Massachusetts Cannabis Control Commission

Public Record Request

Marijuana Product Manufacturer

General Information:

License Number: MP281321

Original Issued Date: 07/22/2020

Issued Date: 07/22/2020

Expiration Date: 07/22/2021

Payment Received: $10000 **Payment Required:** $10000

ABOUT THE MARIJUANA ESTABLISHMENT

Business Legal Name: Supercritical Mass Laboratories Inc.

Phone Number: 508-397-8593 **Email Address:** charles@scmasslabs.com

Business Address 1: 2 Fisher St. **Business Address 2:**

Business City: Northborough **Business State:** MA **Business Zip Code:** 01532

Mailing Address 1: 2 Fisher St. **Mailing Address 2:**

Mailing City: Northborough **Mailing State:** MA **Mailing Zip Code:** 01532

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: 58.72 **Percentage Of Control:** 58.72

Role: Director **Other Role:** President

First Name: Charles **Last Name:** Bergmann **Suffix:**

Gender: Male **User Defined Gender:**

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

Specify Race or Ethnicity:

Person with Direct or Indirect Authority 2

Percentage Of Ownership: 32.88 **Percentage Of Control:** 32.88

Role: Director **Other Role:** Chief Operating Officer

First Name: Paul **Last Name:** Lindholm **Suffix:**

Gender: Male **User Defined Gender:**

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

Specify Race or Ethnicity:

Person with Direct or Indirect Authority 3

Percentage Of Ownership: 3.62 **Percentage Of Control:** 3.62

Role: Executive / Officer **Other Role:**

First Name: Mark **Last Name:** June-Wells **Suffix:** PhD

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 4

Percentage Of Ownership: 0.52 **Percentage Of Control:** 0.52

Role: Executive / Officer **Other Role:**

First Name: Thomas **Last Name:** Nolan **Suffix:**

Gender: Male **User Defined Gender:**

What is this person's race or ethnicity?: Decline to Answer

Specify Race or Ethnicity:

Person with Direct or Indirect Authority 5

Percentage Of Ownership: 0.26 **Percentage Of Control:** 0.26

Role: Other (specify) **Other Role:** Advisor

First Name: Mark **Last Name:** Nasiff **Suffix:**

Gender: Male **User Defined Gender:**

What is this person's race or ethnicity?: Middle Eastern or North African (Lebanese, Iranian, Egyptian, Syrian, Moroccan, Algerian)

Specify Race or Ethnicity:

ENTITIES WITH DIRECT OR INDIRECT AUTHORITY

Entity with Direct or Indirect Authority 1

Percentage of Control: 4 **Percentage of Ownership:** 4

Entity Legal Name: Bacaldwell LLC **Entity DBA:** **DBA**

City:

Entity Description: limited liability company focused on investing in emerging markets

Foreign Subsidiary Narrative:

Entity Phone: 617-335-8435 **Entity Email:** jplindholm@aol.com **Entity Website:**

Entity Address 1: 141 Dorchester Avenue, Unit 801 **Entity Address 2:**

Entity City: Boston **Entity State:** MA **Entity Zip Code:** 02127

Entity Mailing Address 1: 141 Dorchester Avenue, Unit 801 **Entity Mailing Address 2:**

Entity Mailing City: Boston **Entity Mailing State:** MA **Entity Mailing Zip Code:** 02127

Relationship Description: Bacaldwell, LLC has a financial interest in SCML as an investor, and as a holder of a minority shareholder interest in the voting common-stock of SCML. This entity is contributing 10% or more of the initial capital to operate the Marijuana Establishment, and has been disclosed in the "Capital Resources - Entities" section of the Application of Intent Packet as well as in the “Entity Background Check Information” section of the Background Check packet.

CLOSE ASSOCIATES AND MEMBERS

Close Associates or Member 1

First Name: Kelsey **Last Name:** Lindholm **Suffix:**

Describe the nature of the relationship this person has with the Marijuana Establishment: Kelsey Lindholm has a financial interest in SCML but is not an individual with direct or indirect authority, or a controlling person, as defined by the Commission. This individual is disclosed in the Capital Resources section and Background Check information was also submitted about this individual.

Close Associates or Member 2

First Name: Mark **Last Name:** Nasiff **Suffix:**

Describe the nature of the relationship this person has with the Marijuana Establishment: Mark Nasiff has a financial interest in SCML but is not an individual with direct or indirect authority, or a controlling person, as defined by the Commission. This individual is disclosed in the Capital Resources section and Background Check information was also submitted about this individual.

CAPITAL RESOURCES - INDIVIDUALS

Individual Contributing Capital 1

First Name: Charles **Last Name:** Bergmann **Suffix:**

Types of Capital: Monetary/Equity **Other Type of Capital:** **Total Value of the Capital Provided:** $50000 **Percentage of Initial Capital:** 12.66

Capital Attestation: Yes

Individual Contributing Capital 2

First Name: Paul **Last Name:** Lindholm **Suffix:**

Types of Capital: Monetary/Equity **Other Type of Capital:** **Total Value of the Capital Provided:** $125000 **Percentage of Initial Capital:** 31.65

Capital Attestation: Yes

Individual Contributing Capital 3

First Name: Kelsey **Last Name:** Lindholm **Suffix:**

Types of Capital: Monetary/Equity **Other Type of Capital:** **Total Value of the Capital Provided:** $50000 **Percentage of Initial Capital:** 12.66

Capital Attestation: Yes

Individual Contributing Capital 4

First Name: Mark **Last Name:** Nasiff **Suffix:**

Types of Capital: Monetary/Equity **Other Type of Capital:** **Total Value of the Capital Provided:** $50000 **Percentage of Initial Capital:** 12.66

Capital Attestation: Yes

CAPITAL RESOURCES - ENTITIES

Entity Contributing Capital 1

Entity Legal Name: Bacaldwell LLC **Entity DBA:**

Email: jplindholm@aol.com **Phone:** 617-335-8435

Address 1: 141 Dorchester Avenue, Unit 801 **Address 2:**

City: Boston **State:** MA **Zip Code:** 02127

Types of Capital: Monetary/Equity **Other Type of Capital:** **Total Value of Capital Provided:** $100000 **Percentage of Initial Capital:** 25.32

Capital Attestation: Yes

BUSINESS INTERESTS IN OTHER STATES OR COUNTRIES

Business Interest in Other State 1

Business Interest of an Owner or the Marijuana Establishment: Business Interest of an Owner

Owner First Name: Mark **Owner Last Name:** June-Wells **Owner Suffix:**

Entity Legal Name: Sativum Consulting Group LLC **Entity DBA:**

Entity Description: Laboratory Process Development and Laboratory Operations Consulting

Entity Phone: 203-619-3322 **Entity Email:** mjunewells@sativumgroup.com **Entity Website:**

Entity Address 1: 138 CHERRY HILL RD. **Entity Address 2:**

Entity City: BRANFORD **Entity State:** CT **Entity Zip Code:** 06405 **Entity Country:** United States

Entity Mailing Address 1: 1204 MAIN ST. **Entity Mailing Address 2:** #161

Entity Mailing City: BRANFORD **Entity Mailing State:** CT **Entity Mailing Zip Code:** 06405 **Entity Mailing Country:** United States

Business Interest in Other State 2

Business Interest of an Owner or the Marijuana Establishment: Business Interest of an Owner

Owner First Name: Mark **Owner Last Name:** June-Wells **Owner Suffix:**

Entity Legal Name: Aloha Green Holdings Inc. **Entity DBA:**

Entity Description: Hawaiian Licensed Medical Marijuana Producer

Entity Phone: 808-369-2888 **Entity Email:** info@agapoth.com **Entity Website:** https://www.agapoth.com/

Entity Address 1: 449 KAPAHULU AVE. **Entity Address 2:** STE 209

Entity City: HONOLULU **Entity State:** HI **Entity Zip Code:** 96815 **Entity Country:** USA

Entity Mailing Address 1: 1314 S. KING STREET **Entity Mailing Address 2:** UNIT G-5 INTERSTATE BUILDING

Entity Mailing City: HONOLULU **Entity Mailing State:** HI **Entity Mailing Zip Code:** 96814 **Entity Mailing Country:** USA

DISCLOSURE OF INDIVIDUAL INTERESTS

No records found

MARIJUANA ESTABLISHMENT PROPERTY DETAILS

Establishment Address 1: 251 Brooks St.

Establishment Address 2:

Establishment City: Worcester **Establishment Zip Code:** 01606

Approximate square footage of the Establishment: 4300 **How many abutters does this property have?:** 15

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

HOST COMMUNITY INFORMATION

Host Community Documentation:

Document Category	Document Name	Type	ID	Upload Date
Plan to Remain Compliant with Local Zoning	Plan to Remain Compliant with Local Zoning.pdf	pdf	5b50d2e44b1b3a3ec37eb9e2	07/19/2018
Certification of Host Community Agreement	HCACertification.pdf	pdf	5c34e53ae96db37a99be4fc9	01/08/2019
Community Outreach Meeting Documentation	Community Outreach Meeting Attestation (9.5.19).pdf	pdf	5d72b18f629a272281d3182c	09/06/2019

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

PLAN FOR POSITIVE IMPACT

Plan to Positively Impact Areas of Disproportionate Impact:

Document Category	Document Name	Type	ID	Upload Date
Plan for Positive Impact	Plan for Positive Impact (9.5.19).pdf	pdf	5d72b2badfdeea2264a6481e	09/06/2019

ADDITIONAL INFORMATION NOTIFICATION

Notification: I Understand

INDIVIDUAL BACKGROUND INFORMATION

Individual Background Information 1

Role: Director **Other Role:** President

First Name: Charles **Last Name:** Bergmann **Suffix:**

RMD Association: Not associated with an RMD

Background Question: no

Individual Background Information 2

Role: Director **Other Role:** Chief Operating Officer

First Name: Paul **Last Name:** Lindholm **Suffix:**

RMD Association: Not associated with an RMD

Background Question: no

Individual Background Information 3

Role: Executive / Officer **Other Role:**

First Name: Mark **Last Name:** June-Wells **Suffix:** PhD

RMD Association: Not associated with an RMD

Background Question: no

Individual Background Information 4

Role: Executive / Officer **Other Role:**

First Name: Thomas **Last Name:** Nolan **Suffix:**

RMD Association: Not associated with an RMD

Background Question: no

Individual Background Information 5

Role: Other (specify) **Other Role:** Investor

First Name: Mark **Last Name:** Nasiff **Suffix:**

RMD Association: Not associated with an RMD

Background Question: no

Individual Background Information 6

Role: Other (specify) **Other Role:** Investor

First Name: Kelsey **Last Name:** Lindholm **Suffix:**

RMD Association: Not associated with an RMD

Background Question: no

ENTITY BACKGROUND CHECK INFORMATION

Entity Background Check Information 1

Role: Investor/Contributor **Other Role:**

Entity Legal Name: Bacaldwell LLC **Entity DBA:**

Entity Description: Investment Company

Phone: 617-335-8435 **Email:** Jplindholm@aol.com

Primary Business Address 1: 141 Dorchester Avenue, Unit 801 **Primary Business Address 2:**

Primary Business City: Boston **Primary Business State:** MA **Principal Business Zip Code:** 02127

Additional Information:

MASSACHUSETTS BUSINESS REGISTRATION

Required Business Documentation:

Document Category	Document Name	Type	ID	Upload Date
Bylaws	Bylaws - Signed.pdf	pdf	5ae7486c7cc84f3628fdb1a7	04/30/2018
Articles of Organization	SCML.ArticlesofOrganization.pdf	pdf	5b2bd5d4480890506ed9b5ba	06/21/2018
Articles of Organization	SCML.StatementofChangeofSupplementalInformation.pdf	pdf	5b2bd5e253361a503c1d57af	06/21/2018
Secretary of Commonwealth - Certificate of Good Standing	SOC Cert of Good Standing (9.5.19).pdf	pdf	5d72fd2c3567ed1db89e1fd1	09/06/2019
Department of Revenue - Certificate of Good standing	DOR Cert of Good Standing (9.5.19).pdf	pdf	5d72fd7d3aff472290ba0198	09/06/2019

No documents uploaded

Massachusetts Business Identification Number: 001312669

Doing-Business-As Name:

DBA Registration City: Northborough

BUSINESS PLAN

Business Plan Documentation:

Document Category	Document Name	Type	ID	Upload Date

Plan for Liability Insurance	Plan for Obtaining Liability Insurance.pdf	pdf	5b15f64b5246fb5032dddf97	06/04/2018
Proposed Timeline	Proposed Timeline (9.5.19).pdf	pdf	5d73b6a8af9d6f1dd58a2518	09/07/2019
Business Plan	Business Plan (9.25.19).pdf	pdf	5d8e1f852e767115bf436ebd	09/27/2019

OPERATING POLICIES AND PROCEDURES

Policies and Procedures Documentation:

Document Category	Document Name	Type	ID	Upload Date
Inventory procedures	Inventory Procedures.pdf	pdf	5b15e81bb797ff43e7a4f716	06/04/2018
Maintaining of financial records	Maintaining of Financial Records.pdf	pdf	5b15e8828d1e3843f1aff2b8	06/04/2018
Prevention of diversion	Prevention of Diversion.pdf	pdf	5b15ea605617f143c98ba471	06/04/2018
Record Keeping procedures	Recordkeeping Procedures.pdf	pdf	5b15f4a18d1e3843f1aff2c0	06/04/2018
Sample of unique identifying marks used for branding	Samples of Unique Identifying Marks.pdf	pdf	5b15f50b8d1e3843f1aff2c4	06/04/2018
Separating recreational from medical operations, if applicable	Separating Recreational from Medical Operations.pdf	pdf	5b15f553b47dfe43b93eb0fa	06/04/2018
Storage of marijuana	Storage of Marijuana and Marijuana Products.pdf	pdf	5b15f57da6220743bfd9c695	06/04/2018
Dispensing procedures	Dispensing Procedures.pdf	pdf	5c34ee2c21b7c17a8fe2f3c1	01/08/2019
Method used to produce products	Method Used to Produce Products.pdf	pdf	5c34eeeb21b7c17a8fe2f3ca	01/08/2019
Restricting Access to age 21 and older	Restricting Access to Age 21 and Older.pdf	pdf	5c34f0851c24a8722ab9c985	01/08/2019
Personnel policies including background checks	Personnel Policies including Background Checks (9.5.19).pdf	pdf	5d72fe8fd8b08e1dbf1449bc	09/06/2019
Qualifications and training	Qualifications and Training (9.5.19).pdf	pdf	5d72fecd629a272281d31909	09/06/2019
Quality control and testing	Quality Control and Testing (9.5.19).pdf	pdf	5d72ff1a32375f1de7f6e775	09/06/2019
Transportation of marijuana	Transportation of Marijuana (9.5.19).pdf	pdf	5d72ff71629a272281d3190d	09/06/2019
Security plan	Security Plan (9.25.19).pdf	pdf	5d8e1fc5c99740160131c00e	09/27/2019
Diversity plan	Diversity Plan (12.23.19).pdf	pdf	5e00fa65fab70557127ef7ae	12/23/2019
Types of products Manufactured.	Types of Products Manufactured (12.23.19).pdf	pdf	5e00fb5f541f65570b94704e	12/23/2019

ATTESTATIONS

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

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

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

Notification: I Understand

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

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

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

ADDITIONAL INFORMATION NOTIFICATION

Notification: I Understand

COMPLIANCE WITH POSITIVE IMPACT PLAN

No records found

COMPLIANCE WITH DIVERSITY PLAN

No records found

PRODUCT MANUFACTURER SPECIFIC REQUIREMENTS

No records found

HOURS OF OPERATION

Monday From: 8:00 AM	**Monday To:** 11:00 PM
Tuesday From: 8:00 AM	**Tuesday To:** 11:00 PM
Wednesday From: 8:00 AM	**Wednesday To:** 11:00 PM
Thursday From: 8:00 AM	**Thursday To:** 11:00 PM
Friday From: 8:00 AM	**Friday To:** 11:00 PM
Saturday From: 8:00 AM	**Saturday To:** 11:00 PM
Sunday From: 8:00 AM	**Sunday To:** 11:00 PM

Business Plan
Supercritical Mass Laboratories

Contents

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1. Company Mission Statement

It is the mission of Supercritical Mass Laboratories, Inc. (SCML) to be the premier provider of pharmaceutical-grade cannabis extractions and formulations in the Commonwealth of Massachusetts. Our team of experienced experts is prepared to use supercritical CO2 extraction technology and best practices developed in accordance with Pharmaceutical GMP principles to bring pharmaceutical-grade product quality and consistency to the Commonwealth's medical and recreational cannabis markets.

One of the greatest problems facing the cannabis market as it currently exists is a lack of consistency in the effects produced by concentrates and infused products due to the varying concentrations of the active compounds (such as THC, CBD, and terpenes) that naturally occur in each cannabis strain and phenotype. This makes it difficult for consumers to achieve a reliably consistent, repeatable experience using these products. At SCML, our processes extract, separate, and refine each of these active compounds into molecular isolates that we precisely reformulate according to specific product parameters, allowing us to ensure best-in-class quality assurance, accuracy and consistency of potency, and medical efficacy for the patients and adult-use consumers in Massachusetts.

2. Massachusetts Cannabis Market

With the legalization of recreational cannabis in Massachusetts, for the first time adults will have safe and legal access to a wide range of products that extend far beyond the plant itself. Most of these products, such as topical creams, pressed pills, transdermal patches, and oil-vaporizers, will require some form of concentrated cannabis in order to be manufactured,

dosed correctly, and provide their intended effects. Some industry estimates suggest that 95% of all cannabis infused products are manufactured using cannabis concentrates or extracts. It is clear that the Massachusetts cannabis industry will have a definite need for standardized, clean, and consistent cannabis extractions that state-licensed product manufacturers can rely on to produce high-quality cannabis-infused products.

3. **SCML Products and Manufacturing**

Because of their versatility, purity, and efficiency, full-spectrum and compound distillate oils are a form of concentrate often employed to manufacture a broad array of cannabis-infused product types, and, as such, they will play an integral role in the growth and success of the Commonwealth's rapidly developing cannabis industry. SCML will focus on meeting this market need by manufacturing premium full-spectrum and compound distillates for wholesale to other licensed product manufacturers in Massachusetts. In the future, the company will likely expand to manufacture other cannabis-infused products or to provide other cannabis processing services in accordance with the needs of the Massachusetts cannabis market and with the guidelines set forth in 935 CMR 500.

In order to manufacture these distillate oils, SCML will partner with state-licensed cannabis growers to source high-quality, third-party tested plant material, and will then extract its active compounds and further refine these isolates into clean, concentrated distillate oils. SCML will then sell these distillate oils to state-licensed product manufacturers so that they can be used in the manufacture of various cannabis-infused products. Because of the versatility of cannabis distillate oils as an ingredient in cannabis-infused products, our potential customers will include every licensed product manufacturer and licensed retailer in the state.

4. **Management Team**

Charles Bergmann - President and Co-Founder

Charles Bergmann brings 8 years of experience as an entrepreneur and executive to SCML. Along with co-founder and Chief Operating Officer Paul Lindholm, Charles has dedicated the last year to developing expertise in both the science and state-of-the-art of cannabis extraction, and to learning the Commonwealth's cannabis laws, regulations, and compliance requirements. Charles and Paul have sought out top experts from around the country in order to gain expertise in cannabis compliance, extraction, cultivation, and law in other regulated cannabis markets, as well as to learn from experts in relevant non-cannabis fields such as agriculture, biology, and chemistry. Charles is an expert in business operations, cannabis compliance, and sales strategy.

Paul Lindholm, MS - Chief Operations Officer and Co-Founder

Paul Lindholm brings 6 years of experience in project management to SCML. Paul, along with co-founder and President Charles Bergmann, has dedicated the last year to developing expertise in both the science and state of the art of cannabis extraction, and to learning the Commonwealth's cannabis laws, regulations, and compliance requirements. Paul and Charles

have sought out top experts from around the country in order to gain expertise in cannabis compliance, extraction, cultivation, and law in other regulated cannabis markets, as well as to learn from experts in relevant non-cannabis fields such as agriculture, biology, and chemistry. Paul is trained in Pharmaceutical Good Manufacturing Practice (GMP), and is an expert in cannabis compliance and project management.

Mark June-Wells, MS, PhD - Chief Scientific Officer

Dr. June-Wells holds a PhD from Rutgers University, where he specialized in botany and trained at the graduate level in chemistry and statistical analysis. He has published several peer-reviewed papers that explore plant/chemical interactions, environmental risk assessment, and statistical model development. During 2013, Connecticut Pharmaceutical Solutions (CPS) hired Dr. June-Wells as Director of Supercritical Fluid Extraction and Essential Oil Production in order to take advantage of his multidisciplinary training in their extraction laboratory. Dr. June-Wells engineered CPS' cannabinoid extraction efficiency and tracking programs, developed one of the largest production databases on the east coast, and created efficient, repeatable production methodology informed by rigorous data collection and statistical model building. Dr. June-Wells has given seminars across the United States regarding his approaches to cannabinoid tracking, extraction protocols, and product formulation. Furthermore, Dr. June-Wells is a regular columnist for Cannabis Business Times Magazine. Dr. June-Wells has extensive expertise designing, equipping, and operating compliant, licensed medical cannabis extraction facilities operating in the Commonwealth and elsewhere in the United States.

Lt. Thomas Nolan (Ret.) - Director of Security

Thomas Nolan has been an Associate Professor in Criminal Justice at Boston University, the State University of New York at Plattsburgh, and Merrimack College. He was a Senior Policy Advisor at the Office of Civil Rights and Civil Liberties in the Department of Homeland Security in Washington, DC, and a 27-year veteran (and former lieutenant) with the city of Boston police department.

5. **Capital Requirements**

We project that our team will require $450,000 in order to acquire a license from the Cannabis Control Commission, build out our facility, and operate to profitability. These projected capital requirements were determined through detailed financial analysis, performed with the guidance of experts from within the cannabis industry and from corporate finance, and are based on the specific products SCML intends to manufacture and the costs of the equipment required to do so.

To date, the company has raised $395,000 in committed funds. Founders Charles Bergmann and Paul Lindholm have, combined, committed $100,000 towards the pursuit of a provisional license from the Cannabis Control Commission. Angel investors have committed to providing $295,000 in additional capital to build out the SCML facility and acquire the necessary equipment, contingent upon SCML receiving a provisional license from the CCC. SCML has firm plans to raise

the remaining $55,000 in short order from qualified investors in order to close this seed financing round.

6. **Projected Revenue and Operating Costs**

FINANCIAL SUMMARY	2018	2019	2020	2021
ANNUAL REVENUE Production Ouput	**$237,386** 9 kg	**$2,848,634** 111 kg	**$7,274,618** 240 kg	**$14,146,371** 442 kg
TOTAL OPERATING COSTS	**($212,956)**	**($1,515,614)**	**($3,452,486)**	**($6,055,979)**
Production Costs	($163,956)	($1,363,614)	($3,187,486)	($5,660,979)
(%)	69%	48%	44%	40%
Expenses	($49,000)	($152,000)	($265,000)	($395,000)
(%)	21%	5%	4%	3%
EBITDA	**$24,430**	**$1,333,020**	**$3,822,132**	**$8,090,392**

7. **Hours of Operation**

SCML intends to operate from 8am to 11pm, Monday through Sunday.

8. **Emergency Contact**

Charles Bergmann
Email: charles@scmasslabs.com
Phone: (508) 397-8593

Paul Lindholm
Email: paul@scmasslabs.com
Phone: (508) 728-5981

Plan for Obtaining Liability Insurance

Supercritical Mass Laboratories, Inc. (SCML) plans to contract with Corcoran & Havlin Insurance (or another licensed and bonded insurance institution authorized to operate in the Commonwealth of Massachusetts) to maintain general liability insurance coverage for no less than $1,000,000 per occurrence and $2,000,000 in aggregate annually, and product liability coverage for no less than $1,000,000 per occurrence and $2,000,000 in aggregate annually. The policy deductible will be no higher than $5,000 per occurrence. SCML will consider additional coverage based on availability & cost-benefit analysis. If adequate coverage is unavailable at a reasonable rate, SCML will place in escrow at least $250,000 to be expended for liabilities coverage. Any withdrawal from such escrow will be replenished within 10 business days. SCML will keep reports documenting compliance with 935 CMR 500.105(10).

Cannabis Control Commission
COMMONWEALTH OF MASSACHUSETTS

Host Community Agreement Certification Form

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

Applicant

I, **Charles Bergmann**, (*insert name*) certify as an authorized representative of **Supercritical Mass Laboratories Inc.** (*insert name of applicant*) that the applicant has executed a host community agreement with **Worcester** (*insert name of host community*) pursuant to G.L.c. 94G § 3(d) on **12/20/2018** (*insert date*).

Signature of Authorized Representative of Applicant

Host Community

I, Edward M. Augustus, Jr., (*insert name*) certify that I am the contracting authority or have been duly authorized by the contracting authority for City of Worcester (*insert name of host community*) to certify that the applicant and City of Worcester (*insert name of host community*) has executed a host community agreement pursuant to G.L.c. 94G § 3(d) on 12/20/2018 (*insert date*).

Signature of Contracting Authority or
Authorized Representative of Host Community

Cannabis Control Commission
COMMONWEALTH OF MASSACHUSETTS

Community Outreach Meeting Attestation Form

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

I, **Charles Bergmann**, (*insert name*) attest as an authorized representative of **Supercritical Mass Laboratories Inc.** (*insert name of applicant*) that the applicant has complied with the requirements of 935 CMR 500 and the guidance for licensed applicants on community outreach, as detailed below.

1. The Community Outreach Meeting was held on **July 6, 2018** (*insert date*).

2. A copy of a notice of the time, place, and subject matter of the meeting, including the proposed address of the Marijuana Establishment, was published in a newspaper of general circulation in the city or town on **June 28, 2018** (*insert date*), which was at least seven calendar days prior to the meeting. A copy of the newspaper notice is attached as Attachment A (*please clearly label the newspaper notice in the upper right hand corner as Attachment A and upload it as part of this document).*

3. A copy of the meeting notice was also filed on **June 27, 2018** (*insert date*) with the city or town clerk, the planning board, the contracting authority for the municipality, and local licensing authority for the adult use of marijuana, if applicable. A copy of the municipal notice is attached as Attachment B (*please clearly label the municipal notice in the upper right-hand corner as Attachment B and upload it as part of this document*).

4. Notice of the time, place and subject matter of the meeting, including the proposed address of the Marijuana Establishment, was mailed on **June 28, 2018** (*insert date*), which was at least seven calendar days prior to the community outreach meeting to abutters of the proposed address of the Marijuana Establishment, and residents within 300 feet of the property line of the petitioner as they appear on the most recent applicable tax list, notwithstanding that the land of any such owner is located in another city or town. A copy of one of the notices sent to abutters and parties of interest as described in this section is attached as Attachment C (*please clearly label the municipal notice in the upper right hand corner as Attachment C and upload it as part of this document; please only include a copy of one notice and please black out the name and the address of the addressee*).

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

6. Community members were permitted to ask questions and receive answers from representatives of the Marijuana Establishment.

Attachment A

NOTICE OF COMMUNITY OUTREACH MEETING REGARDING AN ADULT-USE MARIJUANA ESTABLISHMENT PROPOSED BY SUPERCRITICAL MASS LABORATORIES, INC.

Notice is hereby given that a Community Outreach Meeting for Supercritical Mass Laboratories, Inc. is scheduled for July 6, 2018 at 6:30 PM at Tatnuck Post NO 288, 570 Mill St, Worcester, MA 01602. The proposed Marijuana Product Manufacturer is anticipated to be located at 251 Brooks Street, Worcester, MA 01606. Members of the Worcester community will be encouraged to ask questions and to engage in discussions with representatives of Supercritical Mass Laboratories.

Information presented at the community outreach hearing will include, but not be limited to:

1. The type of Adult-use Marijuana Establishment to be located at the proposed address;
2. Information adequate to demonstrate that the Adult-use Marijuana Establishment location will be maintained securely;
3. Steps to be taken by the Adult-use Marijuana Establishment to prevent diversion to minors;
4. A plan by the Marijuana Establishment to positively impact the community· and
5. Information adequate to demonstrate that the location will not constitute a nuisance to the community.

A copy of this notice is on file with the office of the Worcester City Clerk and with the office of the City Council, Worcester City Hall, 455 Main Street, Worcester, MA 01608. Additionally, a copy of this notice was mailed at least seven (7) calendar days prior to the community outreach meeting to abutters of the proposed address of Supercritical Mass Laboratories, to abutters within three hundred (300) feet of the proposed address, and to the owners of land directly opposite the proposed address on any public or private street or way, all as they appear on the most recent applicable tax list, notwithstanding that the land of any such owner is located in another city or town.

PUBLICATION DATE: 06/28/18

Attachment B

NOTICE OF COMMUNITY OUTREACH MEETING REGARDING AN ADULT-USE MARIJUANA ESTABLISHMENT PROPOSED BY SUPERCRITICAL MASS LABORATORIES, INC., AT 251 BROOKS ST, WORCESTER, MA

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Information presented at the community outreach hearing will include, but not be limited to:

1. The type of Adult-use Marijuana Establishment to be located at the proposed address;
2. Information adequate to demonstrate that the Adult-use Marijuana Establishment location will be maintained securely;
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Attachment C

NOTICE OF COMMUNITY OUTREACH MEETING REGARDING AN ADULT-USE MARIJUANA ESTABLISHMENT PROPOSED BY SUPERCRITICAL MASS LABORATORIES, INC., AT 251 BROOKS ST, WORCESTER, MA

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1. The type of Adult-use Marijuana Establishment to be located at the proposed address;
2. Information adequate to demonstrate that the Adult-use Marijuana Establishment location will be maintained securely;
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Plan to Remain Compliant with Local Zoning

Supercritical Mass Laboratories, Inc. (SCML) enlisted the services of a licensed surveyor to verify that its proposed location at 251 Brooks Street, Worcester, MA 01606 is not in violation of any local setbacks pertaining to Marijuana Establishments (i.e., within a 500 foot radius of a public or private, primary or secondary school, licensed daycare center, public library, public park or playground). Referring to Worcester's local ordinance regulating marijuana business in the city ("An Ordinance Amending The Worcester Zoning Ordinance Adopted April 2, 1991, Relative To Adult Use Marijuana"), and through several discussions with appropriate city planning and zoning officials, SCML has confirmed that our location within a manufacturing zone (MG-0.5) allows the company to operate as a Marijuana Product Manufacturer by special permit.

SCML is in the process of preparing and submitting a Request for Interest (RFI) to the Worcester Cannabis Review Committee. The RFI will undergo interdepartmental review based on criteria including (but not limited to) SCML's location, its capacity to meet both city and state licensure and regulatory requirements, and the overall soundness of the proposal. If accepted, SCML and the Worcester City Manager's Office (the contracting authority) will come to terms on a host community agreement. Pending this agreement, SCML will then apply for a Special Permit with the Worcester Planning Board, a process involving a rigorous and thorough review that will require SCML to both attest and clearly demonstrate that all aspects of its operations are compliant with all zoning requirements and local laws, codes, and/or by-laws. Finally, after receiving a special permit and before beginning operations, the Worcester Licensing Commission will review SCML's proposal and grant a license based on SCML's compliance with local ordinance governing manner, place, and time of business operations.

Once operational, SCML will maintain ongoing communication with with the Worcester City Planning board and all other appropriate municipal and state governmental bodies, as well as with the Worcester Police and Fire Departments, to remain apprised of any regulatory or other changes that may in any way affect SCML's compliance with the community's local laws. Should any change to local law require SCML to update or otherwise modify its business operations, SCML shall do so without delay and as expediently as possible.

The Commonwealth of Massachusetts
William Francis Galvin

No Fee

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

Statement of Change of Supplemental Information
(General Laws, Chapter 156D, Section 2.02 AND Section 8.45; 950 CMR 113.17)

1. Exact name of the corporation: SUPERCRITICAL MASS LABORATORIES INC.

2. Current registered office address:
Name: PAUL LINDHOLM
No. and Street: 2 FISHER ST
City or Town: NORTHBOROUGH State: MA Zip: 01532 Country: USA

3. The following supplemental information has changed:

X *Names and street addresses of the directors, president, treasurer, secretary*

Title	**Individual Name** First, Middle, Last, Suffix	**Address** (no PO Box) Address, City or Town, State, Zip Code
PRESIDENT	CHARLES THEODORE BERGMANN	10 QUEEN ANNE RD HOPKINTON, MA 01748 USA
TREASURER	PAUL LINDHOLM	2 FISHER ST NORTHBOROUGH, MA 01532 USA
SECRETARY	PAUL LINDHOLM	2 FISHER ST NORTHBOROUGH, MA 01532 USA
DIRECTOR	CHARLES THEODORE BERGMANN	10 QUEEN ANNE RD HOPKINTON, MA 01748 USA
DIRECTOR	PAUL LINDHOLM	2 FISHER ST NORTHBOROUGH, MA 01532 USA

__ **Fiscal year end:**
January

__ **Type of business in which the corporation intends to engage:**

MANUFACTURING

__ **Principal office address:**

No. and Street: 2 FISHER ST
City or Town: NORTHBOROUGH State: MA Zip: 01532 Country: USA

__ **g. Street address where the records of the corporation required to be kept in the Commonwealth are located *(post office boxes are not acceptable)*:**

No. and Street: 2 FISHER ST
City or Town: NORTHBOROUGH State: MA Zip: 01532 Country: USA
which is

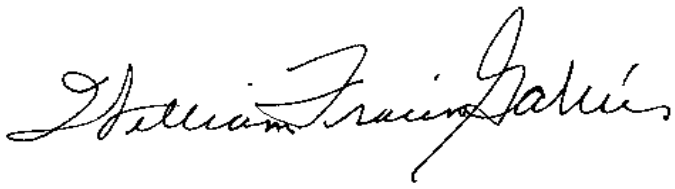
X its principal office	__ an office of its transfer agent
__ an office of its secretary/assistant secretary	__ its registered office

Signed by CHARLES T. BERGMANN , its PRESIDENT
on this 19 Day of June, 2018

THE COMMONWEALTH OF MASSACHUSETTS

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

June 19, 2018 06:16 PM



WILLIAM FRANCIS GALVIN

Secretary of the Commonwealth

The Commonwealth of Massachusetts
William Francis Galvin

Minimum Fee: $250.00

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

Articles of Organization

(General Laws, Chapter 156D, Section 2.02; 950 CMR 113.16)

Identification Number: 001312669

ARTICLE I

The exact name of the corporation is:

SUPERCRITICAL MASS LABORATORIES INC.

ARTICLE II

Unless the articles of organization otherwise provide, all corporations formed pursuant to G.L. C156D have the purpose of engaging in any lawful business. Please specify if you want a more limited purpose:

ARTICLE III

State the total number of shares and par value, if any, of each class of stock that the corporation is authorized to issue. All corporations must authorize stock. If only one class or series is authorized, it is not necessary to specify any particular designation.

Class of Stock	Par Value Per Share Enter **0** if no Par	Total Authorized by Articles of Organization or Amendments		Total Issued and Outstanding
		Num of Shares	*Total Par Value*	*Num of Shares*
STK	$0.00000	200,000	$0.00	200,000

G.L. C156D eliminates the concept of par value, however a corporation may specify par value in Article III. See G.L. C156D Section 6.21 and the comments thereto.

ARTICLE IV

If more than one class of stock is authorized, state a distinguishing designation for each class. Prior to the issuance of any shares of a class, if shares of another class are outstanding, the Business Entity must provide a description of the preferences, voting powers, qualifications, and special or relative rights or privileges of that class and of each other class of which shares are outstanding and of each series then established within any class.

ARTICLE V

The restrictions, if any, imposed by the Articles of Organization upon the transfer of shares of stock of any class are:

ARTICLE VI

Other lawful provisions, and if there are no provisions, this article may be left blank.

Note: The preceding six (6) articles are considered to be permanent and may be changed only by filing appropriate articles of amendment.

ARTICLE VII

The effective date of organization and time the articles were received for filing if the articles are not rejected within the time prescribed by law. If a *later* effective date is desired, specify such date, which may not be later than the *90th day* after the articles are received for filing.

Later Effective Date: 3/1/2018 **Time:** 00:00 AM

ARTICLE VIII

The information contained in Article VIII is not a permanent part of the Articles of Organization.

a,b. The street address of the initial registered office of the corporation in the commonwealth and the name of the initial registered agent at the registered office:

Name: PAUL LINDHOLM
No. and Street: 2 FISHER ST
City or Town: NORTHBOROUGH State: MA Zip: 01532 Country: USA

c. The names and street addresses of the individuals who will serve as the initial directors, president, treasurer and secretary of the corporation (an address need not be specified if the business address of the officer or director is the same as the principal office location):

Title	**Individual Name** First, Middle, Last, Suffix	**Address** (no PO Box) Address, City or Town, State, Zip Code
PRESIDENT	CHARLES THEODORE BERGMANN	10 QUEN ANNE RD. HOPKINTON, MA 01748 USA
TREASURER	PAUL LINDHOLM	2 FISHER ST NORTHBOROUGH, MA 01532 USA
SECRETARY	PAUL LINDHOLM	2 FISHER ST NORTHBOROUGH, MA 01532 USA
DIRECTOR	CHARLES THEODORE BERGMANN	10 QUEN ANNE RD. HOPKINTON, MA 01748 USA

d. The fiscal year end (i.e., tax year) of the corporation:
January

e. A brief description of the type of business in which the corporation intends to engage:

MANUFACTURING

f. The street address *(post office boxes are not acceptable)* of the principal office of the corporation:

No. and Street: 2 FISHER ST
City or Town: NORTHBOROUGH State: MA Zip: 01532 Country: USA

g. Street address where the records of the corporation required to be kept in the Commonwealth are located *(post office boxes are not acceptable)*:

No. and Street: 2 FISHER ST

City or Town: NORTHBOROUGH State: MA Zip: 01532 Country: USA

which is

X its principal office

__ an office of its transfer agent

__ an office of its secretary/assistant secretary

__ its registered office

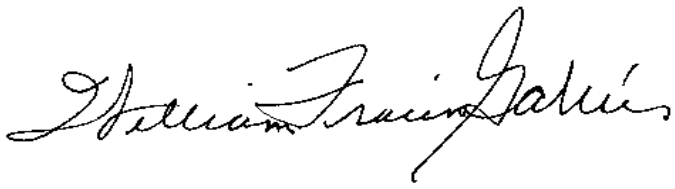
Signed this 12 Day of February, 2018 at 4:37:33 PM by the incorporator(s). *(If an existing corporation is acting as incorporator, type in the exact name of the business entity, the state or other jurisdiction where it was incorporated, the name of the person signing on behalf of said business entity and the title he/she holds or other authority by which such action is taken.)*

CHARLES BERGMANN

THE COMMONWEALTH OF MASSACHUSETTS

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

February 12, 2018 04:34 PM



WILLIAM FRANCIS GALVIN

Secretary of the Commonwealth

BYLAWS

OF

SUPERCRITICAL MASS LABORATORIES, INC.

BYLAWS OF SUPERCRITICAL MASS LABORATORIES, INC.

ARTICLE I: GENERAL

Section 1.01 Name and Purposes. The name of the Corporation is SUPERCRITICAL MASS LABORATORIES, INC. (the "**Corporation**"). The purpose of the Corporation shall be as set forth in the Corporation's Articles of Organization as adopted and filed with the Office of the Secretary of State of the Commonwealth of Massachusetts (as now in effect or as hereafter amended or restated from time to time, the "**Articles of Organization**") pursuant to Chapter 156D of the Massachusetts General Laws, as now in effect and as hereafter amended, or the corresponding provision(s) of any future Massachusetts General Law ("**Chapter 156D**").

Section 1.02 Articles of Organization. These Bylaws ("**Bylaws**"), the powers of the Corporation and its shareholders and Board of Directors, and all matters concerning the conduct and regulation of the business of the Corporation, shall be subject to the provisions in regard thereto that may be set forth in the Articles of Organization. In the event of any conflict or inconsistency between the Articles of Organization and these Bylaws, the Articles of Organization shall control.

Section 1.03 Corporate Seal. The Board of Directors may adopt and alter the seal of the Corporation. The seal of the Corporation, if any, shall, subject to alteration by the Board of Directors, bear its name, the word "Massachusetts" and the year of its incorporation.

Section 1.04 Fiscal Year. The fiscal year of the Corporation shall commence on February 1, and end on the following January 31 of each year, unless otherwise determined by the Board of Directors.

Section 1.05 Location of Principal Office of the Corporation. The principal office of the Corporation shall be located at such place within the Commonwealth of Massachusetts as shall be fixed from time to time by the Board of Directors, and if no place is fixed by the Board of Directors, such place as shall be fixed by the President.

ARTICLE II: SHAREHOLDERS

Section 2.01 Place of Meeting. Meetings of the shareholders shall be held at any place within or without the Commonwealth of Massachusetts that may be designated by the Board of Directors. Absent such designation, meetings shall be held at the principal office. The Board of Directors may, in its discretion, determine that the meeting may be held solely by means of remote electronic communication. If authorized by the Board of Directors, and subject to any guidelines and procedures adopted by the Board of Directors, shareholders not physically present at a meeting of shareholders, may participate in a meeting of shareholders by means of electronic transmission by and to the Corporation or electronic video screen communication; and, may be considered present in person and may vote at a meeting of shareholders, whether held at a designated place or held solely by means of electronic transmission by and to the Corporation or electronic video screen communication, subject to the conditions imposed by applicable law.

Section 2.02 Annual Meeting. The annual meeting of shareholders of this Corporation shall be held on such date and at such time as may be designated from time to time by the Board of Directors. At the annual meeting, Directors shall be elected, and any other business may be transacted that is within the power of the shareholders and allowed by law, provided, however, that, unless the notice of meeting, or the waiver of notice of such meeting, sets forth the general nature of any proposal to (i) approve or ratify a contract or transaction with a Director or with a corporation, firm, or association in which a Director has an interest; (ii) amend the Articles of Organization of this Corporation; (iii) approve a reorganization or merger involving this Corporation; (iv) elect to wind up and dissolve this Corporation; or (v) effect a plan of distribution upon liquidation otherwise than in accordance with the liquidation preferences of outstanding shares with liquidation preferences, no such proposal may be approved at an annual meeting.

Section 2.03 Special Shareholders' Meetings. Special meetings of the shareholders, for any purpose whatsoever, may be called at any time by the President, the Board of Directors, or by shareholders entitled to cast not less than ten percent (10%) of the corporation's voting power. Any person entitled to call a special meeting of shareholders (other than the Board of Directors) may make a written request to the Chair of the board (if any), President, or Secretary, specifying the general purpose of such meeting and the date, time and place of the meeting, which date shall be not less than thirty-five (35) days nor more than sixty (60) days after the receipt by such officer of the request. Within twenty (20) days after receipt of the request, the officer receiving such request forthwith shall cause notice to be given to the shareholders entitled to vote at such meeting, stating that a meeting will be held on the date and at the time and place requested by the person or persons requesting a meeting and stating the general purpose of the meeting. If such notice is not given twenty (20) days after receipt by the officer of the request, the person or persons requesting the meeting may give such notice. No business shall be transacted at a special meeting unless its general nature shall have been specified in the notice of such meeting, provided, however, that any business may be validly transacted if the requirements for such validity, as provided in Section 2.13 of these Bylaws, are met.

Section 2.04 Shareholder Nominations and Proposals. For business (including, but not limited to Director nominations) to be properly brought before an annual or special meeting by a shareholder, the shareholder or shareholders of record intending to propose the business (the "**proposing shareholder**") must have given written notice of the proposing shareholder's nomination or proposal, either by personal delivery or by the United States mail to the Secretary of the Corporation. In the case of an annual meeting, the proposing shareholder must give such notice to the Secretary of the Corporation no earlier than one hundred-twenty (120) calendar days and no later than ninety (90) calendar days before the date such annual meeting is to be held. If the current year's meeting is called for a date that is not within thirty (30) days of the anniversary of the previous year's annual meeting, notice must be received not later than ten (10) calendar days following the day on which public announcement of the date of the annual meeting is first made. In no event will an adjournment or postponement of an annual meeting of shareholders begin a new time period for giving a proposing shareholder's notice as provided above.

For business to be properly brought before a special meeting of shareholders, the notice of meeting sent by or at the direction of the person calling the meeting must set forth the nature of

the business to be considered. A shareholder or shareholders who have made a written request for a special meeting pursuant to Section 2.03 of these Bylaws may provide the information required for notice of a shareholder proposal under this Section simultaneously with the written request for the meeting submitted to the Secretary or within ten (10) calendar days after delivery of the written request for the meeting to the Secretary.

A proposing shareholder's notice shall include as to each matter the proposing shareholder proposes to bring before either an annual or special meeting:

(a) The name(s) and address(es) of the proposing shareholder(s).

(b) The classes and number of shares of capital stock of the Corporation held by the proposing shareholder.

(c) If the notice regards the nomination of a candidate for election as Director:

(i) The name, age, business, and residence address of the candidate;

(ii) The principal occupation or employment of the candidate; and

(iii) The class and number of shares of the Corporation beneficially owned by the candidate.

(d) If the notice is in regard to a proposal other than a nomination of a candidate for election as Director, a brief description of the business desired to be brought before the meeting and the material interest of the proposing shareholder of such proposal.

Section 2.05 Powers. Notwithstanding any other provision of these Bylaws, the shareholders shall be entitled to exercise their right to approve, by not less than a majority vote of all outstanding shares entitled to vote at a meeting of the shareholders, of the following actions proposed to be taken by the Corporation, its officers or the Board of Directors:

(a) The authorization and issuance of any new shares or equity securities in the Corporation;

(b) The Corporation's purchase of shares in the Corporation;

(c) Any change in the nature of the business of the Corporation or commencement of a new business by the Corporation;

(d) The execution of any contract, borrowing agreement or capital expenditure, or the acquisition or disposal of property of the Corporation, in which the value for such is in excess of FIVE HUNDRED THOUSAND UNITED STATES DOLLARS ($500,000.00 USD);

(e) The formation, acquisition, substantial sale of the assets, merger or disposal of any subsidiaries of the Corporation;

(f) The final determination of any compensation to be offered to Directors of the Corporation; and

(g) Any distributions of property of the Corporation to its shareholders, such property including, but not limited to, cash, stocks, equipment, inventory and real property of the Corporation;

(h) Except that:

(i) The approval of any substantial sale of the assets, merger or disposal of the business of the Corporation shall require a supermajority vote constituting not less than two-thirds of all outstanding shares of the Corporation entitled to vote at a meeting of the shareholders; and

(ii) The approval of any amendment of the shareholder's agreement by which the shareholders of the Corporation are governed shall require not less than a unanimous vote of all outstanding shares of the Corporation entitled to vote at a meeting of the shareholders.

Section 2.06 Notice of Shareholders' Meeting. Except as otherwise provided by law, written notice stating the place, day, and hour of the meeting, and, in case of a special meeting, the nature of the business to be transacted at the meeting, shall be given at least ten (10) days (or, if sent by third class mail, thirty (30) days) and not more than sixty (60) days before the meeting. In the case of an annual meeting, notice will include matters the Corporation's Board of Directors intends, at the time of the giving of the first of such notices, to present to the shareholders for action, and in the case of a meeting at which Directors are to be elected, the names of nominees that the Board of Directors, at the time of the giving of the first of such notices, intends to present to the shareholders for election. Proof that notice was given shall be made by affidavit of the Secretary, assistant Secretary, transfer agent, or Director, or of the person acting under the direction of any of the foregoing, who gives such notice, and such proof of notice shall be made part of the minutes of the meeting. Such affidavit shall be prima facie evidence of the giving of such notice. It shall not be necessary to state in a notice of any meeting of shareholders as a purpose thereof any matter relating to the procedural aspects of the conduct of such meeting.

Notice shall be given personally, by electronic transmission, or by mail, by or at the direction of the Secretary, or the officer or person calling the meeting, to each shareholder entitled to vote at the meeting. If remote participation in the meeting has been authorized by the Board of Directors, the notice shall also provide a description of the means of any electronic transmission by and to the Corporation or electronic video screen communication by which shareholders may be considered present and may vote and otherwise participate at the meeting.

If mailed, the notice shall be deemed to be given when deposited in the United States mail addressed to the shareholder at the shareholder's address as it appears on the share transfer records of the Corporation, with postage thereon prepaid. Notice may be given to the

shareholder by electronic transmission with the consent of the shareholder. Notice by electronic transmission is deemed given when the notice satisfies any of the following requirements:

(a) Transmitted to a facsimile number provided by the shareholder for the purpose of receiving notice.

(b) Transmitted to an electronic mail address provided by the shareholder for the purpose of receiving notice.

(c) Posted on an electronic network, with a separate notice sent to the shareholder at the address provided by the shareholder for the purpose of alerting the shareholder of a posting.

(d) Communicated to the shareholder by any other form of electronic transmission consented to by the shareholder.

Notice shall not be given by electronic transmission to a shareholder after either (i) the Corporation is unable to deliver two consecutive notices to such shareholder by such means or (ii) the inability to deliver such notices to such shareholder becomes known to any person responsible for giving such notices. Any person entitled to notice of a meeting may file a written waiver of notice with the Secretary either before or after the time of the meeting. The participation or attendance at a meeting of a person entitled to notice constitutes waiver of notice, except where the person objects, at the beginning of the meeting, to the lawfulness of the convening of the meeting and except that attendance is not a waiver of any right to object to conducting business at a meeting that is required to be included in the notice of the meeting, but not so included.

Section 2.07 Persons Entitled to Vote. Except as otherwise provided by law, and except when a record date has been fixed, only persons in whose names shares entitled to vote stand on the stock records of the Corporation at the close of business on the business day next preceding the day on which notice is given shall be entitled to notice of a shareholders' meeting, or to vote at such meeting. In the event notice is waived, only persons in whose names shares entitled to vote stand on the stock records of the Corporation at the close of business on the business day next preceding the day on which the meeting is held shall be entitled to vote. If no record date has been fixed, the record date shall be:

(a) For determining shareholders entitled to give consent to action by the Corporation without a meeting, the day on which the first written consent is given.

(b) For determining shareholders for any other purpose, the later of (i) the day on which the Board of Directors adopts the resolution relating thereto, or (ii) the sixtieth (60^{th}) day prior to the date of such other action.

Section 2.08 Fixing the Record Date. The Board of Directors may fix a time in the future as a record date to determine the shareholders entitled to notice of, and to vote at, any meeting of shareholders or give written consent to action by the Corporation without a meeting or entitled to receive any dividend or distribution, or to any change, conversion, or exchange of shares.

A record date fixed under this Section may not be more than sixty (60) days or less than ten (10) days before the meeting or more than sixty (60) days before any other action requiring a determination of shareholders. When a record date is so fixed, only shareholders of record at the close of business on that date are entitled to notice of and to vote at the meeting or to receive the dividend, distribution, or allotment of rights, or to exercise the rights, as the case may be, notwithstanding any transfer of any shares on the books of the Corporation after the record date. In the event any meeting of shareholders is adjourned for more than forty-five (45) days from the date set for the original meeting, the Board shall fix a new record date for purposes of giving notice of, and determining the holders of shares entitled to vote at, such adjourned meeting.

Section 2.09 Quorum of and Action by Shareholders. The presence at a meeting in person or by proxy of the persons entitled to vote a majority of the voting shares constitutes a quorum for the transaction of business. The shareholders present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment notwithstanding the withdrawal of such number of shareholders so as to leave less than a quorum, if any action taken, other than adjournment, is approved by at least a majority of the shares required to constitute a quorum, except as otherwise provided by law. Except as otherwise provided by law, herein or in the Articles of Organization, the affirmative vote of a majority of the shares represented at a meeting at which a quorum is present, shall be the act of the shareholders.

Section 2.10 Adjourned Meetings and Notice Thereof. Any shareholders' meeting, annual or special, whether or not a quorum is present, may be adjourned from time to time by a vote of the majority of the shares present, in person or proxy. When a meeting is adjourned for forty-five (45) days or more, or if a new record date for the adjourned meeting is fixed by the Board of Directors, notice of the adjourned meeting shall be given to such shareholders of record entitled to vote at the adjourned meeting, as in the case of any original meeting. When a meeting is adjourned for less than forty-five (45) days, and a new record date is not fixed by the Board of Directors, it shall not be necessary to give any notice of the time and place of the adjourned meeting, means of electronic transmission or electronic video screen communication, if any, or of the business to be transacted thereat other than by announcement at the meeting at which the adjournment is taken, provided only business that might have been transacted at the original meeting may be conducted at such adjourned meeting.

Section 2.11 Conduct of Meetings. The Board of Directors may adopt by resolution rules and regulations for the conduct of meetings of the shareholders as it shall deem appropriate. At every meeting of the shareholders, the President, or in his or her absence or inability to act, a Director or officer designated by the Board of Directors shall serve as the presiding officer. The Secretary or, in his or her absence or inability to act, the person whom the presiding officer of the meeting shall appoint secretary of the meeting, shall act as secretary of the meeting and keep the minutes thereof.

The presiding officer shall determine the order of business and, in the absence of a rule adopted by the Board of Directors, shall establish rules for the conduct of the meeting. The presiding officer shall announce the close of the polls for each matter voted upon at the meeting, after which no ballots, proxies, votes, changes, or revocations will be accepted. Polls for all matters before the meeting will be deemed to be closed upon final adjournment of the meeting.

Section 2.12 Voting of Shares. Unless otherwise provided by law or in the Articles of Organization, each shareholder entitled to vote is entitled to one (1) vote for each share of Common Stock. Any holder of shares entitled to vote on any matter may vote part of such shares in favor of the proposal and refrain from voting the remaining shares or vote them against the proposal. If a shareholder fails to specify the number of shares such shareholder is voting affirmatively, it will be conclusively presumed that the shareholder's approving vote is with respect to all shares such shareholder is entitled to vote.

Section 2.13 Consent of Absentees. The transactions of any meeting of shareholders, however called or noticed, are as valid as though had at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy, and if, either before or after the meeting, each of the persons entitled to vote, not present in person or by proxy, signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. The waiver, notice, or consent need not specify the business transacted or purpose of the meeting, except as required by Chapter 156D. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 2.14 Voting by Proxy or Nominee. Every person entitled to vote or execute consents may do so either in person or by one or more agents authorized by a written proxy executed by the person or such person's duly authorized agent and filed with the Secretary of the Corporation. A proxy is not valid after the expiration of eleven (11) months from the date of its execution, unless the person executing it specifies therein the length of time for which it is to continue in force. Except as set forth below, any proxy duly executed is not revoked, and continues in full force and effect, until an instrument revoking it, or a duly executed proxy bearing a later date, executed by the person executing the prior proxy and presented to the meeting is filed with the Secretary of the Corporation, or unless the person giving the proxy attends the meeting and votes in person, or unless written notice of the death or incapacity of the person executing the proxy is received by the Corporation before the vote by such proxy is counted. A proxy that states on its face that it is irrevocable will be irrevocable for the period of time specified in the proxy, if held by a person (or nominee of a person) specified by law to have sufficient interest to make such proxy irrevocable and only so long as he shall have such interest, subject to G.L. c. 156D, § 7.22.

Section 2.15 Action by Shareholders Without a Meeting. Any action, that, under any provision of Chapter 156D may be taken at a meeting of the shareholders, may be taken without a meeting and without prior notice if a consent in writing, setting forth the action so taken, shall be signed by the holders of the outstanding shares having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares are entitled to vote thereon were present and voted; provided, however, that unless the consents of all shareholders entitled to vote have been solicited in writing, notice shall be given (in the same manner as notice of meetings is to be given), and within the time limits prescribed by law, of such action to all shareholders entitled to vote who did not consent in writing to such action; and provided, further, that Directors may be elected by written consent only if such consent is unanimously given by all shareholders entitled to vote, except that action taken by shareholders to fill one or more vacancies on the Board other than a vacancy created by the removal of a Director, may be taken by written consent of a majority of the outstanding shares entitled to vote.

ARTICLE III: DIRECTORS

Section 3.01 Number of Directors; Identity of Initial Directors. The authorized number of Directors of the Corporation shall be three (3) until changed by an amendment to these Bylaws duly adopted in accordance with these Bylaws by the vote or written consent of a majority of the outstanding shares entitled to vote. The initial Directors shall be Charles Bergmann and Paul Lindholm. The Directors shall take all such corporate actions as may be required to ensure that one (1) Director (the "**Disinterested Director**") of the Corporation shall at all times be independent from the Corporation, in that the Disinterested Director may not be any (a) officer, limited or general partner, member or stockholder holding five percent (5%) or more of the outstanding capital stock or other such equity interests of the Corporation, (b) spouse, parent, sibling or descendant of any such person described in clause (a) above, and (c) any other person or entity that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under the common control with any such person described in clause (a) above.

Section 3.02 Powers. All corporate power shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be managed under the direction of, the Board of Directors, except such powers expressly conferred upon or reserved to the shareholders, and subject to any limitations set forth by law, by the Articles of Organization or by these Bylaws.

Without limiting the generality of the foregoing, and subject to the same limitations, it is hereby expressly declared that the Directors shall have the power and, to the extent required by law the duty to:

(a) Appoint and remove at pleasure of the Board, all officers, managers, management companies, agents, and employees of the Corporation, prescribe their duties in addition to those prescribed in these Bylaws, supervise them, fix their compensation, and require from them security for faithful service. Such compensation may be increased or diminished at the pleasure of the Directors;

(b) Conduct, manage, and control the affairs and business of the Corporation; make rules and regulations not inconsistent with the Articles of Organization or applicable law or these Bylaws; make all lawful orders on behalf of the Corporation; and prescribe in the manner of executing the same;

(c) Incur indebtedness and borrow money on behalf of the Corporation and designate from time to time the person or persons who may sign or endorse checks, drafts, or other orders of payment of money, notes, or other evidences of indebtedness, issued in the name of, or payable to, the Corporation, and prescribe the manner of collecting or depositing funds of the Corporation, and the manner of drawing checks thereon, except that any such transaction valued at greater than FIVE HUNDRED THOUSAND UNITED STATES DOLLARS must first be approved by a vote of the shareholders;

(d) Appoint by resolution of a majority of the authorized number of Directors an executive committee and other committees and delegate to the executive committee any of the powers and authorities of the Board in the management of the business and affairs of the Corporation, except the powers to (i) fill vacancies on the Board or any committee, (ii) fix compensation of Directors; (iii) adopt, amend, or repeal these Bylaws; (iv) amend or repeal resolutions of the Board that are expressly non-amendable or not able to be repealed; (v) declare a dividend or distribution to shareholders or authorize the repurchase of the Corporation's shares except at a rate, in a periodic amount or within a range, determined by the Board; (vi) establish other committees of the Board; or (vii) approve any action that in addition to Board approval requires shareholder approval. The executive committee shall be composed of two (2) or more Directors. The provisions of these Bylaws regarding notice and meetings of Directors shall apply to all committees;

(e) Authorize the issuance of stock of the Corporation from time to time, upon such terms as may be lawful;

(f) Approve or deny all proposed transfers of shares in the Corporation; and

(g) Prepare an annual report to be sent to the shareholders after the close of the fiscal or calendar year of this Corporation, which report shall comply with the requirements of law. To the extent permitted by law, the requirements that an annual report be sent to shareholders and the time limits for sending such reports are hereby waived, the Directors, nevertheless, having the authority to cause such report to be sent to shareholders.

Section 3.03 Term of Office. Directors shall hold office until the next annual meeting of shareholders and until their successors are elected.

Section 3.04 Vacancies and Newly Created Directorships. A vacancy on the Board of Directors exists in case of the occurrence of any of the following events:

(a) The death, resignation, or removal of any Director.

(b) The removal or declaration of vacancy by the Board of Directors of a Director who has been declared of unsound mind by a court order or convicted of a felony.

(c) The Director is a member who is divested from ownership of the marijuana business resulting from a decision by either the state or local licensing authority.

(d) The authorized number of Directors is increased.

(e) At any annual, regular, or special meeting of shareholders at which any Director is elected, the shareholders or those with the express authority to appoint and elect Directors fail to elect the full authorized number of Directors to be voted for at that meeting.

All vacancies (other than vacancies created by removal of a Director) may be filled by the approval of the Board of Directors or, if there is less than a quorum of Directors, by (i) a vote of the majority of the remaining Directors at a meeting held pursuant to notice or waivers of notice complying with G.L. c. 156D, (ii) unanimous written consent or (iii) a sole remaining Director. Each Director so elected shall hold office until his successor is elected at an annual, regular, or special meeting of the shareholders. The shareholders may, by vote or written consent of a majority of outstanding shares entitled to vote in the election of Directors, elect a Director at any time to fill any vacancy not filled by the Directors. The shareholders may, by vote of a majority of outstanding shares entitled to vote in the election of Directors or unanimous written consent, elect a Director at any time to fill any vacancy created by removal of a Director, except that a vacancy created pursuant to clause (b) or (c) of this Section may be filled by the Board of Directors. If the Board of Directors accepts the resignation of a Director tendered to take effect at a future time, the Board or the shareholders may elect a successor to take office when the resignation becomes effective. A reduction of the authorized number of Directors does not remove any Director prior to the expiration of that Director's term of office. In the event that a vacancy exists in the case of the Disinterested Director, a majority of those Directors remaining in office shall appoint a new Disinterested Director in accordance with Section 3.01 above.

Section 3.05 Removal. The Board of Directors may declare vacant the office of a Director who has been declared of unsound mind by an order of the court or convicted of a felony, or who has been found to be an active participant or stakeholder in the business of a competing marijuana business venture in the Commonwealth of Massachusetts, or who has been barred from ownership of a marijuana business by a final decision of an applicable state or local licensing authority, or otherwise in a manner provided by law.

Any or all of the Directors may be removed from office at any duly called meeting without cause by a vote of the shareholders entitled to elect them. If one or more Directors are so removed at a meeting of shareholders, the shareholders may elect new Directors at the same meeting.

Section 3.06 Resignation. A Director may resign effective on giving written notice to the President, unless the notice specifies a later effective date.

Section 3.07 Meetings of Directors.

(a) Regular Meetings. A regular annual meeting of the Board shall be held immediately after, and at the same place as, the annual meeting of shareholders for the purpose of electing officers and transacting any other business. The Board may provide for other regular meetings from time to time by resolution.

(b) Special Meetings. Special meetings of the Board for any purpose or purposes may be called at any time by at least two Directors. Notice of the time and place of special meetings shall be delivered by mail, electronic delivery, or orally. If notice is mailed, it shall be deposited in the United States mail at least four days before the time of the meeting. In the case the notice is delivered either orally or by electronic delivery shall be delivered at least forty-eight (48) hours before the time of the meeting. Any oral notice given personally or by telephone may be communicated either to the Director or to a person at the office of the Director whom the person giving notice has reason to believe

will promptly communicate it to the Director. The notice need not specify the purpose of the meeting nor the place if it is to be held at the principal office of the Corporation.

(c) Place of Meetings. Meetings of the Board may be held at any place within or without the Commonwealth of Massachusetts that has been designated in the notice. If a place has not been stated in the notice or there is no notice, meetings shall be held at the principal office of the Corporation unless another place has been designated by a resolution duly adopted by the Board.

Section 3.08 Electronic Participation. Members of the Board may participate in a meeting through conference telephone, electronic video screen communication, or other electronic transmission by and to the Corporation. Participation in a meeting by conference telephone or electronic video screen communication constitutes presence in person as long as all Directors participating can communicate with one another. Participation by other electronic transmission by and to the Corporation (other than conference telephone or electronic video screen communication) constitutes presence in person at the meeting as long as participating Directors can communicate with other participants concurrently, each Director has the means to participate in all matters before the Board, including the ability to propose or object to a specific corporate action, and the Corporation implements some means of verifying that each person participating is entitled to participate and all votes or other actions are taken by persons entitled to participate.

Section 3.09 Quorum of and Action by Directors. A majority of the authorized number of Directors constitutes a quorum of the Board for the transaction of business. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present is the act of the Board of Directors, unless G.L. c. 156D or the Articles of Organization require a greater number. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action is approved by at least a majority of the Directors who constitute the required quorum for such meeting. A quorum of the Directors may adjourn any Directors' meeting to meet again at a stated time and place. In the absence of quorum, a majority of the Directors present may adjourn from time to time. Notice of the time and place of a meeting that has been adjourned for more than twenty-four (24) hours shall be given to the Directors not present at the time of the adjournment.

Section 3.10 Compensation. Directors may receive compensation for their services, and the Board of Directors may authorize payment of a fixed fee and expenses of attendance, if any, for attendance at any meeting of the Board of Directors or committee thereof. A Director shall not be precluded from serving the Corporation in any other capacity and receiving compensation for services in that capacity. The Directors may, from time to time, establish compensation policies of the Corporation consistent with this Section.

Section 3.11 Action by Directors Without a Meeting. Any action required or permitted to be taken by the Board of Directors or any committee thereof under G.L. c. 156D may be taken without a meeting if, prior or subsequent to the action, a consent or consents thereto by majority of the Directors in office, or a majority of the committee members then appointed, is filed with the Secretary to be filed with the minutes of the proceedings of the Board

of Directors. Such action by written consent shall have the same force and effect as a vote of such Directors.

Section 3.12 Committees of the Board of Directors. The Board of Directors, by resolution adopted by a majority of authorized Directors, may designate one or more committees, each consisting of two or more Directors, to serve at the pleasure of the Board and to exercise the authority of the Board of Directors to the extent provided in the resolution establishing the committee and permitted by law. The Board of Directors may adopt governance rules for any committee consistent with these Bylaws. The provisions of these Bylaws applicable to meetings and actions of the Board of Directors shall govern meetings and actions of each committee, with the necessary changes made to substitute the committee and its members for the Board of Directors and its members.

A committee of the Board of Directors does not have the authority to:

(a) Approve actions that require approval of the shareholders or the outstanding shares.

(b) Fill vacancies on the Board or in any committee.

(c) Fix compensation of the Directors for serving on the Board or on any committee.

(d) Amend or repeal bylaws or adopt new bylaws.

(e) Amend or repeal any resolution of the Board of Directors that by its terms is not so amendable or repealable.

(f) Make a distribution to shareholders, except at a rate, in a periodic amount or within a price range set forth in the Articles of Organization or determined by the Board.

(g) Appoint other committees or Board members.

The Board of Directors, by resolution adopted by the majority of authorized Directors, may designate one or more Directors as alternate members of any committee who may replace any absent or disqualified member at any meeting of the committee or for the purposes of any written action by the committee.

The designation of a committee of the Board of Directors and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility imposed by law.

ARTICLE IV: OFFICERS

Section 4.01 Positions and Election. The officers of the Corporation shall be elected by the Board of Directors and shall be a President, a Secretary and a Treasurer. At the discretion of the Board of Directors, the Corporation may also have other officers, including

but not limited to one or more Vice Presidents or assistant Vice Presidents, one or more assistant Secretaries, a Chief Financial Officer and a Chief Operations Officer, as may be appointed by the Board of Directors, with such authority as may be specifically delegated to such officers by the Board of Directors. Any two or more offices may be held by the same person.

Officers shall be elected annually at the meeting of the Board of Directors held after each annual meeting of shareholders. Each officer shall serve until a successor is elected and qualified or until the earlier death, resignation or removal of that officer. Vacancies or new offices shall be filled at the next regular or special meeting of the Board of Directors.

Section 4.02 Removal and Resignation. Any officer elected or appointed by the Board of Directors may be removed with or without cause by the affirmative vote of the majority of the Board of Directors. Removal shall be without prejudice to the contract rights, if any, of the officer so removed.

Any officer chosen by the Board of Directors may resign at any time by giving written notice to the Corporation. Unless a different time is specified in the notice, the resignation shall be effective upon its receipt by the President, the Secretary, or the Board.

Section 4.03 Powers and Duties of Officers. The powers and duties of the officers of the Corporation shall be as provided from time to time by resolution of the Board of Directors or by direction of an officer authorized by the Board of Directors to prescribe the duties of other officers. In the absence of such resolution, the respective officers shall have the powers and shall discharge the duties customarily and usually held and performed by like officers of corporations similar in organization and business purposes to the Corporation subject to the control of the Board of Directors.

ARTICLE V: INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 5.01 Indemnification of Officers or Directors. The Corporation shall, to the extent permitted by G.L c. 156D, indemnify all persons who have served or may serve at any time as officers or Directors of the Corporation and their heirs, executors, administrators, successors, and assigns, from and against any and all loss and expense, including amounts paid in settlement before or after suit is commenced, and reasonable attorney's fees, actually and necessarily incurred as a result of any claim, demand, action, proceeding, or judgment that may have been asserted against any such persons, or in which these persons are made parties by reason of their being or having been officers or Directors of the Corporation. This right of indemnification shall not exist in relation to matters as to which it is adjudged in any action, suit or proceeding that these persons are liable for negligence or misconduct in the performance of duty.

Section 5.02 Non-Exclusivity of Indemnification Rights and Authority to Insure. The foregoing rights of indemnification and advancement of expenses shall be in addition to and not exclusive of any other rights to which any person may be entitled pursuant to any agreement with the Corporation, or under any statute, provision of the Articles of Organization or any action taken by the Directors or shareholders of the Corporation.

The Corporation may buy and maintain insurance to protect itself and any agent against any expense asserted against them or incurred by an agent, whether or not the Corporation could indemnify the agent against the expense under applicable law or the provisions of this Article V.

ARTICLE VI: SHARE CERTIFICATES AND TRANSFER

Section 6.01 Share Certificates. Shares of the Corporation may, but need not, be represented by certificates. Each certificate issued shall bear all statements or legends required by law to be affixed thereto. For all shares issued or transferred without certificates, the Corporation shall within a reasonable time after such issuance or transfer send the shareholder a written statement of the information required on share certificates pursuant to G.L. c. 156D, § 6.25(b) & (c) and § 6.27. Shareholders can request and obtain a statement of rights, restrictions, preferences, and privileges regarding classified shares or a class of shares with two or more series, if any, from the Corporation's principal office. Each certificate issued shall bear all statements or legends required by law to be affixed thereto.

Every certificate for shares shall be signed by (i), the President, or a Vice President and (ii) the Chief Financial Officer, an assistant Treasurer, the Secretary, or any assistant Secretary.

Section 6.02 Transfers of Shares. Transfer of shares of the Corporation shall be made only on the books of the Corporation by the registered holder thereof or by such other person as may under law be authorized to endorse such shares for transfer, or by such shareholder's attorney thereunto authorized by power of attorney duly executed and filed with the Secretary or transfer agent of the Corporation. Except as otherwise provided by law, upon surrender to the Corporation or its transfer agent of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignment, or authority to transfer, it shall be the duty of the Corporation to issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its books.

Section 6.03 Registered Shareholders. The Corporation may treat the holder of record of any shares issued by the Corporation as the holder in fact thereof, for purposes of voting those shares, receiving distributions thereon or notices in respect thereof, transferring those shares, exercising rights of dissent with respect to those shares, exercising or waiving any preemptive right with respect to those shares, entering into agreements with respect to those shares in accordance with the laws of the Commonwealth of Massachusetts or giving proxies with respect to those shares.

Section 6.04 Lost, Stolen, or Destroyed Certificates. The Board of Directors may issue a new share certificate in place of any certificate it previously issued that the shareholder alleges to have been lost, stolen, or destroyed provided that the shareholder or the shareholder's legal representative of the lost, stolen, or destroyed certificate shall give the Corporation a bond or other adequate security sufficient to indemnify the Corporation against any potential claim against the Corporation because of the alleged loss, theft, or destruction of any such certificate or the issuance of such new certificate.

ARTICLE VII: CORPORATE RECORDS AND INSPECTION

Section 7.01 Records. The Corporation shall maintain adequate and correct books and records of account, minutes of the proceedings of the shareholders, Board of Directors, and committees of the Board of Directors, and a record of its shareholders, including names and addresses of all shareholders and the number and class of shares held, along with any other records required by law. The Corporation shall keep such record of its shareholders at its principal office, as fixed by the Board of Directors from time to time, or at the office of its transfer agent or registrar. The Corporation shall keep its books and records of account and minutes of the proceedings of the shareholders, Board of Directors, and committees of the Board of Directors at its principal office, or such other location as shall be designated by the Board of Directors from time to time.

Section 7.02 Inspection of Books and Records. The Corporation's accounting books and records and minutes of proceedings of the shareholders, Board of Directors, and committees of the Board of Directors shall, to the extent provided by law, be open to inspection of Directors, shareholders, and voting trust certificate holders, in the manner provided by law.

Section 7.03 Certification and Inspection of Bylaws. The Corporation shall keep in its principal office the original or a copy of these Bylaws as amended or otherwise altered to date, which shall be open to inspection by the shareholders at all reasonable times during office hours.

ARTICLE VIII: MISCELLANEOUS

Section 8.01 Checks, Drafts, Etc. All checks, drafts or other instruments for payment of money or notes of the Corporation shall be signed by an officer or officers or any other person or persons as shall be determined from time to time by resolution of the Board of Directors.

Section 8.02 Conflict with Applicable Law or Articles of Organization. Unless the context requires otherwise, the general provisions, rules of construction, and the definitions of G.L. c. 156D shall govern the construction of these Bylaws. These Bylaws are adopted subject to any applicable law and the Articles of Organization. Whenever these Bylaws may conflict with any applicable law or the Articles of Organization, such conflict shall be resolved in favor of such law or the Articles of Organization.

Section 8.03 Invalid Provisions. If any one or more of the provisions of these Bylaws, or the applicability of any provision to a specific situation, shall be held invalid or unenforceable, the provision shall be modified to the minimum extent necessary to make it or its application valid and enforceable, and the validity and enforceability of all other provisions of these Bylaws and all other applications of any provision shall not be affected thereby.

Section 8.04 Emergency Management of the Corporation. In anticipation of or during an emergency, as defined in G.L. c. 156D, § 3.03(d), the Board, in order to conduct the ordinary business affairs of the Corporation, shall modify procedures, including, but not limited to, calling a board meeting, quorum requirements for such board meeting, and designation of

additional or substitute Directors; provided that such modifications may not conflict with the Articles of Organization.

In anticipation of or during an emergency, the Corporation shall be able to take any and all of the following actions to conduct the Corporation's ordinary business affairs and operations:

(a) Modify lines of succession to accommodate the incapacity of any Director, officer, employee, or agent resulting from the emergency.

(b) Relocate the principal office or designate alternative principal offices or regional offices.

(c) Give notice to Directors in any practicable matter under the circumstances, including but not limited to publication and radio, when notice of a board meeting cannot be given in a manner prescribed by these Bylaws.

(d) Deem that one or more officers present at a board meeting is a Director as necessary to achieve a quorum for that meeting.

Section 8.05 Reports. The Corporation shall provide all shareholders with notice of the availability of annual financial reports of the Corporation before the earlier the annual meeting of shareholders or 120 days after the close of the fiscal year. Such financial reports shall be prepared and provided to shareholders upon request in compliance with G.L. c. 156D, § 16.20.

Section 8.06 Advisement of Counsel. THE CULTIVATION, PRODUCTION AND SALE OF CANNABIS IS ILLEGAL UNDER FEDERAL LAW. NEITHER PARTY, NOR ATTORNEYS FOR COMPANY, HAVE MADE ANY REPRESENTATION TO THE CONTRARY.

ARTICLE IX: AMENDMENT OF BYLAWS

Section 9.01 Amendment by Shareholders. Shareholders may adopt, amend or repeal bylaws by the vote or written consent of the holders of a majority of the outstanding shares entitled to vote, except as otherwise provided by law, these Bylaws or the Articles of Organization.

Section 9.02 Amendment by Directors. Subject to the rights of shareholders as provided in Section 9.01, and the statutory limitations of G.L. c. 156D, the Board of Directors may adopt, amend, or repeal these Bylaws.

[SIGNATURE PAGE TO FOLLOW]

CERTIFICATE OF SECRETARY
OF
Supercritical Mass Laboratories, Inc., a Massachusetts corporation

The undersigned, Paul Lindholm, hereby certifies that he is the duly elected and acting Secretary of Supercritical Mass Laboratories, Inc., a Massachusetts corporation (the "**Corporation**"), and that the foregoing Bylaws were adopted as the Bylaws of the Corporation as of April 20, 2018, and that the same do now constitute the Bylaws of the Corporation.

IN WITNESS WHEREOF, the undersigned has executed this certificate on behalf of the Corporation as of this 20th day of April, 2018.

Supercritical Mass Laboratories, Inc.

By: _____
Name: Paul Lindholm
Title: Secretary

Commonwealth of Massachusetts
Department of Revenue
Christopher C. Harding, Commissioner

mass.gov/dor

Letter ID: L1408962432
Notice Date: September 5, 2019
Case ID: 0-000-637-341

CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE

PAUL E. LINDHOLM
SUPERCRITICAL MASS LABORATORIES I
2 FISHER ST
NORTHBOROUGH MA 01532-1211

Why did I receive this notice?

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

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

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

What if I have questions?

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

Visit us online!

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

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

Edward W. Coyle, Jr., Chief
Collections Bureau

The Commonwealth of Massachusetts

Secretary of the Commonwealth

State House, Boston, Massachusetts 02133

William Francis Galvin
Secretary of the
Commonwealth

Date: August 28, 2019

To Whom It May Concern :

I hereby certify that according to the records of this office,

SUPERCRITICAL MASS LABORATORIES INC.

is a domestic corporation organized on **March 01, 2018** , under the General Laws of the Commonwealth of Massachusetts. I further certify that there are no proceedings presently pending under the Massachusetts General Laws Chapter 156D section 14.21 for said corporation's dissolution; that articles of dissolution have not been filed by said corporation; that, said corporation has filed all annual reports, and paid all fees with respect to such reports, and so far as appears of record said corporation has legal existence and is in good standing with this office.

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 Number: 19080547130

Verify this Certificate at: http://corp.sec.state.ma.us/CorpWeb/Certificates/Verify.aspx

Processed by:

Diversity Plan

Promoting Diversity

Supercritical Mass Laboratories, Inc. (SCML) views diversity among its employees and within the adult-use marijuana industry as an enormous asset. As a company, SCML is dedicated to promoting equity in its operations for diverse populations, which the Commission has identified as the following:

1. Women
2. Minorities
3. Veterans
4. People with disabilities
5. LGBTQ+

To support these populations, SCML has created the following Diversity Plan (the "Plan") and has identified and created goals/programs to promote equity in SCML's operations.

Goals

In order for SCML to promote equity for the above-listed groups in its operations, SCML has established the following goals:

- Hiring a Diverse Workforce
  SCML will strive to increase the number of diverse individuals (i.e., individuals falling into the demographics listed above) employed by the company, and ensure that these individuals receive the tools to ensure their success. SCML shall hire 50% of its staff that are diverse individuals as defined by the Commission.

- Developing Diverse Executive Leadership
  SCML will focus on continuously increasing the number of diverse individuals (as defined by the Commission) in management and executive positions at the company, and will provide support and guidance to help ensure their success in these roles.

- Expanding Access to the Adult-Use Marijuana Industry
  SCML will provide access for, and assistance to, diverse individuals (as defined by the Commission) to achieve their goal of entering the adult-use marijuana industry.

Programs

SCML has developed specific programs to effectuate its stated goals to promote diversity and equity in its operations, which will include the following:

- Hiring a Diverse Workforce
  To support our goal of hiring a diverse workforce it will be SCML's policy to:

- Consistently advertise and promote all employment opportunities in diverse publications and mediums, at job fairs, as well as with career/employment centers, especially organizations that are diversity-focused;
- Tailor these advertisements and promotional efforts toward diverse individuals as defined by the Commission;
- Encourage our employees to recommend diverse individuals as defined by the Commission for employment at SCML by circulating quarterly internal newsletters and other informational/promotional materials.

- Developing Diverse Executive Leadership
  To support our goal of increasing the number of diverse individuals (as defined by the Commission) in management and executive roles, SCML will create a promotion process that employs equity principals for current employees. SCML will establish an internal training and mentorship program to ensure all SCML employees have the support and education necessary to succeed and thrive in the marijuana industry.

- Expanding Access to the Adult-Use Marijuana Industry
  SCML will conduct at least 4 (one per quarter), two-hour industry-specific educational seminars annually on the topics of marijuana cultivation, marijuana product manufacturing, marijuana retailing, and marijuana business training. These seminars/trainings will be held in local areas of disproportionate impact, and will be specifically advertised and promoted among the diverse populations listed above. SCML will also use these seminars to promote its own employment opportunities to the diverse populations in attendance.

Measurements

The President and Chief Operating Officer (COO) will administer the Plan and will be responsible for developing measurable outcomes to ensure SCML continues to meet its commitments. Such measurable outcomes, in accordance with SCML's goals and programs described above, include:

- Hiring a Diverse Workforce
  SCML will track and record:
  - The number of individuals hired from the diverse demographics listed above. This number will be assessed from the total number of individuals hired to ensure that 50% of all individuals hired fall within this goal;
  - The number of postings made in diverse publications promoting employment opportunities, and will retain supporting documentation, including records of all finances dedicated to this purpose;
  - The number of diverse individuals (as defined by the Commission) hired based on SCML employee recommendations.

- Developing Diverse Executive Leadership
  SCML will track and record:

- The number of promotions for its employees from the diverse demographics listed above.
- The number and subject matter of the trainings held and the number of individuals falling into the above-listed demographics in attendance.

- Expanding Access to the Adult-Use Marijuana Industry
  SCML will track and record:
  - The number, location, attendance, and subject matter of the industry-specific educational seminars/trainings it conducts on the topics of marijuana cultivation, marijuana product manufacturing, marijuana retailing, and marijuana business training;
  - The number of postings made in diverse and general publications promoting these seminars/trainings and will retain supporting documentation, including records of all finances dedicated to this purpose.

The COO will review and evaluate SCML's measurable outcomes no less than quarterly to ensure that SCML is meeting its commitments. SCML is mindful that demonstration of the Plan's progress and success will be submitted to the Commission upon renewal.

In the event that SCML is not meeting its commitments, SCML will conduct a thorough review of any program that is not effectuating the company's stated goals, identify actionable methods for improving or otherwise revising/remedying the program(s), and carefully monitor the outcomes of the applied changes.

Acknowledgements

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

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

Maintaining of Financial Records

Contents

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1. General Recordkeeping Procedures

a. Supercritical Mass Laboratories, Inc.'s (SCML) operating policies and procedures ensure that financial records are accurate and maintained in compliance with the Cannabis Control Commission's (the Commission) Adult Use of Marijuana regulations (935 CMR 500).
b. All recordkeeping requirements under 935 CMR 500.105(9) are followed (see "Recordkeeping Policies and Procedures" for more information), including:

    i. Keeping written business records available for inspection and in accordance with generally accepted accounting principles, which will include manual or computerized records of:

        1. Assets and liabilities;
        2. All monetary transactions;
        3. Books of accounts, which will include journals, ledgers, and supporting documents, agreements, checks, invoices, and vouchers;
        4. Sales records including the quantity, form, and cost of marijuana products; and
        5. Salary and wages paid to each employee and any executive compensation, bonus, benefit, or item of value paid to any individual affiliated with a marijuana establishment, including members, if any.

2. Confidential Information

a. Confidential information will be maintained in a secure location, kept separate from all other records, and will not be disclosed without the written consent of the individual to whom the information applies, or as required under law or pursuant to an order from a court of competent jurisdiction; provided however, the Commission may access this

information to carry out its official duties.

3. **Sales Records**

    a. All sales recording requirements under 935 CMR 500.140(6) are strictly adhered to, including:

        i. Utilizing a point-of-sale (POS) system approved by the Commission, in consultation with the Department of Revenue (DOR), and a sales recording module approved by the DOR;
        ii. Conducting a monthly analysis of our equipment and sales data, and maintaining records, available to the Commission upon request, that the monthly analysis has been completed;
        iii. Complying with 830 CMR 62C.25.1: *Record Retention*, and DOR Directive 16-1 regarding recordkeeping requirements;
        iv. Adopting separate accounting practices at the point-of-sale for marijuana and marijuana product sales, and non-marijuana sales;
        v. Adopting separate accounting practices at the point-of-sale for marijuana products intended for medical use, and marijuana products intended for adult use; and
        vi. Maintaining such records that would allow for the Commission and the DOR to audit and examine the point-of-sale system used in order to ensure compliance with Massachusetts tax laws and 935 CMR 500.

4. **Additional Business Records**

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

        i. Compliance with liability insurance coverage or maintenance of escrow requirements under 935 CMR 500.105(10) and all bond or escrow requirements under 935 CMR 500.105(16);
        ii. Fees paid under 935 CMR 500.005 or any other section of the Commission's regulations; and
        iii. Fines or penalties, if any, paid under 935 CMR 500.550 or any other section of the Commission's regulations.

Personnel Policies (Including Background Checks)

Contents

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1. **Hiring Policies**

    a. Registration of Agents

        i. Pursuant to 935 CMR 500.030 ("Registration of Marijuana Establishment Agents"), Supercritical Mass Labs, Inc. (SCML) shall apply for registration for all of its board members, directors, employees, executives, managers, and volunteers who are associated with SCML. The Cannabis Control Commission (the Commission) shall issue a registration card to each individual determined to be suitable for registration. All such individuals shall:

            1. Be 21 years of age or older;
            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
            3. Be determined suitable for registration consistent with the provisions of 935 CMR 500.800 and 500.802.

        ii. All applications for registration of a marijuana establishment agent shall include:

            1. The full name, date of birth, and address of the individual;

2. All aliases used previously or currently in use by the individual, including maiden name, if any;
3. A copy of the applicant's driver's license, government-issued identification card, liquor purchase identification card issued pursuant to M.G.L. c. 138, § 34B, or other verifiable identity document acceptable to the Commission;
4. An attestation that the individual will not engage in the diversion of marijuana products;
5. Written acknowledgment by the applicant of any limitations on his or her authorization to cultivate, harvest, prepare, package, possess, transport, and dispense marijuana in the Commonwealth;
6. Background information, including, as applicable:

    a. A description and the relevant dates of any criminal action under the laws of the Commonwealth, or another state, the United States or foreign jurisdiction, or a military, territorial, or Native American tribal authority, whether for a felony or misdemeanor and which resulted in conviction, or guilty plea, or plea of nolo contendere, or admission of sufficient facts;
    b. A description and the relevant dates of any civil or administrative action under the laws of the Commonwealth, another state, the United States or foreign jurisdiction, or a military, territorial, or Native American tribal authority relating to any professional or occupational or fraudulent practices;
    c. A description and relevant dates of any past or pending denial, suspension, or revocation of a license or registration, or the denial of a renewal of a license or registration, for any type of business or profession, by any federal, state, or local government, or any foreign jurisdiction;
    d. A description and relevant dates of any past discipline by, or a pending disciplinary action or unresolved complaint by, the Commonwealth, or a like action or complaint by another state, the United States or foreign jurisdiction, or a military, territorial, or Native American tribal authority with regard to any professional license or registration held by the applicant; and

7. A nonrefundable application fee paid by SCML; and
8. Any other information required by the Commission.

iii. An SCML executive registered with the Department of Criminal Justice Information Systems pursuant to 803 CMR 2.04: iCORI Registration, shall submit to the Commission a *Criminal Offender Record Information (CORI)* report and any other background check information required by the Commission for each

individual for whom SCML seeks a marijuana establishment agent registration, obtained within 30 days prior to submission.

iv. SCML shall notify the Commission no more than one business day after a marijuana establishment agent ceases to be associated with SCML. The registration shall be immediately void when the agent is no longer associated with SCML.

v. A registration card shall be 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.

vi. After obtaining a registration card for a marijuana establishment agent, SCML will notify the Commission, in a form and manner determined by the Commission, as soon as possible, but in any event, within five business days 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.

vii. SCML agents shall carry their SCML registration cards at all times while in possession of marijuana, including at all times while at SCML facilities or while transporting marijuana.

viii. SCML shall ensure that any SCML 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.

b. Suitability Standard for Registration as an SCML Agent

SCML senior management will refer to 935 CMR 500.802, "Suitability Standard for Registration as a Marijuana Establishment Agent," for the purposes of determining a prospective employee's suitability for registration as a marijuana establishment agent with SCML.

2. **Equal Pay**

As outlined under the Equal Pay Act, women and men employed by SCML shall be given equal pay for equal work. Jobs do not need to be identical for this policy to apply, but they must be substantially equal, a determination based on job content, not job titles.

All forms of pay are covered, including salary, overtime pay, bonuses, stock options, profit sharing and bonus plans, life insurance, vacation and holiday pay, cleaning or gasoline allowances, hotel accommodations, reimbursement for travel expenses, and benefits.

In the unlikely event that any discrepancy or inequality in wages between men and women is discovered, SCML will *increase the lower wage/payment* to equalize pay.

3. **Staffing Plan and Recordkeeping**

    a. SCML shall create and maintain job descriptions for each employee and volunteer position at the company, as well as organizational charts consistent with these job descriptions.
    b. SCML shall establish and maintain a personnel record for each and every registered marijuana establishment agent employed by the company. SCML shall maintain these records for at least 12 months after termination of the individual's affiliation with SCML, and shall include the following:
        i. All materials submitted to the Commission pursuant to 935 CMR 500.030(2);
        ii. Documentation of verification of references;
        iii. The job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision;
        iv. Documentation of all required training, including training regarding privacy and confidentiality requirements, and the signed statement of the individual indicating the date, time, and place he or she received said training and the topics discussed, including the name and title of presenters;
        v. Documentation of periodic performance evaluations;
        vi. A record of any disciplinary action taken; and
        vii. Notice of completed responsible vendor and eight-hour related duty training.
    c. SCML shall establish and maintain a staffing plan that will demonstrate accessible business hours and safe operational conditions.

4. **Alcohol-, Smoke-, and Drug-Free Workplace**

SCML's goal is to have a drug-free, healthy, and safe workplace. To promote this goal, agents are required to report to work in the appropriate mental and physical condition to perform their jobs in an exemplary and professional manner. This policy is violated when agents use, possess, or abuse alcohol and illegal drugs. Thus, while on-premises and while conducting business-related activities off-premises, including transporting marijuana and marijuana products between licensed marijuana establishments, agents may not use, possess, distribute, sell, or be under the influence of alcohol or illegal drugs. Working while engaged in the legal use of prescribed drugs is allowed only to the extent that the agent's ability to perform the essential functions of the job effectively and in a safe manner is not impaired and that other individuals in the workplace are not endangered. Agents should notify their manager whenever the use of legal drugs for medical purposes may impair the agent's performance, safety, and/or judgment so that the appropriate accommodations can be made.

Agents are also prohibited from smoking tobacco on the marijuana establishment premises or in any of the vehicles used to transport marijuana or marijuana products between licensed marijuana establishments.

Violations of this policy may lead to disciplinary actions, up to and including immediate

termination of employment, and/or required participation in a substance abuse rehabilitation or treatment program. Such violations may also have legal consequences.

5. **Maintaining Confidential Information**

Confidential information will not be disclosed without the written consent of the individual to whom the information applies, or as required under law or pursuant to an order from a court of competent jurisdiction; provided, however, that the Commission may access this information to carry out official duties.

SCML employees will receive confidentiality training during new hire orientation.

SCML's software provider, METRC, harbors the technology required to abide with regulatory standards and prevent theft. METRC comes equipped with multiple features to ensure security, theft protection, and compliance diversions. All hardware is managed and maintained internally. Unlike cloud-based solutions where the customer relies on the software vendor and cloud provider, METRC provides added security as the system links to SSAE 16 certified server locations to ensure the highest level of security. In the event of an automatic failure, METRC also works with redundant routers to maintain business records and system functionality. System authentication is encrypted via industry standard SSL with the use of a server-based platform. Access to customer information, including sales transactions will be available only to those agents performing dispensing duties.

All hardware is managed and maintained internally.

All confidential information, including sales transactions, will be available only to those agents performing dispensing duties. SCML will work with IT professionals to ensure computer software and other IT infrastructure is updated regularly. In addition, SCML's network servers will be protected by SSL and locked in a Limited Access Area under twenty-four (24) hour surveillance.

Any loss/alteration of records related to a customer will be reported to the Commission, the protected party, and law enforcement as necessary.

6. **Policy for Immediate Dismissal**

It will be SCML's policy to immediately dismiss any registered agent or other employee who has been found to have engaged in any of the following activities:

a. Diverting marijuana (which shall be reported to law enforcement officials and to the Commission);
b. Engaging in unsafe practices with regard to SCML's standard operating procedures (which shall be reported to the Commission);
c. Being convicted or entering a guilty plea, plea of *nolo contendere*, or admitting to sufficient facts of a felony drug offense involving distribution to a minor in the

Commonwealth, or a like violation of the laws of another state, the United States or a foreign jurisdiction, or a military, territorial, or Native American tribal authority.

Agents who are terminated will receive a final paycheck, which includes any accrued PTO, at the time of termination.

7. **Personnel Hygiene Policy**

This procedure describes the minimal requirements for a personnel hygiene policy to prevent microbial contamination of raw materials, components, and products.

This procedure applies to all personnel involved in the manufacturing, packaging, labeling, or holding of marijuana drug product.

(*Reference: FDA 21 CFR Part 111 Subpart B*)

a. Responsibilities

i. All employees are required to comply with this procedure.
ii. The Chief Operating Officer (COO) and designated supervisors are responsible for assuring that all employees are trained in the requirements of this SOP.

b. Procedure

i. Prevention of contamination

1. Employees who have, or appear to have an illness, infection, open lesion, or who present any other increased risk of microbial contamination, that could result in microbial contamination of components, raw materials or final product, or contact such surfaces shall be excluded from operations until the health condition no longer exists.
2. Employees shall notify their supervisor if they have, or if there is a reasonable possibility that they have a health condition that could result in contamination of raw materials, components, or finished goods. These employees shall be excluded from production operations as described in (1.) above.

ii. Hygienic processes

1. All employees shall thoroughly wash hands before starting work any time when the hands may have become soiled or contaminated.

2. All employees will remove all unsecured jewelry, hand jewelry, and other objects that might fall into products that are manipulated by hand. If hand jewelry cannot be removed, it must be covered by material that is maintained in an intact, clean, and sanitary condition and that effectively protects products against contamination.
3. Nitrile gloves used in handling components, raw materials and product shall be maintained in an intact, clean, and sanitary condition.
4. Employees will wear, where appropriate, in an effective manner, hair nets, caps, or other effective hair restraints;
5. Employees will not store clothing or other personal belongings in areas where components, raw materials and product, or any contact surfaces are exposed or where contact surfaces are washed/sanitized.
6. Employees will not eat food, chew gum, drink beverages, or use tobacco products in areas where components, raw materials or products, or any contact surfaces are exposed, or where contact surfaces are washed/sanitized.

iii. Dress code

All employees working in production areas are required to comply with the requirements described in the "Pocketless Clothing Gowning Procedures" described in (4.) below.

8. **<u>Pocketless Clothing Gowning Procedures</u>**

This section defines the procedure for mandatory gowning of pocketless clothing prior to entering any secured production area of the SCML facility where marijuana is present.

This procedure applies to all SCML employees, visitors, and contractors who will access any production area where marijuana is present.

a. <u>Responsibilities</u>

i. All employees of SCML are responsible for following this procedure when they will be entering the production area where marijuana is present.
ii. The SCML employee responsible for a visitor or contractor is responsible for the visitor's or contractor's gowning practices.

b. <u>Procedure for employees</u>

i. Production Personnel will:

1. After entering through the employee entrance, proceed to the locker room area.
2. Pocketless shirts and pants are located in each of the women's and men's locker rooms.
3. Once within the appropriate locker room, proceed to the lavatory and thoroughly wash hands using warm water and soap, and dry hands using the hand dryer or clean paper towels.
4. Return to the locker area and open assigned locker (see "Locker Policies and Procedures" below).
5. Remove all outer garments, including coats, jackets, hats, scarves, sweaters and all other garments with pockets, allowing a comfortable fit for the selected pocketless clothing.
6. Don the pocketless shirt and pants and hair cover.
7. Proceed to main entrance of production facility, select and don shoe covers prior to entry then step on the tacky mat prior to entry into the secured production area.
8. When exiting the production area, step on tacky mat, proceed to bench to remove shoe covers and place in appropriate receptacle for reprocessing.
9. Under no circumstances should an employee, visitor, or contractor reach under their pocketless attire in the presence of marijuana or marijuana products.
10. Return to locker room and, if garments are to be re-donned, store in a controlled environment.
11. If you do not intend to re-don same garment, place garment in appropriate receptacle for reprocessing.
12. Discard the hair cover.
13. Change into street clothes to visit office area and/or to exit facility

ii. Transport Personnel

1. Transport personnel whose job duties require them to transport product from within the facility to the transport van are not allowed in the facility beyond the Loading Area and provided that they do not proceed beyond the Loading Area are exempt from the pocketless gowning requirement.
2. When moving product from the building to the transport van, the individual shall only enter the man trap located outside the Packaging Room and only for an amount of time necessary to perform his or her job responsibility.

iii. All visitors shall be subject to the pocketless gowning procedures for personnel, other than contractors who may don Tyvek suits.

9. **Locker Policies and Procedures**

The purpose of this procedure is to define the policy and procedure for use of lockers at SCML.

This procedure applies to all employees using lockers prior to entering secure production area.

a. Responsibilities

i. The Director of Security or his designated agent is responsible for:

1. Issuing access cards and security fobs to employees based on assigned job.* *Note: Color-coded lanyards have been substituted with the access control fob as approved by the Commission during the licensing inspection.*

ii. The employee is responsible for:

1. Maintaining the access card and security fob.
2. Working in the designated production area.

b. Procedure

i. The locker policy is as follows:

1. The SCML facility is private property and therefore all locker usage is by permission only and all locker occupancy is monitored on a regular basis.
2. SCML reserves the right to control locker usage through enforcement of locker procedures, to prohibit access to any person, to restrict usage to any locker during emergencies or other purposes and/or redirect locker assignment as required.
3. Locker policies apply to all occupants. The acceptance of a locker assignment constitutes an agreement, on the part of the individual, to abide by the locker procedures as enforced by SCML.
4. Lockers are intended primarily as a convenience for the user for the temporary storage of articles of outer clothing such as coats, street clothes and other such items as may be necessary in the normal day-to-day conduct of an employee of SCML.
5. Individuals must take full responsibility for the items stored in lockers.

6. Storage of any items that are of illegal nature, or would cause or be likely to cause a health hazard, security risk, physical danger or a nuisance to the environment or other employees of SCML is strictly prohibited and shall include by example, but shall not be limited to: all illegal substances including all drugs and prescription medications for which the locker holder does not have a valid prescription; firearms, knives, ammunition and all other weapons; and other hazardous materials including pharmaceutical, household, horticultural, agricultural and industrial chemicals. Each employee is responsible for bringing to the attention of SCML management any item as to which the employee has a question in light of this policy.
7. The locker is the property of SCML and as such, SCML may conduct a search of the physical facility and every part thereof, including lockers.
8. In the event of such searches, SCML will make a reasonable effort to provide prior notice if feasible. SCML reserves the right of authority, without notifying users in advance, to open any locker in case of situations arising from suspected unauthorized use, violation of the locker policies and regulations, or in emergency situations such as structural emergencies (e.g., broken water pipes or electrical line repairs) or if the safety and security of SCML is in question.
9. No interior or exterior alterations or decorations may be added to the lockers. The user agrees not to mount any stickers, labels, appliqués or other materials through the use of adhesives, tape, magnets or other means to the exterior or interior surfaces of the locker.
10. Lockers should be in the same condition, less normal wear and tear, after the assignment period as they were at the time the assignment was made.
11. The user further agrees to be responsible for any damage caused to the locker during the assignment period, whether structural (removal or mutilation of shelves, door, floor, etc.) or visible defacing of the surfaces and will be charged repair costs.

10. **Hazard Communication**

The purpose of this procedure is to ensure that employees are informed about chemical hazards in the workplace, as required by the Occupational Safety and Health Administration (OSHA) Hazard Communication Standard (24 CFR 1910.1200).

This overview applies to all chemicals brought into the SCML facility.

a. Responsibilities

i. It is the responsibility of all employees to ensure compliance with the safety aspects of this procedure.
ii. It is the responsibility of the receiving agent to assure that no chemicals are received into the SCML building without a Material Safety Data Sheet/Safety Data Sheet (MSDS/SDS) on file.

b. Procedure

i. Under OSHA's Hazard Communication Standard, chemical manufacturers and importers are required to obtain or develop a MSDS/SDS for each hazardous chemical they produce or import.
ii. Distributors are responsible for ensuring that their customers are provided a copy of these MSDSs. SCML must have an MSDS/SDS for each hazardous chemical used in the workplace.
iii. Department managers will ensure:

1. All MSDS/SDS sheets are inventoried into a binder maintained in the administrative office.
2. SCML will store all chemicals in their original containers whenever possible. If a chemical is moved to a smaller container (e.g., ethanol), the second container must be labeled with the chemical name, initials, and date.
3. Training - All personnel working with chemicals will be trained to become familiar with the information contained in the MSDS/SDS sheets for the specific chemical being worked with. This training will include specific discussion on safety requirements such as appropriate personal protective equipment (PPE) to wear or other relevant issues as appropriate.

11. **Job Safety Assessment**

The Occupational Safety & Health Administration (OSHA) requires employers to evaluate all work areas to determine whether hazards are present, or are likely to be present, which necessitate the use of personal protective equipment (PPE). The Job Safety Assessment Form has been designed to aid in the selection of appropriate PPE in work areas where known or potential hazards exist.

Personal protective equipment (PPE) for the eyes, face, hands, head, body and feet must be of safe design and construction for the work to be performed and be used and maintained in a sanitary and reliable condition. The supervisor of the work area shall be responsible to assure the adequacy, including proper maintenance and sanitation, of such equipment. The PPE selected in the Job Safety Assessment form, with the exceptions noted in 29 CFR 1910.132(h), shall be provided by SCML at no cost to employees. PPE devices alone should not be relied upon

to provide protection against all hazards, but should be used in conjunction with engineering, administrative, and work practice controls (e.g. fume hoods, biosafety cabinets, machine guards, warnings signs, SOPs, etc.).

a. Responsibilities

    i. It is the responsibility of all SCML employees to ensure compliance with the safety aspects of this procedure.

b. Procedure

    i. A binder containing evaluated work areas and tasks with developed Job Safety Assessment will be retained in the SCML administrative office. Employees may develop additional job analysis as needed or desired using the form provided. When assessing an area or task and filling out the associated Job Safety Assessment form, the following will be considered:

        1. Break the job into tasks.
        2. Identify the hazards of each task; for each hazard, ask:

            a. What can go wrong?
            b. What are the consequences?
            c. How could it happen?
            d. Has the SDS been checked?
            e. What are the other contributing factors?
            f. How likely is it that the hazard will occur?

        3. Evaluate ways to eliminate or reduce the hazards.

            a. Required PPE?
            b. Required or recommended training?
            c. Controls or thoughts that should be considered?

    ii. Documentation

        1. Signage will be posted showing the required PPE in each work area.

Qualifications and Training

Contents

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1. Qualifications

a. Supercritical Mass Laboratories, Inc. (SCML) intends to employ professional, competent, and experienced staff members and employees who will be dedicated to maintaining the security, quality, and well-being of the facility and all SCML products.
b. Only qualified individuals will be hired for each available position; employees will be 21 years of age or older and provide all information required under 935 CMR 500.030, "Registration of Marijuana Establishment Agents." It will be the responsibility of each employee to provide documentation of previous education, work experience, and to participate in ongoing in-house training programs.
c. SCML strives to be an equal opportunity employer and will not discriminate on the basis of sex, religion, race, disability, sexual orientation, genetic information, or age (see "Diversity Policy" for more information); however, SCML will insure that all individuals seeking employment at the company provide proof of reputable and responsible character, as well as the fitness to perform their required duties during day-to-day operations, before beginning employment with SCML.
d. All prospective individuals seeking employment at SCML, such as subcontracted employees, staff members, security officers, transporters, and all other registered agents, will be required to consent to a state-compliant standard background security check and all other requirements per 935 CMR 500.030 (see "Personnel policies including background checks" for additional information).
e. All prospective employees who refuse to participate in a state-compliant background check will not be allowed to seek employment with SCML.
f. SCML senior management will refer to 935 CMR 500.802, "Suitability Standard for Registration as a Marijuana Establishment Agent," for the purposes of determining a prospective employee's suitability for registration as a marijuana establishment agent with SCML.
g. SCML will not consider for employment any person who has been convicted of a felony, or any person that has been convicted of a charge that jeopardizes the safety, quality, and well-being of SCML. Furthermore, SCML possesses the right to refuse employment

or entry to any person who has not successfully completed a criminal background check or to any person who possesses a record of criminal history.

h. SCML will notify all prospective employees that a background check will be conducted and will obtain written and signed consent from the prospective employee to conduct the background check and/or to obtain fingerprints. In addition, SCML will require all prospective employees to submit a statement indicating any prior convictions the prospective employee has been charged with.

i. All prospective employees will be required to supply any additional personal information, such as: name of a prospective employee, date of birth, height, weight, eye and hair color, gender, race and place of birth, at the request of the facility or to any other corresponding institutions conducting the background check.

j. SCML will supply the necessary fees for conducting the background check and will not disclose any information, such as fingerprints or criminal history records, to any unauthorized authority. SCML will keep all documents pertaining to a staff member or employee's background check for a minimum of six years after the conclusion or termination of employment with SCML. SCML intends to enforce an alcohol- and drug-free workplace and prohibit any staff members or employees from consuming any alcohol, illicit drugs, or marijuana and manufactured medical marijuana products during a shift, and will not tolerate any employee arriving to work too inebriated to effectively perform day to day duties.

k. All staff members and employees will be subject to a random drug screen, at the discretion of SCML. Although SCML will tolerate the presence of THC found in a drug screen, the presence of any other illicit drug found in a drug screen will be cause for immediate termination.

l. Any officer, subcontracted employee, staff member or employee who is convicted of a felony or other charge that jeopardizes the security, quality or well-being of the facility or the community is sufficient grounds for termination. The facility will provide information of the charge to the necessary officials and will act accordingly.

m. Pursuant to 935 CMR 500.030, SCML shall apply for registration of its Board Members, Directors, Employees, Executives, Managers, and Volunteers who are associated with SCML. The Cannabis Control Commission shall issue a registration card to each individual determined to be suitable for registration; any prospective employee who is not determined to be suitable for registration by the commission will not be allowed to seek employment with SCML.

2. **Anticipated Positions and Qualifications**

a. Laboratory Supervisor

Qualifications:

- At least a four-year degree from an accredited institution in a technical field, i.e. physics, chemistry, biology, or engineering.
- At least two years of managerial/supervisory experience, preferably in chemical process operations.

- Deep technical knowledge of chemical extraction and distillation/refining methods, techniques, and procedures.
- Extensive experience with cannabis extraction, preparation, and purification of cannabinoids.
- Experience with detailed record keeping, proper labeling and data tracking.
- Knowledge of competitors and the market landscape (desirable, but not required).
- Extensive experience and good judgment to properly plan and accomplish company goals.
- Ability to observe and assess material that deviates from established company standards.
- Must have the ability to learn, use, and manage METRC; experience using METRC preferred.
- Must have the ability to lift up to 50 pounds and sit or stand for eight hours per day.
- Must pass all background checks as mandated by Massachusetts Cannabis Control Commission.
- Must be at least 21 years of age or older.

b. <u>Production Manager</u>

Qualifications

- Must have at least two years of managerial/supervisory experience, preferably in chemical process operations.
- Must have experience in high-throughput laboratory manufacturing settings, preferably with cannabis extraction, preparation, and purification of cannabinoids.
- Must have experience preparing, operating, and maintaining laboratory and food production equipment in a safe and compliant manner, including roto-evaporators, distilling equipment, vacuum ovens, vacuum pumps, presses, chillers and heaters, etc.
- Must have experience training associates.
- Lean Manufacturing experience/Six Sigma training preferred.
- Must be able to inspect and detect quality defects.
- Must have the ability to learn, use, and manage METRC.
- Must have the ability to lift up to 50 pounds and sit or stand for eight hours per day.
- Must pass all background checks as mandated by Massachusetts Cannabis Control Commission.
- Must be at least 21 years of age or older.

c. Production Technician

Qualifications

- Must have basic knowledge of different cannabis extraction methodologies.
- Must possess basic math and computer skills.
- Experience with cannabis oil or vegetable oil extractions and processing preferred.
- Experience working in a regulated environment preferred.
- Familiarity with commercial cannabis extraction equipment preferred.
- Must be able to inspect and detect quality defects.
- Must have the ability to learn, use, and manage METRC.
- Must have the ability to lift up to 50 pounds and sit or stand for eight hours per day.
- Must pass all background checks as mandated by Massachusetts Cannabis Control Commission.
- Must be 21 years of age or older.

3. **Training**

a. SCML shall ensure that all SCML agents complete training prior to performing job functions. Training shall be tailored to the roles and responsibilities of the job function of each SCML agent, and at a minimum shall include a Responsible Vendor Program as described under 935 CMR 500.105(2)(b). At a minimum, all SCML staff shall receive eight hours of on-going training annually.
b. SCML is committed to thorough initial and ongoing training of all employees. New employees will receive comprehensive orientation training when they are hired. This training will thoroughly familiarize them with the procedures pertaining to their assigned work responsibilities, how to perform these responsibilities in compliance with 935 CMR 500, as well as with SCML's vision, mission, and culture.
c. All employees will receive annual training on topics such as Workplace Safety, drug-free workplace policy, discrimination and harassment, workplace ergonomics, Globally Harmonized System of Classification and Labeling of Chemicals (GHS), respect in the workplace, sexual harassment prevention, first aid, and workplace etiquette.
d. Employees will be trained rigorously on the workflows, proper protocols, and standard operating procedures (SOPs) of each employee's respective job area.
e. All SOPs will be available in physical form and online for employees to reference easily.
f. Additionally, SCML senior management will implement monthly classes to train all staff on SCML's core curriculum, including an overview of the company's mission and values, an overview of the endocannabinoid system and its relevance to marijuana, current research on marijuana, current regulations (local, state, and federal), as well as SCML technology, training, and updates.
g. Department Managers will be responsible for assigning job responsibilities consistent with the employee's demonstrated qualifications. Human Resources will be responsible

for assuring all employees have the required qualifications, background checks, and will maintain records of each employee's training.

h. In the Packaging Area, the key focus of training will be regulatory compliance, proper record keeping, and effective data collection; random audits will be conducted to evaluate the effectiveness of the training program. These training initiatives will provide strategies for minimizing product loss and diversion as well as effective use of data to improve company efficiency.
i. Any delivery personnel employed by SCML will be trained in self-defense, driver training, and proper asset protection protocols in case of emergencies or security breaches.

4. <u>Responsible Vendor Program</u>

a. All current owners, managers, and employees shall complete the Responsible Vendor Program after July 1, 2019 or when available.
b. All new employees shall complete the Responsible Vendor Program within 90 days of being hired.
c. Responsible Vendor Program documentation must be retained for four (4) years.

Quality Control and Testing

Contents

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1. Quality Assurance

Supercritical Mass Laboratories, Inc. (SCML) quality assurance (QA) and product testing procedures were developed following FDA current Good Manufacturing Practice (cGMP) pharmaceutical manufacturing guidelines (CFR21, Part 211).

The SCML QA Manager is concerned with sampling specifications and testing as well as the organization, documentation, and release procedures that ensure all necessary and relevant tests are carried out, and that materials are not released for use, nor products released for sale or supply, until their quality has been judged satisfactory. The independence of QA from Production is considered fundamental to the satisfactory operation of QA. The SCML QA Manager shall be under the authority of a person with appropriate qualifications and experience.

Our QA procedures ensure:

- All manufacturing equipment and spaces are examined daily by staff and maintained in a clean and sanitary condition.
- Environmental conditions in all laboratory and manufacturing spaces are continually monitored to ensure optimal conditions for safe production of cannabis products.
- All personnel adhere to strict standards of personal cleanliness in order to maintain a sterile laboratory environment.

In accordance with standard cGMP principles, our overarching framework of QA practice includes:

a. Strictly adhering to these written instructions and procedures to prevent contamination and errors.
b. Promptly and accurately documenting all work for compliance and traceability, demonstrating that all steps required by our defined procedures and instructions were in fact taken and that the quantity and quality of product was as expected.
c. Validating our procedures, and all changes to our procedures, through systematic self-review to prove that our processes work as intended.
d. Recording any and all significant deviations and investigating deviations with the objective of determining the root cause and taking implementing corrective and preventive action.
e. Prioritizing functionality, efficiency, product quality, and employee safety in the design and construction of our facilities, spaces, and equipment.
f. Providing all necessary facilities for cGMP, OSHA, state and local regulatory compliance, including:

    i. Adequate premises and space;
    ii. Suitable equipment and services;
    iii. Correct materials, containers and labels;
    iv. Suitable storage and transport

g. Properly and fastidiously maintaining our facilities and equipment, ensuring quality and safety.
h. Clearly defining, developing, and demonstrating job competence on the part of all employees.
i. Protecting our products against contamination by maintaining strict policies of personal hygiene and cleanliness.
j. Maintaining quality by carefully controlling all components and product-related processes, such as manufacturing, packaging and labeling, testing, and distribution.
k. Ensuring that our product distribution practices minimize any risk to product quality and take into account Good Distribution Practice.
l. Establishing a system to recall any batch of product, from sale or supply.
m. Examining all complaints regarding products and investigate the causes of quality defects, taking appropriate measures in respect of the defective products to prevent reoccurence.
n. Conducting planned, periodic audits to ensure overall performance and compliance with these quality assurance practices.

2. General Production Principles

a. Production shall be performed and supervised by competent, trained personnel in accordance with clearly written procedures and instructions.
b. All incoming materials shall be checked to ensure that the consignment corresponds with the order.
c. Damage to containers and any other damage shall be investigated, recorded and reported to the SCML QA Manager.
d. Materials and products shall be protected against microbial and other contamination at all preparation steps.
e. SCML will ensure that only the leaves and flowers of the female marijuana plant are processed accordingly in a safe and sanitary manner as prescribed below:
    i. Well cured and generally free of seeds and stems;
    ii. Free of dirt, sand, debris, and other foreign matter;
    iii. Free of contamination by mold, rot, other fungus, and bacterial diseases;
    iv. Prepared and handled on food-grade stainless steel tables; and
    v. Packaged in a secure area.
f. All materials and products shall be stored under the appropriate conditions; storage and transportation of finished products shall be under conditions that will protect them against physical, chemical, and microbial contamination.
g. Operations on different products shall not be carried out simultaneously or consecutively in the same room unless there is no risk of mix-up or cross-contamination.
h. Any and all toxic items shall be identified, held, and stored in a manner that protects against contamination of marijuana.
i. All processing steps that are carried out shall be recorded.
j. All equipment and material used shall be suitable for the intended use.
k. At all times during processing, all materials, bulk containers, major items of equipment and where appropriate rooms used shall be labelled or identified.
l. At all times during operation, the operational state (e.g., cleaned, in-use) of rooms and equipment shall be made clear.
m. Any deviation from instructions or procedures shall be avoided as far as possible; should any deviation occur, it shall be approved in writing by an authorized person.
n. Access to production premises shall be restricted to authorized personnel.
o. All agents whose job includes contact with marijuana is subject to the requirements for food handlers specified in 105 CMR 300.000.
p. SCML shall provide its employees with adequate, readily accessible toilet facilities.
q. Hand-washing facilities shall be located in production areas and where good sanitary practices require employees to wash and sanitize their hands.
r. There shall be sufficient space for placement of equipment and storage of materials as is necessary for the maintenance of sanitary operations.
s. Floors, walls, and ceilings shall be constructed in such a manner that they may be adequately kept clean and in good repair.
t. Water supply shall be sufficient for necessary operations.

u. Plumbing shall be of adequate size and design and maintained to carry sufficient quantities of water to required locations throughout the establishment.

3. **Prevention of Cross-contamination in Production**

Contamination of any starting materials or of a product by another material or product shall be avoided. This risk of accidental cross-contamination arises from the uncontrolled release of dust, gases, vapors, sprays, or organisms from materials and products in process, from residues on equipment, and from operators' clothing.

Cross-contamination shall be avoided by means of a Quality Risk Management process, which includes a potency and toxicological evaluation, and assesses and controls cross-contamination risks posed by our manufactured products. This assessment will pay particularly close attention to facility and equipment design and use, personnel and material flow, microbiological controls, physico-chemical characteristics of active materials, and cleaning processes.

SCML shall implement both technical and organizational measures, including effective and reproducible cleaning processes, in order to mitigate risk of cross-contamination.

Examples of *technical measures* include:

a. Use of single-use, disposable technologies wherever practical;
b. Closed systems for processing and material/product transfer between equipment;
c. Use of physical barrier systems, including isolators, as containment measures;
d. Self-contained production areas having separate processing equipment and dedicated HVAC systems;
e. Controlled removal of any dust;
f. Use of equipment that is easy to clean;
g. Use of automatic clean-in-place systems of validated effectiveness;

Examples of *organizational measures* include:

h. Cleaning verification after each product campaign;
i. Specific measures for waste handling, contaminated rinsing water, and soiled gowning;
j. Recording all spills, accidental events or deviations from procedures;
k. Design of cleaning processes to prevent cross-contamination risk during cleaning;
l. Use of cleaning status labels on equipment and manufacturing areas;
m. Supervision of working behavior to ensure training effectiveness and compliance with relevant procedural controls;
n. Keeping specific protective clothing inside areas where products with high risk of cross-contamination are processed;

o. Dedicating the whole manufacturing facility or a self-contained production area on a campaign basis.

4. **Facility Cleaning and Maintenance**

This section describes the requirements for cleaning and maintenance procedures for proper operational hygiene to prevent microbial contamination of raw materials, components, and products at SCML.

This procedure applies to all SCML employees.

a. Responsibilities

i. The Chief Operating Officer (COO) is ultimately responsible for overseeing cleaning and maintenance practices of the entire facility including Offices, Limited Access Areas, and Restrooms.
ii. Designated registered agents are responsible for cleaning the offices and break rooms. Cleaning of production and manufacturing areas is done under the close supervision of the COO, QA Manager, or a qualified designated agent thereof.
iii. QA is responsible for verifying and approving documentation associated with cleaning and maintenance procedures.

b. Procedure

i. Limited Access Areas

1. Clean all Limited Access Areas - including processing rooms, and infusion rooms - at least weekly.
2. Clean and sanitize work surfaces, walls and windowsills, and equipment. Wipe down the refrigerator, freezer, hood, vacuum oven, and other benchtop equipment. Clean and sanitize using IPA 99%.
3. Organize all work surfaces.
4. Dust and sanitize the air conditioning intake and exhaust.
5. Wipe down or scrub sinks if necessary using IPA 99%.
6. Empty waste receptacles daily or as needed.
7. Sweep floors and remove any oil residue using IPA 99% and a scrubber pad or razor blade.
8. Fill mop bucket with water and add 2 oz. of bleach per gallon of water. Mop the floor thoroughly starting from the rear of the room.
9. Document cleaning on the Limited Access Areas and Extraction Maintenance reports.

ii. Extraction Room

1. Clean the Extraction Room weekly.
2. Dust and sanitize work surface and computer.
3. Wipe down the SFE extractor surfaces with IPA 99% to remove dust and oil.
4. Wipe down the walls with IPA 99% if necessary (may only need to be done monthly).
5. Sweep floors and remove any oil residue on the floor using IPA 99%. Use a scrubber pad or a razor blade if necessary.
6. Fill mop bucket with water and add 2 oz. of bleach per gallon of water. Mop the floor thoroughly starting from the rear of the room to the exit.
7. Document cleaning on the Infusion and Extraction Maintenance reports.

iii. Packaging Room

1. Packaging Room will be cleaned daily and weekly.
2. Daily cleaning and sanitation procedure for Packaging Room:

    a. Sweep floors and check under all tables and shelves for debris.
    b. Wipe down counters and tables.
    c. Clean and sanitize any equipment used with IPA 99% (i.e., flower trays, analytical balances, kief presses, etc.)
    d. Empty trash receptacles daily or as needed.

3. Weekly cleaning and sanitation procedure for Packaging Room:

    a. Sweep floors and check under all tables and shelves for debris.
    b. Wipe down counters, tables, and sanitize used equipment with IPA 99%.
    c. Mop floors weekly using Sanidate® (dilute 1.6oz. Sanidate® 5.0 to 5 gallons of warm water).
    d. Wipe down all product contact surfaces sanitizing with ethanol provided.
    e. Wipe down window sill with general purpose cleaner and clean window with common household glass cleaner.
    f. Document cleaning in the Packaging Room Maintenance Report.

iv. Offices, Break Room, and Restrooms

1. Clean carpeted areas using vacuum cleaner.
2. Sweep and mop bathroom and break room floors weekly.

3. Wipe down shelving, countertops, and tabletops with household all-purpose cleaner.
4. Clean glass with common household glass cleaner.
5. Clean sink and microwave with household all-purpose cleaner.
6. For restrooms, sanitize with common household bathroom sanitizing products.
7. Stock necessary supplies (i.e., paper towels, toilet paper, hand soap, etc.).
8. Empty trash receptacles weekly or when necessary.
9. Document cleaning in the Facility Maintenance Report.

v. Facility Grounds

1. Weekly maintenance (even when outsourced, ensure is completed)

    a. Mow and trim all lawns.
    b. Inspect parking lots and walkways, remove snow/debris (branches, leaves, etc.)
    c. Check all windows and doors for cracks.

2. Monthly maintenance (even when outsourced, ensure is completed)

    a. Weed all plant beds.
    b. Check all plants; prune or trim (twice annually)
    c. Document maintenance on the Facility Maintenance Report.

vi. Documentation

1. Cleaning and Maintenance Reports are located on the door of each respective area.
2. The QA Manager will review logbooks on a weekly basis.
3. Completed Maintenance Reports are filed and maintained by the QA Manager.

5. **<u>Personnel Hygiene</u>**

This section describes the minimal requirements for a personnel hygiene policy to prevent microbial contamination of raw materials, components, and product.

This procedure applies to all personnel involved in the manufacturing, packaging, labeling, and/or holding of Marijuana or Marijuana Products.

(Reference: FDA 21 CFR part 111 Subpart B)

a. Responsibilities

i. All SCML employees are required to comply with this procedure.
ii. Department Managers and supervisors are responsible for assuring that all employees are trained in the requirements of this procedure.

b. Procedure

i. Prevention of contamination

1. Employees who have, or appear to have an illness, infection, open lesion, or who present any other increased risk of microbial contamination that could result in microbial contamination of components, raw materials, or final product, or contact such surfaces shall be excluded from operations until the health condition no longer exists.
2. Employees shall notify their supervisor if they have, or if there is a reasonable possibility that they have a health condition that could result in contamination of raw materials, components, or finished goods. These employees shall be excluded from production operations as described in (1.).

ii. Requirements of the Hygienic Process

1. All employees shall wash hands before starting work and any time when their hands may have become soiled or contaminated.
2. Employees will remove all unsecured jewelry, hand jewelry, and other objects that might fall into products that are manipulated by hand. If hand jewelry cannot be removed, it must be covered by material that is maintained in an intact, clean, and sanitary condition and that effectively protects products against contamination.
3. Nitrile gloves used in handling components, raw materials, and product shall be maintained in an intact, clean, and sanitary condition.
4. Employees will wear, where appropriate, in an effective manner, hair nets, caps, or other effective hair restraints.
5. Employees will not store clothing or other personal belongings in areas where components, raw materials and product, or any contact surfaces are exposed, or where contact surfaces are washed/sanitized.
6. Eating food, chewing gum, drinking beverages, or using tobacco products is strictly prohibited in areas where components, raw materials or products, or any contact surfaces are exposed, or where contact

surfaces are washed/sanitized.

iii. Dress code

1. All employees working in production areas are required to comply with the requirements described in the Pocketless Clothing Gowning Procedures. (See Personnel Policies and Procedures, Section 4.)

6. **Pest Control**

This section defines the procedure to ensure pest control at SCML.

a. Responsibilities

i. The COO, QA Manager, and any qualified designated agent thereof are responsible for the oversight of the pest control procedures at SCML.
ii. Production employees and supervisors are responsible for internal pest control inspections on a weekly basis in their respective areas of production.
iii. The COO is responsible for scheduling and overseeing the monthly or as needed pest control inspection performed by a state-licensed, independent pest control company.

b. Procedure

i. Methods for preventing access to pests:

1. Use reputable suppliers for all deliveries.
2. Check all deliveries before they enter the Receiving Area of the production facility.
3. Refuse shipments that have signs of pest infestation. (Active/dead bugs, pest droppings, evidence of nests, gnaw marks, signs of termites, etc.)
4. Keep all exterior openings closed tightly. Check doors for proper fit as part of the regular cleaning schedule.
5. Report any signs of pests to the COO, the QA Manager, and any designated qualified agent thereof.

ii. Methods to deny pests food, water, and a hiding or nesting place:

1. Dispose of garbage quickly and correctly. Keep garbage containers clean, in good condition, and tightly covered in all areas (indoor and outdoor). Clean up spills around garbage containers immediately.
2. Wash, rinse, and sanitize containers regularly.
3. Store recyclables in clean, pest-proof containers away from the building.

4. Store all food and supplies as quickly as possible.
5. Keep all food and supplies at least six inches off the floor and six inches away from walls.
6. Refrigerate foods such as powdered milk, cocoa, and nuts after opening. These foods attract insects, but most insects become inactive at temperatures below 41ºF.
7. Use “first in, first out” (FIFO) inventory rotation, so pests do not have time to settle into products and breed.
8. Clean wet towels and mop heads at the end of each use to minimize the the risk of infestation by pests.
9. Clean and sanitize the facility thoroughly and regularly. Careful cleaning eliminates food supply, destroys insect eggs, and reduces the number of places pests can take shelter.

iii. Pest Control Assessment

1. Once per month, a pest control contractor will visit the SCML facility in support of pest control assessment.
2. The pest control assessment includes exterior inspection of the facility.
3. The success criterion for the inspection requires the facility to be free from infestations by insects, rodents, vermin and other pests. A letter of verification from the pest control agency will act as sufficient evidence to support that the facility is in a suitable, pest controlled state.
4. All documentation provided by the pest control contractor will be stored in the Pest Control Binder.

iv. Internal Inspections

SCML employees will be perform weekly inspections.

It is the responsibility of the QA Manager to oversee and document weekly pest inspections of the interior and exterior of the facility to ensure that it is free from infestations by insects, rodents, vermin and other pests. These inspections are documented on the Pest Control Inspection Report. This report will be found in the company’s digital record archive under the Pest Control Folder. The Report will be completed and saved in the system. It is then printed out and signed by the QA Manager at the end of each month.

SCML employees who perform interior weekly inspections are responsible for:

1. Examining light fixtures for evidence of pests or insects. If pests are found in the presence of light fixtures, they are to be cleaned as soon as possible.

2. Searching the facility for cobwebs, bird/rodent feces and other signs of pests.
3. Inspecting glue cards, which are placed in each room and corresponding hallways of the facility.
4. Glue cards are dated for the day they were set. If pest(s) are found on the glue card, the number found is documented and the type of pest is identified if possible.
5. Checking light/glue traps as indicated on the pest control map.
6. Check rooms for signs of mold, mildew, pests or insects. If any are present, document findings on the Pest Control Inspection Report and notify the QA Manager.

The QA Manager will perform weekly verification that the Pest Control Inspection Report is completed.

v. Failure to meet success criteria

If the facility fails to meet the success criteria of either the weekly internal inspection or monthly contractor inspection, a Corrective Action is issued:

1. A Risk Assessment is completed by the COO and QA Manager that defines the following:

    a. The criteria for returning the facility to an acceptable pest-controlled state.
    b. Verification that the actions recommended to control the facility for infestations will not interfere with the identity, strength, purity, or composition of the drug product being manufactured, labeled, packaged, and/or held at SCML, as determined by the QA Manager.
    c. The Risk Assessment is filed with the Corrective Action.

vi. Documentation

1. All inspection reports, corrective actions, and supporting documentation are filed with the QA Manager.

7. **<u>Quality Assurance Sampling</u>**

a. Sampling shall be undertaken by methods and personnel approved by the SCML Chief Scientific Officer and QA Manager, and according to approved written procedures that describe:

i. The method of sampling;
ii. The equipment to be used;
iii. The amount of sample to be taken;
iv. Instructions for any required subdivision of the sample;
v. The type and condition of the sample container to be used;
vi. The identification of containers sampled;
vii. Any special precautions to be observed, especially with regard to the sampling of sterile materials;
viii. Storage conditions;
ix. Instruction for the cleaning and storage of sampling equipment.

b. Sampling shall be representative of the given batch and in accordance with SCML's written procedures.
c. QA Manager shall have access to the production area to undertake sampling when necessary.
d. SCML shall validate all test methods for accuracy, precision, linearity, repeatability, robustness, and specificity before they are applied.
e. Validation will include challenging test methods to demonstrate that the tests are capable of producing an accurate result on a repeatable basis. Results of validation shall be recorded, including the following data:

i. Name of the material or product and, where applicable, dosage form;
ii. Batch number and, where appropriate, the manufacturer and/or supplier;
iii. References to the relevant specifications and testing procedures;
iv. Test results, including observations and calculations, and reference to any certificates of analysis;
v. Dates of testing;
vi. Initials of the persons who performed the testing;
vii. Initials of the persons who verified the testing and the calculations, where appropriate;
viii. A clear statement of approval or rejection (or other status decision) and the dated signature of the designated responsible person;
ix. Reference to the equipment used.

f. SCML shall keep records of all sampling, inspecting, and testing of materials, intermediates and bulk and finished products.
g. The QA Manager shall assess the records of the work done during processing, ensuring traceability.
h. The QA Manager shall review and evaluate relevant production documentation, covering all quality aspects.
i. The QA Manager shall approve all documentation, ensuring manufacturing documentation and quality assurance documentation are reconciled.

j. The QA Manager shall generate and/or review records for deviations and failure investigations.
k. All deviations from normal manufacturing procedure shall be documented.
l. The QA Manager shall ensure that all SCML ingredients comply with the qualitative and quantitative composition of the finished product as approved in the marketing authorization.
m. The QA Manager shall ensure that all SCML ingredients shall meet or exceed required purity standard.
n. During development of SCML products, care will be taken to test the compatibility of the product with the intended container.
o. The QA Manager shall ensure testing will have been undertaken to determine the effectiveness of the container in maintaining product stability.
p. The QA Manager shall oversee labeling of in-house materials and finished products to ensure all labeling is correct and in compliance with 935 CMR 500(5).
q. Before the release of any finished batch, the QA Manager shall certify that production and quality assurance have been completed in accordance with all relevant requirements.
r. The QA Manager shall ensure that samples of starting materials and finished products are retained in sufficient number for one year past expiry date.

8. **Third-party Laboratory Testing**

Testing of Marijuana and Marijuana Products shall be performed by an independent testing laboratory in compliance with the *Protocol for Sampling and Analysis of Finished Medical Marijuana Products and Marijuana-Infused Products*, as amended in November, 2016, published by the Department of Public Health. Testing of environmental media (e.g., soils, solid growing media, and water) shall be performed in compliance with the *Protocol for Sampling and Analysis of Environmental Media for Massachusetts Registered Medical Marijuana Dispensaries* published by the Department of Public Health.

No marijuana may be sold or otherwise marketed for adult use that is not capable of being tested by Independent Testing Laboratory.

SCML will be contracting with and testing all products through ProVerde Labs, Inc. (PVL), a fully licensed Independent Testing Laboratory located in Milford, MA.

PVL precisely analyzes cannabis, cannabis concentrates, and cannabis-infused products using standardized testing methodologies. ProVerde employs gas chromatography to analyze CBD, THC^9, THCA, CBN, THCV, CBG, and CBC levels, as well as the general condition of cannabis products.

PVL will also provide testing of cannabis extracts and concentrates for Residual Organic Solvents, heavy metals, microbial contamination (mold, mildew, fungus, E. Coli, salmonella), and common

pesticides used in cannabis cultivation; analysis of terpene profiles; and overall potency of cannabis concentrates.

All transportation of marijuana to and from PVL shall comply with 935 CMR 500.105.

All excess marijuana shall be disposed in compliance with 935 CMR 500.105, either by PVL returning excess marijuana to SCML for disposal or by PVL disposing of it directly.

a. Overseeing Laboratory Testing of Marijuana and Marijuana Products

This procedure applies to all laboratory testing at SCML in support of product release.

The QA Manager or his designee shall coordinate laboratory testing of marijuana and marijuana products. The procedure will be as follows:

i. Complete the laboratory Chain of Custody form for each lot of product to be tested.

ii. In order to reduce the effect of sampling bias in qualitative and quantitative results, it is necessary to ensure that the composition of the laboratory sample used be representative of the lot to be examined:

1. Assure that the lot is mixed and homogenous;
2. Pull a minimum of 1-2 samples per container for laboratory testing. Pull 2-3 samples if the container is larger, or there is a possibility that the product is not homogenous.

iii. SCML's shall respond to laboratory results that indicate contaminant levels are above acceptable limits established in the CCC protocols identified in 935 CMR 500.160(1) by notifying the Cannabis Control Commission (the Commission) within 72 hours of any laboratory testing results indicating that the contamination cannot be remediated, and disposing of the production batch. Such notifications shall originate from both SCML and PVL, separately and directly. The notification from SCML shall describe a proposed plan of action for both the destruction of the contaminated product and the assessment of the source of contamination.

b. Documentation

i. The QA Manager will maintain a copy of the Chain of Custody form on file.

ii. When final results are received from ProVerde, they will be received into the designated system, compliant with the Commission's requirements, for

traceability.

iii. SCML shall maintain the results of all laboratory testing for no less than one (1) year.

iv. SCML shall provide documentation of its compliance, or lack thereof, with the testing requirements of 935 CMR 500.160.

9. **Disposition of Marijuana and Marijuana Products**

This section defines the procedure for the disposition of Marijuana and Marijuana Products.

This procedure applies to all product disposition at SCML.

(*Reference: 1 CFR Part 111 Current Good Manufacturing Practices in Manufacturing, Packaging, Labeling, or Holding for Dietary Supplements, Subpart F – Production and Process Control System: Requirements for Quality Assurance*)

a. Responsibilities

i. The QA Manager or his designee shall conduct a material review for the disposition of Marijuana and Marijuana Products.

b. Procedure

i. Product cannot move along in the process until predetermined QA testing requirements are met. Only the QA Manager or designee can release product through the QA tests to the next operation.

ii. Product that is undergoing laboratory testing is placed on QA Hold pending the results of the testing. During this time, the product is physically labeled as "QA Hold".

1. If testing is successful, the product status is changed to Release and the product can then be labeled as released for use.
2. If product fails the laboratory testing, the product shall be labeled as Rejected and will be moved to an airtight container to be stored in the Quarantine area of the vault pending destruction.

iii. Marijuana that is rejected, outdated, damaged, deteriorated, misbranded, or adulterated, or whose containers or packaging have been opened or breached shall be stored in an airtight container, labeled as rejected and stored in the Quarantine area of the vault until such marijuana can be destroyed.

iv. The QA Manager reserves the right to quarantine or reject marijuana or marijuana product at any phase of the growing operation in the case of a non-routine event that may adversely impact the marijuana or marijuana product. In this event, the following will occur:

1. The lot will be placed on a Quarantine hold, preventing any furthering processing of the lot;
2. The suspect material will be labeled with a sign to indicate that it is under Quarantine, and access to the material shall be limited;
3. A response team consisting of the QA Manager, COO, and any qualified designated agents thereof will:

    a. Document a Corrective Action to assess the root cause of the problem and implement a remedy for the situation;
    b. Document a verification of effectiveness to assess the impact of the Corrective Action;

4. Ultimately, the lot will be release or rejected at the discretion of the QA Manager.

10. **<u>Corrective and Preventive Actions</u>**

This section describes the process for conducting Corrective and Preventive Actions (CAPAs) at SCML.

This procedure applies to all CAPAs at SCML.

a. <u>Definitions</u>

i. <u>Investigation</u>: A systematic and thorough examination of evidence to determine the cause(s) for an observed condition; an investigation may be initiated as a result of an annual product review, audit observation, complaint, non-conformance, product return, recall or test failure.
ii. <u>Non-conformance</u>: Non-fulfillment of a specified requirement; includes the departure or absence of one or more quality characteristics, or quality system elements from specified requirements.
iii. <u>Corrective Action (CA)</u>: An action taken to eliminate the cause of an observed nonconformance.
iv. <u>Supplier Corrective Action Request (SCAR)</u>: An action taken against a supplier to eliminate the cause of an observed nonconformance.
v. <u>Preventive Action (PA):</u> An action taken to eliminate the cause of a potential non-conformance.

vi. Responsible Person: The QA Manager or his assigned person responsible for implementing a corrective action, or preventive action, and for updating the CAPA administrator on the status of each open item until it is closed.

vii. CAPA Administrator: The QA Manager or his designee, a representative of the Quality Department responsible for assigning each corrective action, supplier corrective action or preventive action to a responsible person, tracking these assignments to closure, and communicating commitment due dates to Responsible Persons.

b. Responsibilities

i. The QA Manager is responsible for:

1. Preparing and maintaining a logbook of CAPAs.
2. Assigning each CAPA a unique tracking number.
3. Reviewing all open CAPAs on a periodic basis.
4. Communicating and enforcing CAPA commitments assigned to department manager.s
5. Reviewing the evidence of completion of each CAPA, and closing out the CAPA in the logbook.

ii. When CAPAs are identified, the department manager or a designated individual is responsible for:

1. Filling out a CAPA Request.
2. Reporting the CAPA to the QA Manager.
3. Proposing appropriate CAPAs, including modifying or creating procedures or replacing/repairing equipment.
4. Planning and implementing CAPAs.
5. Verifying the effectiveness of CAPAs, and communicating this information to the QA Manager for final review and close-out.

c. Procedure

Corrective Actions

i. All CAPAs must be documented.

ii. Identify and document the root cause(s) of the CAPA using any of the tools described below:

1. Cause and Effect Chart (Fishbone Diagram): This chart demonstrates the causes of a particular event by arranging them into six major groups in order to identify the most likely root cause. These groups include the

measurement system, materials, methods, environment, manpower and machines.

2. Fault Tree Analysis: A failure analysis in which an undesired state of a system is analyzed using Boolean logic to combine a series of lower-level events. Since no system is perfect, dealing with subsystem fault is a necessity.
3. Five Whys: A tool that does not involve data segmentation, hypothesis testing, regression or other advanced statistical tools. By repeatedly asking "Why" (five is the rule of thumb), layers of the problem can be peeled away to determine the root cause of a problem.
4. Matrix Diagram: The matrix diagram shows the relationship between two, three or four groups of information. It can also give information about the relationships, such as strength, the roles played by various individuals or measurements. Six different shaped matrices are possible: L, T, Y, X, C and roof-shaped, depending on how many groups must be compared. A thorough description of each matrix type is described at: http://asq.org/learn-about-quality/new-management-planning-tools/overview/matrix-diagram.html.

iii. Propose and document Corrective Action on the CAPA form. Verify and document the effectiveness of the corrective action within a period of time that provides a high degree of assurance that the action was effective.

Supplier Corrective Actions (SCARs)

i. SCARs are documented using the same procedures as described above for Corrective Actions.

Preventive Actions

i. A Preventive Action is implemented to address a weakness in a management system that is not yet responsible for causing non-conforming product or service.
ii. Preventive Actions are documented on the same form as Corrective Actions and must comply with the rules required for Corrective Actions.

11. **Product Complaints**

This section defines the policy for documenting, investigating, and responding to product complaints.

This procedure applies to all product complaints reported to SCML.

a. Responsibilities

i. The COO is responsible for assuring that each complaint is logged in the Complaint Log, investigated for a root cause, and dispositioned.

b. Procedure

i. Upon becoming aware of a product complaint, the individual receiving the call will open the Customer Complaint Log located on the company's shared file server.
ii. The following information is taken:

1. Date that the complaint is filed;
2. Details involving the complaint (Note: If the complaint involves an Adverse Event, the Department of Consumer Protection must be contacted);
3. The name and contact information of the individual reporting the complaint;
4. The follow-up actions involving the complaint.

iii. If a root cause analysis is necessary, the complaint must be submitted to the CAPA system, and the CAPA ID number must be referenced in the Complaint Log.
iv. The Complaint Log is reviewed weekly to assure that complaints are closed within 30 days.

12. **Recall Procedure**

This section defines the policy for Recall Procedures.

a. Responsibilities

i. The COO is responsible for:

1. Assigning a Recall Project Coordinator, or otherwise executing the duties thereof. The QA Manager is also responsible for scheduling Mock Recalls;
2. Retrieving and reviewing all quality documentation associated with the recall, and submitting the documentation to the Recall Project Coordinator;
3. Retrieve retention samples of the lot, perform complete analysis on the retention samples, collect and review all laboratory paperwork, and submit results to Recall Project Coordinator;

4. Retrieve and review all paperwork regarding the packaging of the material in question, and submit all documentation to Recall Project Coordinator;
5. Designate a secured area to store the goods in question to be returned. The area is to be clearly segregated and properly marked as a quarantine area for the recalled product only.

ii. Recall Project Coordinator will:

1. Oversee the Recall, including reviewing all documentation associated with the recall, and communicating with the necessary regulatory bodies;
2. Compile a complete record of the recall, including the dates and times of important events in the recall process;
3. Close the Recall and file a Recall Report when concluded.

iii. The COO will retretive and review all documentation related to the manufacturing and packaging of the material in question, and will submit all documentation to the Recall Project Coordinator.

iv. The Facility Manager or another qualified designated agent will provide a detailed spreadsheet to the Recall Project Coordinator that lists each account the product in question was shipped to, the quantity shipped, dates shipped, transporter, and quantity remaining at SCML.

v. Recall Classes:

1. Class I Recalls are those where defects are life threatening or pose a serious risk to health.
2. Class II Recalls are those where defects could cause illness but not pose a serious health risk.
3. Class III Recalls are those in which there is no significant risk to health, but where the recall is justified for other reasons.

vi. Recall Levels:

1. Retail: Includes products being held by dispensaries.
2. Consumer/Public: Includes all products on the market, and currently possessed by consumers. This level is only used in cases where there is a significant risk of harm to the consumer or user.

vii. Procedure

1. The COO assigns a Recall Project Coordinator to oversee the recall, or otherwise assumes the duties thereof.
2. The Recall Project Coordinator assembles the Recall Team. The Recall Team consists of personnel who are responsible for the execution and coordination of the recall. The personnel involved should handle all aspects of the recall with appropriate urgency.
3. The Recall Team will determine the class and level of the recall based on the risks involved, and the Recall Project Coordinator will immediately inform the relevant authorities.
4. The Recall Team will determine the parties to be notified based on the recall level, and disseminate the product recall notices. This may involve using third parties to notify the public in the case of a consumer-level recall.
5. The Recall Team appoints responsible persons to coordinate and undertake the product recall and organize the return of the recalled product.
6. The Recall Team will determine the fate of the recalled product (destruction, rework, etc.)
7. Dissemination of Product Recall Notices:

    a. A Recall Notification Template shall be maintained in the company's designated file sharing system in the "Recall" folder.
    b. Retail Level: This level of recall applies to Class II and III recalls. All dispensaries will be identified and asked to provide contact information for product sales. This information will then be used to construct a distribution record. A Recall Notification will be sent to the dispensaries and individual patients to ensure the return of all recalled products. The Commission, and appropriate representatives thereof, will be copied on all correspondence.
    c. Consumer/Public Level: This level of recall applies to Class I recalls, in which there is a significant risk of harm to the consumers or users. In addition to the satisfying the requirements of the Retail level recall, the public will be warned by a media release that is intended to urgently alert the public via radio, television and the press. The Recall team is responsible for designating an individual to coordinate and oversee media efforts.

8. <u>Organization of Recalled Product</u>

    a. All stocks of the returned product need to be returned to a central area determined by the Recall Team.

b. As items are returned, the QA Manager or designee will record the name and address of the customer, the date returned, the batch number, expiration date, quantity returned, and the condition of the product.
c. All recalled product will be stored separately in a designated quarantine area of the warehouse in order to prevent mix-ups.
d. The Recall Team will prepare regular reports regarding the progress of the recall, including the reconciliation between the delivered and returned quantities.
e. The Commission will be updated regularly with the status of the recall by the COO.

9. Fate of the Recalled Product

a. All available records and information on the returned stock will be collected for evaluation of the recall situation.
b. A report on the condition of the affected stocks will be created by the Recall Project Coordinator and the Recall Team will determine the fate of the product.
c. A product may be reworked provided the returned product continues to meet appropriate standards, specifications and characteristics. For example, a mislabeled product may be reworked by correcting the labels if testing shows that the product continues to meet specifications.
d. The recalled product will be destroyed if the conditions of the product cast any doubt upon its safety, identity or quality. Proper destruction with appropriate precautions will be taken to ensure total elimination of affected products. The destruction will be carried out or witnessed by designated members of the Recall Team and/or by state officials as required by applicable laws and regulations. The destruction of product will be documented, including the date and quantity destroyed.

10. Mock Recalls

a. The QA Manager will schedule biennial mock recalls to ensure the effectiveness of the recall system.
b. A mock recall simulates an actual recall. The QA Manager will determine the parameters of the simulation and record the reports and outputs of the Recall Committee. Any problems detected during the mock recall will be documented and directed to the CAPA system for correction.

13. **Environmental Policy**

SCML 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 waste disposal, and to use additional best management practices as determined by the working group established under section 78(b) of chapter 55 of the acts of 2017 to reduce energy and water usage, engage in energy conservation and mitigate other environmental impacts. If minimum standards or best management practices are not established by the time of SCML's application for initial licensure, SCML shall satisfy such standards or best management practices as a condition of license renewal, in addition to any of the terms and conditions of any environmental permit regulating SCML's licensed activity.

Recordkeeping Procedures

Contents

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1. General Recordkeeping Policies

Supercritical Mass Labs, Inc. (SCML) records will be available for inspection by the Cannabis Control Commission (the Commission) upon request. SCML's records will be maintained in accordance with generally accepted accounting principles. SCML will maintain all records required in any section of 935 CMR 500.000, including the following:

a. Written operating procedures as required by 935 CMR 500.105(1);
b. Inventory records as required by 935 CMR 500.105(8);
c. Seed-to-sale tracking records for all marijuana products as required by 935 CMR 500.105(8)(e);
d. The following personnel records:

    i. Job descriptions for each employee and volunteer position, as well as organizational charts consistent with the job descriptions;
    ii. A personnel record for each marijuana establishment agent. Such records shall be maintained for at least 12 months after termination of the individual's affiliation with SCML and shall include, at a minimum, the following:

        1. All materials submitted to the Commission pursuant to 935 CMR 500.030(2);
        2. Documentation of verification and references;
        3. The job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision;
        4. Documentation of all required training, including training regarding privacy and confidentiality requirements, and the signed statement of the individual indicating the date, time, and place he or she received said training and the topics discussed, including the name and title of presenters;
        5. Documentation of periodic performance evaluations;

6. A record of any disciplinary action taken; and
7. Notice of completed responsible vendor and eight-hour related duty training.

iii. A staffing plan that will demonstrate accessible business hours and safe cultivation conditions;
iv. Personnel policies and procedures; and
v. All background check reports obtained in accordance with 935 CMR 500.030.

e. Business records, which shall include manual and/or computerized records of:

i. Assets and liabilities;
ii. Monetary transactions;
iii. Books of accounts, which shall include journals, ledgers, and supporting documents, agreements, checks, invoices, and vouchers;
iv. Sales records including the quantity, form, and cost of marijuana products; and
v. Salary and wages paid to each employee, stipend paid to each board member, and any executive compensation, bonus, benefit, or item of value paid to any individual affiliated with SCML.

f. Waste disposal records as required under 935 CMR 500.105(12); and
g. Following any closure of SCML, all records will be kept for at least two years at the expense of SCML and in a form and location acceptable to the Commission.

2. **Good Documentation Practices**

This section defines the procedure for Good Documentation Practices.

This procedure applies to all paper data and records used in the production, testing/release, packaging/storage, and shipment of SCML products.

a. Responsibilities

i. This procedure applies to all internal employees and consultants of SCML.

b. Procedure

i. Documentation Practices

1. All entries must be clear and legible.
2. All signature and initials entries should appear similar to the original entries found on the Good Documentation Practices Signature

Reference Sheet on file with the Quality Assurance Department (Appendix 2).

3. Never write-over existing text. Any written error must be crossed out with a single line through the error such that the original information is still legible. The crossed-out section must be initialed and dated by the originator. Corrections must be made adjacent to the deleted entry.
4. Do not scribble-out or erase entries.
5. Use of correction liquid or tape is prohibited.
6. Data may be attached to a notebook entry; however, it must be firmly attached using clear tape. Label, sign and date the attachment.
7. When portions of a document or a complete page remain unused, a single line must be drawn angularly across the unused portion. Initial and date the crossed out section and provide an explanation when necessary. This is not applicable to blank portions on pre-printed documents.
8. Use only black or blue permanent ink. The ink should not run or smear if the record is splashed with liquid.
9. Make the required entries on the record as the work is performed. Pre-dating, post-dating and backdating are prohibited. If a post entry is required, the entry must be noted with the current date and the entrant's initials.
10. Do not record information on a separate piece of paper and enter on the record later.
11. All planned and unplanned deviations from the approved procedure or testing/inspection plan, as described in this procedure, must have prior written approval from the Quality Manager and shall be documented.
12. Use correct rounding procedures and significant figures.
13. When a comment or explanation is required, make all statements objective. Avoid personal comments and opinions.
14. When dating a signature, use the current day the signature was signed.
15. If the activity being recorded occurs on more than one day, the record must clearly indicate where the "break" occurred. This can be accomplished by drawing a horizontal line through the procedure at the "break" and indicating the new date or making entries that are initiated and dated appropriately.
16. If a record becomes messy and extremely difficult to read, do not discard. The data can be transcribed to a new sheet, but it must be attached to the original record sheet. Provide an explanation for the transcription. Supervisor should sign and date the transcription.
17. The required format for dating a document is month/day/year.
18. The format for time shall follow military format/24 hour clock. Example: 1400

ii. Electronic Documents and Signatures

1. Individuals are responsible for actions initiated under their electronic signature.

3. **Records and Retains**

This section defines the procedure for the storage and handling of record and sample retention.

This procedure applies to all paper and electronic records at SCML used in the production of marijuana and marijuana products.

a. Responsibilities

i. All employees who are involved in the production of marijuana are responsible for following this procedure.

ii. The Quality Assurance Manager or his designee is responsible for:

1. Maintaining records of all marijuana produced or manufactured and of all disposed marijuana;
2. Auditing documentation and records for completeness and accuracy.

b. Procedure

i. Record Retain

1. SCML maintains production records and samples of finished goods, raw materials, and in-process materials in compliance with Federal and State regulations.
2. SCML Management shall securely maintain all records, logs, reports, inventories, and other documents in an auditable format for not less than two (2) years, unless otherwise specified in the Commission's regulations.
3. Records shall be kept as originals, as true copies, or as electronic records.
4. All electronic records must comply with Mass. General Laws Chapter 110G, Section 7 (Electronic signature; enforceability; satisfaction of legal requirements).

ii. Sample Retains

1. Sample retains of marijuana product are held in a manner that protects against contamination and deterioration.
2. Sample retains of marijuana product are held under conditions consistent with product labels or, if no storage conditions are recommended on the label, under ordinary storage conditions.
3. Sample retains of marijuana product are stored using the same container-closure system in which the packaged and labeled product is distributed.
4. Retain samples for destruction will be tracked using the electronic Product Return/Quarantine Log found on the (O:) drive.

    a. Stability and Retain products ready for disposal will be destroyed by incineration. A third-party waste disposal company approved by the Commission will be used for product incineration. Delivery of products for destruction by incineration will closely follow procedures for transportation of medical marijuana products.

iii. Documentation

1. Track Retain and Stability Inventory using the electronically maintained spreadsheet: Computer > Departmental Folders (O:) > Vault > Retain & Stability.
2. Retain samples are tracked using the Retain Summary Log by item #, description, lot # and quantity.

4. **<u>Document and Data Control</u>**

This section defines the procedure for document and data control.

This procedure applies to all employees of SCML who are involved in the production of Marijuana Products.

(*Reference: 21 CFR Part 111 Current Good Manufacturing Practices in Manufacturing, Packaging, Labeling, or Holding for Dietary Supplements, Subpart P – Records and Recordkeeping B.21 CFR Part 11 Electronic Records: Electronic Signatures*)

a. <u>Responsibilities</u>

i. All personnel are responsible for maintaining documents and records in compliance with current Good Manufacturing Practices (cGMPS).
ii. The Quality Assurance Manager is responsible for maintaining records and for reviewing logs.

iii. The Director of Security (DOS) is responsible for auditing documentation and records to assure that records are complete and accurate.

b. Procedure

i. Documents

1. SOPs

a. All documents required for the SCML Quality Management System (QMS) shall be controlled and their updated versions distributed. Uncontrolled documents will not be updated and distributed.
b. A Master List of SOPs shall be maintained by the Quality Assurance Manager.
c. SOPs shall be classified as follows:

i. Quality Assurance - QA
ii. Security - SC
iii. Building - BG
iv. Extraction and Infusion - LAB
v. Packaging - PG
vi. Marketing - MK

d. SOPs shall be maintained as described in Section 5 of this document, "Drafting and Revising Standard Operating Procedures."
e. SOPs shall be reviewed annually by the appropriate department head to assure the content is relevant and still suitable for their intended purpose.
f. The Quality Assurance Manager will coordinate SOP changes, assure SOP binders are updated, communicate the changes, and oversee training.

ii. Controlled Documents

1. Documents determined by SCML to be necessary for the planning and operation of the Quality Management System (QMS) will be identified and their distribution controlled using a Change Control number (CC).
2. Change Control documents will be tracked by the Quality Assurance Manager.

iii. Manufacturing batch records

1. Production batch records can be found electronically under: Computer > Departmental Folders (O:) > Production > Batch Records.
2. The Quality Assurance Manager or designee shall:

    a. Issue a copy of the batch record(s) with a completed cover sheet containing information such as the strain name, the batch number, and the quantity of each batch.
    b. Perform in-process and final disposition (QA Hold, Reject and Release) review of batch records.
    c. Release the lot by:

        i. Reviewing the batch records for accuracy and completeness;
        ii. Verifying brand specification results against laboratory test result data;
        iii. Verifying the certificate of analysis (COA) against the SPEC results.

3. The Chief Operating Officer or designee shall:

    a. Oversee completion of batch records by appropriate personnel.
    b. Verify all the operator's entries and initials/dates.

iv. Notebooks, logs, or datasheets

1. Notebooks, logs or datasheets used in support of product, raw material or component testing will be reviewed weekly or prior to product release by the department manager or designee.

v. Inventory Control of marijuana and marijuana products is described in "Inventory Procedures".

vi. Label control is described in "Quality Assurance and Testing Procedures".

vii. Record retention is described in Section (3.) above, "Records and Retains".

viii. Electronic Records

1. SCML follows a cGMP-compliant documentation system for marijuana production.

5. **Drafting and Revising Standard Operating Procedures**

This section specifies the process used to manage SCML's SOPs. This includes the creation, review, modification, implementing and archiving of SOPs.

This procedure applies to all internal documents and personnel who write them. It does not apply to documents written for external distribution.

a. Responsibilities

i. Department Managers shall be responsible for informing the QA Department when new SOPs or alterations to existing SOPs are required.

1. Department Managers shall be responsible for aiding in the drafting, review, and implementation of new SOPs.
2. Department Managers shall be responsible for performing annual reviews of their SOPs.
3. Department Managers shall be responsible for implementing the SOP by reviewing the procedures with the appropriate department members.

ii. The QA Department shall be responsible for preparing, reviewing, and editing SOPs.

1. The QA Department will be responsible for maintaining the SOP binder and historical SOPs.

iii. The QA Manager shall be responsible for overseeing the creation, review, modification, implementation and archiving of SOPs.

b. Procedure for Formatting SOPs

i. All SOPs shall use the format described in this document.
ii. The SOP first page uses the "First Page Header" show in Appendix I of this document. Successive pages shall use the "Successive Page Header" shown in Appendix I of this document.
iii. Information presented in an SOP should be concise and unambiguous. SOPs should be written in active voice and present tense whenever possible.
iv. The SOP shall include the following sections:

1. Title - The SOP title should briefly describe the procedure. SOP Titles are written in 12 point Calibri bold.

2. The body of the document is broken into multiple sections, which are described in detail below.

    a. Top-level Section Headers are written in 12 point Calibri bold, the body of each section is written in 11 point Calibri.
    b. The use of bold and italic fonts should be minimized throughout the SOP.

3. Purpose - The purpose statement identifies the goal of the SOP. It answers the question of why the SOP is being written. For example, "The purpose of this Standard Operating Procedure (SOP) is to specify the processes used to draft. This includes the creation, training, review, modification, and archiving of SOPs."
4. Scope - The scope of the SOP identifies who needs to follow the procedure and what the procedure covers and does not cover. For example, "This procedure applies to all internal procedures and the personnel who write them. It does not apply to documents written for external distribution."
5. Responsibilities - Roles are listed and defined for tasks in the procedure where required. Include the responsibilities for each role.
6. Reference and related documents (as needed) - All other SOPs, documents, or government publications that are directly referenced in the SOP must be listed in this section. This section may include safety references as well. Include any job aids or work instructions that might be used to execute the task in the procedure.
7. Definitions (as needed) - This section may be used as a glossary, or to define any acronyms or abbreviations that are used in the procedure.
8. Procedure section(s) - This section methodically describes how to perform the task or process covered in the procedure. It is important to include enough detail to guide the user through the process, but not so much detail that the user is boxed in by the procedure.
9. History - The History section includes a table of all document revisions, including the date of revision, the author of the revision, and a summary of what revisions were made. A sample History section is provided in Appendix I.

v. <u>Procedure for Creating or Revising an SOP</u>

1. The QA Manager or designee shall be informed of the need for a new SOP or a change to an existing SOP.
2. The QA Manager or designee will review the procedure and determine a step-by-step task list of the process, determining who is responsible for each activity.

3. Each activity will be evaluated for efficiency, compliance with regulatory and customer requirements.
4. The first draft of the SOP is then completed. The SOP shall be reviewed by appropriate staff, including at a minimum: the requesting manager, the managers of all other departments affected by the change, and the QA Manager.
5. All comments and revisions shall be evaluated and included in the final version as appropriate. Successive drafts may be required to determine the final text of the SOP; these drafts shall be reviewed in the same way as the first draft.
6. The final version is completed. It shall be signed by the Author, one of the reviewers, and the QA Manager.
7. Copies of the SOP will be distributed to Managers of affected departments.
8. The original, signed copy of the SOP shall be stored in the appropriate SOP binder. The SOP Master List will be updated to include the new or revised SOPs.

vi. Obsolete SOPs

1. Any SOP determined to be obsolete shall be removed from the SOP binders.
2. Department Managers will be required to remove any obsolete SOPs from their departmental binders.
3. The original copy of the obsolete SOP shall be stamped with the "OBSOLETE" stamp in red ink across all of the pages of the SOP, and will be stored in the SOP History binders. Within the shared (O:) drive, the Obsolete SOPs shall be moved to the Obsolete folder located within the Quality Assurance Folder.
4. Any obsolete SOPs will be held for a minimum of ten years.

vii. Maintaining SOPs

1. SOPs shall be maintained in binders. Binders may be distributed to department managers as needed for their individual departments.
2. Each binder will have a Table of Contents.
3. SOPs are also stored on the network using a naming convention that clearly defines the title and revision of the SOP.

viii. Procedure for Creating or Revising Work Instructions

1. Work instructions are written in the same manner as SOPs, but describe a more detailed or specific procedure.

Appendix 1.

First Page Header

Company Logo

Title	SOP Number:	Effective Date:
	Page 1 of #	
Author: Date:	Reviewer: Date:	QA Approval Signature: Date:

Successive Page Header

Title	SOP Number:	Effective Date:
	Page 1 of #	

Sample Revision History Section

Date	Changed by	Change
6/20/19	CB	1. Created
6/21/19	PL	1. Edited Procedure Section 2. Edited Formatting Section

Appendix 2.

Signature Reference Sheet

Printed Name	Signature	Initials

Restricting Access to Age 21 and Older

Contents

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1. Distribution Policy

Supercritical Mass Laboratories, Inc. (SCML) will act as a strictly business-to-business wholesaler of cannabis extracts, infused products, distillate, and other products it elects to produce within the limits of its licence type, and will not sell or otherwise dispense any product(s) directly to medical marijuana patients or adult-use consumers. It is SCML's policy to thoroughly vet all prospective partner and client businesses (i.e., Cultivators, other Product Manufacturers, Transporters, and Retailers) to ensure compliance with all state and local laws and regulations, and to verify that all individuals employed by prospective partners and clients are registered marijuana establishment agents (and therefore are at least 21 years of age).

2. Restricting Access to Age 21 and Older

a. General

i. All individuals seeking access to SCML premises or to whom marijuana products are being transported pursuant to 935 CMR 500.105(13) shall be positively identified to limit access solely to individuals 21 years of age or older.

ii. Before being granted access to the SCML facility, all authorized visitors and registered agents will enter the secure entrance lobby to complete check-in procedures described below and be granted an identification badge.

iii. A camera with date/time stamp shall be placed to clearly capture the appearance of all persons entering the lobby area.

b. Authorized Visitor Access Protocol

i. Upon entering SCML's secure entrance lobby, all authorized visitors (i.e., outside vendors, contractors and visitors pursuant to 935 CMR 500.110(4)(e)) must present one of the following forms of identification containing a photograph

and date of birth: driver's license, government-issued ID card, military identification card, or a passport.

ii. Authorized visitors will be required to sign in and sign out of the SCML facility. This record will include the authorized visitor's name, address, organization or firm, date, time in and out, and the name of the authorized agent who will be escorting the visitor.

iii. Authorized visitors will be issued a Visitor Badge by an authorized SCML registered agent and will be escorted by an authorized SCML agent at all times.

iv. Agents will be notified when an authorized visitor is entering a Limited Access Area.

v. Authorized visitors are prohibited from remaining on the premises once the purpose of their visit has been completed; all visitors will depart through the same secure entry lobby.

c. Registered Agent Access Protocol

i. Upon entering the secure lobby area all SCML agents will check-in, in order to acquire identification badges and enter Limited Access Areas.

ii. Employees must don identification badge before accessing SCML Limited Access Areas, and the time of their arrival shall be noted.

iii. Each SCML employee shall have a set daily time period to be on site, in keeping with their typical work hours, and any deviation from these set time periods shall be noted.

Separating Recreational from Medical Operations

Maintaining Virtual Separation

Supercritical Mass Laboratories, Inc. (SCML) will rely on the Cannabis Control Commission-approved seed-to-sale tracking program and robust real-time inventory tracking procedures in order to maintain strict virtual separation between marijuana and marijuana products intended for medical use versus recreational adult use.

Marijuana that is to be processed into medical-use marijuana products will be labeled and assigned lot and serial numbers that clearly distinguish such material from marijuana intended for adult-use products (which is also labeled and numbered accordingly). This careful tracking allows SCML to maintain virtual separation between medical and recreational marijuana beginning with receipt as raw material at the SCML facility, through extraction and processing, and finally to transportation and delivery as final product at a receiving marijuana establishment.

Plan for Positive Impact

Overview

SCML is dedicated to serving and supporting populations falling within areas of disproportionate impact, which the Commission has identified as the following:

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

To support such populations, SCML has created the following Plan to Positively Impact Areas of Disproportionate Impact (the "Plan") and has identified and created goals/programs to positively impact past or present residents of the areas of disproportionate impact defined by the Commission, Massachusetts residents who have past drug convictions, and Massachusetts residents with parents or spouses who have drug convictions. Specifically, SCML will focus these efforts locally, on the Worcester census tracts that qualify as areas of disproportionate impact and the nearby Town of Spencer.

Goals

In order for SCML to positively impact past or present residents of the areas of disproportionate impact as defined by the Commission, SCML has established the following goals:

- Reducing Barriers to Entry
  SCML will work to reduce barriers to entry in the commercial adult-use cannabis industry for past or present residents of the areas of disproportionate impact as defined by the Commission, Massachusetts residents who have past drug convictions, and Massachusetts residents with parents or spouses who have drug convictions. SCML shall hire 30% of its staff that are included among these populations.

- Mentoring, Educational and Training Opportunities
  SCML will provide free quarterly mentoring, professional, technical, and training opportunities to residents of areas of disproportionate impact as defined by the Commission.

- Supporting Positive Endeavors in Impacted Communities
  SCML will establish a biannual "clean-up" initiative focused on positively impacting the Worcester census tracts defined as areas of disproportionate impact.

Programs

SCML has developed specific programs to effectuate its stated goals to positively impact past or present residents of the geographic "areas of disproportionate impact" which have been defined by the

Commission and identified in its Guidance for Identifying Areas of Disproportionate Impact. Such programs will include the following:

- Reducing Barriers to Entry
  To support our goal of reducing barriers to entry in the commercial adult-use cannabis industry for past and present residents of areas of disproportionate, Massachusetts residents who have past drug convictions, and Massachusetts residents with parents or spouses who have drug convictions impact, SCML will give hiring preference to individuals included among these populations. SCML will specifically target the Town of Spencer and the census-defined areas of disproportionate impact in the City of Worcester by advertising its employment opportunities, whenever available, monthly in the local newspaper, the *Worcester Telegram*, stating that SCML is specifically looking for MA residents of areas of disproportionate impact, Massachusetts residents who have past drug convictions, and Massachusetts residents with parents or spouses who have drug convictions.

- Mentoring, Educational and Training Opportunities
  To support our goal of providing free quarterly mentoring, professional, technical, and training opportunities to residents of areas of disproportionate impact SCML will conduct at least 4 (one per quarter), two-hour industry-specific educational seminars annually on the topics of marijuana cultivation, marijuana product manufacturing, marijuana retailing, and/or marijuana business training. These seminars/trainings will be free, open to the public, and held in local areas of disproportionate impact, specifically the Town of Spencer and the census-defined areas of disproportionate impact in the City of Worcester, on a rotating basis. SCML will also use these seminars to promote its own employment opportunities to the diverse populations in attendance.

- Supporting Positive Endeavors in Impacted Communities
  To support its goal of furthering positive endeavors in disproportionately impacted communities, SCML will establish a "clean-up" initiative in local areas of disproportionate impact. SCML will conduct biannual, three-hour "clean-ups" on a rotating basis within the census-defined areas of disproportionate impact in the City of Worcester.

Measurements

The President and the Chief Operating Officer (COO) will administer SCML's Plan to Positively Impact Areas of Disproportionate Impact (the "Plan"). Both will be responsible for developing measurable outcomes and ensuring that SCML continues to meet its commitments. Such measurable outcomes, in accordance with SCML's goals and programs described above, include:

- Reducing Barriers to Entry
  SCML will track and record:The number of employees it hires, retains, and promotes hailing from the local disproportionately impacted communities, and/or who are Massachusetts residents who have past drug convictions or Massachusetts residents with parents or spouses

who have drug convictions. This number will be assessed from the total number of individuals hired to ensure that 30% of all individuals hired fall within this goal;
    - Its employment advertising and promotional efforts in these areas, including all finances dedicated to this purpose, in order to measure the efficacy of outreach to the aforementioned communities of disproportionate impact.

- Mentoring, Educational and Training Opportunities
  SCML will track and record:
    - The number, location (i.e., the specific local area of disproportionate impact), attendance, and subject matter of the industry-specific educational seminars/trainings it conducts on the topics of marijuana cultivation, marijuana product manufacturing, marijuana retailing, and marijuana business training;
    - The number of postings made in general publications circulating in local areas of disproportionate impact promoting these seminars/trainings, and will retain supporting documentation, including records of all finances dedicated to this purpose.

- Supporting Positive Endeavors in Impacted Communities - SCML will record the number, date, location, and attendance of each "cleanup" initiative that it hosts in order to record that it has hosted at least two initiatives per year, as well as the finances and cumulative employee hours dedicated to these clean-up events

The COO will review and evaluate SCML's measurable outcomes no less than quarterly to ensure that SCML is meeting its commitments. SCML is mindful that demonstration of the Plan's progress and success will be submitted to the Commission upon renewal.

In the event that SCML is not meeting its commitments, SCML will conduct a thorough review of any program that is not effectuating the company's stated goals, identify actionable methods for improving or otherwise revising/remedying the program(s), and carefully monitor the outcomes of the applied changes.

Acknowledgments

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

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