approval of the Company management. If, during a leave, an employee accepts another job, engages in other employment or consulting outside of the Company, or applies for

unemployment insurance benefits, the employee may be considered to have voluntarily resigned from employment with the Company.

- 7.1.2. All requests for a leave of absence will be considered in light of their effect on the Company and its work requirements, as determined by the Company management, which reserves the right to approve or deny such requests in its sole discretion, unless otherwise required by law. For disability-related leave requests, the Company will engage in an interactive process with the employee to determine if a leave is the most appropriate accommodation.
- 7.1.3. The employee must provide a certification from his or her health care provider to the Company to support a leave for medical reasons. Failure to provide the required certification to the Company in a timely manner will result in delay or denial of leave.
- 7.1.4. If an employee requires an extension of leave, the employee must request such extension and have it approved before the expiration of the currently approved leave.
- 7.1.5. While the Company will make a reasonable effort to return the employee to his or her former position or a comparable position following an approved leave of absence, there is no guarantee that the employee will be reinstated to his or her position, or any position, except as required by law.

## **7.2. Sick Days**

- 7.2.1. Eligible employees are entitled to paid sick days in accordance with Massachusetts law.

## **7.3. Pregnancy-Disability Leave**

- 7.3.1. Employees who are disabled on account of pregnancy, childbirth, or a related medical condition may request an unpaid leave of absence. Such leave will be granted for the period of disability, up to a maximum of four months. Time off may be requested for prenatal care, severe morning sickness, doctor-ordered bed rest, childbirth, and recovery from childbirth.
- 7.3.2. Leave provided for pregnancy disability is treated separately from leaves required by the state family and medical leave law. However, the first 12 workweeks of a pregnancy disability leave will be treated concurrently as a leave pursuant to the federal Family and Medical Leave Act ("FMLA") for all eligible employees.
- 7.3.3. Employees who wish to take a pregnancy disability leave must notify Human Resources of the date the leave is expected to commence and the estimated duration of the leave. Notice should be given as indicated above. The employee must also provide a medical certification of disability to the Company. Failure to provide the required medical certification to the Company in a timely manner will result in delay or denial of leave. Before returning to work, the employee must provide a medical certification that she is able to resume her original job duties. Appropriate forms may be obtained from Human Resources.
- 7.3.4. Employees who return to work immediately following the expiration of an approved pregnancy disability leave will generally be reemployed in their former position or a comparable job, as required by law.
- 7.3.5. Employees who are affected by pregnancy may also be eligible to transfer to a less strenuous or hazardous position or duties, provided certain prerequisites are met. Reasonable accommodations may be requested with the advice of the employee's health care provider. In addition, lactation accommodation is also available, upon request. For more information on pregnancy disability leave or transfer and its effect on the terms, conditions or benefits of employment, please contact Human Resources.

#### **7.4. Workers' Compensation Leave**

- 7.4.1. Any employee who is unable to work due to a work related injury or illness and who is eligible for Workers' Compensation benefits will be provided an unpaid leave for the period required. The first 12 weeks will be treated concurrently as a family and medical leave under the federal Family Medical Leave Act ("FMLA") for eligible employees.

#### **7.5. Voting Time**

- 7.5.1. Employees who are registered voters and who lack sufficient time outside of work to vote in any local, state, and national election may take up to two hours off work with pay at the beginning or end of the day for this purpose. Employees should provide at least two working days' notice when time off is required.

## **Record Keeping Procedures**

- 1.1.** Pursuant to 935 CMR 500.000, company records will be available for inspection by the Commission, upon request. We will maintain the following written records that are required and subject to inspection, as well as any additional documentation that it may be directed to record by the Commission:

- 1.1.1.** Written Operating Procedures as required by 935 CMR 500.105 (1)The Operations Manager has copies of the company operating procedures.
- 1.1.1.1. It is the responsibility of all employees to carefully read, understand and follow these operating procedures.
- 1.1.1.2. All employees are responsible for ensuring that these operating procedures are followed.
- 1.1.1.3. Any deviation from standard operating procedures must be authorized by the Operations Manager or your immediate supervisor.
- 1.1.1.4. These operating procedures will be revised from time-to-time and minor adjustments will likely be made. All revisions will be carefully noted and the operating procedures manual updated.
- 1.1.1.5. Any material changes will be communicated to the Commission
- 1.1.1.6. Inventory records as required by 935 CMR500.105(8);

**1.1.2. Inventory records include:**

- Shipping and delivery manifests  
Delivery and shipping video recordings  
Daily production stock withdrawal and return reports  
Weekly inventory reports  
Product return reports
- 1.1.2.1. Shipping manifests - All deliveries and shipments will be accompanied by a shipping manifest. Once this document has been used to verify the delivery or shipment it must be scanned for digital storage and the original placed in the appropriate ring binder and stored in the records cabinet.
- 1.1.2.2. Delivery and shipment packing and unpacking video recordings - All deliveries and shipments will be recorded using a video recording device. These recordings will be transferred to digital storage medium, clearly labeled with the date and manifest number(s), and stored in the records cabinet. Any and all variances from the manifest must be reported in accordance with standard operating procedures.
- 1.1.2.3. Daily production stock withdrawal and return reports - Each day, items will be removed from the main storage vault and placed in the production area for use. These items will be carefully recorded at the time of withdrawal. Unused production stock will be recorded on the same sheet when returned to the storage vault at the end of daily operations.
- 1.1.2.3.1. If, during the course of the day, additional items must be withdrawn from the storage vault, they too will be added to the withdrawal report and accounted for upon the return of production stock to the storage vault.
- 1.1.2.3.2. Any and all variances must be reported in accordance with standard operating procedures. All inventory records are to

- be digitized and a hard copy kept in the records cabinet.
- 1.1.2.4. Weekly inventory reports - Each week, the Operations Manager, together with another licensed employee will conduct an inventory of all goods in the storage vault. Any and all variances must be reported in accordance with standard operating procedures. All inventory records are to be digitized and a hard copy kept in the records cabinet.
- 1.1.2.5. Seed-to-sale tracking records for all marijuana products as required by 935 CMR 500.105(8)(e). The company uses a proprietary Seed-to-sale tracking software that allows cultivators, manufacturers, retailers, the Commission and others to quickly and easily track marijuana and marijuana products from propagation to sale.
- 1.1.2.6. Our manufacturing establishment receives raw marijuana, and marijuana products in a variety of forms for use in our range of products.
- 1.1.2.7. Once goods are delivered and manifests verified, all marijuana products must be entered into the Seed-to-sale tracking software in order to maintain an unbroken chain of custody.
- 1.1.2.8. All goods pertaining to a specific manifest will be entered into the system as a batch. Where applicable, a report pertaining to these items will be generated on the seed-to-sale software, printed out, and securely attached to the manifest.

**1.1.3. Personnel records:**

- 1.1.3.1. All personnel files are to be stored in the records cabinet
- 1.1.3.2. The employee handbook contains a job description for each employee and volunteer position in the company. A signed copy of the relevant job description for each employee will also be kept in the individual personnel record of each employee.
- 1.1.3.3. A personnel record for each marijuana establishment agent shall be maintained for at least 12 months after termination of the individual's affiliation with the Marijuana Establishment and shall include, at a minimum, the following:
  - 1.1.3.3.1. all materials submitted to the Commission pursuant to 935CMR 500.030(2);
  - 1.1.3.3.2. documentation of verification of references; the job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision
  - 1.1.3.3.3. 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 topic discussed, including the name and title of presenters;
  - 1.1.3.3.4. documentation of periodic performance evaluations;
  - 1.1.3.3.5. a record of any disciplinary action taken.
  - 1.1.3.3.6. notice of completed responsible vendor and eight-hour related duty training.
  - 1.1.3.3.7. records of any health and safety-related incidents

**1.1.4. Personnel policies and procedures**

- 1.1.4.1. All personnel policies and procedures are clearly outlined in the employee handbook, a copy of which is available to all employees and includes:

- 1.1.4.1.1. Our Code of Ethics
- 1.1.4.1.2. Whistle-blower Policy; and
- 1.1.4.1.3. Our policy that notifies persons with disabilities of their rights under <https://www.mass.gov/service-details/about-employment-rights>
- 1.1.4.2. Certain specialized procedures are contained in the security plan.
- 1.1.4.3. All new employees will be required to read the employee handbook and security plan, undergo basic security training and sign a document acknowledging receipt of each and all of these elements. This acknowledgment will be stored with their individual personnel record.
- 1.1.4.4. All personnel files are to be stored in the records cabinet
- 1.1.4.5. All employees will be subject to a state-mandated background check. Background check reports obtained in accordance with 935 CMR 500.030 will be digitized and a hard copy placed into the individual personnel records
- 1.1.4.6. All records of waste disposal must be maintained pursuant to 935 CMR 500.105(12).
- 1.1.4.7. In the course of normal operations quantities of marijuana waste may be generated from normal processing operations, packaging errors, or customer returns. All marijuana waste must be disposed of in accordance with 935 CMR 500.105 (12).
- 1.1.4.8. All cannabis waste must be handled in accordance with the **Cannabis Waste Disposal Procedures** above.
- 1.1.4.9. The items disposed of and recorded in the inventory reconciliation report must also be entered in the seed-to-sale tracking software to ensure the completion of an unbroken chain of custody.
- 1.1.4.10. At least two licensed marijuana agents must witness and document this process.
- 1.1.4.11. Such documentation shall be retained for a minimum of three years or longer if so directed by the Commission.

#### 1.1.5. Security Device Log

- 1.1.5.1. The issue and return of all security devices such as swipe cards, keys, codes and combinations must be noted in the security device log.
- 1.1.5.2. Employees acknowledge the receipt or return of such devices by signing this log.
- 1.1.5.3. Recording the issue and return of all security devices is the responsibility of the Operations Manager or senior management as required in the security plan.
- 1.1.5.4. The issue of security devices may only be authorized by the Operations Manager or senior management as required in the security plan.
- 1.1.5.5. The issue of codes and combinations is acknowledged by signing the relevant entry in the security device log. On NO account may the actual code or combination be noted or written down, either in the security device log or elsewhere. See the security plan for additional details.

- 1.1.6. 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.

- 1.2. As per 935 CMR 500.105 (9) we will maintain our records in accordance with generally accepted accounting principles.
- 1.3. Our written operating procedures will be maintained as required by 935 CMR 500.105(1). *935 CMR 500.105(9)*
- 1.4. The following business records will be maintained;
  - Assets and liabilities;
  - Monetary transactions;
  - Books of accounts;
  - Sales records; and
  - Salary and wages paid to each employee. *935 CMR 500.105(9)*

# Maintaining Financial Records

The Company shall comply with all regulations for Record Keeping as outlined in 935 CMR 500.105, and all records of the Establishment shall be maintained and made available for inspection upon request by the Commission, other lawful regulatory agency, or authorized third-party auditors.

The Company shall maintain books, financial records, and other compilations of data pertaining to all financial transactions of the establishment in accordance with standard accounting practices and all applicable State regulations. Written records shall be kept on file and backed up electronically on-site and to cloud storage in accordance with the Company Record Keeping Procedures.

The following business records shall be maintained:

- Assets and liabilities
- Monetary transactions
- Books of accounts
- Sales records, and
- Salary and wages paid to each employee.

All required records shall be kept for a period of at least seven (7) years and made available upon request by the CCC, DOR, other lawful regulatory agency, or any authorized independent financial auditor. Following closure of the Establishment, all records shall be kept for at least two years at the expense of the Company and in a form and location acceptable to the Commission.

**RECORDING SALES:** The Company will utilize a computerized Point Of Sale system approved by the Commission and DOR, and which is compatible with the Establishment's third-party inventory tracking software that allows for real-time interface with the State METRC monitoring system for all seed-to-sale tracking. The Company will make available all equipment and software for inspection by the Commission and/or DOR for the purposes of ensuring compliance with all MA laws and regulations.

The Company shall not utilize any software or other methods for the purpose of manipulating or altering sales data, and shall conduct monthly analysis of all equipment and sales data to determine that no software has been installed that could be used to manipulate or alter sales data and that no other methodology has been utilized to alter sales data. Records of all monthly analysis shall be maintained in accordance with Company Record Keeping Protocol and made available to the Commission upon request.

In the event that software has been installed, or any other methodology has been implemented, for the purposes of manipulating or altering sales data, the Commission shall be immediately notified and the Company will cooperate with the Commission and any other

agency in any subsequent investigation(s) and/or take any other such action as directed by the Commission to comply with 935 CMR 500.105.

All records related to the Retail Sales of the establishment shall be kept in accordance with the Company Record Keeping Protocol and in full compliance with 830 CMR 62C.25.1 Record Retention and DOR Directive 16-1 regarding recordkeeping requirements. All records shall be made available to the Commission and/or DOR upon request.

Handling of Confidential Information: The Company will implement protocol to protect confidential information for all company personnel and customers that complies with all State laws and regulations. These protocols include but may not be limited to:

1. Control Access: Digital information containing sensitive data will be protected by secure password, firewall, and encryption.
2. Lockable Document Storage: All paper files and documents containing sensitive information shall be securely stored in lockable storage cabinets within the Company corporate headquarters.
3. Document Shredding: Any documents containing sensitive information that are no longer needed on-file within the establishment shall be shredded and disposed of.
4. Employee Training: All Company employees shall receive sufficient training on maintaining data confidentiality regarding both fellow employees and customers

# 1. Detailed Description of Qualification and Intended Trainings for Agents

## 1.1. Store Job Classifications and Requirements:

- 1.1.1. All employees must be trained on their job-specific duties prior to performing their job functions.
  - 1.1.1.1.1. All employees must receive a minimum of eight (8) hours job-specific training each year.
  - 1.1.1.1.2. All current owners, managers, and employees must complete the Responsible Vendor Program as soon as possible after this becomes available. Employees must complete the program within 90 days of being hired.
  - 1.1.1.1.3. Responsible Vendor Program documentation will be retained for four (4) years.
- 1.1.2. **Store Manager** - The store manager is the face of the facility. The manager must interface with staff, law enforcement, vendors, and others. The principal responsibility of the store manager is to coordinate and facilitate the transactions of the store. They must maintain records, have contact with suppliers and the grow site, embrace customer service and understand marketing. They will train employees and decide which products to carry and determine best pricing based on market conditions. They are responsible for keeping up with all changes in local and state law regarding operation of the facility. The most important job of the store manager is to ensure the security and integrity of our inventory.
- 1.1.3. **Retail Sales Agent** - The store has a need for retail professionals who can communicate articulately and passionately with customers about a wide range of cannabis products. Desirable backgrounds include previous marijuana vertical experience, retail sales, pharmacy, education, and customer service. Knowledge of cannabis, the varieties of cannabis, and their effects is highly relevant. They must be keenly aware of the difference of Indica, Sativa and their hybrids. A retail sales agent will maintain records in accordance with the Operations Manual, serve customers, offer advice and recommendations, be mindful and vigilant in terms of security, diversion, and facility cleanliness. Retail Sales Agents will be trained by the store manager alongside whom they will work to learn the total operation of the retail store. This position may be full-, or part-time.
- 1.1.4. **Security Guards** - Our retail store has an ongoing demand for trained law enforcement and security professionals. The store employs 24/7 security protection. Duties include ensuring the integrity of the facility's security systems and protecting the facility and its customers from outside criminal disturbance. Desired backgrounds include previous military, law enforcement, and security experience.

## 1.2. Employee Training and Selection

- 1.2.1. Our retail store is constantly looking for motivated, friendly, articulate and passionate people to work with our customers to provide them with the best product for their recreational needs. We are looking for people with the above attributes and are willing to train others in order to have a diverse workforce. Some of the desirable backgrounds we are looking for include marijuana vertical experience, retail sales, pharmacy, education, and customer service. We tend to train all employees in the following subjects, but tailor each topic to meet the needs required by individual roles:
  - 1.2.1.1. Cannabis Science

- 1.2.1.2. Horticultural & Organic Cultivation
- 1.2.1.3. Methods of Extraction
- 1.2.1.4. Methods of Ingestion
- 1.2.1.5. Cooking with Cannabis
- 1.2.1.6. Medical marijuana use
- 1.2.1.7. Harm Reduction Methods
- 1.2.1.8. Sensible Cannabis Use
- 1.2.1.9. Customer Relations
- 1.2.1.10. Massachusetts Cannabis Law

- 1.3. Our company is looking for all types of help for our retail sales operation, both front-of-house, and in the back office. Typical responsibilities include:
  - 1.3.1. Retails Sales
  - 1.3.2. Packaging labeling and inventory
  - 1.3.3. Sanitation and maintenance of the facility
  - 1.3.4. Security of the facility and deliveries
  - 1.3.5. Standard business and management roles such as, account management, administration, etc.

## 1. Environmental Policies and Procedures -

- a. We endeavor to reduce energy and water usage, engage in energy conservation and mitigate other environmental impacts. These include, but are not limited to;
  - i. In accordance with 935 CMR 500.103(4), we will, at the time of license renewal, provide a report that documents our energy and water usage over the preceding 12-month period.
  - ii. The use of natural light where possible. We use natural light where possible and only utilize supplemental lighting when needed. Our lighting system is LED-based and offers substantial energy savings.
  - iii. While not initially feasible, we hope to explore the addition of a photo-voltaic array to supplement and offset electrical demand through a renewable energy source.
  - iv. We will closely follow the development, viability, and availability of energy technology and will incorporate energy-saving systems into their technical operations once their value has been demonstrated. We are committed to the adoption and application of any technology that may practically and reliably reduce our electric demand.
  - v. We will actively pursue engagement with energy efficiency programs offered pursuant to M.G.L. c. 25, § 21, or through municipal lighting plants.
- b. We shall satisfy minimum energy efficiency and equipment standards established by the Commission and meet all applicable environmental laws, regulations, permits and other applicable approvals, including those related to water quality and solid and hazardous waste management under 935 CMR 500.103(2).
- c. We shall adopt and use additional best management practices as determined by the Commission, in consultation with the working group established under St. 2017, c. 55, § 78(b), to reduce energy and water usage, engage in energy conservation and mitigate other environmental impacts, and shall provide energy and water usage reporting to the Commission in a form determined by the Commission.
- d. We will adhere to the following minimum energy efficiency and equipment standards;
  - i. The building envelope for our facilities except greenhouses, will meet minimum Massachusetts Building Code requirements and all Massachusetts amendments (790 CMR: State Building Code), International Energy Conservation Code (IECC) Section C.402 or The American Society of Heating, Refrigerating and Air-conditioning Engineers (ASHRAE) Chapters 5.4 and 5.5 as applied or incorporated by reference in 780 CMR; State Building Code.

- ii. Requirements 935 CMR 500.120(11)(b) and (c) shall not be required if we are generating 100% or more of the onsite load from an onsite clean or renewable resource.
- iii. Heating Ventilation and Air Conditioning (HVAC) and dehumidification systems will meet Massachusetts Building Code requirements and all Massachusetts amendments (780 CMR: State Building Code, IECC Section C.403 ASHRAE Chapter 67 as applied or incorporated by reference in (780 CMR: State Building Code).
- iv. The Commission may further define these standards, or create reasonable exemptions or modifications, through guidelines issued in consultation with the energy and environmental standards working group established under St. 2017, c. 55 § 78(b), including but not limited to provisions for greenhouses and agricultural buildings.

# **Clovercraft LLC**

## **Diversity Plan**

### **Introduction**

Our purpose is to support minorities, veterans, women, disabled individuals, and LGBTQ+ residents of the Commonwealth in order to stop the continuation of an inequitable status quo in the workplace. To do so, we intend to teach the importance of ownership, build community between diverse groups and neighboring organizations, and provide job opportunities to diverse groups, with a variety of responsibilities, that will build an efficient and robust operation all Massachusetts residents can be proud of.

To the extent permissible by law, it is the policy of this company to prioritize hiring and community engagement and support among the following demographic groups:

1. Minorities
2. Women
3. Veterans
4. People with disabilities
5. People who identify as LGBTQ+

*The execution of this plan will be documented and reviewed annually. The outcome of this review will be provided by our company to the Commission prior to the annual renewal of our license.*

*Any action taken, or programs instituted, by our company for the execution of this plan will not violate the Commission's regulations with respect to limitations on ownership or control or other applicable state laws.*

*This plan 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.*

### **Goals**

1. Employing 20% women, 20% minorities, 20% LGBTQ+ members, 20% veterans, and 20% those with disabilities.
2. Engage with at least 10% of suppliers who are women, veteran, minority, LGBTQ+, or disabled-owned businesses within the first year of operation
3. We have a goal of 100% of staff taking job satisfaction surveys annually, or upon exit, with a 75% or greater satisfaction regarding inclusivity, and 100% of staff having access to diversity literature in the workplace.

4. An employee promotion goal wherein at least 50% of the employees who receive promotions within our first year of operations are of the above-listed groups.

## **Programs**

The following programs will help effectuate the above goals:

1. Employment opportunities- when available- will be published no less frequently than annually on Indeed.com, LinkedIn, or in the Boston Globe, with the objective of reaching, women, veterans, minorities, LGBTQ+ members, and those with disabilities.
2. Distribute internal workplace information notices, annually (and verbally at team meetings at least quarterly), aimed at encouraging current employees to recommend women, veterans, minorities, LGBTQ+ members, and those with disabilities for employment.
3. Develop and provide satisfaction/exit surveys annually for employees and when employees leave.
4. We will have an anonymous comment box in the breakroom and our diversity goals will be posted clearly so that staff can work together to achieve them and help seek out diverse employees, vendors, or contractors to engage with.
5. Utilize the SDO supplier list to proactively engage with women, veteran, minority, LGBTQ+ member, and disabled-owned suppliers.

## **Measurement:**

We intend to focus our efforts on the following metrics:

1. Have 8 employment positions been created since initial licensure?
2. Have we advertised available positions on Indeed.com and/or other sources with the objective of more effectively reaching women, veterans, minorities, LGBTQ+ members, and those with disabilities?
3. Have we relayed our hiring needs to the CCC Social Equity cohorts and did the CCC notify or post regarding employment opportunities?
4. Have we hired 20% women, 20% minorities, 20% LGBTQ+ members, 20% veterans, and 20% those with disabilities, or do at least 60% of our total hires include a mix of these above demographics?
5. Have any employees advanced their job roles since hiring, trained with more advanced personnel, or brought on diverse employees in their network which has increased company or management diversity with 50% of promotions being diverse employees?

6. Have exit surveys and anonymous satisfaction surveys been made available to all employees after 6 months of employment and do they reflect a pro-diversity company?
7. Have we compiled anonymous data in spreadsheets from our surveys to better understand and track diversity at our company which can be shared with public officials or nonprofit organizations seeking to promote diversity in their mission?
8. Have we engaged with diverse suppliers, including at least 2 businesses owned by women, veterans, minorities, LGBTQ+ members, and disabled individuals, as part of our supplier diversity goal?
9. Do we have evidence of the literature or postings on diversity and our anonymous comment box that we have made available to employees to facilitate diverse or underrepresented voices in our staff?
10. Are staff aware, through staff meeting agendas, emails, paper bulletins, or other methods that diversity is a compliance issue and important to the company and community?