



Massachusetts Cannabis Control Commission

Public Record Request

Marijuana Retailer

General Information:

License Number: MR281950

Original Issued Date: 01/23/2019

Issued Date: 01/16/2020

Expiration Date: 01/23/2021

Payment Received: \$5000 Payment Required: \$10000

ABOUT THE MARIJUANA ESTABLISHMENT

Business Legal Name: Sanctuary Medicinals, Inc.

Federal Tax Identification Number EIN/TIN: [REDACTED]

Phone Number: 646-573-3462 Email Address: jweaver@sanctuarymed.com

Business Address 1: 1351 Beacon Street

Business Address 2:

Business City: Brookline Business State: MA

Business Zip Code: 02446

Mailing Address 1: 234 Taylor Street

Mailing Address 2:

Mailing City: Littleton Mailing State: MA

Mailing Zip Code: 01460

CERTIFIED DISADVANTAGED BUSINESS ENTERPRISES (DBES)

Certified Disadvantaged Business Enterprises (DBEs): Not a DBE

PRIORITY APPLICANT

Priority Applicant: yes

Priority Applicant Type: RMD Priority

Economic Empowerment Applicant Certification Number:

RMD Priority Certification Number: RPA201958

RMD INFORMATION

Name of RMD: Sanctuary Medicinals, Inc.

Department of Public Health RMD Registration Number: 030

Operational and Registration Status: Obtained Final Certificate of Registration, but is not open for business in Massachusetts

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

If no, describe the circumstances below:

PERSONS WITH DIRECT OR INDIRECT AUTHORITY

Person with Direct or Indirect Authority 1

Percentage Of Ownership: Percentage Of Control: 33.33

Role: Executive / Officer Other Role: President, Director, Treasurer, CEO

First Name: Jason Middle Name: Last Name: Sidman Suffix:

Gender: Male User Defined Gender:

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

Specify Race or Ethnicity:

Person with Direct or Indirect Authority 2

Percentage Of Ownership: Percentage Of Control: 33.33

Role: Director Other Role: Secretary, Director

First Name: Michael Middle Name: Last Name: Wilmoth Suffix:

Gender: Male User Defined Gender:

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

Specify Race or Ethnicity:

Person with Direct or Indirect Authority 3

Percentage Of Ownership: Percentage Of Control: 33.33

Role: Director Other Role:

First Name: David Middle Name: Last Name: Syrek Suffix: MD

Gender: Male User Defined Gender:

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

Specify Race or Ethnicity:

ENTITIES WITH DIRECT OR INDIRECT AUTHORITY

Entity with Direct or Indirect Authority 1

Percentage of Control: 60 Percentage of Ownership: 60

Entity Legal Name: Premier Healthcare Group LLC Entity DBA: DBA City:

Entity Description: Investment Entity

Foreign Subsidiary Narrative:

Entity Phone: Entity Email: Entity Website:

Entity Address 1: Entity Address 2:

Entity City: Entity State: Entity Zip Code:

Entity Mailing Address 1: Entity Mailing Address 2:

Entity Mailing City: Entity Mailing State: Entity Mailing Zip Code:

Relationship Description: Premier Healthcare Group is the investment entity of Sanctuary Medicinals, Inc.

Entity with Direct or Indirect Authority 2

Percentage of Control: 40 Percentage of Ownership: 40

Entity Legal Name: PHG, LLC Entity DBA: DBA City:

Entity Description: Managing Entity

Foreign Subsidiary Narrative:

Entity Phone: Entity Email: Entity Website:

Entity Address 1:		Entity Address 2:
Entity City:	Entity State:	Entity Zip Code:
Entity Mailing Address 1:		Entity Mailing Address 2:
Entity Mailing City:	Entity Mailing State:	Entity Mailing Zip Code:
Relationship Description: PHG, LLC is the managing entity of Premier Healthcare Group LLC.		

CLOSE ASSOCIATES AND MEMBERS

Close Associates or Member 1

First Name: Michael	Middle Name:	Last Name: Allen	Suffix:
Describe the nature of the relationship this person has with the Marijuana Establishment: Chief of Security			

Close Associates or Member 2

First Name: David	Middle Name:	Last Name: Syrek	Suffix: MD
Describe the nature of the relationship this person has with the Marijuana Establishment: Director			

Close Associates or Member 3

First Name: Michael	Middle Name:	Last Name: Wilmoth	Suffix:
Describe the nature of the relationship this person has with the Marijuana Establishment: Director			

Close Associates or Member 4

First Name: Nicholas	Middle Name:	Last Name: Satmary	Suffix:
Describe the nature of the relationship this person has with the Marijuana Establishment: Director of Cultivation			

Close Associates or Member 5

First Name: Joshua	Middle Name:	Last Name: Weaver	Suffix:
Describe the nature of the relationship this person has with the Marijuana Establishment: Chief Financial Officer			

Close Associates or Member 6

First Name: Jason	Middle Name:	Last Name: Sidman	Suffix:
Describe the nature of the relationship this person has with the Marijuana Establishment: Chief Executive Officer, Director, President, Treasurer			

CAPITAL RESOURCES - INDIVIDUALS

No records found

CAPITAL RESOURCES - ENTITIES

Entity Contributing Capital 1

Entity Legal Name: Premier Healthcare Group, LLC		Entity DBA:	
Email: jweaver@sanctuaryatc.org	Phone: 646-573-3462		
Address 1: 234 Taylor Street		Address 2:	
City: Littleton	State: MA	Zip Code: 01460	
Types of Capital: Monetary/Equity, Debt	Other Type of Capital:	Total Value of Capital Provided: \$11000000	Percentage of Initial Capital: 100
Capital Attestation: Yes			

BUSINESS INTERESTS IN OTHER STATES OR COUNTRIES

No records found

DISCLOSURE OF INDIVIDUAL INTERESTS

Individual 1

First Name: Jason	Middle Name:	Last Name: Sidman	Suffix:
Marijuana Establishment Name: Sanctuary ATC		Business Type: Other	
Marijuana Establishment City: Rochester, Plymouth - Vertically Integrated Operator		Marijuana Establishment State: NH	

Individual 2

First Name: Joshua	Middle Name:	Last Name: Weaver	Suffix:
Marijuana Establishment Name: Sanctuary ATC		Business Type: Other	
Marijuana Establishment City: Rochester, Plymouth - Vertically Integrated Operator		Marijuana Establishment State: NH	

MARIJUANA ESTABLISHMENT PROPERTY DETAILS

Establishment Address 1: 1351 Beacon Street	
Establishment Address 2:	
Establishment City: Brookline	Establishment Zip Code: 02446
Approximate square footage of the establishment: 4997	How many abutters does this property have?: 157
Have all property abutters been notified of the intent to open a Marijuana Establishment at this address?: Yes	

HOST COMMUNITY INFORMATION

Host Community Documentation:

Document Category	Document Name	Type	ID	Upload Date
Plan to Remain Compliant with Local Zoning	CCC.Plan to Remain Compliant With Local Zoning Brookline.pdf	pdf	5bbb5b502f2ea102ad5b7af9	10/08/2018
Community Outreach Meeting Documentation	CCC.Brookline Community Meeting.pdf	pdf	5bbf4a1748682102a3cf62f1	10/11/2018
Certification of Host Community Agreement	CCC.Brookline HCA Verification.PDF	pdf	5bda0c4fbcba00d7d74a5e1	10/31/2018

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.: \$0.01

PLAN FOR POSITIVE IMPACT

Plan to Positively Impact Areas of Disproportionate Impact:

Document Category	Document Name	Type	ID	Upload Date
Plan for Positive Impact	CCC.Plan to Positively Impact Areas of Disproportionate Impact.pdf	pdf	5bbb5d87a18c210c3243116d	10/08/2018

ADDITIONAL INFORMATION NOTIFICATION

Notification: I understand

INDIVIDUAL BACKGROUND INFORMATION

Individual Background Information 1

Role:	Other Role:
First Name: Jason	Middle Name: Last Name: Sidman Suffix:
RMD Association: RMD Manager	

Background Question: no

Individual Background Information 2

Role: Other Role:

First Name: Michael Middle Name: Last Name: Wilmoth Suffix:

RMD Association: RMD Staff

Background Question: no

Individual Background Information 3

Role: Other Role:

First Name: David Middle Name: Last Name: Syrek Suffix:

RMD Association: RMD Staff

Background Question: no

Individual Background Information 4

Role: Other Role:

First Name: Joshua Middle Name: Last Name: Weaver Suffix:

RMD Association: RMD Manager

Background Question: no

Individual Background Information 5

Role: Other Role:

First Name: Nicholas Middle Name: Last Name: Satmary Suffix:

RMD Association: RMD Manager

Background Question: no

Individual Background Information 6

Role: Other Role:

First Name: Michael Middle Name: Last Name: Allen Suffix:

RMD Association: RMD Manager

Background Question: no

ENTITY BACKGROUND CHECK INFORMATION

Entity Background Check Information 1

Role: Investor/Contributor Other Role: Investment Entity

Entity Legal Name: Premier Healthcare Group LLC

Entity DBA:

Federal Tax Identification Number EIN/TIN:

Entity Description: Investment Entity

Phone: 646-573-3462

Email: jweaver@sanctuarymed.com

Primary Business Address 1: 125 Summer Street

Primary Business Address 2:

Primary Business City: Boston

Primary Business State:

Principal Business Zip Code:

MA

02110

Additional Information: Premier Healthcare Group LLC is the investment entity of Sanctuary Medicinals, Inc.

Entity Background Check Information 2

Role: Other (specify)

Other Role: Managing Entity

Entity Legal Name: PHG, LLC

Entity DBA:

Federal Tax Identification Number EIN/TIN:



Entity Description: Managing Entity

Phone: 646-573-3462

Email: jweaver@sanctuarymed.com

Primary Business Address 1: 125 Summer Street

Primary Business Address 2:

Primary Business City: Boston

Primary Business State:

Principal Business Zip Code:

MA

02110

Additional Information: PHG, LLC is the managing entity of Premier Healthcare Group LLC

MASSACHUSETTS BUSINESS REGISTRATION

Required Business Documentation:

Document Category	Document Name	Type	ID	Upload Date
Department of Revenue - Certificate of Good standing	SM- Cert of GS (DOR).pdf	pdf	5bbb6809658c0f0c3ca79c75	10/08/2018
Articles of Organization	CCC.ArticlesOfOrg.pdf	pdf	5bbb682a3fbe330c461d13cb	10/08/2018
Bylaws	CCC.Bylaws.pdf	pdf	5bbb68362d28790c50080a73	10/08/2018
Secretary of Commonwealth - Certificate of Good Standing	CCC. Cert of GS (SOS).pdf	pdf	5bbb6872629ac50c14735537	10/08/2018

Certificates of Good Standing:

Document Category	Document Name	Type	ID	Upload Date
Department of Revenue - Certificate of Good standing	SM.CertofGS.DofR.pdf	pdf	5dd2a78f9c1081532b9a5940	11/18/2019
Department of Unemployment Assistance - Certificate of Good standing	SM.CertofGS.Unemp.pdf	pdf	5dd2a823fd468857b99bc7ca	11/18/2019
Secretary of Commonwealth - Certificate of Good Standing	SM.CertofGS.SecofCom.pdf	pdf	5dd2a86a7aad8653363bd438	11/18/2019

Massachusetts Business Identification Number: 001335444

Doing-Business-As Name:

DBA Registration City:

BUSINESS PLAN

Business Plan Documentation:

Document Category	Document Name	Type	ID	Upload Date
Plan for Liability Insurance	CCC.Insurance.pdf	pdf	5bbb6910658c0f0c3ca79c79	10/08/2018
Business Plan	CCC.MOP.BusinessPlan.Brookline.pdf	pdf	5bbb6afa629ac50c1473553b	10/08/2018
Proposed Timeline	Sanctuary_Updated Timeline_1.6.20.pdf	pdf	5e13742def24345344e5093e	01/06/2020

OPERATING POLICIES AND PROCEDURES

Policies and Procedures Documentation:

Document Category	Document Name	Type	ID	Upload Date
Qualifications and training	CCC.Qualifications and Training.pdf	pdf	5bbb6c4fa5b0140c1e4b8ebe	10/08/2018
Diversity plan	CCC.Diversity Plan.pdf	pdf	5bbb6c62f70a1a0c28f75b50	10/08/2018

Maintaining of financial records	CCC.Maintaining of Financial Records.pdf	pdf	5bbb6c85658c0f0c3ca79c7f	10/08/2018
Record Keeping procedures	CCC.Recordkeeping Procedures.pdf	pdf	5bbb6c9c3fbe330c461d13d3	10/08/2018
Dispensing procedures	CCC.Dispensing Procedures.pdf	pdf	5bbb6cb02d28790c50080a7b	10/08/2018
Quality control and testing	CCC.Quality Control and Testing.pdf	pdf	5bbb6cc5c4bce20c0e8e152c	10/08/2018
Inventory procedures	CCC.Inventory Procedures.pdf	pdf	5bbb6cd5629ac50c14735541	10/08/2018
Transportation of marijuana	CCC.Transportation of Marijuana.pdf	pdf	5bbb6ceaa5b0140c1e4b8ec2	10/08/2018
Storage of marijuana	CCC.Storage of Marijuana.pdf	pdf	5bbb6cfaf70a1a0c28f75b54	10/08/2018
Prevention of diversion	CCC.Prevention of Diversion.pdf	pdf	5bbb6d07a18c210c3243118e	10/08/2018
Restricting Access to age 21 and older	CCC.Plan for Restricting Access to Age 21 and Older.pdf	pdf	5bbb6d19658c0f0c3ca79c83	10/08/2018
Plan for obtaining marijuana or marijuana products	CCC.Plan for Obtaining Marijuana or Marijuana Products.pdf	pdf	5bbb6d4e3fbe330c461d13d7	10/08/2018
Security plan	CCC.Security Plan Retail.Brookline.pdf	pdf	5bbb6eb63fbe330c461d13db	10/08/2018
Personnel policies including background checks	Sanctuary_Personnel Polices_Retailer.pdf	pdf	5bbb6f1bf70a1a0c28f75b5c	10/08/2018
Separating recreational from medical operations, if applicable	CCC.Plan for Separating Recreational from Medical Operations.Brookline.pdf	pdf	5bbf4c044253fa027574f0c1	10/11/2018

MARIJUANA RETAILER SPECIFIC REQUIREMENTS

No documents uploaded

No documents uploaded

ATTESTATIONS

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

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

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

Notification: I Understand

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

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

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

ADDITIONAL INFORMATION NOTIFICATION

Notification: I Understand

COMPLIANCE WITH POSITIVE IMPACT PLAN

Progress or Success Goal 1

Description of Progress or Success: a. Sanctuary Medicinals, Inc. (the "Company") will be a long-term member and good neighbor in the communities it serves, and with that, the Company is focused on developing a guided pathway that can positively address the long-term needs of those who have been disproportionately impacted by the war on drugs, specifically in Fitchburg and Commission-identified census designated tracts in Lowell (the "Target Communities"). While the Company is still in its start-up phase, it is beginning to execute a plan that has the potential to change the lives of many who have been disproportionately impacted by the war on drugs. Part of the plan includes conducting industry-specific educational seminars in one or more of the following areas: marijuana cultivation, product manufacturing, retail, or business training. The Company is in the process of developing a cannabis certificate/micro-credential program with Mount Wachusett Community College ("MWCC"). In the future, the goal is for credits earned in this program to be stackable towards a credit degree-track. MWCC originally approached the Company's CEO, Jason Sidman, late last year for exploratory conversations with regard to the development of a certificate/credential program. During these exploratory conversations, both parties agreed to speak again in the summer of 2019 after the Company was operational. MWCC re-engaged with the Company this past summer to further develop the proposed cannabis certificate/micro-credential program. Parts of this program are projected to begin running in the Spring Semester (January 2020), and the full program to be operational by Summer 2020.

When implementing this program, MWCC will ensure that all students attending these programs are 21 years of age or older during the enrollment process. The enrollment process will also capture applicants' residences over the past ten years and an attestation as to the accuracy of those claims in order to evidence and capture data about program participants and the number of participants from the Target Communities. Syllabi will be created for hands-on skill-set development training at the Company's grow facility and dispensary facilities. Syllabi topics will include propagation and cultivation, whole plant curing, drying and processing, active compound extraction, product & food manufacturing, sanitation, inventory control and seed to sale regulatory requirements, retail dispensing, and soft-skills development including customer and patient interface. Syllabi will also be developed for on-campus courses including but not limited to cannabis business development, product identification and specification, delivery systems, dosing, cannabinoids and terpenes, dispensary management, substance abuse and, soft-skills development. The outcome will be a workforce-ready graduate who can seamlessly integrate into the burgeoning cannabis industry as a career path, delivering a sustainable quality of life for individuals and families alike.

Progress or Success Goal 2

Description of Progress or Success: b. Donate to the Social Equity Training and Technical Assistance Fund. The Company is establishing a scholarship fund with a working title of "Ready-SET-Go" (SET = Social Equity Training) to address tuition and other college-related needs of those underserved individuals in the Target Communities who want to enroll in MWCC's cannabis certificate/micro-credential program in order to jump-start a career into the cannabis workplace, but who lack the financial capabilities to do so. Ready-SET-Go will be seeded annually by the Company with an initial placeholder of \$5,000 for the sole purpose of granting scholarships with a specific focus on those incarcerated for low-level cannabis offenses. The Ready-Set-Go account will increase over time as the Company will continue to increase the dollar amount. Additionally, the Company will look to its vendors and other professional business relationships to make donations to the Ready-SET-Go scholarship fund, with the goal of increasing the fund's annual giving capabilities. The Company will thoroughly vet scholarship applicants to ensure that they are 21 years of age or older and will also verify that the applying students are past/present residents of the Target Communities.

Provide financial mentoring services or host organizations that provide these services. Part of the MWCC curriculum specifics will include a focus on the financials of a cannabis business. This will include but not be limited to business plan development, revenue & expense projections, reading and understanding a P&L, determining per unit costs for food and non-food products, budgetary forecasts and basic accounting principles. Additionally, and as part of the MWCC's program, the Company will offer one-on-one industry advisement and mentoring support with students doing their internships at the Company on a wide range of subjects and as part of the students' guided pathway towards funding opportunities and business ownership. The Company will thoroughly vet internship applicants to ensure that they are 21 years of age or older prior to being offered the internship.

Hold monthly informational sessions regarding the process for sealing and expunging criminal records. MWCC has in-depth experience in this area. The Company has stated to MWCC that the Company fully supports assisting in informational sessions and will be using its marketing resources to promote these College-driven pathways. The Company will ensure that all students attending these information sessions are 21 years of age or older and will ensure that any marketing and advertising related to the program will not implicate or violate 935 CMR 500.105(4)(a)(2).

Partner with and support organizations that provide jail diversion and restorative justice programs. Once MWCC and the Company's collaboration is operational, the Company will create a "From Incarceration to Cannabis Industry" program to allow non-felons access to the cannabis industry through the programs offered by the MWCC and the Company. These candidates will be given preferential treatment for scholarship assistance and job placement within

the Company's network, upon satisfactory completion of their course studies. The Company will ensure that all students attending these programs are 21 years of age or older and will ensure that any marketing and advertising related to the program will not implicate or violate 935 CMR 500.105(4)(a)(2). Additionally, the Company has been and continues to be an advocate for the MORE Act (s.2227 - 116 Congress (2019-2020)), as it is the first piece of federal legislation that would establish social equity programs for cannabis entrepreneurs, and it would enact wholesale expungements of prior low-level cannabis offenses for federal convicts. Additionally, convicts currently serving time in federal prisons for cannabis violations would also receive reductions to their sentences.

Institute hiring practices that prioritize the hiring of individuals from disproportionately impacted areas. The Company will be working closely with MWCC's Career Services Program to utilize its wide range of employee search tools and resources in identifying and supporting the hiring of individuals from the Target Communities. The Company has made plans to access MWCC's On-Campus Recruiting, Job Fairs, Job Post Board, and assist in the development of its online Career Coach specifically for the cannabis industry. The Company is also planning on hosting a career fair, bi-annually, at its cultivation and product manufacturing facility. These job-specific fairs will include tours of the facility. MWCC staff will work closely with the Company's HR department to ensure the objective of hiring individuals from the Target Communities is met and data is maintained to track the success of this program. The Company will work closely with MWCC to ensure that recruitment efforts are directed at students that are 21 years of age or older. Additionally, pop-up and planned job fairs will be held in the Target Communities. The first job fair took place in Coggshall Park, Fitchburg on August 27th from 2:00 to 5:00 PM.

Progress or Success Goal 3

Description of Progress or Success: g. Have in-store donation drives, including direct giving and ongoing food and clothing drives. The Company's first food drive took place from August 15 - September 15 on behalf of the Salvation Army of Fitchburg. Our contact at the Salvation Army in Fitchburg is Deborah (Deb) Andujar, and she can be reached at deborah.andujar@use.salvationarmy.org. As of the date of this application submission, over 500 food items have been collected and delivered. As the Company continues to grow, more food drives will be held. Receiving organizations will include: Merrimack Valley Food Bank, Open Pantry of Greater Lowell, Highland Baptist Church, and United Neighbors of Fitchburg. The Company has also begun its outreach to Fitchburg and Lowell to address community-driven projects. The first event was a clean-up effort at Coggshall Park. The Company had 30 employees spend hours walking the park grounds picking up garbage and cigarette filters.

Additional work - The House of Hope (HOH), located at 812 Merrimack Street in Lowell, operates four shelter sites offering a wide range of services for homeless families while transitioning to permanent housing. Working with Edna Gustafson, Shelter & Community Services Manager for the House of Hope Inc. (edna.gustafson@houseofhopelowell.org), the Company has been in development of a partnership for donations for event planning and other philanthropic giving. Additional, charitable contributions made to Lowell Firefighters for Shriners Hospital and 911 Memorial.

The Company will ensure that any marketing and advertising related to this event will not implicate or violate 935 CMR 500.105(4)(a)(2).

COMPLIANCE WITH DIVERSITY PLAN

Diversity Progress or Success 1

Description of Progress or Success: a. Host career fairs in underrepresented and minority communities. The Company's first job fair was held on August 27th in Coggshall Park, Fitchburg from 2:30 to 5:00 PM. The job fair was advertised in the Sentinel Newspaper from August 19 thru August 25th and was posted on the Market Basket Event Boards at the Central Valley Plaza Shopping Center, 130 Water Street and the Market Basket at Wallace Plaza, 399 John Fitch Highway in Fitchburg. Those who attended the job fair were diverse by ethnicity, race, age, and gender. For qualified candidates, second interviews began immediately after the Labor Day holiday. The Company will continue to host at least 2 job fairs a year geared specifically towards the Target Communities.

Diversity Progress or Success 2

Description of Progress or Success: b. Specifically, use suppliers who are committed to diversity and inclusion. The Company foresees significant growth in the consumable category. The Company has put in place policies and procedures that specifically prioritize the hiring of vendors that have been certified by the Massachusetts Supplier Diversity Office. The Company will also prioritize vendors that incorporate diversity and inclusion hiring practices. For example, the Company's primary food vendor Sysco Food Services is highly regarded for its Diversity and Inclusion practices. Stephen Gould is one of the Company's primary packaging suppliers. They consistently advertise their open employment positions on WorkplaceDiversity.com. WorkplaceDiversity.com is focused on connecting organizations that support and value diversity and inclusion within the workplace.

Diversity Progress or Success 3

Description of Progress or Success: c. Provide training on recognizing conscious and unconscious bias. The Company held its first training seminar in recognizing conscious and unconscious bias. Each of the Company's departments met to view two videos on the subject matter. At the conclusion of both videos, an open discussion was conducted with each department by a professional moderator who has expertise in conducting this type of educational

seminar on the same informational material, however in the food & beverage industry. A handout on Implicit or Unconscious Bias was created by the Company and was distributed and discussed as part of the seminar. https://www.youtube.com/watch?v=NW5s_-NI3JE <https://www.youtube.com/watch?v=rbe5D3Yh43o> The next training seminar scheduled for November will feature the Starbucks unconscious bias training video <https://news.sky.com/video/starbucks-unconscious-bias-training-video-11388826>.

Additionally, Sanctuary Medicinals held manager and employee Anti-Harassment Training performed by Ruban & Rudman LLP. The training program addressed the rights and responsibilities of employers and employees under state and federal Anti-Discrimination laws.

Diversity Progress or Success 4

Description of Progress or Success: d. Develop relationships with organizations serving minorities, women, people of all gender identities and sexual orientations, veterans and persons with disabilities for employment referrals. The Company is beginning to establish a strong working relationship with MWCC to develop applied-learning, workforce development certificate and micro-credential training programs specifically targeted to minorities, women, people of all gender identities and sexual orientations, veterans and persons with disabilities who are interested in developing career paths in the medicinal and recreational cannabis industry. The demographic profile of MWCC is ideally suited to address the opportunities for minorities, women, people of all gender identities and sexual orientation, persons with disabilities and is a major resource for veteran services in the New England region. As part of the Company's guided pathway for the cannabis industry, once students complete the certificate and micro-credential training programs, they will receive preferential treatment for employment opportunities at the Company's facilities. In addition, with a certificate or micro-credential in cannabis training, new job opportunities will be created for other MA and national cannabis companies. Additionally, the Company is focused on giving women in the industry the opportunity to pursue and grow a long-term career in the cannabis industry. With the greater demand than supply for cannabis products available in the marketplace, the Company continues to ensure that Caroline's Cannabis, a woman-owned business, is supplied with wholesale marijuana and marijuana products on a consistent basis, and feels supported in the marijuana community.

Diversity Progress or Success 5

Description of Progress or Success: e. Establish recruitment efforts at higher learning institutions and institutions with programs that reach diverse people. As stated in the above responses, the Company believes that a combination of hands-on training and guided education and career path efforts will deliver the best opportunities for those diverse populations. The Company made a strategic decision in partnering with MWCC specifically as an educational vehicle to build meaningful cannabis educational programs and to have a direct line to recruitment efforts that reach a cross-section of candidates that make up the college's diverse student body. The Company's recruitment efforts will be rooted in the paid internships the students will be participating in at the Company. The Company's Department Managers and the Company's Director of HR will constantly monitor the Company's employment needs for job placement opportunities for those students who have participated in the internship program. The Company will ensure that all internships, scholarships, recruitment efforts, and courses are attended and applied for by students that meet the minimum age requirements of 21 years of age or older. The Company will also work with MWCC to verify the residences of the students enrolled in the above-mentioned programs as to determine the amount of students enrolled that are from the Targeted Communities.

Diversity Progress or Success 6

Description of Progress or Success: The Company is projecting the opening of its Brookline Adult-Use location for early March, 2020. As part of the Company's employment strategy, we fully embrace the importance of positively impacting areas of disproportionate impact. The Company believes that the best way to delivery these outcomes to those who are underserved is through training, employment and a guided pathway to a long-term career path that offers sustainability and quality of life.

Sanctuary has already or will be posting jobs opportunities on websites like Blackjobs.com, United Latino Job Bank, LatPro.com, Black Career Network, HBCU Connect, Asian Hires, NAAAP Career Center, iHispano, Diversity Inc., and Diversity Job Board. Additionally and as part of the Company's commitment to meeting its diversity and inclusion objectives in ensuring that we positively impact areas of disproportionate impact, Sanctuary as taken its first steps on ensuring our management team is diverse. Step one was to meet with the Office of Diversity, Inclusion and Community Relations in the Town of Brookline. We have meet multiple times with Director Lloyd Gellineau, and then with Assistant Director Caitlin Starr. They have been instrumental in introducing the Company to resources in the greater Boston area that will help us address our management and well as other hiring needs with Veterans, Women, Blacks, Latinos, Hispanics, Asians, Russian Jews, seniors, the homeless and those with disabilities. We have attached a list of these organizations and the contacts we are currently reaching out to and will continue to contact over the coming weeks and months.

It should also be noted that this is a process that will not have a stop mechanism. It is part of the Company's culture and has been ongoing for our grow facility, currently operating dispensaries and soon to be our Brookline flagship location.

HOURS OF OPERATION

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

WELCOME TO SANCTUARY MEDICINALS

Our mission is simple:

To provide the highest quality organic medicine, service, education and experience to qualified Massachusetts registered marijuana patients and adult-use consumers.

We are a compassionate group who believe that this goal can only be accomplished through a caring, trusting and knowledgeable approach focused on a patient's specific medical condition and financial availability.

...A true sanctuary, free from harm, judgment and prejudice.

COMPANY SUMMARY

Sanctuary Medicinals LLC was formed to run both licensed Registered Marijuana Dispensary (RMD) and Licensed Marijuana Establishments in the State of Massachusetts.

Our executive team bring expertise and backgrounds in licensed marijuana dispensing / cultivating, business management, capital markets, organic farming, law enforcement, litigation/lobbying, and medical expertise. The unique combination of medical professionals, law enforcement, business management, and experience with horticulture and organic marijuana cultivating makes our team an ideal fit for the Massachusetts medical marijuana program.

As a licensed Registered Marijuana Dispensary and Licensed Marijuana Establishment, we will bring the Massachusetts's medical marijuana community and adult-use consumers a variety of medical marijuana products and services. This includes marijuana flower, concentrates, edibles, topicals, and educational literature. The extended experience of our management team along with our previous licensed marijuana dispensing / cultivating facilities gives us an extensive familiarity in the cultivation, processing, and distribution of medical marijuana products. We are very familiar with all products and processes, and look forward to having the opportunity to bring this experience and knowledge to Massachusetts's medical marijuana program.

Having offered the services presented in New Hampshire, we understand the multitude of risks associated with running a successful medical marijuana organization. These include security risks, cultivation risks related to crop failures and failing test results, financing risk due to the capital intensive nature of these operations, and regulatory risk pending future regulations at the State and Federal level.

As an organization, we will be heavily focused on charitable activities that help support our cause to bring quality alternative medicine to patients in the State of Massachusetts. These include patient assistance programs, community outreach programs, and various charitable donations. All will be in the interest of educating and supporting Massachusetts's medical marijuana community.

EXECUTIVE TEAM

CEO – JASON A. SIDMAN

COO- JAMES ALEX

CFO – JOSH WEAVER

Jason A. Sidman, CEO

Mr. Sidman earned his bachelor of science from the Whittemore School of Business at the University of New Hampshire in 2001 while graduating in the top of the class. His senior year he participated in a pilot program at Fidelity Investments, which he continued through graduation. This enabled Mr. Sidman to receive extensive training in regulatory compliance, taxation and capital markets. This experience provided the foundation to start PTG Capital in March of 2002, a self-funded equity firm where he assumed the position of CEO. PTG Capital started with five traders executing a million shares daily on the NYSE. His extensive insight of capital markets and strong leadership provided the underpinning for explosive growth. Within three years of operations PTG Capital grew to five offices with over seventy traders, trading funds in excess of one hundred million while executing five million shares daily.

Jason Sidman is a founding member of Sanctuary ATC and Sanctuary Medicinals, Inc. He currently steers both organizations as the chief executive officer. Mr. Sidman has direct experience providing services for medicinal marijuana facilities and has navigated the Sanctuary ATC team of New Hampshire into the selection of both locations for the cultivation/processing facility and the dispensing facility. Their 15,000 square feet grow center and laboratory is located in Rochester, NH at a hydroelectric facility while the dispensing location is in Plymouth, NH in a building that was once awarded the "Greenest Home in America" designation. These decisions as well as the design and choice of equipment was all the result of a deep developed expertise from intense research and study. Having visited over 25 production, retail and processing facilities in states with approved medical cannabis programs, Mr. Sidman has garnered tremendous insight into what it takes to run a successful medical marijuana organization. Their development of work flow optimization, security system design, facility layouts, hiring and staffing models, organic/pesticide free growing, as well as retail best practices have been instrumental throughout the program process.

Mr. Sidman is a general partner at WelCan Capital (www.WelCancap.com). WelCan Capital brings a unique, diversified approach to investing in the cannabis industry. With operating expertise and access to strategic relationships, WelCan strives to unlock value in foundational businesses across the cannabis ecosystem – all while supporting education,

research, and charitable causes aligned with this emerging industry. Additionally, Jason is a managing partner at Planet Green LLC, joining the team in January of 2014. Planet Green (www.planetgreenpower.com) located in Meredith, NH is a full service renewable energy company that provides a full range of design, installation and equipment for residential, commercial and municipal applications.

As for how this experience will ensure the success of Sanctuary, Mr. Sidman's experience will foster a team environment focused on helping those in need and providing them with the best possible organic products, education and value. In witnessing illness and suffering in his own family, he understands the significance of proper medicine, research and compassion. Mr. Sidman's experiences, coupled with his integrity, have made him a successful business owner and he looks forward to serving the medical marijuana industry in Massachusetts with the same sense of skill, knowledge and pride.

James Alex, COO/President

James Alex is a commercial real estate professional of notable status. With 27 years of experience working with some of the nation's largest retailers, Mr. Alex implemented and executed on growth strategies for retailers including: Target, Stop & Shop, CVS, Best Buy, Petco, Bed, Bath and Beyond, Staples and many others. For 17 years, 10 of which as acting President, Mr. Alex lead a team of Brokers at Atlantic Retail Properties. With offices in Boston, Florida and North Carolina, Mr. Alex negotiated more than 650 lease/sale transactions with an aggregate value of over a billion dollars. The strong tenant relationships that Mr. Alex built resulted in site acquisition assignments from some of the nation's top retailers highlighted by Target's entry into the New England market in 1995. Since then, Mr. Alex and his team successfully transacted 77 retail locations on their behalf. By developing a network of strategic partners, Mr. Alex successfully directed and coordinated leasing efforts, acquisition of land and disposition of large parcels along the eastern seaboard for many Fortune 500 Companies.

Alternative energy is of great interest to Mr. Alex and resulted in his role as a Board of Directors member and an early on investor at Wing Power Energy. As a Board Member, Mr. Alex's leadership has allowed Wing Power to continue to deliver high performance, durable, scalable wind powered microgrid solutions ensuring local, reliable, efficient and affordable energy while minimizing environmental impact. Mr. Alex is also a serial entrepreneur and investor in a variety of industries.

In conjunction with his business interests, Mr. Alex has spent considerable time pursuing charitable endeavors. He has been a Board Member at Melmark of New England since 2006. Melmark is a private, not for profit, community based organization dedicated to serving children and adolescents with autism spectrum disorders. Mr. Alex is the founder and sponsor of "The *fore* Melmark New England Golf Benefit for Children with Autism". In the last 10 years, the golf tournament has raised over \$2 million dollars that goes directly to the school. Additionally, Mr. Alex has been a Board Member since 2005 with Challenge Unlimited at Ironstone Farm, a provider of beneficial therapy for people with a wide range of physical, emotional and cognitive disabilities. Mr. Alex also serves as a Board Member and Fund Raising Committee at the Andover Youth Service (AYS), which provides young people a network of affordable, safe and challenging youth programs that promote healthy growth and development.

Mr. Alex has continued his philanthropic mission as a volunteer at Sanctuary ATC. Mr. Alex has used his business experience to assist the non-profit in marketing, advertising and branding their organic products to the medical cannabis community. By invoking a targeted message strategy, educating patients based on individual qualifying conditions has become more streamlined in process. Furthermore, Mr. Alex has worked with the cultivation team to increase efficiencies through better regulation of inventory management and logistical coordination between facilities. By focusing on quality control and product consistency, Mr. Alex has provided policy and procedural know how that has allowed for improved internal structure.

In addition to volunteering on the corporate side, Mr. Alex has provided expertise and knowledge to patients at the dispensary regarding therapeutic cannabis products, strains, administration methods, effects and uses. Aside from patient consulting, educating physicians has also been a significant role of his with Sanctuary ATC. Mr. Alex's experience and work with Sanctuary ATC has helped further the non-profit mission as well as its altruistic pursuits.

Josh Weaver, CFO

Josh Weaver was born and raised in a small town in central Pennsylvania: Lewistown, PA. In 1996, Mr. Weaver earned a Finance degree from the Pennsylvania State University graduating with Distinction while working part-time in the College of Health and Human Development as a work/study research assistant.

In 1996, Mr. Weaver started his career in New York City working for the audit team of Price Waterhouse. His main clients were several Fortune 500 Companies that included: The Interpublic Group, Sony Entertainment and International Flavors and Fragrances. In 1998, Mr. Weaver continued his career by accepting a position at Merrill Lynch in their investment banking division. He worked as a financial analyst on debt/equity and merger & acquisition deals with a wide range of clients.

From 2002 through 2010, Mr. Weaver, along with Jason Sidman, was an owner, founder and managing partner of PTG Capital LLC and PTG Trading LLC, equity trading firms with over 70 traders in 5 branches throughout the Northeast. Headquartered in New York City, they hired, trained and supervised the firm's traders, established the marketing and human resources divisions implemented automated risk management controls and procedures, maintained and insured the firm's legal compliance with internal control procedures. They also worked with software developers to create the firm's high frequency trading quant division. Under the leadership of Mr. Weaver, PTG Capital grew to trading in excess of \$100 million while executing 5 million shares daily.

Mr. Weaver was the founding partner and owner of Castaway Capital LLC from 2010 through 2015 where he developed automated trading applications for futures, equities, options and forex programs. Mr. Weaver and his team of programmers specialized in developing algorithms for commodity contracts of gold, silver, oil, corn and soybeans.

More recently, Mr. Weaver is a founding member of Sanctuary ATC. He was the co-author of Sanctuary ATC's successful application for the State of New Hampshire's Therapeutic Cannabis Program and has run the organization in strict compliance with New Hampshire and the Department of Health and Human Services regulations, guidance and nonprofit practices. Sanctuary ATC, was awarded the largest territory in New Hampshire with a vertically integrated license to cultivate, dispense and process cannabis. Mr. Weaver propelled Sanctuary ATC to be the first alternative treatment center to be registered, licensed and operational in the State of New Hampshire. At Sanctuary ATC, Mr. Weaver has many responsibilities, which include: CFO, Head of Human Resources and Chief of Compliance.

Although, he has gained some material success, Mr. Weaver still feels fortunate to have had the opportunities he has been afforded. Growing up in rural Pennsylvania with two blue collar parents, what his family did not have materially was more than made up for with the attributes of hard work, character, integrity and charity. Knowing that people are never defined only by financial success, he has carried these traits onward to his own family life. Having seen members of his own family suffering at different stages in their lives, makes it more vital than ever for him wanting to help to enact change and improve people's quality of life. Mr. Weaver resides with his wife of five years, Marzena, and their daughters, Tatiana, Vienna and Vera.

INVESTMENT RETURNS				
	2018	2019	2020	2021
Net Income (Medical)	\$ 2,330,492	\$ 6,384,854	\$ 7,997,971	\$ 9,832,223
Net Income (Adult-Use)	\$ 5,269,476	\$ 8,264,615	\$ 8,253,336	\$ 8,253,336
Net Income (Wholesale)	\$ 816,915	\$ 7,246,555	\$ 5,732,168	\$ 4,376,031
	\$ 8,416,882	\$ 21,896,025	\$ 21,983,475	\$ 22,461,591
Distributions				
Invested Capital				
Return of Invested Capital	\$ 8,416,882	\$ 2,583,118	\$ -	\$ -
Net Distributions to ALL LTD	\$ -	\$ 19,312,907	\$ 21,983,475	\$ 22,461,591
Investor Share (M)	\$ -	\$ 2,252,648	\$ 3,199,188	\$ 3,932,889
Investor Share (A)	\$ -	\$ 4,104,386	\$ 4,195,651	\$ 3,788,810
Total Distribution to Invest	\$ 8,416,882	\$ 6,357,034	\$ 7,394,840	\$ 7,721,700
Return of Investment Capit	56%	73%		
ROI		42%	49%	51%
IRR	56%	51%	50%	50%

PRODUCTION ANALYSIS

	2 ROOMS	8 ROOMS
Flower Rooms Operating	2	8
Levels	3	3
Lights per Level	70	70
Lights Running	420	1,680
Pounds per Light Average*	1.5	1.5
Harvests Year per Room	6	6
Total Pounds Produced	3,780	15,120
Average Price/Pound (DISPENSARY SALES)	\$ 5,600	\$ 5,600
Total Revenue (IF ALL SOLD AT DISPENSARY)	\$ 21,168,000	\$ 84,672,000
Average Price/Pound (WHOLESALE)**	\$ 2,500	\$ 2,500
Total Revenue (IF ALL SOLD WHOLESALE)	\$ 9,450,000	\$ 37,800,000

*Sanctuary averages 1.75+ pounds per Light

**Current MA Wholesale price is \$2800+

Adult-Use Site Analysis

	Brookline	MARKET STUDY	
	2019	2020	2021
Adult Use: For-Profit			
Serviceable Market	100,248	100,248	100,248
Consumer Population****	7.1%	7.2%	7.3%
Total Consumers	5,338	7,218	7,318
Oz per Month/Consumer	0.5	0.5	0.5
Active Consumer Percent	85%	85%	85%
Total Active Customers	4,537	6,135	6,220
Total Ounces Purchased	27,225	36,811	37,322
Total Pounds Purchased	1,702	2,301	2,333
Cultivation Avg Production Cost per \$/lb	\$ 1,200	\$ 1,200	\$ 1,200
Cultivation Avg Production Cost per \$/oz	\$ 75.00	\$ 75.00	\$ 75.00
Dispensary Avg \$/lb	\$ 4,800.00	\$ 4,800.00	\$ 4,800.00
Dispensary Avg Selling \$/oz	\$ 300.00	\$ 300.00	\$ 300.00
Paraphernalia Margin	50%	50%	50%
Paraphernalia Sales	5%	5%	5%
Sales Tax	20.00%	20.00%	20.00%
Corporate Tax***	21.00%	21.00%	21.00%
Cannabis Sales	\$ 8,167,455	\$ 11,043,320	\$ 11,196,699
Other Sales (paraphernalia, etc)	\$ 408,373	\$ 552,166	\$ 559,835
Total Revenue	\$ 8,575,828	\$ 11,595,486	\$ 11,756,534
Cultivation Charge (COGS)	\$ 2,246,050	\$ 3,036,913	\$ 3,079,092
Gross Profit	\$ 6,329,778	\$ 8,558,573	\$ 8,677,442
Operating Expenses (30% of Gross Profit)**	\$ 1,898,933	\$ 2,567,572	\$ 2,603,233
HCA	\$ 267,275	\$ 357,865	\$ 362,696
Operating Income	\$ 4,163,570	\$ 5,633,136	\$ 5,711,513
Income Taxes*	\$ 874,350	\$ 1,182,959	\$ 1,199,418
280E Tax	\$ 64,860	\$ 87,647	\$ 88,862
Net Income	\$ 2,957,085	\$ 4,004,667	\$ 4,060,538

Wholesale Forecast				
20,000lb+ per year capacity				
1680 Light Facility				
	2018	2019	2020	2021
Flower Rooms Used	4	8	8	8
Lights Running	840	1680	1680	1680
Pounds per Light Average*	1.5	1.5	1.5	1.5
Harvests Year per Room	6	6	6	6
Total Pounds Produced	3,780	15,120	15,120	15,120
Retail Pounds Sold	2,971	6,999	7,727	8,472
Wholesale Pounds	809	8,121	7,393	6,648
Wholesale Price	\$ 2,500	\$ 2,250	\$ 2,000	\$ 1,750
Total Revenue	\$ 2,023,348	\$ 18,272,107	\$ 14,786,967	\$ 11,633,607
Sanctuary Cost Per Pound**	\$ 1,200	\$ 1,100	\$ 1,000	\$ 900
Sanctuary Total Cost of Production	\$ 971,207	\$ 8,933,030	\$ 7,393,483	\$ 5,982,998
Operating Income	\$ 1,052,141	\$ 9,339,077	\$ 7,393,483	\$ 5,650,609
Corporate Tax Rate***	21%	21%	21%	21%
Income Taxes	\$ 220,950	\$ 1,961,206	\$ 1,552,632	\$ 1,186,628
280E Tax	\$ 14,277	\$ 131,316	\$ 108,684	\$ 87,950
Net Income	\$ 816,915	\$ 7,246,555	\$ 5,732,168	\$ 4,376,031
Accounting for partial year production in 2018				
Not inclusive of wholesale MIP (which traditionally yields 2-5x profit margin)				
*Sanctuary averages 1.75+ pounds per Light				
**Sanctuary has the ability to cultivate for \$400/lb				
***Corporate Tax Rate expected to be closer to a blended 18.5% all in rate				

MA Adult-Use Revenue by County				
County	Population	Consumers	Oz Purchased	Estimated Revenue
Barnstable	214,914	15,044	144,422	\$ 50,547,773
Berkshire	128,715	9,010	86,496	\$ 30,273,768
Bristol	554,194	38,794	372,418	\$ 130,346,429
Dukes	17,356	1,215	11,663	\$ 4,082,131
Essex	769,091	53,836	516,829	\$ 180,890,203
Franklin	70,862	4,960	47,619	\$ 16,666,742
Hampden	468,161	32,771	314,604	\$ 110,111,467
Hampshire	160,939	11,266	108,151	\$ 37,852,853
Middlesex	1,570,315	109,922	1,055,252	\$ 369,338,088
Nantucket	10,856	760	7,295	\$ 2,553,331
Norfolk	692,254	48,458	465,195	\$ 162,818,141
Plymouth	507,022	35,492	340,719	\$ 119,251,574
Suffolk	767,254	53,708	515,595	\$ 180,458,141
Worcester	813,475	56,943	546,655	\$ 191,329,320
Totals	6,745,408	472,179	4,532,914	\$ 1,586,519,962
http://www.thecannabist.co/2015/06/15/colorado-marijuana-use-state-survey/36136/ http://www.masslive.com/marijuana/index.ssf/2017/09/legal_recreational_marijuana_w.html				
<div> <div>Key</div> <div>Adult-Use Percentage</div> <div>Avg purchase month in OZ</div> <div>Price OZ*</div> </div>				
*Inclusive of MIP (2-5x margin)				

MA Market Analysis						
Number of Grow Facilities	2	10	8	2	0	0
	Under 10k	10k-29k	30k-49k	50-99k	100-149k	150k+
Median Sq Ft	5,000	20,000	40,000	75,000	125,000	150,000
Total Sq Ft per section	10,000	200,000	320,000	150,000	-	-
TOTAL SQ FT	680,000					
# of Facilities (FCR)	22					
AVERAGE SQ FT	30,909					
# of Facilities	2	10	8	2	0	0
	Under 10k	10k-29k	30k-49k	50-99k	100-149k	150k+
Median	5,000	20,000	40,000	75,000	125,000	150,000
Avg Lab Size	1,000	2,000	2,000	2,000	2,000	2,000
Avg Kitchen Size	750	1,000	1,000	1,000	1,000	1,000
Avg Bathroom Size (x2 for M&F)	200	200	200	200	200	200
Avg Office Space	500	750	1,000	1,500	2,000	2,000
Avg Service, HVAC, Mechanical Corridor	1,500	4,000	6,500	9,000	12,000	15,000
Remaining Grow Room Space	1,050	12,050	29,300	61,300	107,800	129,800
Flower Canopy Space @ 50%	525	6,025	14,650	30,650	53,900	64,900
40g per sq ft	21,000	241,000	586,000	1,226,000	2,156,000	2,596,000
4 Harvest average	84,000	964,000	2,344,000	4,904,000	8,624,000	10,384,000
TOTAL POUNDS PER YEAR	185	2,125	5,168	10,811	19,012	22,892
TOTAL POUNDS PER YEAR PER GROUP	370	21,252	41,340	21,623	-	-
TOTAL POUNDS (2018 SUPPLY)	84,586					
ESTIMATED DEMAND	2018	2019	2020	2021		
MEDICAL	28,427	35,896	45,855	55,814		
ADULT-USE (IN STATE)	143,052	286,104	286,104	286,104		
ADULT-USE (VISITORS)*	21,000	42,000	42,000	42,000		
TOTAL POUNDS (DEMAND)	192,479	364,000	373,959	383,918		
*Assumes a tourism radius of 1M people						
NOT ALL MEDICAL FACILITIES WITH FCR'S AND PCR'S WILL HAVE PERMISSION TO GROW FOR THE ADULT-USE MARKET						

Plan for Obtaining Liability Insurance

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

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

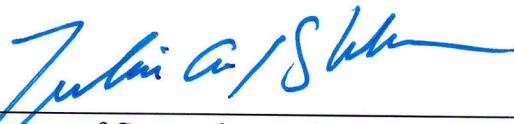
I, Jason Sidman, (*insert name*) certify as an authorized representative of Sanctuary Medicinals, Inc. (*insert name of applicant*) that the applicant has executed a host community agreement with Town of Brookline (*insert name of host community*) pursuant to G.L.c. 94G § 3(d) on 10/31/2018 (*insert date*).



Signature of Authorized Representative of Applicant

Host Community

I, Melvin Kleckner, (*insert name*) certify that I am the contracting authority or have been duly authorized by the contracting authority for Town of Brookline (*insert name of host community*) to certify that the applicant and Town of Brookline (*insert name of host community*) has executed a host community agreement pursuant to G.L.c. 94G § 3(d) on 10/31/2018 (*insert date*).



Signature of Contracting Authority or
Authorized Representative of Host Community

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, Jason Sidman, (insert name) attest as an authorized representative of Sanctuary Medicinals (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 October 4, 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 September 20, 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 September 13, 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 September 12, 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.

SANCTUARY MEDICINALS, INC.
LEGAL NOTICE
OF COMMUNITY OUTREACH
MEETING
ON OCTOBER 4, 2018 FOR
MARIJUANA ESTABLISHMENTS
PURSUANT TO 935 CMR 500.000

TO: All Abutters to 1351 Beacon St,
Brookline, MA 02446, all residents
within 300 feet of 1351 Beacon St,
Brookline, MA 02446, and other inter-
ested residents or parties.

FROM: Sanctuary Medicinals, Inc.

**SUBJECT OF COMMUNITY OUT-
REACH MEETING.** The Information
presented at the Community Outreach
Meeting will include 1) that the type of
Marijuana Establishment to be located
at 1351 Beacon St, Brookline, MA
02446 is a "Marijuana Retailer"; 2)
information adequate to demonstrate
that the Location will be maintained
securely, and steps to be taken by the
applicant to prevent diversion to
minors; 3) a plan by the applicant to
positively impact the community; and
4) information adequate to demon-
strate that the location will not consti-
tute a nuisance.

Sanctuary will introduce the proposal,
will solicit questions and comments
from the public and will answer any
such questions.

**Date and time of Community
Outreach Meeting: October 4, 2018
at 6:00 pm**

**Location of Meeting: Holiday Inn
Brookline-Boston, 1200 Beacon St,
Brookline, MA, 02446 in the Whitney
A Room.**

If you have any questions regarding
the Community Outreach Meeting,
please contact Josh Weaver, 234
Taylor Street, Littleton, MA 01460;
Phone: 646-573-3462; Email:
jweaver@sanctuarymed.com

AD#13727082
Brookline Tab 9/20/18

Attachment B



Subject **Legal Notice - October 4, 2018 - Sanctuary Medicinals
Community Outreach Meeting**

From <jweaver@sanctuarymed.com>

To <aclark2@brooklinema.gov>, <tjohnson@brooklinema.gov>,
<kbrewton@brooklinema.gov>

Cc Jason Sidman Email <jsidman@sanctuarymed.com>, Jalex
<jalex@sanctuarymed.com>, Joseph A. Giannino
<jgiannino@governmentrelationsgroup.com>, Mallen
<mallen@sanctuarymed.com>, <dshibley@sanctuarymed.com>

Date 2018-09-13 09:24 AM

- LEGAL NOTICE - 1351 Beacon St, Brookline, MA 02446.pdf (~64 KB)

Hello Everyone,


Attached please find the respective Legal Notice of Sanctuary Medicinals Community Outreach Meeting to be held on October 4, 2018. All abutters and residents within 300 feet have been mailed the Notice.

Additionally, The Brookline Tab has been contacted and will be posting the Legal Notice in the 9/20/18 version of the newspaper.

Please let us know if you have any questions.

Thank you,

Josh Weaver
Sanctuary Medicinals, Inc.

Attachment B
roundcube 

Subject **Legal Notice - October 4, 2018 - Sanctuary Medicinals
Community Outreach Meeting**
From <jweaver@sanctuarymed.com>
To <pward@brooklinema.gov>
Cc Jason Sidman Email <jsidman@sanctuarymed.com>, Jalex
<jalex@sanctuarymed.com>, Joseph A. Giannino
<jgiannino@governmentrelationsgroup.com>
Date 2018-09-13 09:21 AM

- LEGAL NOTICE - 1351 Beacon St, Brookline, MA 02446.pdf (~64 KB)

Hello Patrick,

Attached please find the respective Legal Notice of Sanctuary Medicinals Community Outreach Meeting to be held on October 4, 2018. All abutters and residents within 300 feet have been mailed the Notice.


Additionally, The Brookline Tab has been contacted and will be posting the Legal Notice in the 9/20/18 version of the newspaper.

Please let us know if you have any questions.

Thank you,

Josh Weaver
Sanctuary Medicinals, Inc.

Subject **Legal Notice - October 4, 2018 - Sanctuary Medicinals
Community Outreach Meeting**
From <jweaver@sanctuarymed.com>
To <kmartin@brooklinema.gov>, <pselkoe@brooklinema.gov>
Cc Jason Sidman Email <jsidman@sanctuarymed.com>, Jalex
<jalex@sanctuarymed.com>, Joseph A. Giannino
<jgiannino@governmentrelationsgroup.com>
Date 2018-09-13 09:19 AM

Attachment B
roundcube 

- LEGAL NOTICE - 1351 Beacon St, Brookline, MA 02446.pdf (~64 KB)

Hello Polly and Karen,

Attached please find the respective Legal Notice of Sanctuary Medicinals Community Outreach Meeting to be held on October 4, 2018. All abutters and residents within 300 feet have been mailed the Notice.

Additionally, The Brookline Tab has been contacted and will be posting the Legal Notice in the 9/20/18 version of the newspaper.

Please let us know if you have any questions.

Thank you,

Josh Weaver
Sanctuary Medicinals, Inc.

**LEGAL NOTICE OF
COMMUNITY OUTREACH MEETING
ON OCTOBER 4, 2018 FOR MARIJUANA ESTABLISHMENTS
PURSUANT TO 935 CMR 500.000**

TO: All Abutters to 1351 Beacon St, Brookline, MA 02446, all residents within 300 feet of 1351 Beacon St, Brookline, MA 02446, and other interested residents or parties.

FROM: Sanctuary Medicinals, Inc.

SUBJECT OF COMMUNITY OUTREACH MEETING: The Information presented at the Community Outreach Meeting will include 1) that the type of Marijuana Establishment to be located at 1351 Beacon St, Brookline, MA 02446 is a "Marijuana Retailer"; 2) information adequate to demonstrate that the Location will be maintained securely, and steps to be taken by the applicant to prevent diversion to minors; 3) a plan by the applicant to positively impact the community; and 4) information adequate to demonstrate that the location will not constitute a nuisance.

Sanctuary will introduce the proposal, will solicit questions and comments from the public and will answer any such questions.

**Date and time of
Community Outreach
Meeting:**

October 4, 2018 at 6:00 pm

Location of Meeting:

Holiday Inn Brookline-Boston, 1200 Beacon St, Brookline, MA, 02446 in the Whitney A Room.

If you have any questions regarding the Community Outreach Meeting, please contact Josh Weaver, 234 Taylor Street, Littleton, MA 01460; Phone: 646-573-3462;
Email: jweaver@sanctuarymed.com

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COMMUNITY OUTREACH MEETING
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Email: jweaver@sanctuarymed.com

Plan to Remain Compliant with Local Zoning

Sanctuary Medicinals, Inc.(Sanctuary) will remain compliant at all times with the local zoning requirements set forth in the Town of Brookline's Zoning Ordinances. The use is allowed by grant of a Special Permit issued by the Town Clerk of the Town of Brookline pursuant to Article #17, Form #2, Submission #2 at the Annual Town Meeting called for Tuesday, May 22, 2018 at 7:00 P.M., adjourned to Thursday, May 24, 2018, at 7:00 P.M., and dissolved on Tuesday, May 29, 2018 at 10:53 P.M. to be permitted in Business Districts: L, G and I. The project is located in zoning District: Business District G. This zoning district allows retail marijuana sales facilities pursuant to the review and requirements of the Special Permit and Site Plan review, noted previously.

Sanctuary Medicinals will comply with applicable State and local laws, regulations, bylaws, codes, conditions and agreements with the Town, including, but not limited to, M.G.L.c. 94G, M.G.L. c. 94I, 935 CMR 500, the Town of Brookline's General By-Laws, the Town of Brookline's Zoning By-Laws, all applicable Town building, fire prevention, police, and health codes, regulations and standards, any conditions imposed on licenses and permits held by the Marijuana Establishment (including, but not limited to, the Town's Zoning Board of Appeals special permit), and agreements between the Marijuana Establishment and the Town, including host community agreements.

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

Sanctuary has already attended several meetings with various municipal officials and boards to discuss Sanctuary's plans for a proposed marijuana establishment and has executed a Host Community Agreement with the Town of Brookline. Sanctuary will continue to work cooperatively with various municipal departments, boards, and officials to ensure that Sanctuary's marijuana establishment remains compliant with all local laws, regulations, rules, and codes with respect to design, construction, operation, and security.

Sanctuary has also retained the law firm Vicente Sederberg LLC to assist with ongoing compliance with local zoning requirements.

D

The Commonwealth of Massachusetts

William Francis Galvin
Secretary of the Commonwealth
One Ashburton Place, Boston, Massachusetts 02108-1512

Articles of Entity Conversion of a Domestic Non-Profit with a Pending Provisional or Final Certification to Dispense Medical Use Marijuana to a Domestic Business Corporation (General Laws Chapter 156D, Section 9.53; 950 CMR 113.30)

Sanctuary Medicinals, Inc. is a registrant
with the Department of Public Health
in accordance with 105 CMR 725.100(C)
as of June 27, 2018.

[Signature]
Elizabeth Chen, PhD
Ingram Director
Bureau of Health Care Safety and Quality
Massachusetts Department of Public Health

(1) Exact name of the non-profit: Sanctuary Medicinals, Inc.

001191104

(2) A corporate name that satisfies the requirements of G.L. Chapter 156D, Section 4.01:

Sanctuary Medicinals, Inc.

(3) The plan of entity conversion was duly approved in accordance with the law.

(4) The following information is required to be included in the articles of organization pursuant to G.L. Chapter 156D, Section 2.02(a) or permitted to be included in the articles pursuant to G.L. Chapter 156D, Section 2.02(b):

ARTICLE I

The exact name of the corporation upon conversion is:

Sanctuary Medicinals, Inc.

ARTICLE II

Unless the articles of organization otherwise provide, all corporations formed pursuant to G.L. Chapter 156D have the purpose of engaging in any lawful business. Please specify if you want a more limited purpose:

The general character of the corporation's business is the manufacture of agricultural products, including medicinal Marijuana and any and all products, services and activities related thereto and to engage in any lawful act or activity for which a corporation may be organized under MA General Laws, Chapter 156D.

and sale

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.

WITHOUT PAR VALUE		WITH PAR VALUE		
TYPE	NUMBER OF SHARES	TYPE	NUMBER OF SHARES	PAR VALUE
		Common	275,000	\$0.001

ARTICLE IV

Prior to the issuance of shares of any class or series, the articles of organization must set forth the preferences, limitations and relative rights of that class or series. The articles may also limit the type or specify the minimum amount of consideration for which shares of any class or series may be issued. Please set forth the preferences, limitations and relative rights of each class or series and, if desired, the required type and minimum amount of consideration to be received.

None.

ARTICLE V

The restrictions, if any, imposed by the articles or organization upon the transfer of shares of any class or series of stock are:

None.

ARTICLE VI

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

See attached Addendum.

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

ADDENDUM TO
ARTICLES OF ENTITY CONVERSION
OF
SANCTUARY MEDICINALS, INC.

ARTICLE VI

1. Authority of directors to create new classes and series of shares. The board of directors, acting without the shareholders, may (a) reclassify any unissued shares of any authorized class or series into one or more existing or new classes or series, and (b) create one or more new classes or series of shares, specifying the number of shares to be included therein, the distinguishing designation thereof and the preferences, limitations and relative rights applicable thereto, provided that the board of directors may not approve an aggregate number of authorized shares of all classes and series which exceeds the total number of authorized shares specified in the Articles of Organization.

2. Minimum number of directors. The board of directors may consist of one or more individuals, notwithstanding the number of shareholders.

3. Personal liability of directors to corporation. No director shall have personal liability to the corporation for monetary damages for breach of his or her fiduciary duty as a director notwithstanding any provision of law imposing such liability, provided that this provision shall not eliminate or limit the liability of a director (a) for any breach of the director's duty of loyalty to the corporation or its shareholders, (b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (c) for improper distributions under Section 6.40 of Chapter 156D of the Massachusetts General Laws, or (d) for any transaction from which the director derived an improper personal benefit.

4. Shareholder vote required to approve matters acted on by shareholders. The affirmative vote of a majority of all the shares in a voting group eligible to vote on a matter shall be sufficient for the approval of the matter, notwithstanding any greater vote on the matter otherwise required by any provision of Chapter 156D of the Massachusetts General Laws.

5. Shareholder action without a meeting by less than unanimous consent. Action required or permitted by Chapter 156D of the Massachusetts General Laws to be taken at a shareholders' meeting may be taken without a meeting by shareholders having not less than the minimum number of votes necessary to take the action at a meeting at which all shareholders entitled to vote on the action are present and voting.

6. Authorization of directors to make, amend or repeal bylaws. The board of directors may make, amend or repeal the bylaws in whole or in part, except with respect to any provision thereof which by virtue of an express provision in Chapter 156D of the Massachusetts General Laws, the Articles of Organization or the bylaws requires action by the shareholders.

ARTICLE VII

The effective date of organization of the corporation is the date 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:

ARTICLE VIII

The information contained in this article is not a permanent part of the articles of organization.

- a. The street address of the initial registered office of the corporation in the commonwealth:
c/o Vicente Sederberg LLC, 2 Seaport Lane, Boston, MA 02210
- b. The name of its initial registered agent at its registered office:
Brandon Kurtzman, Esq.
- c. The names and 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):

President: Jason Sidman

Treasurer: Jason Sidman

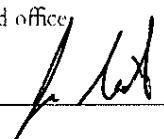
Secretary: Michael Wilmoth

Director(s): David Syrek, Gail Perry Borden, Jason Sidman and Michael Wilmoth

- d. The fiscal year end of the corporation:
December 31
- e. A brief description of the type of business in which the corporation intends to engage:
Manufacture and sale of agricultural products, including medicinal marijuana
- f. The street address of the principal office of the corporation:
234 Taylor Street, Littleton, MA 01460
- g. The street address where the records of the corporation required to be kept in the commonwealth are located is:

234 Taylor Street, Littleton, MA 01460 which is
(number, street, city or town, state, zip code)

- ☒ its principal office;
- ☐ an office of its transfer agent;
- ☐ an office of its secretary/assistant secretary;
- ☐ its registered office

Signed by:  (signature of authorized individual)

- ☐ Chairman of the board of directors.
- ☒ President,
- ☐ Other officer,
- ☐ Court-appointed fiduciary.

on this 9 day of June, 2018

COMMONWEALTH OF MASSACHUSETTS

William Francis Galvin
Secretary of the Commonwealth
One Ashburton Place, Boston, Massachusetts 02108-1512

3/721257


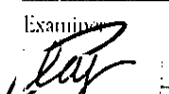
**Articles of Entity Conversion of a
Domestic Non-Profit with a Pending Provisional or
Final Certification to Dispense Medical Use Marijuana
to a Domestic Business Corporation**

(General Laws Chapter 156D, Section 9.53; 950 CMR 113.30)

I hereby certify that upon examination of these articles of conversion, duly submitted to me, it appears that the provisions of the General Laws relative thereto have been complied with, and I hereby approve said articles; and the filing fee in the amount of \$ 475 having been paid, said articles are deemed to have been filed with me this 3 day of July, 20 18, at 3:55 a.m./p.m.
time

Effective date: _____
(must be within 90 days of date submitted)


WILLIAM FRANCIS GALVIN
Secretary of the Commonwealth


Examiner

Name Approval

Filing fee: Minimum \$250

TO BE FILLED IN BY CORPORATION
Contact Information:

C

M

Michael L. Cifelli c/o Burns & Levinson LLP

125 Summer Street

Boston, MA 02110

Telephone: 617-345-3366

Email: mcifelli@burnslev.com

Upon filing, a copy of this filing will be available at www.sec.state.ma.us/cor. If the document is rejected, a copy of the rejection sheet and rejected document will be available in the rejected queue.

1313613

SECRETARY OF THE COMMONWEALTH
CORPORATIONS DIVISION
2018 JUL -3 PM 3:55

SECOND AMENDED AND RESTATED

BY-LAWS

OF

SANCTUARY MEDICINALS, INC.

(the “**Corporation**”)

ARTICLE I

SHAREHOLDERS

Section 1. Annual Meeting. The Corporation shall hold an annual meeting of shareholders at a time fixed by the Directors. The purposes for which the annual meeting is to be held, in addition to those prescribed by the Articles of Organization, shall be for electing directors and for such other purposes as shall be specified in the notice for the meeting, and only business within such purposes may be conducted at the meeting. In the event an annual meeting is not held at the time fixed in accordance with these By-laws or the time for an annual meeting is not fixed in accordance with these By-laws to be held within 13 months after the last annual meeting was held, the Corporation may designate a special meeting held thereafter as a special meeting in lieu of the annual meeting, and the meeting shall have all of the effect of an annual meeting.

Section 2. Special Meetings. Special meetings of the shareholders may be called by the President or by the Directors, and shall be called by the Secretary, or in case of the death, absence, incapacity or refusal of the Secretary, by another officer, if the holders of at least 10 per cent, or such lesser percentage as the Articles of Organization permit, of all the votes entitled to be cast on any issue to be considered at the proposed special meeting sign, date, and deliver to the Secretary one or more written demands for the meeting describing the purpose for which it is to be held. Only business within the purpose or purposes described in the meeting notice may be conducted at a special shareholders' meeting.

Section 3. Place of Meetings. All meetings of shareholders shall be held at the principal office of the Corporation unless a different place is specified in the notice of the meeting or the meeting is held solely by means of remote communication in accordance with Section 11 of this Article.

Section 4. Requirement of Notice. A written notice of the date, time, and place of each annual and special shareholders' meeting describing the purposes of the meeting shall be given to shareholders entitled to vote at the meeting (and, to the extent required by law or the Articles of Organization, to shareholders not entitled to vote at the meeting) no fewer than seven nor more than 60 days before the meeting date. If an annual or special meeting of shareholders is adjourned to a different date, time or place, notice need not be given of the new date, time or place if the new

date, time or place, if any, is announced at the meeting before adjournment. If a new record date for the adjourned meeting is fixed, however, notice of the adjourned meeting shall be given under this Section to persons who are shareholders as of the new record date. All notices to shareholders shall conform to the requirements of Article III.

Section 5. Waiver of Notice. A shareholder may waive any notice required by law, the Articles of Organization, or these By-laws before or after the date and time stated in the notice. The waiver shall be in writing, be signed by the shareholder entitled to the notice, and be delivered to the Corporation for inclusion with the records of the meeting. A shareholder's attendance at a meeting: (a) waives objection to lack of notice or defective notice of the meeting, unless the shareholder at the beginning of the meeting objects to holding the meeting or transacting business at the meeting; and (b) waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the shareholder objects to considering the matter when it is presented.

Section 6. Quorum.

(a) Unless otherwise provided by law, or in the Articles of Organization, these By-laws or a resolution of the Directors requiring satisfaction of a greater quorum requirement for any voting group, a majority of the votes entitled to be cast on the matter by a voting group constitutes a quorum of that voting group for action on that matter. As used in these By-laws, a voting group includes all shares of one or more classes or series that, under the Articles of Organization or the Massachusetts Business Corporation Act, as in effect from time to time (the "MBCA"), are entitled to vote and to be counted together collectively on a matter at a meeting of shareholders.

(b) A share once represented for any purpose at a meeting is deemed present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting unless (1) the shareholder attends solely to object to lack of notice, defective notice or the conduct of the meeting on other grounds and does not vote the shares or otherwise consent that they are to be deemed present, or (2) in the case of an adjournment, a new record date is or shall be set for that adjourned meeting.

Section 7. Voting and Proxies. Unless the Articles of Organization provide otherwise, each outstanding share, regardless of class, is entitled to one vote on each matter voted on at a shareholders' meeting. A shareholder may vote his or her shares in person or may appoint a proxy to vote or otherwise act for him or her by signing an appointment form, either personally or by his or her attorney-in-fact. An appointment of a proxy is effective when received by the Secretary or other officer or agent authorized to tabulate votes. Unless otherwise provided in the appointment form, an appointment is valid for a period of 11 months from the date the shareholder signed the form or, if it is undated, from the date of its receipt by the officer or agent. An appointment of a proxy is revocable by the shareholder unless the appointment form conspicuously states that it is irrevocable and the appointment is coupled with an interest, as defined in the MBCA. An appointment made irrevocable is revoked when the interest with which it is coupled is extinguished. The death or incapacity of the shareholder appointing a proxy shall not affect the right of the Corporation to accept the proxy's authority unless notice of the death or incapacity is received by the Secretary or other officer or agent authorized to tabulate votes before the proxy exercises his or her authority under the appointment. A transferee for value of shares subject to

an irrevocable appointment may revoke the appointment if he or she did not know of its existence when he or she acquired the shares and the existence of the irrevocable appointment was not noted conspicuously on the certificate representing the shares or on the information statement for shares without certificates. Subject to the provisions of Section 7.24 of the MBCA and to any express limitation on the proxy's authority appearing on the face of the appointment form, the Corporation is entitled to accept the proxy's vote or other action as that of the shareholder making the appointment.

Section 8. Action at Meeting. If a quorum of a voting group exists, favorable action on a matter, other than the election of Directors, is taken by a voting group if the votes cast within the group favoring the action exceed the votes cast opposing the action, unless a greater number of affirmative votes is required by law, or the Articles of Organization, these By-laws or a resolution of the Board of Directors requiring receipt of a greater affirmative vote of the shareholders, including more separate voting groups. Directors are elected by a plurality of the votes cast by the shares entitled to vote in the election at a meeting at which a quorum is present. No ballot shall be required for such election unless requested by a shareholder present or represented at the meeting and entitled to vote in the election.

Section 9. Action without Meeting by Written Consent.

(a) Action taken at a shareholders' meeting may be taken without a meeting if the action is taken either: (1) by all shareholders entitled to vote on the action; or (2) to the extent permitted by the Articles of Organization, by shareholders having not less than the minimum number of votes necessary to take the action at a meeting at which all shareholders entitled to vote on the action are present and voting. The action shall be evidenced by one or more written consents that describe the action taken, are signed by shareholders having the requisite votes, bear the date of the signatures of such shareholders, and are delivered to the Corporation for inclusion with the records of meetings within 60 days of the earliest dated consent delivered to the Corporation as required by this Section. A consent signed under this Section has the effect of a vote at a meeting.

(b) If action is to be taken pursuant to the consent of voting shareholders without a meeting, the Corporation, at least seven days before the action pursuant to the consent is taken, shall give notice, which complies in form with the requirements of Article III, of the action (1) to nonvoting shareholders in any case where such notice would be required by law if the action were to be taken pursuant to a vote by voting shareholders at a meeting, and (2) if the action is to be taken pursuant to the consent of less than all the shareholders entitled to vote on the matter, to all shareholders entitled to vote who did not consent to the action. The notice shall contain, or be accompanied by, the same material that would have been required by law to be sent to shareholders in or with the notice of a meeting at which the action would have been submitted to the shareholders for approval.

Section 10. Record Date. The Directors may fix the record date in order to determine the shareholders entitled to notice of a shareholders' meeting, to demand a special meeting, to vote, or to take any other action. If a record date for a specific action is not fixed by the Board of Directors, and is not supplied by law, the record date shall be the close of business either on the day before the first notice is sent to shareholders, or, if no notice is sent, on the day before the meeting or, in the case of action without a meeting by written consent, the date the first shareholder signs the

consent. A record date fixed under this Section may not be more than 70 days before the meeting or action requiring a determination of shareholders. A determination of shareholders entitled to notice of or to vote at a shareholders' meeting is effective for any adjournment of the meeting unless the Board of Directors fixes a new record date, which it shall do if the meeting is adjourned to a date more than 120 days after the date fixed for the original meeting.

Section 11. Meetings by Remote Communications. Unless otherwise provided in the Articles of Organization, if authorized by the Directors: any annual or special meeting of shareholders need not be held at any place but may instead be held solely by means of remote communication; and subject to such guidelines and procedures as the Board of Directors may adopt, shareholders and proxyholders not physically present at a meeting of shareholders may, by means of remote communications: (a) participate in a meeting of shareholders; and (b) be deemed present in person and vote at a meeting of shareholders whether such meeting is to be held at a designated place or solely by means of remote communication, provided that: (1) the Corporation shall implement reasonable measures to verify that each person deemed present and permitted to vote at the meeting by means of remote communication is a shareholder or proxyholder; (2) the Corporation shall implement reasonable measures to provide such shareholders and proxyholders a reasonable opportunity to participate in the meeting and to vote on matters submitted to the shareholders, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with such proceedings; and (3) if any shareholder or proxyholder votes or takes other action at the meeting by means of remote communication, a record of such vote or other action shall be maintained by the Corporation.

Section 12. Form of Shareholder Action.

(a) Any vote, consent, waiver, proxy appointment or other action by a shareholder or by the proxy or other agent of any shareholder shall be considered given in writing, dated and signed, if, in lieu of any other means permitted by law, it consists of an electronic transmission that sets forth or is delivered with information from which the Corporation can determine (i) that the electronic transmission was transmitted by the shareholder, proxy or agent or by a person authorized to act for the shareholder, proxy or agent; and (ii) the date on which such shareholder, proxy, agent or authorized person transmitted the electronic transmission. The date on which the electronic transmission is transmitted shall be considered to be the date on which it was signed. The electronic transmission shall be considered received by the Corporation if it has been sent to any address specified by the Corporation for the purpose or, if no address has been specified, to the principal office of the Corporation, addressed to the Secretary or other officer or agent having custody of the records of proceedings of shareholders.

(b) Any copy, facsimile or other reliable reproduction of a vote, consent, waiver, proxy appointment or other action by a shareholder or by the proxy or other agent of any shareholder may be substituted or used in lieu of the original writing for any purpose for which the original writing could be used, but the copy, facsimile or other reproduction shall be a complete reproduction of the entire original writing.

ARTICLE II

DIRECTORS

Section 1. 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, its Board of Directors.

Section 2. Number and Election. The Board of Directors shall consist of one or more individuals, with the number fixed by the shareholders at the annual meeting or by the Board of Directors, but, unless otherwise provided in the Articles of Organization, if the Corporation has more than one shareholder, the number of Directors shall not be less than three, except that whenever there shall be only two shareholders, the number of Directors shall not be less than two. Except as otherwise provided in these By-laws or the Articles of Organization, the Directors shall be elected by the shareholders at the annual meeting.

Section 3. Vacancies. If a vacancy occurs on the Board of Directors, including a vacancy resulting from an increase in the number of Directors the Board of Directors may fill the vacancy by the affirmative vote of a majority of all the Directors remaining in office. A vacancy that will occur at a specific later date may be filled before the vacancy occurs but the new Director may not take office until the vacancy occurs.

Section 4. Change in Size of the Board of Directors. The number of Directors may be fixed or changed from time to time by the Board of Directors.

Section 5. Tenure. The terms of all Directors shall expire at the next annual shareholders' meeting following their election. A decrease in the number of Directors does not shorten an incumbent Director's term. The term of a Director elected to fill a vacancy shall expire at the next shareholders' meeting at which Directors are elected. Despite the expiration of a Director's term, he or she shall continue to serve until his or her successor is elected and qualified or until there is a decrease in the number of Directors.

Section 6. Resignation. A Director may resign at any time by delivering written notice of resignation to the Board of Directors, its chairman, or to the Corporation. A resignation is effective when the notice is delivered unless the notice specifies a later effective date.

Section 7. Removal. A Director may be removed from office with or without cause by vote of a majority of the Board then in office. A Director may be removed for cause only after reasonable notice and opportunity to be heard before the Board of Directors.

Section 8. Regular Meetings. Regular meetings of the Board of Directors may be held at such times and places as shall from time to time be fixed by the Board of Directors without notice of the date, time, place or purpose of the meeting.

Section 9. Special Meetings. Special meetings of the Board of Directors may be called by the President, by the Secretary, by any two Directors, or by one Director in the event that there is only one Director.

Section 10. Notice. Special meetings of the Board must be preceded by at least two days' notice of the date, time and place of the meeting. The notice need not describe the purpose of the special meeting. All notices to directors shall conform to the requirements of Article III.

Section 11. Waiver of Notice. A Director may waive any notice before or after the date and time of the meeting. The waiver shall be in writing, signed by the Director entitled to the notice, or in the form of an electronic transmission by the Director to the Corporation, and filed with the minutes or corporate records. A Director's attendance at or participation in a meeting waives any required notice to him or her of the meeting unless the Director at the beginning of the meeting, or promptly upon his or her arrival, objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

Section 12. Quorum. A quorum of the Board of Directors consists of a majority of the Directors then in office, provided always that any number of Directors (whether one or more and whether or not constituting a quorum) constituting a majority of Directors present at any meeting or at any adjourned meeting may make any reasonable adjournment thereof.

Section 13. Action at Meeting. If a quorum is present when a vote is taken, the affirmative vote of a majority of Directors present is the act of the Board of Directors. A Director who is present at a meeting of the Board of Directors or a committee of the Board of Directors when corporate action is taken is considered to have assented to the action taken unless: (a) he or she objects at the beginning of the meeting, or promptly upon his or her arrival, to holding it or transacting business at the meeting; (b) his or her dissent or abstention from the action taken is entered in the minutes of the meeting; or (c) he or she delivers written notice of his or her dissent or abstention to the presiding officer of the meeting before its adjournment or to the Corporation immediately after adjournment of the meeting. The right of dissent or abstention is not available to a Director who votes in favor of the action taken.

Section 14. Action Without Meeting. Any action required or permitted to be taken by the Directors may be taken without a meeting if the action is taken by the unanimous consent of the members of the Board of Directors. The action must be evidenced by one or more consents describing the action taken, in writing, signed by each Director, or delivered to the Corporation by electronic transmission, to the address specified by the Corporation for the purpose or, if no address has been specified, to the principal office of the Corporation, addressed to the Secretary or other officer or agent having custody of the records of proceedings of Directors, and included in the minutes or filed with the corporate records reflecting the action taken. Action taken under this Section is effective when the last Director signs or delivers the consent, unless the consent specifies a different effective date. A consent signed or delivered under this Section has the effect of a meeting vote and may be described as such in any document.

Section 15. Telephone Conference Meetings. The Board of Directors may permit any or all Directors to participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all Directors participating may simultaneously hear each other during the meeting. A Director participating in a meeting by this means is considered to be present in person at the meeting.

Section 16. Committees. The Board of Directors may create one or more committees and appoint members of the Board of Directors to serve on them. Each committee may have one or more members, who serve at the pleasure of the Board of Directors. The creation of a committee and appointment of members to it must be approved by a majority of all the Directors in office when the action is taken. Article III and Sections 10 through 15 of this Article shall apply to committees and their members. To the extent specified by the Board of Directors, each committee may exercise the authority of the Board of Directors. A committee may not, however: (a) authorize distributions; (b) approve or propose to shareholders action that the MBCA requires be approved by shareholders; (c) change the number of the Board of Directors, remove Directors from office or fill vacancies on the Board of Directors; (d) amend the Articles of Organization; (e) adopt, amend or repeal By-laws; or (f) authorize or approve reacquisition of shares, except according to a formula or method prescribed by the Board of Directors. The creation of, delegation of authority to, or action by a committee does not alone constitute compliance by a Director with the standards of conduct described in Section 18 of this Article.

Section 17. Compensation. The Board of Directors may fix the compensation of Directors.

Section 18. Standard of Conduct for Directors.

(a) A Director shall discharge his or her duties as a Director, including his or her duties as a member of a committee: (1) in good faith; (2) with the care that a person in a like position would reasonably believe appropriate under similar circumstances; and (3) in a manner the Director reasonably believes to be in the best interests of the Corporation. In determining what the Director reasonably believes to be in the best interests of the Corporation, a Director may consider the interests of the Corporation's employees, suppliers, creditors and customers, the economy of the state, the region and the nation, community and societal considerations, and the long-term and short-term interests of the Corporation and its shareholders, including the possibility that these interests may be best served by the continued independence of the Corporation.

(b) In discharging his or her duties, a Director who does not have knowledge that makes reliance unwarranted is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by: (1) one or more officers or employees of the Corporation whom the Director reasonably believes to be reliable and competent with respect to the information, opinions, reports or statements presented; (2) legal counsel, public accountants, or other persons retained by the Corporation, as to matters involving skills or expertise the Director reasonably believes are matters (i) within the particular person's professional or expert competence or (ii) as to which the particular person merits confidence; or (3) a committee of the Board of Directors of which the Director is not a member if the Director reasonably believes the committee merits confidence.

(c) A Director is not liable for any action taken as a Director, or any failure to take any action, if he or she performed the duties of his or her office in compliance with this Section.

Section 19. Conflict of Interest.

(a) A conflict of interest transaction is a transaction with the Corporation in which a Director of the Corporation has a material direct or indirect interest. A conflict of interest

transaction is not voidable by the Corporation solely because of the Director's interest in the transaction if any one of the following is true:

(i) the material facts of the transaction and the Director's interest were disclosed or known to the Board of Directors or a committee of the Board of Directors and the Board of Directors or committee authorized, approved, or ratified the transaction;

(ii) the material facts of the transaction and the Director's interest were disclosed or known to the shareholders entitled to vote and they authorized, approved, or ratified the transaction; or

(iii) the transaction was fair to the Corporation.

(b) For purposes of this Section, and without limiting the interests that may create conflict of interest transactions, a Director of the Corporation has an indirect interest in a transaction if: (1) another entity in which he or she has a material financial interest or in which he or she is a general partner is a party to the transaction; or (2) another entity of which he or she is a director, officer, or trustee or in which he or she holds another position is a party to the transaction and the transaction is or should be considered by the Board of Directors of the Corporation.

(c) For purposes of clause (1) of subsection (a), a conflict of interest transaction is authorized, approved, or ratified if it receives the affirmative vote of a majority of the Directors on the Board of Directors (or on the committee) who have no direct or indirect interest in the transaction, but a transaction may not be authorized, approved, or ratified under this Section by a single Director. If a majority of the Directors who have no direct or indirect interest in the transaction vote to authorize, approve, or ratify the transaction, a quorum is present for the purpose of taking action under this Section. The presence of, or a vote cast by, a Director with a direct or indirect interest in the transaction does not affect the validity of any action taken under clause (1) of subsection (a) if the transaction is otherwise authorized, approved, or ratified as provided in that subsection.

(d) For purposes of clause (2) of subsection (a), a conflict of interest transaction is authorized, approved, or ratified if it receives the vote of a majority of the shares entitled to be counted under this subsection. Shares owned by or voted under the control of a Director who has a direct or indirect interest in the transaction, and shares owned by or voted under the control of an entity described in clause (1) of subsection (b), may not be counted in a vote of shareholders to determine whether to authorize, approve, or ratify a conflict of interest transaction under clause (2) of subsection (a). The vote of those shares, however, is counted in determining whether the transaction is approved under other Sections of these By-laws. A majority of the shares, whether or not present, that are entitled to be counted in a vote on the transaction under this subsection constitutes a quorum for the purpose of taking action under this Section.

Section 20. Loans to Directors. The Corporation may not lend money to, or guarantee the obligation of a Director of, the Corporation unless: (a) the specific loan or guarantee is approved by a majority of the votes represented by the outstanding voting shares of all classes, voting as a single voting group, except the votes of shares owned by or voted under the control of the benefited Director; or (b) the Corporation's Board of Directors determines that the loan or guarantee benefits

the Corporation and either approves the specific loan or guarantee or a general plan authorizing loans and guarantees. The fact that a loan or guarantee is made in violation of this Section shall not affect the borrower's liability on the loan.

ARTICLE III

MANNER OF NOTICE

All notices hereunder shall conform to the following requirements:

(a) Notice shall be in writing unless oral notice is reasonable under the circumstances. Notice by electronic transmission is written notice.

(b) Notice may be communicated in person; by telephone, voice mail, telegraph, teletype, or other electronic means; by mail; by electronic transmission; or by messenger or delivery service. If these forms of personal notice are impracticable, notice may be communicated by a newspaper of general circulation in the area where published; or by radio, television, or other form of public broadcast communication.

(c) Written notice, other than notice by electronic transmission, if in a comprehensible form, is effective upon deposit in the United States mail, if mailed postpaid and correctly addressed to the shareholder's address shown in the Corporation's current record of shareholders.

(d) Written notice by electronic transmission, if in comprehensible form, is effective: (1) if by facsimile telecommunication, when directed to a number furnished by the shareholder for the purpose; (2) if by electronic mail, when directed to an electronic mail address furnished by the shareholder for the purpose; (3) if by a posting on an electronic network together with separate notice to the shareholder of such specific posting, directed to an electronic mail address furnished by the shareholder for the purpose, upon the later of (i) such posting and (ii) the giving of such separate notice; and (4) if by any other form of electronic transmission, when directed to the shareholder in such manner as the shareholder shall have specified to the Corporation. An affidavit of the Secretary or an Assistant Secretary of the Corporation, the transfer agent or other agent of the Corporation that the notice has been given by a form of electronic transmission shall, in the absence of fraud, be prima facie evidence of the facts stated therein.

(e) Except as provided in subsection (c), written notice, other than notice by electronic transmission, if in a comprehensible form, is effective at the earliest of the following: (1) when received; (2) five days after its deposit in the United States mail, if mailed postpaid and correctly addressed; (3) on the date shown on the return receipt, if sent by registered or certified mail, return receipt requested; or if sent by messenger or delivery service, on the date shown on the return receipt signed by or on behalf of the addressee; or (4) on the date of publication if notice by publication is permitted.

(f) Oral notice is effective when communicated if communicated in a comprehensible manner.

ARTICLE IV

OFFICERS

Section 1. Enumeration. The Corporation shall have a President, a Treasurer, a Secretary and such other officers as may be appointed by the Board of Directors from time to time in accordance with these By-laws. The Board may appoint one of its members to the office of Chairman of the Board and from time to time define the powers and duties of that office notwithstanding any other provisions of these By-laws.

Section 2. Appointment. The officers shall be appointed by the Board of Directors. A duly appointed officer may appoint one or more officers or assistant officers if authorized by the Board of Directors. Each officer has the authority and shall perform the duties set forth in these By-laws or, to the extent consistent with these By-laws, the duties prescribed by the Board of Directors or by direction of an officer authorized by the Board of Directors to prescribe the duties of other officers.

Section 3. Qualification. The same individual may simultaneously hold more than one office in the Corporation.

Section 4. Tenure. Officers shall hold office until the first meeting of the Directors following the next annual meeting of shareholders after their appointment and until their respective successors are duly appointed, unless a shorter or longer term is specified in the vote appointing them.

Section 5. Resignation. An officer may resign at any time by delivering notice of the resignation to the Corporation. A resignation is effective when the notice is delivered unless the notice specifies a later effective date. If a resignation is made effective at a later date and the Corporation accepts the future effective date, the Board of Directors may fill the pending vacancy before the effective date if the Board of Directors provides that the successor shall not take office until the effective date. An officer's resignation shall not affect the Corporation's contract rights, if any, with the officer.

Section 6. Removal. The Board of Directors may remove any officer at any time with or without cause. The appointment of an officer shall not itself create contract rights. An officer's removal shall not affect the officer's contract rights, if any, with the Corporation.

Section 7. President. The President when present shall preside at all meetings of the shareholders and, if there is no Chairman of the Board of Directors, of the Directors. He or she shall be the chief executive officer of the Corporation except as the Board of Directors may otherwise provide. The President shall perform such duties and have such powers additional to the foregoing as the Directors shall designate.

Section 8. Treasurer. The Treasurer shall, subject to the direction of the Directors, have general charge of the financial affairs of the Corporation and shall cause to be kept accurate books of accounts. He or she shall have custody of all funds, securities, and valuable documents of the Corporation, except as the Directors may otherwise provide. The Treasurer shall perform such duties and have such powers additional to the foregoing as the Directors may designate.

Section 9. Secretary. The Secretary shall have responsibility for preparing minutes of the Directors' and shareholders' meetings and for authenticating records of the Corporation. The Secretary shall perform such duties and have such powers additional to the foregoing as the Directors shall designate.

Section 10. Standards Of Conduct For Officers. An officer shall discharge his or her duties: (a) in good faith; (b) with the care that a person in a like position would reasonably exercise under similar circumstances; and (c) in a manner the officer reasonably believes to be in the best interests of the Corporation. In discharging his or her duties, an officer, who does not have knowledge that makes reliance unwarranted, is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by: (1) one or more officers or employees of the Corporation whom the officer reasonably believes to be reliable and competent with respect to the information, opinions, reports or statements presented; or (2) legal counsel, public accountants, or other persons retained by the Corporation as to matters involving skills or expertise the officer reasonably believes are matters (i) within the particular person's professional or expert competence or (ii) as to which the particular person merits confidence. An officer shall not be liable to the Corporation or its shareholders for any decision to take or not to take any action taken, or any failure to take any action, as an officer, if the duties of the officer are performed in compliance with this Section.

ARTICLE V

PROVISIONS RELATING TO SHARES

Section 1. Issuance and Consideration. The Board of Directors may issue the number of shares of each class or series authorized by the Articles of Organization. The Board of Directors may authorize shares to be issued for consideration consisting of any tangible or intangible property or benefit to the Corporation, including cash, promissory notes, services performed, contracts for services to be performed, or other securities of the Corporation. Before the Corporation issues shares, the Board of Directors shall determine that the consideration received or to be received for shares to be issued is adequate. The Board of Directors shall determine the terms upon which the rights, options, or warrants for the purchase of shares or other securities of the Corporation are issued and the terms, including the consideration, for which the shares or other securities are to be issued.

Section 2. Share Certificates. If shares are represented by certificates, at a minimum each share certificate shall state on its face: (a) the name of the Corporation and that it is organized under the laws of The Commonwealth of Massachusetts; (b) the name of the person to whom issued; and (c) the number and class of shares and the designation of the series, if any, the certificate represents. If different classes of shares or different series within a class are authorized, then the variations in rights, preferences and limitations applicable to each class and series, and the authority of the Board of Directors to determine variations for any future class or series, must be summarized on the front or back of each certificate. Alternatively, each certificate may state conspicuously on its front or back that the Corporation will furnish the shareholder this information on request in writing and without charge. Each share certificate shall be signed, either manually or in facsimile, by the President or a Vice President and by the Treasurer or an Assistant Treasurer, or any two officers designated by the Board of Directors, and shall bear the corporate seal or its

facsimile. If the person who signed, either manually or in facsimile, a share certificate no longer holds office when the certificate is issued, the certificate shall be nevertheless valid.

Section 3. Uncertificated Shares. The Board of Directors may authorize the issue of some or all of the shares of any or all of the Corporation's classes or series without certificates. The authorization shall not affect shares already represented by certificates until they are surrendered to the Corporation. Within a reasonable time after the issue or transfer of shares without certificates, the Corporation shall send the shareholder a written statement of the information required by the MBCA to be on certificates.

Section 4. Record and Beneficial Owners. The Corporation shall be entitled to treat as the shareholder the person in whose name shares are registered in the records of the Corporation or, if the Board of Directors has established a procedure by which the beneficial owner of shares that are registered in the name of a nominee will be recognized by the Corporation as a shareholder, the beneficial owner of shares to the extent of the rights granted by a nominee certificate on file with the Corporation.

Section 5. Lost or Destroyed Certificates. The Board of Directors of the Corporation may, subject to Massachusetts General Laws, Chapter 106, Section 8-405, determine the conditions upon which a new share certificate may be issued in place of any certificate alleged to have been lost, destroyed, or wrongfully taken. The Board of Directors may, in its discretion, require the owner of such share certificate, or his or her legal representative, to give a bond, sufficient in its opinion, with or without surety, to indemnify the Corporation against any loss or claim which may arise by reason of the issue of the new certificate.

Section 6. Restrictions on Transfer.

(a) The shares of the Corporation shall be transferable, so as to affect the rights of the Corporation, only by transfer recorded on the books of the Corporation, in person or by duly authorized attorney, and upon the surrender of the certificate or certificates properly endorsed or assigned.

(b) Except as may be otherwise required by law, the Corporation shall be entitled to treat the record holder of stock as shown on its books as the owner of such stock for all purposes, including the payment of dividends and the right to vote with respect thereto, regardless of any transfer, pledge or other disposition of such stock, until the shares have been transferred on the books of the Corporation in accordance with the requirements of these By-laws. It shall be the duty of each shareholder to notify the Corporation of his or her post office address.

ARTICLE VI

CORPORATE RECORDS

Section 1. Records to be Kept.

(a) The Corporation shall keep as permanent records minutes of all meetings of its shareholders and Board of Directors, a record of all actions taken by the shareholders or Board of

Directors without a meeting, and a record of all actions taken by a committee of the Board of Directors in place of the Board of Directors on behalf of the Corporation. The Corporation shall maintain appropriate accounting records. The Corporation or its agent shall maintain a record of its shareholders, in a form that permits preparation of a list of the names and addresses of all shareholders, in alphabetical order by class of shares showing the number and class of shares held by each. The Corporation shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time.

(b) The Corporation shall keep within The Commonwealth of Massachusetts a copy of the following records at its principal office or an office of its transfer agent or of its Secretary or Assistant Secretary or of its registered agent:

- (i) its Articles of Organization and all amendments to them currently in effect;
- (ii) its By-laws or restated By-laws and all amendments to them currently in effect;
- (iii) resolutions adopted by its Board of Directors creating one or more classes or series of shares, and fixing their relative rights, preferences, and limitations, if shares issued pursuant to those resolutions are outstanding;
- (iv) the minutes of all shareholders' meetings, and records of all action taken by shareholders without a meeting, for the past three years;
- (v) all written communications to shareholders generally within the past three years, including the financial statements furnished under Section 16.20 of the MBCA for the past three years;
- (vi) a list of the names and business addresses of its current Directors and officers; and
- (vii) its most recent annual report delivered to the Massachusetts Secretary of State.

Section 2. Inspection of Records by Shareholders.

(a) A shareholder is entitled to inspect and copy, during regular business hours at the office where they are maintained pursuant to Section 1(b) of this Article, copies of any of the records of the Corporation described in said Section if he or she gives the Corporation written notice of his or her demand at least five business days before the date on which he or she wishes to inspect and copy.

(b) A shareholder is entitled to inspect and copy, during regular business hours at a reasonable location specified by the Corporation, any of the following records of the Corporation if the shareholder meets the requirements of subsection (c) and gives the Corporation written notice of his or her demand at least five business days before the date on which he or she wishes to inspect and copy:

(i) excerpts from minutes reflecting action taken at any meeting of the Board of Directors, records of any action of a committee of the Board of Directors while acting in place of the Board of Directors on behalf of the Corporation, minutes of any meeting of the shareholders, and records of action taken by the shareholders or Board of Directors without a meeting, to the extent not subject to inspection under subsection (a) of this Section;

(ii) accounting records of the Corporation, but if the financial statements of the Corporation are audited by a certified public accountant, inspection shall be limited to the financial statements and the supporting schedules reasonably necessary to verify any line item on those statements; and

(iii) the record of shareholders described in Section 1(a) of this Article.

(c) A shareholder may inspect and copy the records described in subsection (b) only if:

(i) his or her demand is made in good faith and for a proper purpose;

(ii) he or she describes with reasonable particularity his or her purpose and the records he or she desires to inspect;

(iii) the records are directly connected with his or her purpose; and

(iv) the Corporation shall not have determined in good faith that disclosure of the records sought would adversely affect the Corporation in the conduct of its business.

(d) For purposes of this Section, "shareholder" includes a beneficial owner whose shares are held in a voting trust or by a nominee on his or her behalf.

Section 3. Scope of Inspection Right.

(a) A shareholder's agent or attorney has the same inspection and copying rights as the shareholder represented.

(b) The Corporation may, if reasonable, satisfy the right of a shareholder to copy records under Section 2 of this Article by furnishing to the shareholder copies by photocopy or other means chosen by the Corporation including copies furnished through an electronic transmission.

(c) The Corporation may impose a reasonable charge, covering the costs of labor, material, transmission and delivery, for copies of any documents provided to the shareholder. The charge may not exceed the estimated cost of production, reproduction, transmission or delivery of the records.

(d) The Corporation may comply at its expense, with a shareholder's demand to inspect the record of shareholders under Section 2(b)(3) of this Article by providing the shareholder with a list of shareholders that was compiled no earlier than the date of the shareholder's demand.

(e) The Corporation may impose reasonable restrictions on the use or distribution of records by the demanding shareholder.

Section 4. Inspection of Records by Directors. A Director is entitled to inspect and copy the books, records and documents of the Corporation at any reasonable time to the extent reasonably related to the performance of the Director's duties as a Director, including duties as a member of a committee, but not for any other purpose or in any manner that would violate any duty to the Corporation.

ARTICLE VII

INDEMNIFICATION

Section 1. Definitions. In this Article the following words shall have the following meanings unless the context requires otherwise:

"Corporation", includes any domestic or foreign predecessor entity of the Corporation in a merger.

"Director" or "officer", an individual who is or was a Director or officer, respectively, of the Corporation or who, while a Director or officer of the Corporation, is or was serving at the Corporation's request as a director, officer, partner, trustee, employee, or agent of another domestic or foreign corporation, partnership, joint venture, trust, employee benefit plan, or other entity. A Director or officer is considered to be serving an employee benefit plan at the Corporation's request if his or her duties to the Corporation also impose duties on, or otherwise involve services by, him or her to the plan or to participants in or beneficiaries of the plan. "Director" or "officer" includes, unless the context requires otherwise, the estate or personal representative of a Director or officer.

"Disinterested Director", a Director who, at the time of a vote or selection referred to in Section 4 of this Article, is not (i) a party to the proceeding, or (ii) an individual having a familial, financial, professional, or employment relationship with the Director whose indemnification or advance for expenses is the subject of the decision being made, which relationship would, in the circumstances, reasonably be expected to exert an influence on the Director's judgment when voting on the decision being made.

"Expenses", includes counsel fees.

"Liability", the obligation to pay a judgment, settlement, penalty, fine including an excise tax assessed with respect to an employee benefit plan, or reasonable expenses incurred with respect to a proceeding.

"Party", an individual who was, is, or is threatened to be made, a defendant or respondent in a proceeding.

"Proceeding", any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, arbitative, or investigative and whether formal or informal.

Section 2. Indemnification of Directors and Officers.

(a) Except as otherwise provided in this Section, the Corporation shall indemnify to the fullest extent permitted by law an individual who is a party to a proceeding because he or she is a Director or officer against liability incurred in the proceeding if: (1) (i) he or she conducted himself or herself in good faith; and (ii) he or she reasonably believed that his or her conduct was in the best interests of the Corporation or that his or her conduct was at least not opposed to the best interests of the Corporation; and (iii) in the case of any criminal proceeding, he or she had no reasonable cause to believe his or her conduct was unlawful; or (2) he or she engaged in conduct for which he or she shall not be liable under a provision of the Articles of Organization authorized by Section 2.02(b)(4) of the MBCA or any successor provision to such Section.

(b) A Director's or officer's conduct with respect to an employee benefit plan for a purpose he or she reasonably believed to be in the interests of the participants in, and the beneficiaries of, the plan is conduct that satisfies the requirement that his or her conduct was at least not opposed to the best interests of the Corporation.

(c) The termination of a proceeding by judgment, order, settlement, or conviction, or upon a plea of nolo contendere or its equivalent, is not, of itself, determinative that the Director or officer did not meet the relevant standard of conduct described in this Section.

(d) Unless ordered by a court, the Corporation may not indemnify a Director or officer under this Section if his or her conduct did not satisfy the standards set forth in subsection (a) or subsection (b).

Section 3. Advance for Expenses. The Corporation shall, before final disposition of a proceeding, advance funds to pay for or reimburse the reasonable expenses incurred by a Director or officer who is a party to a proceeding because he or she is a Director or officer if he or she delivers to the Corporation:

(a) a written affirmation of his or her good faith belief that he or she has met the relevant standard of conduct described in Section 2 of this Article or that the proceeding involves conduct for which liability has been eliminated under a provision of the Articles of Organization as authorized by Section 2.02(b)(4) of the MBCA or any successor provision to such Section; and

(b) his or her written undertaking to repay any funds advanced if he or she is not wholly successful, on the merits or otherwise, in the defense of such proceeding and it is ultimately determined pursuant to Section 4 of this Article or by a court of competent jurisdiction that he or she has not met the relevant standard of conduct described in Section 2 of this Article. Such undertaking must be an unlimited general obligation of the Director or officer but need not be secured and shall be accepted without reference to the financial ability of the Director or officer to make repayment.

Section 4. Determination of Indemnification. The determination of whether a Director officer has met the relevant standard of conduct set forth in Section 2 shall be made:

(a) if there are two or more disinterested Directors, by the Board of Directors by a majority vote of all the disinterested Directors, a majority of whom shall for such purpose constitute a quorum, or by a majority of the members of a committee of two or more disinterested Directors appointed by vote;

(b) by special legal counsel (1) selected in the manner prescribed in clause (a); or (2) if there are fewer than two disinterested Directors, selected by the Board of Directors, in which selection Directors who do not qualify as disinterested Directors may participate; or

(c) by the shareholders, but shares owned by or voted under the control of a Director who at the time does not qualify as a disinterested Director may not be voted on the determination.

Section 5. Notification and Defense of Claim; Settlements.

(a) In addition to and without limiting the foregoing provisions of this Article and except to the extent otherwise required by law, it shall be a condition of the Corporation's obligation to indemnify under Section 2 of this Article (in addition to any other condition provide in these By-laws or by law) that the person asserting, or proposing to assert, the right to be indemnified, must notify the Corporation in writing as soon as practicable of any action, suit, proceeding or investigation involving such person for which indemnity will or could be sought, but the failure to so notify shall not affect the Corporation's objection to indemnify except to the extent the Corporation is adversely affected thereby. With respect to any proceeding of which the Corporation is so notified, the Corporation will be entitled to participate therein at its own expense and/or to assume the defense thereof at its own expense, with legal counsel reasonably acceptable to such person. After notice from the Corporation to such person of its election so to assume such defense, the Corporation shall not be liable to such person for any legal or other expenses subsequently incurred by such person in connection with such action, suit, proceeding or investigation other than as provided below in this subsection (a). Such person shall have the right to employ his or her own counsel in connection with such action, suit, proceeding or investigation, but the fees and expenses of such counsel incurred after notice from the Corporation of its assumption of the defense thereof shall be at the expense of such person unless (1) the employment of counsel by such person has been authorized by the Corporation, (2) counsel to such person shall have reasonably concluded that there may be a conflict of interest or position on any significant issue between the Corporation and such person in the conduct of the defense of such action, suit, proceeding or investigation or (3) the Corporation shall not in fact have employed counsel to assume the defense of such action, suit, proceeding or investigation, in each of which cases the fees and expenses of counsel for such person shall be at the expense of the Corporation, except as otherwise expressly provided by this Article. The Corporation shall not be entitled, without the consent of such person, to assume the defense of any claim brought by or in the right of the Corporation or as to which counsel for such person shall have reasonably made the conclusion provided for in clause (2) above.

(b) The Corporation shall not be required to indemnify such person under this Article for any amounts paid in settlement of any proceeding unless authorized in the same manner as the determination that indemnification is permissible under Section 4 of this Article, except that if there are fewer than two disinterested Directors, authorization of indemnification shall be made by the Board of Directors, in which authorization Directors who do not qualify as disinterested Directors may participate. The Corporation shall not settle any action, suit, proceeding or investigation in any manner which would impose any penalty or limitation on such person without such person's written consent. Neither the Corporation nor such person will unreasonably withhold their consent to any proposed settlement.

Section 6. Insurance. The Corporation may purchase and maintain insurance on behalf of an individual who is a Director or officer of the Corporation, or who, while a Director or officer of the Corporation, serves at the Corporation's request as a director, officer, partner, trustee, employee, or agent of another domestic or foreign corporation, partnership, joint venture, trust, employee benefit plan, or other entity, against liability asserted against or incurred by him or her in that capacity or arising from his or her status as a Director or officer, whether or not the Corporation would have power to indemnify or advance expenses to him or her against the same liability under this Article.

Section 7. Application of this Article.

(a) The Corporation shall not be obligated to indemnify or advance expenses to a Director or officer of a predecessor of the Corporation, pertaining to conduct with respect to the predecessor, unless otherwise specifically provided.

(b) This Article shall not limit the Corporation's power to (1) pay or reimburse expenses incurred by a Director or an officer in connection with his or her appearance as a witness in a proceeding at a time when he or she is not a party or (2) indemnify, advance expenses to or provide or maintain insurance on behalf of an employee or agent.

(c) The indemnification and advancement of expenses provided by, or granted pursuant to, this Article shall not be considered exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled.

(d) Each person who is or becomes a Director or officer shall be deemed to have served or to have continued to serve in such capacity in reliance upon the indemnity provided for in this Article. All rights to indemnification under this Article shall be deemed to be provided by a contract between the Corporation and the person who serves as a Director or officer of the Corporation at any time while these By-laws and the relevant provisions of the MBCA are in effect. Any repeal or modification thereof shall not affect any rights or obligations then existing.

(e) If the laws of the Commonwealth of Massachusetts are hereafter amended from time to time to increase the scope of permitted indemnification, indemnification hereunder shall be provided to the fullest extent permitted or required by any such amendment.

ARTICLE VIII

FISCAL YEAR

The fiscal year of the Corporation shall end on December 31 in each year.

ARTICLE IX
AMENDMENTS

(a) The Board of Directors may make, amend or repeal these By-laws in whole or in part, except with respect to any provision thereof which by virtue of an express provision in the MBCA, the Articles of Organization, or these By-laws, requires action by the shareholders.

(b) Not later than the time of giving notice of the meeting of shareholders next following the making, amending or repealing by the Board of Directors of any By-Law, notice stating the substance of the action taken by the Board of Directors shall be given to all shareholders entitled to vote on amending the By-laws. Any action taken by the Board of Directors with respect to the By-laws may be amended or repealed by the shareholders.

(c) Approval of an amendment to the By-laws that changes or deletes a quorum or voting requirement for action by shareholders must satisfy both the applicable quorum and voting requirements for action by shareholders with respect to amendment of these By-laws and also the particular quorum and voting requirements sought to be changed or deleted.

(d) A By-Law dealing with quorum or voting requirements for shareholders, including additional voting groups, may not be adopted, amended or repealed by the Board of Directors.

(e) A By-Law that fixes a greater or lesser quorum requirement for action by the Board of Directors, or a greater voting requirement, than provided for by the MBCA may be amended or repealed by the shareholders, or by the Board of Directors if authorized pursuant to subsection (a).

(f) If the Board of Directors is authorized to amend the By-laws, approval by the Board of Directors of an amendment to the By-laws that changes or deletes a quorum or voting requirement for action by the Board of Directors must satisfy both the applicable quorum and voting requirements for action by the Board of Directors with respect to amendment of the By-laws, and also the particular quorum and voting requirements sought to be changed or deleted.

4830-3670-2060.1



CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE



SANCTUARY MEDICINALS, INC.
1400 HANCOCK ST FL 3
QUINCY MA 02169-5233

Why did I receive this notice?

The Commissioner of Revenue certifies that, as of the date of this certificate, SANCTUARY MEDICINALS, 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) 887-6367 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: July 05, 2018

To Whom It May Concern :

I hereby certify that according to the records of this office,
SANCTUARY MEDICINALS, INC.

is a domestic corporation organized on **July 03, 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: 18070076120

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

Processed by:

Dispensing Procedures (for Retailers)

In accordance with 935 CMR 500.140(3), access to Sanctuary Medicinals, LLC's ("Sanctuary") facility is limited to individuals 21 years of age and older. If the individual is younger than 21 years old but 18 years of age or older, he or she will not be admitted unless he or she is a registered qualifying patient or caregiver and produces an active Program ID Card issued by the DPH. If the individual is younger than 18 years old, he or she will not be allowed on the premises unless he or she is a registered qualifying patient and produces an active medical registration card and he or she is accompanied by a personal caregiver with an active Program ID Card. In addition to the Program ID Card, registered qualifying patients under the age of 21 and personal caregivers must also produce proof of identification. Upon a customer's entry into Sanctuary premises, a Sanctuary agent will immediately inspect the customer's proof of identification and determine the individual's age. An individual will not be admitted to the premises unless the retailer has verified that the individual is 21 years of age or older by an individual's proof of identification. At the door, a designated staff member will collect valid customer identification and confirm a minimum age of 21 years old, failing the confirmation of 21 years of age or older, an individual will be prohibited from entering the premises.

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

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

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

In the event a Sanctuary agent determines an individual would place themselves or the public at risk, the agent will refuse to sell any marijuana products to the consumer. Sanctuary will use the point of sale security system to accept payment and complete sales. The system can back up and securely cache each sale for inspection.

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

Sanctuary will utilize a temporary or semi-permanent physical barrier to provide a physical separation between the medical and adult-use sales areas. Sanctuary will only utilize a barrier that, in the opinion of the Commission, provides adequate separation of the sales areas of marijuana product for medical use and adult use. Sanctuary will provide for separate queues for sales of marijuana products for medical use from marijuana products for adult use within the sales area; provided, however, that the holder of a Program ID Card may use either line and will not be limited only to the medical use queue. Sanctuary retail locations will provide an area that is separate from the sales floor to allow for confidential patient consultation.

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

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

In compliance with 935 CMR 500.140(8), Sanctuary will provide educational materials designed to help consumers make informed marijuana product purchases. Sanctuary's educational materials will describe the varying types of products available at Sanctuary, as well as the types and methods of consumption. The materials will offer education on cannabis titration: the method of using the smallest amount of a given marijuana product necessary to bring about the desired effect. Additional topics discussed in consumer materials will include

potency; proper dosing; the delayed effects of edible marijuana products; and substance abuse and related treatment programs, marijuana tolerance, dependence, and withdrawal.

Diversity Plan

Sanctuary Medicinals, LLC (“Sanctuary”) believes in creating and sustaining a robust policy of inclusivity and diversity. Sanctuary recognizes that diversity in the workforce is key to the integrity of a company’s commitment to its community. Sanctuary is dedicated to creating a diverse culture with a commitment to equal employment opportunity for all individuals. Sanctuary’s diversity plan is designed to promote equity among minorities, women, veterans, people with disabilities, and people of all gender identities and sexual orientations. Sanctuary will make every effort to employ and advance in employment qualified and diverse people at all levels within the company.

Sanctuary’s executives and leadership are committed to successful implementation of Sanctuary’s Diversity Plan. Sanctuary’s executive management team believes that increased diversity will provide Sanctuary with a richer perspective and approach to its business.

Sanctuary believes in creating and sustaining a robust policy of inclusivity and diversity because Sanctuary recognizes that diversity in the workforce is key to the integrity of a company’s commitment to the community where it is established. Coupled with that vision, Sanctuary also wants to ensure that its customers see themselves in the makeup of Sanctuary’s employees.

Sanctuary’s comprehensive diversity empowerment plan is a pillar of its purpose-driven company. To better serve Sanctuary’s customers, Sanctuary aims to create an environment where personal identities, race, military service, sexual orientation, and heritage are utilized, celebrated, and valued. Sanctuary’s diversity initiatives and strategies are designed to attract, develop, and advance the most talented individuals regardless of their race, sexual orientation, religion, age, gender, disability status, or any other dimension of diversity.

Diversity Recruitment and Sourcing

Sanctuary will establish and maintain an inclusive and diverse workforce to serve its customers through innovative corporate recruitment of underrepresented and minority communities. Sanctuary has developed strategic corporate initiatives to ensure a diverse and qualified staff stands ready to serve Sanctuary customers’ needs. These strategic corporate initiatives include:

- Hosting career fairs in underrepresented and minority communities;
- Provide cultural training on cultural sensitivity and recognizing unconscious bias; and
- Using suppliers who are also committed to diversity and inclusion.

Sanctuary’s recruitment efforts are designed to maintain a steady flow of qualified diverse applicants and includes the following steps:

- Developing relationships with organizations serving minorities, women, people of all gender identities and sexual orientations, veterans, and persons with disabilities for employment referrals;
- Providing briefings to representatives from recruitment sources concerning current and future job openings;
- Encouraging employees from diverse groups to refer applicants for employment;
- Participating in career day programs and encouraging Sanctuary's diverse employees to participate whenever possible;
- Establishing recruitment efforts at higher learning institutions, and institutions with special programs that reach diverse people;
- Developing relationships with community child care, housing, transportation, and other programs designed to improve employment opportunities for diverse persons;
- Ensuring that job openings are sent to community partners; and
- Utilizing Zip Recruiter to reach over 100 online career and job websites, as well as social media.

Employee Retention, Training and Development

Sanctuary will offer promotions, career counseling, and training to provide all employees with equal opportunity for growth and to decrease turnover. Sanctuary will ensure that all employees are given equal opportunities for promotion by communicating opportunities, training programs, and clearly-defined job descriptions. Sanctuary will ensure that all employees receive equal opportunity for career counseling, counsel employees on advancement opportunities, and provide training programs to assist them in career development. Sanctuary will instruct managers and supervisors to refer employees seeking career counseling to the Human Resources Manager.

Sanctuary's diversity awareness training emphasizes Sanctuary's zero-tolerance commitment of harassment and discrimination and Sanctuary's strict adherence to take corrective action should any issues, concerns, or complaints arise. All Sanctuary employees are required to complete the diversity awareness training program during employee orientation. Training will begin immediately upon hiring, and all new employees will be required to participate in an orientation program that will introduce and stress the importance of the Diversity Plan.

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

Awareness of Diversity Plan goals and Sanctuary's efforts to create an open culture with zero tolerance for discrimination, harassment, or retaliation, is crucial to Sanctuary's success. Management, staff, associates, vendors, contractors, and the general public all benefit from being informed of the Diversity Plan objectives and procedures. Dissemination of information of the Diversity Plan includes the following:

- Inclusion of Sanctuary's Equal Employment Opportunity and Reasonable Accommodation statement in the Employee Handbook;
- Inclusion of Sanctuary's zero-tolerance policies for harassment, discrimination, bullying, and other actions which oppose Sanctuary's goal for a diverse workforce;
- Postings in suitable areas for employee communication;
- Diversity training programs for all employees;
- Quarterly progress evaluation meetings with appropriate personnel; and
- Formal presentations made to management and employees on diversity initiatives.

Strategic Partnerships, Suppliers and Vendors

Sanctuary will partner with local organizations focused on inclusion and opportunity for minorities, women, veterans, groups concerned with persons with disabilities, and people of all gender identities and sexual orientations.

Sanctuary will promote diversity and support the local economy through purchasing goods and services from vendors, contractors, and professional service providers that are owned and operated by individuals that have cultural and ethnically diverse characteristics. In selecting potential contractors, subcontractors, vendors and suppliers, Sanctuary will first contract with small and diverse businesses. Sanctuary's goal is to maintain diverse organization, vendor, and contractor spending at or above 20% of total related expenses.

External communication efforts that align with Sanctuary's Diversity Plan will include:

- Advertising in employment and business sections of appropriate types of media;
- Participating in employment and business notification programs; and
- Distribution of literature to organizations actively supportive of minorities, women, disabled persons, the LGBTQ community, and veterans.

Measuring Progress

Sanctuary has established a Diversity Committee (the "Committee") to assist the executive management team with the implementation and growth of the Diversity Plan. The initial members of the Committee were selected based on their diverse status and their personal commitments to diversity. Additional members of the Committee may be added at the discretion of Sanctuary's executive management team.

The Committee will be responsible for:

- Developing Equal Employment Opportunity (EEO) statements, policies, programs, and internal and external communication procedures in support of the goals of the Diversity Plan;
- Assisting in the identification of problematic areas for EEO, including receiving, reviewing, and resolving any complaints of discrimination or other non-compliance with regards to equal opportunity and fair treatment of all employees;
- Assisting management in arriving at effective solutions to problems regarding issues of diversity and inclusion;
- Designing and implementing internal reporting systems that measure the effectiveness of programs designed to support a company culture that fosters diversity;
- Keeping the company informed of equal opportunity progress through quarterly reports;
- Reviewing the Diversity Plan with management at all levels of Sanctuary to ensure that the Diversity Plan is understood; and
- Auditing Sanctuary's internal and external job postings to ensure information is in compliance with Sanctuary's diversity policies and procedures.

The CEO at Sanctuary will be responsible for auditing the Diversity Plan. The audit report setting forth the Company's performance in fulfilling the goals of the Plan will contain:

- Employment data, including information on minority, women, disabled, and veteran representation in the workforce in all job classifications; average salary ranges; recruitment and training information (all job categories); and retention and outreach efforts;
- The total number and value of all contracts and/or subcontractors awarded for goods and services;
- An identification of each subcontract actually awarded to a member of a diverse group and the actual value of such subcontract;
- A comprehensive description of all efforts made by Sanctuary to monitor and enforce the Diversity Plan;
- Information on diverse group investment, equity ownership, and other ownership or employment opportunities initiated or promoted by Sanctuary;
- Other information deemed necessary or desirable by the Commission to ensure compliance with the rules and regulations governing marijuana establishments in Massachusetts; and
- When available, a workforce utilization report including the following information for each job category at Sanctuary:
 - The total number of persons employed
 - The total number of men employed
 - The total number of women employed
 - The total number of veterans
 - The total number of service-disabled veterans

- The total number of members of each racial minority employed

Maintaining of Financial Records

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

- Confidential information will be maintained in a secure location, kept separate from all other records, and will not be disclosed without the written consent of the individual to whom the information applies, or as required under law or pursuant to an order from a court of competent jurisdiction; provided however, the Commission may access this information to carry out its official duties.
- All recordkeeping requirements under 935 CMR 500.105(9) are followed, including:
 - Keeping written business records, available for inspection, and in accordance with generally accepted accounting principles, which will include manual or computerized records of:
 - Assets and liabilities;
 - Monetary transactions;
 - Books of accounts, which will include journals, ledgers, and supporting documents, agreements, checks, invoices, and vouchers;
 - Sales records including the quantity, form, and cost of marijuana products; and
 - Salary and wages paid to each employee and any executive compensation, bonus, benefit, or item of value paid to any individual affiliated with a marijuana establishment, including members, if any.
- All sales recording requirements under 935 CMR 500.140(6) are followed, including:
 - Utilizing a point-of-sale (POS) system approved by the Commission, in consultation with the DOR, and a sales recording module approved by DOR;
 - Conducting a monthly analysis of its equipment and sales data, and maintaining records, available to the Commission upon request, that the monthly analysis has been performed;
 - Complying with 830 CMR 62C.25.1: *Record Retention* and DOR Directive 16-1 regarding recordkeeping requirements;
 - Adopting separate accounting practices at the point-of-sale for marijuana and marijuana product sales, and non-marijuana sales;
 - Maintaining such records that would allow for the Commission and the DOR to audit and examine the point-of-sale system used in order to ensure compliance with Massachusetts tax laws and 935 CMR 500; and
 - If colocated with a medical marijuana treatment center, maintaining and providing the Commission on a biannual basis accurate sales data collected by the licensee during the six months immediately preceding this application for the purpose of

ensuring an adequate supply of marijuana and marijuana products under 935 CMR 500.140(10).

- Additional written business records will be kept, including, but not limited to, records of:
 - Compliance with liability insurance coverage or maintenance of escrow requirements under 935 CMR 500.105(10) and all bond or escrow requirements under 935 CMR 500.105(16);
 - Fees paid under 935 CMR 500.005 or any other section of the Commission's regulations; and
 - Fines or penalties, if any, paid under 935 CMR 500.550 or any other section of the Commission's regulations.

Personnel Policies Including Background Checks

Overview

Sanctuary Medicinals, LLC (“Sanctuary”) will maintain personnel records as a separate category of records due to the sensitivity and importance of information concerning agents, including registration status and background check records. Sanctuary will keep, at a minimum, the following personnel records:

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

Job Descriptions

Director of Security: Under the supervision of the Chief Executive Officer, the Director of Security is responsible for the development and overall management of the Security Policies and Procedures for Sanctuary, while implementing, administering, and revising the policies as needed. In addition, the Director of Security will perform the following duties:

- Provide general training to Sanctuary agents during new hire orientation or re-current trainings throughout the year;
- Provide training specific for Security Agents prior to the Security Agent commencing job functions;
- Review and approve incident reports and other reports written by Security Agents prior to submitting to the executive management team—follow up with security agent if needed;
- Maintain lists of agents authorized to access designated areas of the Sanctuary facility, including cash and product storage vaults, the surveillance and network equipment room, and other highly sensitive areas of the Sanctuary facility;
- Lead a working group comprised of the Chief Executive Officer, Chief Operating Officer, and any other designated advisors to ensure the current policies and procedures are properly implemented, integrated, effective, and relevant to ensure the safety of Sanctuary agents and assets;
- Ensure that all required background checks have been completed and documented prior to an agent performing job functions; ensure agent is granted appropriate level of access to the facility necessary to complete his/her job functions;
- Maintain all security-related records, incident reports and other reports written by security agents;
- Evaluate and determine the number of security agents assigned to each shift and proper shift change times; and
- Maintain frequent contact with local law enforcement authorities.

Security Agent: Security Agents monitor Sanctuary’s security systems including alarms, video surveillance, and motion detectors. Security Agents are responsible for ensuring that only authorized individuals are permitted access to the Sanctuary facility by verifying appropriate ID

cards and other forms of identification. In addition, Security Agents perform the following duties and other duties upon request:

- Investigate, communicate, and provide leadership in the event of an emergency such as an intrusion, fire, or other threat that jeopardizes customers, authorized visitors, and Sanctuary agents;
- Respond and investigate security situations and alarm calls; clearly document the incident and details surrounding the incident in a written report for the Director of Security;
- Oversee the entrance to the facility and verify credentials of each person seeking access to the Sanctuary facility;
- Answer routine inquiries;
- Log entries, and maintain visitor log;
- Escort authorized visitors in restricted access areas; and
- Escort Sanctuary agents from the facility during non-business hours and perform security checks at designated intervals.

Inventory Manager: The Inventory Manager is responsible for inventory on a day-to-day basis as well as the weekly and monthly inventory counts and waste disposal requirements. The inventory manager will perform the comprehensive annual inventory in conjunction with the executive management team. Additional duties include, but are not limited to:

- Implementing inventory controls to track and account for all dispensary inventory;
- Implementing procedures and notification policies for proper disposal;
- Maintaining records, including operating procedures, inventory records, audit records, storage and transfer records;
- Maintaining documents with each day's beginning, acquisitions, sales, disposal, and ending inventory; and
- Proper storing, labeling, tracking, and reporting of inventory.

Inventory Associate: Inventory Associates support the Inventory Manager during day-to-day operations. Responsibilities include, but are not limited to:

- Maintaining records, including operating procedures, inventory records, audit records, storage and transfer records;
- Maintaining documents with each day's beginning, acquisitions, sales, disposal and ending inventory;
- Ensuring products are properly stored, labeled, and recorded in the BioTrack THC system;
- Ensuring waste is properly stored; and
- Coordinating the waste disposal schedule and ensuring Sanctuary's policies and procedures for waste disposal are adhered to.

Human Resources Manager: The Human Resources Manager at Sanctuary will support the executive management team on a day-to-day basis to effectively implement all personnel policies and procedures for Sanctuary, including hiring processes. The Human Resources Manager will:

- Oversee hiring and release of Sanctuary agents;
- Review and revise Sanctuary personnel policies and procedures in consultation with the executive management team and department managers;

- Develop training schedules and policies for Sanctuary agents under the supervision of the executive management team and department managers;
- Handle any and all agent discipline as necessary;
- Ensure compliance with any and all workplace policy laws and requirements; and
- Be responsible for such additional human resources tasks as determined by the executive management team.

Director of Cultivation: The Director of Cultivation is responsible for all daily operations and maintenance of the Cultivation Facility. The Director of Cultivation will:

- Be responsible for implementing policies with the Cultivation Facility;
- Coordinate space assignments;
- Receive and review work requests;
- Coordinate repairs and maintenance;
- Supervise and train agents in an ongoing capacity;
- Provide mandatory training for new agents;
- Maintain a record of space allocations;
- Work with Cultivation Technicians to promote successful operations in the Cultivation Facility;
- Program and monitor the Direct Digital Control (DDC).
- Maintain a database of environmental controls and conditions;
- Adjust DDC for optimum efficiency of operation;
- Provide pesticide recommendations and ensure IPM Program is sufficient.

Cultivation Manager: The Cultivation Manager supervises and participates in all aspects of daily Cultivation Facility tasks. The Cultivation Manager operates under the supervision of the Director of Cultivation and will:

- Instruct Cultivation Technicians on operation procedures;
- Train and supervise Cultivation Technicians;
- Assist with the activities performed by all Cultivation Technicians;
- Instruct agents or apply pesticides with guidance from the Director of Cultivation;
- Perform routine maintenance;
- Maintain inventory of all cultivation supplies and order such supplies;
- Report daily to Director of Cultivation; and
- Coordinate with relevant staff regarding harvest schedules.

Cultivation Technician: Cultivation Technicians are responsible for all daily tasks in their assigned areas within the Cultivation Facility. Cultivation Technicians report directly to Cultivation Manager and/or Director of Cultivation. Responsibilities include, but are not limited to:

- Irrigation;
- Pruning;
- Pesticide application;
- Potting/Re-potting;
- Propagation;
- Light construction; and
- Janitorial duties (i.e. cleaning, disinfecting, sterilizing).

Production Manager: The Production Manager is responsible for all post-harvest handling of marijuana. The Production Manager coordinates directly with the Cultivation Manager regarding harvest schedules. Production Manager reports directly to the Director of Cultivation and is responsible for the following:

- Transitioning harvested plant material from cultivation rooms to the Trim Room where marijuana is trimmed via machine and manually;
- Overseeing Trim Technicians and delegates daily tasks to production agents;
- Ensuring quality control of finished marijuana flowers;
- Monitoring the status of the Dry Room and of marijuana flowers that are in the process of drying;
- Entering wet and dry weights of all product including flowers and trim into BioTrack THC;
- Working with Cultivation Technicians to ensure prompt transfer of marijuana trim to relevant room within the Cultivation Facility;
- Overseeing bulk packaging and storing in dedicated vault; and
- Relaying information to the Inventory Manager for sales purposes.

Trim Technicians: Trim Technicians are responsible for post-harvest trimming of marijuana plants, both mechanical and manual. Trim Technicians report directly to the Production Manager and are responsible for:

- Receiving daily tasks from the Production Manager;
- Assisting in the harvest of marijuana;
- Trimming marijuana plants;
- Maintaining a sterile environment in the Trim Room; and
- Cleaning and maintaining scissors and trim machines.

Production Manager: Responsible for production of all concentrates and marijuana products created by Sanctuary. This includes, but is not limited to:

- Managing inventory and par-levels of all concentrate and marijuana products, including integration into the BioTrack THC;
- Creating raw Super Critical CO₂ (SCCO₂) concentrate;
- Creating distilled, high-purity concentrate for use in marijuana products and vaporizer cartridges;
- Creating all marijuana products;
- Organizing extraction schedule based on availability of cultivated material;
- Maintaining a rigid cleaning schedule that all lab agents must adhere to;
- Ensuring safety pursuant to established safety protocols;
- Coordinating facility repairs and maintenance;
- Supervising and training agents in an ongoing manner; and
- Providing mandatory training for new agents.

Lab/Production Assistant: Responsible for supporting the Production Manager during day-to-day operations. This includes, but is not limited to:

- Drying and grinding cultivated material in preparation for SCCO₂ extraction;

- Unpacking and cleaning the SCCO2 extractor;
- Cleaning and sanitization of all lab glassware;
- Cleaning and sanitization of all kitchen cookware and utensils;
- Cleaning and sanitization of the distillation still;
- Routine scheduled maintenance of all equipment; and
- Assisting with packaging of all concentrate and marijuana products to be sold.

Retail Manager: Responsible for overseeing all Member Services Agents and managing day-to-day operations of the retail facility. This includes, but is not limited to:

- Implementing inventory tracking;
- Training retail staff;
- Ensuring customer satisfaction through feedback tools;
- Reporting all incidents and complaints to the executive team; and
- Working with bookkeeping to ensure precise data flow.

Member Services Agent: Member Services Agents ensure that each customer is treated with respect while at a Sanctuary facility and that each customer receives the appropriate amount of individualized attention in order to address his/her specific needs and questions. Member Services Agent responsibilities include, but are not limited to:

- Maintaining a clean, safe, healthy, and productive environment ensuring that customers have a positive experience at a Sanctuary facility;
- Answering customer questions regarding products including but not limited to flowers, concentrates, tinctures, and edibles;
- Being knowledgeable of strains and various types of products offered by Sanctuary;
- Properly setting up product displays pursuant to Sanctuary policies and procedures;
- Executing and enforcing compliance with Commission regulations and Sanctuary policies and procedures;
- Understanding sales transactions using BioTrack THC;
- Understanding individual customer goals;
- Reconciling cash from sales transactions, sales reports, and other forms of task management daily; and
- Participating in ongoing education and professional development as required.

Agent Personnel Records

Personnel records for each agent will be maintained for at least twelve (12) months after termination of the agent's affiliation with Sanctuary and will include, at a minimum, the following:

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

- Documentation of periodic performance evaluations;
- A record of any disciplinary action taken;
- Notice of completed responsible vendor and eight-hour related duty training;
- Results of initial background investigation, including CORI reports; and
- Documentation of all security related events (including violations) and the results of any investigations and description of remedial actions, restrictions, or additional training required as a result of an incident.

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

Staffing Plan and Business Hours

Hiring and Recruitment

Sanctuary's Human Resource Manager will engage the executive management team and management staff on a regular basis to determine if vacancies are anticipated or whether specific positions need to be created in response to company needs. Sanctuary's hiring practices will include but are not limited to the following and apply to all types of working situations including hiring, firing, promotions, harassment, training, wages and benefits:

- Equal Employment Opportunity Commission (EEOC) Compliance;
- Sanctuary's Diversity Plan and Community Initiatives;
- Sanctuary's Plan to Positively Impact Areas of Disproportionate Impact;
- Background Checks and References;
- Mandatory reporting of criminal convictions (and termination if necessary);
- State and Federal Family Leave Act;
- Workplace Safety Laws;
- State and Federal Minimum Wage Requirements; and
- Non-Disclosure and Non-Complete Agreements

Standards of Conduct

Sanctuary is committed to maintaining an environment conducive to the health and wellbeing of customers and employees. It is Sanctuary's mission to provide a professional workplace free from harassment and discrimination for employees. Sanctuary will not tolerate harassment or discrimination on the basis of sex, race, color, national origin, age, religion, disability, sexual orientation, gender identity, gender expression, or any other trait or characteristic protected by any applicable federal, state, or local law or ordinance. Harassment or discrimination on the basis of any protected trait or characteristic is contrary to Sanctuary's values and is a violation of the Company Code of Conduct. Harassment is a form of discrimination. There is a broad range of behavior that could constitute harassment. In general, harassment is any verbal or physical conduct that:

- Has the purpose or effect of creating an intimidating, hostile, or offensive working environment;
- Has the purpose or effect of unreasonably interfering with an individual's work performance; or
- Adversely affects an individual's employment opportunities.

Employees are expected to maintain the highest degree of professional behavior. All harassment or discrimination by employees is strictly prohibited. Further, harassing or discriminatory behavior of non-employees directed at Sanctuary employees or customers also is condemned and will be promptly addressed.

Violence and Weapons in the Workplace

Any and all acts of violence in the workplace will result in immediate dismissal of the employee, customer, or parties involved. Law enforcement will be contacted immediately in the case of a violent event. Weapons are not permitted on site by employees, customers, or other parties. Employees found carrying weapons on Sanctuary facilities will be immediately terminated. Customers found carrying weapons on the premises will be asked to leave and/or the police will be notified accordingly.

At-Will Employment

In the state of Massachusetts, employment is assumed to be at-will unless otherwise stated. At-will employment implies that employer and employee alike may terminate the work relationship at any given moment and for any legitimate purpose. Wrongful termination may be more difficult to prove in an at-will arrangement because of the freedom that each party has to end the employment. However, there are still many instances wherein a termination or discharge can be called wrongful, even in an at-will employment.

Workplace Attire

The required attire for registered agents at Sanctuary varies based upon required duties. New hire training and the onboarding process will go over the workplace attire specific to each role and the department manager will be responsible for ensuring compliance with all requirements is met.

Overview of Personnel Policies and Procedures

Standard Employment Practices

Sanctuary values the contributions of its management and staff positions. Sanctuary will strive to be the industry leader in workplace satisfaction by offering highly competitive wage and benefits packages and developing a culture that values a proper work-life balance, boasts a transparent and accessible executive management team, and fosters a work ethic that focuses on the mission of the company and spirit of the adult-use marijuana program in Massachusetts.

Advancement

The organization will be structured in a relatively flat manner, with promotional opportunities within each department. Participation in training and bi-annual performance evaluations will be critical for any promotions or pay increases.

Written Policies

Sanctuary's written policies will address, inter alia, the Family and Medical Leave Act (FMLA), the Consolidated Omnibus Budget Reconciliation Act (COBRA), equal employment opportunity, discrimination, harassment, the Employee Retirement Income Security Act (ERISA), disabilities, maintenance of personnel files, privacy, email policy, 935 CMR 500.000 et. Seq., holidays, hours, sick time, personal time, overtime, performance reviews, disciplinary procedures, working hours, pay rates, overtime, bonuses, veteran preferences, drug testing, personnel policies, military leaves of absence, bereavement leave, jury duty, CORI checks, smoking, HIPAA, patient confidentiality, and compliance hotline.

Investigations

Sanctuary will set forth policies and procedures to investigate any complaints or concerns identified or raised internally or externally in order to stay in compliance with 935 CMR 500.000 et. seq.

Designated Outside Counsel

Sanctuary may retain counsel specializing in employment law to assist the Human Resources Manager with any issues and questions.

Job Status

Job Classifications

Positions at Sanctuary are categorized by rank and by department. The executive management team oversees the overall success of mission of the company; the CEO is responsible for implementation of the mission and the executive management team as a whole is responsible for ensuring that all departments are properly executing their functions and responsibilities. Job classification is comprised of three rank tiers: Executive Management, Management, and Non-Management Employee.

Work Schedules

Work schedules will be either part-time, full-time, or salaried, depending of the specific position. Schedules will be set according to the needs of each department as determined by the department manager and the executive manager they report to. It is the department manager's responsibility to develop and implement a work schedule that provides necessary duty and personnel coverage but does not exceed what is required for full implementation of operations. It is also the department manager's responsibility to ensure that adequate coverage occurs on a daily basis and does not lead to unnecessary utilization of overtime coverage.

Mandatory Meetings and Community Service Days

There will be a mandatory reoccurring company-wide meeting on a monthly basis. All required personnel will be notified of their required attendance. Certain personnel, such as house-keeping staff, may not be required to attend. Each department will have a mandatory weekly meeting schedule by the department manager. The department managers will provide agendas for all meeting and will report to their executive manager.

Breaks

Daily breaks, including lunch breaks, will comply with the laws of the Commonwealth.

Performance Reviews

Performance reviews will be conducted by executive or department managers. Reviews will be conducted at three-month intervals for new employees during the first year and at 6-month intervals thereafter. A written synopsis must be provided to, and signed by, the employee under review. Reviews must be retained in each employee's employment file. Performance reviews must take into account positive performance factors and areas requiring improvement. Scoring systems may be utilized to help reflect the employee's overall performance.

Leave Policies

Sanctuary leave policies will comport with all state and federal statutes.

All full-time employees will receive two 40-hour weeks of paid vacation per annum. Additional leave must be requested at least 2 weeks in advance and approved by the employee's department manager. Sanctuary will determine which holidays will be observed and which departments will not be required to work. Sanctuary will offer paid maternity leave. Additional leave will not be paid and must be approved by the department manager.

Sanctuary anticipates observing the following holidays:

- New Year's Day;
- Martin Luther King Day;
- Presidents' Day;
- Memorial Day;
- Independence Day;
- Labor Day;
- Thanksgiving; and
- Christmas Day.

Disciplinary Policies

Purpose

Sanctuary's discipline policy and procedure is designed to provide a structured corrective action process to improve and prevent a recurrence of undesirable behavior and/or performance issues. The steps outlined below of Sanctuary's discipline policy and procedure have been designed consistent with Sanctuary's organizational values, best practices, and employment laws.

Sanctuary reserves the right to combine or skip steps depending upon facts of each situation and the nature of the offense. The level of disciplinary intervention may also vary. Some of the factors that will be considered depend upon whether the offense is repeated despite coaching,

counseling, and/or training; the employee's work record; and the impact the conduct and performance issues have on Sanctuary's organization.

Procedure

Step 1: Counseling and Verbal Warning

Step 1 creates an opportunity for the immediate supervisor to schedule a meeting with an employee to bring attention to the existing performance, conduct, or attendance issue. The supervisor should discuss with the employee the nature of the problem or violation of company policies and procedures. The supervisor is expected to clearly outline expectations and steps the employee must take to improve performance or resolve the problem.

Within five business days, the supervisor will prepare written documentation of a Step 1 meeting. The employee will be asked to sign the written documentation. The employee's signature is needed to demonstrate the employee's understanding of the issues and the corrective action needed.

Step 2: Written Warning

While it is hoped that the performance, conduct, or attendance issues that were identified in Step 1 have been corrected, Sanctuary recognizes that this may not always be the case. A written warning involves a more formal documentation of the performance, conduct, or attendance issues and consequences.

During Step 2, the immediate supervisor and a department manager or director will meet with the employee and review any additional incidents or information about the performance, conduct, or attendance issues as well as any prior relevant corrective action plans. Management will outline the consequences for the employee of his or her continued failure to meet performance and/or conduct expectations. A formal performance improvement plan (PIP) requiring the employee's immediate and sustained corrective action will be issued within five business days of a Step 2 meeting. A warning outlining that the employee may be subject to additional discipline up to and including termination if immediate and sustained corrective action is not taken may also be included in the written warning.

Step 3: Suspension and Final Written Warning

There may be performance, conduct, or safety incidents so problematic and harmful that the most effective action may be the temporary removal of the employee from the workplace. When immediate action is necessary to ensure the safety of the employee or others, the immediate supervisor may suspend the employee pending the results of an investigation.

Suspensions that are recommended as part of the normal progression of this progressive discipline policy and procedure are subject to approval from a next-level manager and the Human Resources Manager.

Depending upon the seriousness of the infraction, the employee may be suspended without pay in full-day increments consistent with federal, state and local wage-and-hour employment laws. Nonexempt/hourly employees may not substitute or use an accrued paid vacation or sick day in lieu of the unpaid suspension. Due to Fair Labor Standards Act (FLSA) compliance issues, unpaid suspension of salaried/exempt employees is reserved for serious workplace safety or conduct issues. The Human Resources Manager will provide guidance so that the discipline is administered without jeopardizing the FLSA exemption status.

Pay may be restored to the employee if an investigation of the incident or infraction absolves the employee.

Step 4: Recommendation for Termination of Employment

The last and most serious step in the progressive discipline procedure is a recommendation to terminate employment. Generally, Sanctuary will try to exercise the progressive nature of this policy by first providing warnings, a final written warning, and/or suspension from the workplace before proceeding to a recommendation to terminate employment. However, Sanctuary reserves the right to combine and skip steps depending upon the circumstances of each situation and the nature of the offense. Furthermore, employees may be terminated without prior notice or disciplinary action.

Management's recommendation to terminate employment must be approved by the Human Resources Manager and department manager or designee. Final approval may be required from the CEO or designee.

Nothing in this policy provides any contractual rights regarding employee discipline or counseling nor should anything in this policy be read or construed as modifying or altering the employment-at-will relationship between Sanctuary and its employees.

Appeal Process

Employees will have the opportunity to present information that may challenge information management has used to issue disciplinary action. The purpose of this process is to provide insight into extenuating circumstances that may have contributed to the employee performance and/or conduct issues while allowing for an equitable solution.

If the employee does not present this information during any of the step meetings, he or she will have five business days after that meeting to present information.

Performance and Conduct Issues Not Subject to Progressive Discipline

Behavior that is illegal is not subject to progressive discipline and may be reported to local law enforcement. Theft, intoxication at work, fighting and other acts of violence are also not subject to progressive discipline and may be grounds for immediate termination.

Documentation

The employee will be provided copies of all progressive discipline documentation, including all performance improvement plans. The employee will be asked to sign copies of this documentation attesting to their receipt and understanding of the corrective action outlined in these documents. Copies of these documents will be placed in the employee's official personnel file.

Separation of Employment

Separation of employment within an organization can occur for several different reasons. Employment may end as a result of resignation, retirement, release (end of season or assignment), reduction in workforce, or termination. When an employee separates from Sanctuary, his or her supervisor must contact the Human Resources Manager to schedule an exit interview, typically to take place on employee's last workday.

Types of Separation

1. Resignation

Resignation is a voluntary act initiated by the employee to end employment with Sanctuary. The employee must provide a minimum of two (2) weeks' notice prior to resignation. If an employee does not provide advance notice or fails to actually work the remaining two weeks, the employee will be ineligible for rehire and will not receive accrued benefits. The resignation date must not fall on the day after a holiday.

2. Retirement

An employee who wishes to retire is required to notify his or her department director and the Human Resources Manager in writing at least one (1) month before planned retirement date. It is the practice of Sanctuary to give special recognition to employees at the time of their retirement.

3. Job Abandonment

An employee who fails to report to work or contact his or her supervisor for two (2) consecutive workdays will be considered to have abandoned the job without notice effective at the end of the employee's normal shift on the second day. The department manager will notify the Human Resources Manager at the expiration of the second workday and initiate the paperwork to terminate the employee. Employees who are separated due to job abandonment are ineligible to receive accrued benefits and are ineligible for rehire.

4. Termination

Employees of Sanctuary are employed on an at-will basis, and the company retains the right to terminate an employee at any time.

5. Reduction in Workforce

An employee may be laid off due to changes in duties, organizational changes, lack of funds, or lack of work. Employees who are laid off may not appeal the layoff decision through the appeal process.

6. Release

Release is the end of temporary or seasonal employment. The Human Resources Manager, in consultation with the department manager, will inform the temporary or seasonal worker of their release according to the terms of the individual's temporary employment.

Exit Interview

The separating employee will contact the HR department as soon as notice is given to schedule an exit interview. The interview will be on the employee's last day of work or other day, as mutually agreed upon.

Return of Property

The separating employee must return all company property at the time of separation, including but not limited to uniforms, cell phones, keys, computers, and identification cards. Failure to return some items may result in deductions from final paycheck. An employee will be required to sign the Wage Deduction Authorization Agreement to deduct the costs of such items from the final paycheck.

Termination of Benefits

An employee separating from Sanctuary is eligible to receive benefits as long as the appropriate procedures are followed as stated above. Two weeks' notice must be given, and the employee must work the full two work weeks. Accrued vacation leave will be paid in the last paycheck. Accrued sick leave will be paid in the last paycheck.

Health Insurance

Health insurance terminates on the last day of the month of employment, unless employee requests immediate termination of benefits. Information about the Consolidated Omnibus Budget Reconciliation Act (COBRA) continued health coverage will be provided. Employees will be required to pay their share of the dependent health and dental premiums through the end of the month.

Rehire

Former employees who left in good standing and were classified as eligible for rehire may be considered for reemployment. An application must be submitted to the Human Resources Manager, and the applicant must meet all minimum qualifications and requirements of the position, including any qualifying exam, when required.

Department managers must obtain approval from the Human Resources Manager or designee prior to rehiring a former employee. Rehired employees begin benefits just as any other new employee. Previous tenure will not be considered in calculating longevity, leave accruals, or any other benefits.

An applicant or employee who is terminated for violating policy or who resigned in lieu of termination from employment due to a policy violation will be ineligible for rehire.

Compensation

As an employer, Sanctuary believes that it is in the best interest of both the organization and Sanctuary's employees to fairly compensate its workforce for the value of the work provided. It is Sanctuary's intention to use a compensation system that will determine the current market value of a position based on the skills, knowledge, and behaviors required of a fully-competent incumbent. The system used for determining compensation will be objective and non-discriminatory in theory, application and practice. The company has determined that this can best be accomplished by using a professional compensation consultant, as needed, and a system recommended and approved by the executive management team.

Selection Criteria

1. The compensation system will price positions to market by using local, national, and industry specific survey data.
2. The market data will primarily include marijuana-related businesses and will include survey data for more specialized positions and will address significant market differences due to geographical location.
3. The system will evaluate external equity, which is the relative marketplace job worth of every marijuana industry job directly comparable to similar jobs at Sanctuary, factored for general economic variances, and adjusted to reflect the local economic marketplace.
4. The system will evaluate internal equity, which is the relative worth of each job in the organization when comparing the required level of job competencies, formal training and experience, responsibility and accountability of one job to another, and arranging all jobs in a formal job-grading structure.
5. Professional support and consultation will be available to evaluate the compensation system and provide on-going assistance in the administration of the program.
6. The compensation system must be flexible enough to ensure that the company is able to recruit and retain a highly-qualified workforce, while providing the structure necessary to effectively manage the overall compensation program.

Responsibilities

The executive management team will give final approval for the compensation system that will be used by Sanctuary.

1. On an annual basis the executive management team will review and approve, as appropriate, recommended changes to position-range movement as determined through the vendor's market analysis process.
2. As part of the annual budgeting process, the executive management team will review and approve, as appropriate, funds to be allocated for total compensation, which would include base salaries, bonus, variable based or incentive-based pay, and all other related expenses, including benefit plans.

Management Responsibility

1. The CEO is charged with ensuring that Sanctuary is staffed with highly-qualified, fully-competent employees and that all programs are administered within appropriate guidelines and within the approved budget.
2. The salary budget will include a gross figure for the following budget adjustments, but the individual determinations for each employee's salary adjustment will be the exclusive domain of the CEO: determining the appropriate head count, titles, position levels, merit

and promotional increases and compensation consisting of salary, incentive, bonus, and other discretionary pay for all positions.

3. The CEO will ensure that salary ranges are updated at least annually, that all individual jobs are market priced at least once every two years, and that pay equity adjustments are administered in a fair and equitable manner.

Agent Background Checks

- In addition to completing the Commission's agent registration process, all agents hired to work for Sanctuary will undergo a detailed background investigation prior to being granted access to a Sanctuary facility or beginning work duties.
- Background checks will be conducted on all agents in their capacity as employees or volunteers for Sanctuary pursuant to 935 CMR 500.100 and will be used by the Director of Security, who will be registered with the Department of Criminal Justice Information Systems pursuant to 803 CMR 2.04: iCORI Registration and the Commission for purposes of determining the suitability of individuals for registration as a marijuana establishment agent with the licensee.
- For purposes of determining suitability based on background checks performed in accordance with 935 CMR 500.101(1), Sanctuary will consider:
 - a. All conditions, offenses, and violations are construed to include Massachusetts law or like or similar law(s) of another state, the United States or foreign jurisdiction, a military, territorial or Native American tribal authority, or any other jurisdiction.
 - b. All criminal disqualifying conditions, offenses, and violations include the crimes of attempt, accessory, conspiracy, and solicitation. Juvenile dispositions will not be considered as a factor for determining suitability.
 - c. Where applicable, all look back periods for criminal conditions, offenses, and violations included in 935 CMR 500.802 commence upon the date of disposition; provided, however, that if disposition results in incarceration in any institution, the look back period will commence upon release from incarceration.
- Suitability determinations will be made in accordance with the procedures set forth in 935 CMR 500.800. In addition to the requirements established in 935 CMR 500.800, Sanctuary will:
 - a. Comply with all guidance provided by the Commission and 935 CMR 500.802: Tables B through D to determine if the results of the background are grounds for Mandatory Disqualification or Presumptive Negative Suitability Determination.
 - b. Consider whether offense(s) or information that would result in a Presumptive Negative Suitability Determination under 935 CMR 500.802. In the event a Presumptive Negative Suitability Determination is made, Sanctuary will consider the following factors:
 - i. Time since the offense or incident;
 - ii. Age of the subject at the time of the offense or incident;
 - iii. Nature and specific circumstances of the offense or incident;
 - iv. Sentence imposed and length, if any, of incarceration, if criminal;
 - v. Penalty or discipline imposed, including damages awarded, if civil or administrative;

- vi. Relationship of offense or incident to nature of work to be performed;
 - vii. Number of offenses or incidents;
 - viii. Whether offenses or incidents were committed in association with dependence on drugs or alcohol from which the subject has since recovered;
 - ix. If criminal, any relevant evidence of rehabilitation or lack thereof, such as information about compliance with conditions of parole or probation, including orders of no contact with victims and witnesses, and the subject's conduct and experience since the time of the offense including, but not limited to, professional or educational certifications obtained; and
 - x. Any other relevant information, including information submitted by the subject.
- c. Consider appeals of determinations of unsuitability based on claims of erroneous information received as part of the background check during the application process in accordance with 803 CMR 2.17: Requirement to Maintain a Secondary Dissemination Log and 2.18: Adverse Employment Decision Based on CORI or Other Types of Criminal History Information Received from a Source Other than the DCJIS.
- Upon adverse determination, Sanctuary will provide the applicant a copy of their background screening report and a pre-adverse determination letter providing the applicant with a copy of their right to dispute the contents of the report, who to contact to do so and the opportunity to provide a supplemental statement.
 - After 10 business days, if the applicant is not disputing the contents of the report and any provided statement does not alter the suitability determination, an adverse action letter will be issued providing the applicant information on the final determination made by Sanctuary along with any legal notices required.
- All suitability determinations will be documented in compliance with all requirements set forth in 935 CMR 500 et seq. and guidance provided by the Commission.
- Background screening will be conducted by an investigative firm holding the National Association of Professional Background Screeners (NAPBS®) Background Screening Credentialing Council (BSCC) accreditation and capable of performing the searches required by the regulations and guidance provided by the Commission.
- References provided by the agent will be verified at the time of hire.
- As deemed necessary, individuals in key positions with unique and sensitive access (e.g. members of the executive management team) will undergo additional screening, which may include interviews with prior employers or colleagues.
- As a condition of their continued employment, agents, volunteers, contractors, and subcontractors are required to renew their Program ID cards annually and submit to other background screening as may be required by Sanctuary or the Commission.

Qualifications and Training

Sanctuary will ensure that all employees hired to work at a Sanctuary facility will be qualified to work as a marijuana establishment agent and properly trained to serve in their respective roles in a compliant manner.

Qualifications

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

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

Training

As required by 935 CMR 500.105(2), and prior to performing job functions, each of Sanctuary's agents will successfully complete a comprehensive training program that is tailored to the roles and responsibilities of the agent's job function. Agent training will at least include the Responsible Vendor Program and eight (8) hours of on-going training annually.

On or after July 1, 2019, all of Sanctuary's current owners, managers, and employees will have attended and successfully completed a Responsible Vendor Program operated by an education provider accredited by the Commission to provide the annual minimum of two hours of responsible vendor training to marijuana establishment agents. Sanctuary's new, non-administrative employees will complete the Responsible Vendor Program within 90 days of the date they are hired. Sanctuary's owners, managers, and employees will then successfully complete the program once every year thereafter. Sanctuary will also encourage administrative employees who do not handle or sell marijuana to take the responsible vendor program on a voluntary basis to help ensure compliance. Sanctuary's records of responsible vendor training program compliance will be maintained for at least four (4) years and made available during normal business hours for inspection by the Commission and any other state licensing authority upon request.

As part of the Responsible Vendor program, Sanctuary's agents will receive training on a variety of topics relevant to marijuana establishment operations, including but not limited to the following:

1. Marijuana's effect on the human body, including physical effects based on different types of marijuana products and methods of administration, and recognizing the visible signs of impairment;
2. Best practices for diversion prevention and prevention of sales to minors;
3. Compliance with tracking requirements;
4. Acceptable forms of identification, including verification of valid photo identification and medical marijuana registration and confiscation of fraudulent identifications;
5. Such other areas of training determined by the Commission to be included; and
6. Other significant state laws and rules affecting operators, such as:
 - Local and state licensing and enforcement;
 - Incident and notification requirements;
 - Administrative and criminal liability and license sanctions and court sanctions;
 - Waste disposal and health and safety standards;
 - Patrons prohibited from bringing marijuana onto licensed premises;
 - Permitted hours of sale and conduct of establishment;
 - Permitting inspections by state and local licensing and enforcement authorities;
 - Licensee responsibilities for activities occurring within licensed premises;
 - Maintenance of records and privacy issues; and
 - Prohibited purchases and practices.

Quality Control and Testing

Quality Control

Sanctuary Medicinals, LLC (“Sanctuary”) will comply with the following sanitary requirements:

1. Any Sanctuary agent whose job includes contact with marijuana or nonedible marijuana products, including cultivation, production, or packaging, is subject to the requirements for food handlers specified in 105 CMR 300.000, and all edible marijuana products will be prepared, handled, and stored in compliance with the sanitation requirements in 105 CMR 500.000, and with the requirements for food handlers specified in 105 CMR 300.000.
2. Any Sanctuary agent working in direct contact with preparation of marijuana or nonedible marijuana products will conform to sanitary practices while on duty, including:
 - a. Maintaining adequate personal cleanliness; and
 - b. Washing hands thoroughly in an adequate hand-washing area before starting work, and at any other time when hands may have become soiled or contaminated.
3. Sanctuary’s hand-washing facilities will be adequate and convenient and will be furnished with running water at a suitable temperature. Hand-washing facilities will be located in Sanctuary’s production areas and where good sanitary practices require employees to wash and sanitize their hands, and will provide effective hand-cleaning and sanitizing preparations and sanitary towel service or suitable drying devices;
4. Sanctuary’s facility will have sufficient space for placement of equipment and storage of materials as is necessary for the maintenance of sanitary operations;
5. Sanctuary will ensure that litter and waste is properly removed and disposed of so as to minimize the development of odor and minimize the potential for the waste attracting and harboring pests. The operating systems for waste disposal will be maintained in an adequate manner pursuant to 935 CMR 500.105(12);
6. Sanctuary’s floors, walls, and ceilings will be constructed in such a manner that they may be adequately kept clean and in good repair;
7. Sanctuary’s facility will have adequate safety lighting in all processing and storage areas, as well as areas where equipment or utensils are cleaned;
8. Sanctuary’s buildings, fixtures, and other physical facilities will be maintained in a sanitary condition;
9. Sanctuary will ensure that all contact surfaces, including utensils and equipment, will be maintained in a clean and sanitary condition. Such surfaces will be cleaned and sanitized as frequently as necessary to protect against contamination, using a sanitizing agent registered by the US Environmental Protection Agency (EPA), in accordance with labeled instructions. Equipment and utensils will be so designed and of such material and workmanship as to be adequately cleanable;

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

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

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

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

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

Sanctuary will process marijuana in a safe and sanitary manner. Sanctuary will process the leaves and flowers of the female marijuana plant only, which will be:

- Well-cured and generally free of seeds and stems;

- Free of dirt, sand, debris, and other foreign matter;
- Free of contamination by mold, rot, other fungus, and bacterial diseases;
- Prepared and handled on food-grade stainless steel tables; and
- Packaged in a secure area.

All edible products will be prepared, handled, and stored in compliance with the sanitation requirements in 105 CMR 590.000: Minimum Sanitation Standards for Food Establishments.

Testing

Sanctuary will not sell or otherwise market marijuana or marijuana products that are not capable of being tested by Independent Testing Laboratories, except as allowed under 935 CMR 500.000. No marijuana product will be sold or otherwise marketed for adult use that has not first been tested by an Independent Testing Laboratory and deemed to comply with the standards required under 935 CMR 500.160. Testing of Sanctuary's marijuana products will 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 DPH. Testing of Sanctuary's environmental media will be performed in compliance with the Protocol for Sampling and Analysis of Environmental Media for Massachusetts Registered Medical Marijuana Dispensaries published by the DPH.

Sanctuary's policy of responding to laboratory results that indicate contaminant levels are above acceptable limits established in the DPH protocols identified in 935 CMR 500.160(1) include notifying the Commission within 72 hours of any laboratory testing results indicating that the contamination cannot be remediated and disposing of the production batch. Such notification will describe a proposed plan of action for both the destruction of the contaminated product and the assessment of the source of contamination.

Sanctuary will maintain testing results in compliance with 935 CMR 500.000 *et seq* and the record keeping policies described herein, and will maintain the results of all testing for no less than one year.

All transportation of marijuana to and from Independent Testing Laboratories providing marijuana testing services will comply with 935 CMR 500.105(13). All storage of Sanctuary's marijuana at a laboratory providing marijuana testing services will comply with 935 CMR 500.105(11). All excess marijuana will be disposed in compliance with 935 CMR 500.105(12), either by the Independent Testing Laboratory returning excess marijuana to Sanctuary for disposal or by the Independent Testing Laboratory disposing of it directly.

Recordkeeping Procedures

General Overview

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

Recordkeeping

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

- **Corporate Records**: are defined as those records that require, at a minimum, annual reviews, updates, and renewals, including:
 - Insurance Coverage:
 - Directors & Officers Policy
 - Product Liability Policy
 - General Liability Policy
 - Umbrella Policy
 - Workers Compensation Policy
 - Employer Professional Liability Policy
 - Third-Party Laboratory Contracts
 - Commission Requirements:
 - Annual Agent Registration
 - Annual Marijuana Establishment Registration
 - Local Compliance:
 - Certificate of Occupancy
 - Special Permits
 - Variances
 - Site Plan Approvals
 - As-Built Drawings
 - Corporate Governance:
 - Annual Report
 - Secretary of State Filings
- **Business Records**: Records that require ongoing maintenance and updates. These records can be electronic or hard copy (preferably electronic) and at minimum include:
 - Assets and liabilities;

- Monetary transactions;
- Books of accounts, which will include journals, ledgers, and supporting documents, agreements, checks, invoices, and vouchers;
- Sales records including the quantity, form, and cost of marijuana products;
- Salary and wages paid to each agent, and any executive compensation, bonus, benefit, or item of value paid to any individual affiliated with Sanctuary, including members, if any.
- Personnel Records: At a minimum will include:
 - Job descriptions for each agent and volunteer position, as well as organizational charts consistent with the job descriptions;
 - A personnel record for each marijuana establishment agent. Such records will be maintained for at least twelve (12) months after termination of the agent's affiliation with Sanctuary and will include, at a minimum, the following:
 - All materials submitted to the Commission pursuant to 935 CMR 500.030(2);
 - Documentation of verification of references;
 - The job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision;
 - Documentation of all required training, including training regarding privacy and confidentiality requirements, and the signed statement of the individual indicating the date, time, and place he or she received said training and the topics discussed, including the name and title of presenters;
 - Documentation of periodic performance evaluations; and
 - A record of any disciplinary action taken.
 - Notice of completed responsible vendor and eight-hour related duty training.
 - A staffing plan that will demonstrate accessible business hours and safe cultivation conditions;
 - Personnel policies and procedures; and
 - All background check reports obtained in accordance with 935 CMR 500.030.
- Handling and Testing of Marijuana Records
 - Sanctuary will maintain the results of all testing for a minimum of one (1) year.
- Inventory Records
 - The record of each inventory will include, at a minimum, the date of the inventory, a summary of the inventory findings, and the names, signatures, and titles of the agents who conducted the inventory.
- Seed-to-Sale Tracking Records
 - Sanctuary will use BioTrack THC to maintain real-time inventory. BioTrack THC inventory reporting meets the requirements specified by the Commission and 935

CMR 500.105(8)(c) and (d), including, at a minimum, an inventory of marijuana plants; marijuana plant-seeds and clones in any phase of development such as propagation, vegetation, flowering; marijuana ready for dispensing; all marijuana products; and all damaged, defective, expired, or contaminated marijuana and marijuana products awaiting disposal.

- Inventory records will include, at a minimum, the date of the inventory, a summary of the inventory findings, and the names, signatures, and titles of the individuals who conducted the inventory.
- Incident Reporting Records
 - Within ten (10) calendar days, Sanctuary will provide written notice to the Commission of any incident described in 935 CMR 500.110(7)(a), by submitting an incident report, detailing the incident, the investigation, the findings, resolution (if any), confirmation that the Police Department and Commission were notified within twenty-four (24) hours of discovering the breach, and any other relevant information. Reports and supporting documents, including photos and surveillance video related to a reportable incident, will be maintained by Sanctuary for no less than one year or the duration of an open investigation, whichever is longer, and made available to the Commission and law enforcement authorities upon request.
- Visitor Records
 - A visitor sign-in and sign-out record will be maintained at the security office. The record will include the visitor's name, address, organization or firm, date, time in and out, and the name of the authorized agent who will be escorting the visitor.
- Waste Disposal Records
 - When marijuana or marijuana products are disposed of, Sanctuary will create and maintain a written record of the date, the type and quantity disposed of or handled, the manner of disposal or other handling, the location of disposal or other handling, and the names of the two Sanctuary agents present during the disposal or handling, with their signatures. Sanctuary will keep disposal records for at least three (3) years. This period will automatically be extended for the duration of any enforcement action and may be extended by an order of the Commission.
- Security Records
 - A current list of authorized agents and service personnel that have access to the surveillance room will be available to the Commission upon request.
 - Twenty-four (24) hour recordings from all video cameras that are available for immediate viewing by the Commission upon request and that are retained for at least ninety (90) calendar days.
- Transportation Records

- Sanctuary will retain all shipping manifests for a minimum of one (1) year and make them available to the Commission upon request.
- Agent Training Records
 - Documentation of all required training, including training regarding privacy and confidentiality requirements, and a signed statement of the individual indicating the date, time, and place he or she received the training, the topics discussed and the name and title of the presenter(s).
- Closure
 - In the event Sanctuary closes, all records will be kept for at least two (2) years at Sanctuary's expense in a form (electronic, hard copies, etc.) and location acceptable to the Commission. In addition, Sanctuary will communicate with the Commission during the closure process and accommodate any additional requests the Commission or other agencies may have.
- Written Operating Policies and Procedures: Policies and Procedures related to Sanctuary's operations will be updated on an ongoing basis as needed and undergo a review by the executive management team on an annual basis. Policies and Procedures will include the following:
 - Security measures in compliance with 935 CMR 500.110;
 - Agent security policies, including personal safety and crime prevention techniques;
 - A description of Sanctuary's hours of operation and after-hours contact information, which will be provided to the Commission, made available to law enforcement officials upon request, and updated pursuant to 935 CMR 500.000.
 - Storage of marijuana in compliance with 935 CMR 500.105(11);
 - Description of the various strains of marijuana to be cultivated, processed or sold, as applicable, and the form(s) in which marijuana will be dispensed;
 - Procedures to ensure accurate recordkeeping, including inventory protocols in compliance with 935 CMR 500.160;
 - Plans for quality control, including product testing for contaminants in compliance with 935 CMR 500.160;
 - A staffing plan and staffing records in compliance with 935 CMR 500.105(9);
 - Emergency procedures, including a disaster plan with procedures to be followed in case of fire or other emergencies;
 - Alcohol, smoke, and drug-free workplace policies;
 - A plan describing how confidential information will be maintained;
 - Policy for the immediate dismissal of any dispensary agent who has:
 - Diverted marijuana, which will be reported the Police Department and to the Commission;
 - Engaged in unsafe practices with regard to Sanctuary operations, which will be reported to the Commission; or

- Been convicted or entered a guilty plea, plea of *nolo contendere*, or admission to sufficient facts of a felony drug offense involving distribution to a minor in the Commonwealth, or a like violation of the laws of another state, the United States or a foreign jurisdiction, or a military, territorial, or Native American tribal authority.
- A list of all executives of Sanctuary, and members, if any, of the licensee must be made available upon request by any individual. 935 CMR 500.105(1)(m) requirement may be fulfilled by placing this information on Sanctuary's website.
- Policies and procedures for the handling of cash on Sanctuary premises including but not limited to storage, collection frequency and transport to financial institution(s).
- Policies and procedures to prevent the diversion of marijuana to individuals younger than 21 years old.
- Policies and procedures for energy efficiency and conservation that will include:
 - Identification of potential energy use reduction opportunities (including but not limited to natural lighting, heat recovery ventilation and energy efficiency measures), and a plan for implementation of such opportunities;
 - Consideration of opportunities for renewable energy generation, including, where applicable, submission of building plans showing where energy generators could be placed on site, and an explanation of why the identified opportunities were not pursued, if applicable;
 - Strategies to reduce electric demand (such as lighting schedules, active load management and energy storage); and
 - Engagement with energy efficiency programs offered pursuant to M.G.L. c. 25 § 21, or through municipal lighting plants.

Record-Retention

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

Plan for Restricting Access to Age 21 and Older

Pursuant to 935 CMR 500.050(5)(b), Sanctuary Medicinals, LLC (“Sanctuary”) will only be accessible to consumers 21 years of age or older with a verified and valid, government-issued photo ID or in possession of a Program ID Card demonstrating the individual is a registered qualifying patient with the Medical Use of Marijuana Program. Upon entry into the premises of the marijuana establishment by an individual, a Sanctuary agent will immediately inspect the individual’s proof of identification and determine the individual’s age, in accordance with 935 CMR 500.140(2).

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

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

Plan for Separating Recreational from Medical Operations

Currently, Sanctuary Medicinals, Inc. does not intend to co-locate medical and adult-use operations at its proposed Brookline retail facility. Should this change in the future, SM will update the Commission accordingly and receive any such approvals necessary to co-locate its medical and adult-use operations in Brookline. At such a time, Sanctuary will separate its medical and adult-use operations in Brookline according to the following procedures:

Sanctuary Medicinals, Inc. (“Sanctuary”) has developed plans to ensure virtual and physical separation between medical and adult use marijuana operations in accordance with 935 CMR 500.101(2)(e)(4).

Using a sophisticated and customized seed-to-sale and Point of Sale (POS) software system approved by the Commission, Sanctuary will virtually separate medical and adult-use operations by designating at the point of sale whether a particular marijuana product is intended for sale to a registered patient/caregiver or a verified consumer 21 years of age or older. All inventory and sales transactions will be carefully tracked and documented in these software systems.

In compliance with 935 CMR 500.140(10), Sanctuary will ensure that registered patients have access to a sufficient quantity and variety of marijuana and marijuana products to meet their medical needs. For the first 6 months of operations, 35% of Sanctuary’s marijuana product inventory will be marked for medical use and reserved for registered patients. Thereafter, a quantity and variety of marijuana products for patients that is sufficient to meet the demand indicated by an analysis of sales data collected during the preceding 6 months will be marked and reserved for registered patients.

Marijuana products reserved for registered patients will be either: (1) maintained on site in an area separate from marijuana products intended for adult use, or (2) easily accessible at another Sanctuary location and transferable to Sanctuary’s retailer location within 48 hours. Sanctuary may transfer a marijuana product reserved for medical use to adult use within a reasonable period of time prior to the product’s date of expiration.

In addition to virtual separation, Sanctuary will provide for physical separation between the area designated for sales of medical marijuana products to patients/caregivers, and the area designated for sales of adult-use marijuana products to individuals 21 years of age or older. Within the sales area, a temporary or semi-permanent barrier, such as a stanchion or other divider, will be installed to create separate, clearly marked lines for patients/caregivers and adult-use consumers. Trained marijuana establishment agents will verify the age of all individuals, as well the validity of any Medical Use of Marijuana Program ID Cards, upon entry to the facility and direct them to the appropriate queue.

Access to the adult-use marijuana queue will be limited to individuals 21 years of age or older, regardless if the individual is registered as a patient/caregiver. Registered patients under the age of 21 will only have access to the medical marijuana queue. Registered patients/caregivers 21 years of age or older will be permitted to access either queue and will not be limited only to the medical marijuana queue.

Sanctuary will have a private area separate from the sales floor to allow a registered patient/caregiver to meet with a trained marijuana establishment agent for confidential consultations about the medical use of marijuana.

Plan to Positively Impact Areas of Disproportionate Impact

Overview

Sanctuary Medicinals, Inc. (“Sanctuary”) is dedicated to serving and supporting the areas around it, particularly those that are classified as areas of disproportionate impact. Marijuana businesses have an obligation to the health and well-being of their customers as well as the communities that have had historically high rates of arrest, conviction, and incarceration related to marijuana crimes. It is Sanctuary's intention to be a contributing, positive force in areas of disproportionate impact and to assist in changing the perception of those associated with marijuana use.

Sanctuary’s Team

Sanctuary intends to employ individuals, including executives and board members, who reside in areas of disproportionate impact, including Boston. Sanctuary’s team consists of individuals who have previously held positions in organizations that primarily serve areas of disproportionate impact or where primary responsibilities included economic education, resource provision, or empowerment to disproportionately impacted individuals or communities.

As Sanctuary expands, Sanctuary’s goal will be to maintain 20% of individuals that currently reside in an area of disproportionate impact or have lived for five of the preceding ten years in an area of disproportionate impact and will identify individuals who live in Boston. Sanctuary will also strive to maintain a staff comprised of at least 10% of individuals that have a drug-related CORI but are otherwise legally employable in a cannabis-related enterprise. In alignment with Sanctuary’s Diversity Plan, Sanctuary will focus hiring and education efforts on diverse populations including individuals from Black, African American, Hispanic or Latino descent.

Continuing Efforts

To provide continuing service and reinvestment into areas of disproportionate impact, Sanctuary is committed to programming, restorative justice, jail diversion, workforce development, industry-specific technical assistance, and mentoring services in areas of disproportionate impact. Sanctuary is committed to hosting and participating in events that will support areas of disproportionate impact such as community service days, charity events, and educational seminars. Sanctuary will require all executives, managers, and employees to participate quarterly in a community service day. Each community service day will be organized with a charitable or local organization in an area of disproportionate impact. Further plans to positively affect areas of disproportionate impact may include the following:

- Conducting industry-specific educational seminars in one or more of the following: marijuana cultivation, marijuana product manufacturing, marijuana retailing, or marijuana business training;
- Donations to the Social Equity Training and Technical Assistance Fund;

- Providing financial mentoring services or hosting organizations that provide these services (FinLab <http://finlab.cfsinnovation.com/>, Citi Foundation <http://www.citigroup.com/citi/foundation/>, etc.);
- Holding monthly informational sessions regarding the process for sealing and expunging criminal records;
- Partnering with and supporting organizations that provide jail diversion and restorative justice programs;
- Providing transportation support for employees in these areas;
- Instituting hiring practices that prioritize the hiring of individuals from these areas;
- Offering any necessary accommodations to individuals coming from areas of disproportionate impact;
- Having in-store donation drives, including direct giving and ongoing food and clothing drives; and
- Placing donation jars in Sanctuary's facilities where customers can donate directly to the Social Equity Training and Technical Assistance Fund.

Plan Administration

The Chief Operating Officer will administer the Plan to Positively Impact Areas of Disproportionate Impact (the "Plan"). The COO will be responsible for developing measurable outcomes and ensure Sanctuary continues to meet its commitment to the community. The COO will also be responsible for forming philanthropic partnerships in the community to implement and enhance the Plan. The COO will perform quarterly staffing audits to ensure that Sanctuary is meeting its staffing goals for individuals who reside in areas of disproportionate impact located in Boston. In the event that a staffing audit by the COO reveals that Sanctuary has not yet met its objectives, Sanctuary will immediately amend its hiring practices and also make a donation to the Social Equity Training and Technical Assistance Fund to offset any difference.

Furthermore, the Chief Financial Officer will monitor Sanctuary's budget to ensure that there are sufficient funds necessary for the initiatives proposed in Sanctuary's Plan, while also carefully monitoring any and all commitments and donations made to the Social Equity Training and Technical Assistance Fund.