

ALTERNATIVE THERAPIES GROUP, INC.
(MPN281300)

BACKGROUND & APPLICATION OF INTENT REVIEW

1. Name of the Marijuana Establishment and its application number:

Alternative Therapies Group, Inc. (MPN281300)

2. Address of the Marijuana Establishment:

10 Industrial Way, Amesbury MA, 01913

3. Type of license sought (if cultivation, its tier level and outside/inside operation):

Product Manufacturer

4. Applicant is a licensee or applicant for other Marijuana Establishment license(s):

Retailer (MRN281346) and (MRN281255)
Cultivation (MCN281255)

5. List of all required individuals and their business roles in the Marijuana Establishment:

Christopher Edwards—Executive
Julio Fuentes—Executive
George Christy—Executive
Derek Brock—Executive

6. List of all required entities and their roles in the Marijuana Establishment:

There are no entities, other than the applicant, that appears to have direct or indirect authority over the Marijuana Establishment

7. Priority status of applicant:

RMD Priority (RP201825)

8. Location and status of business if it is an RMD:

RMD is in compliance with the Department of Public Health (DPH).
RMD business will be co-located with the adult-use business in Amesbury.
RMD has Final Certificate of Registration for dispensing, cultivation and processing.

9. Information regarding host community agreement certification:

Host Community Agreement was executed on April 3, 2018; certification provided.

10. Information regarding community outreach meeting:

Community outreach meeting was held on April 19, 2018.
Notice was published at least seven days prior in the Newburyport Daily News.
Applicant certified notice to the municipality and abutters.
Applicant certified compliance with meeting requirements.

11. Any objections regarding compliance with local ordinances and bylaws presented by municipality:

No objections communicated to the Commission. The Commission received a response from the municipality on July 11, 2018, stating that the applicant was in compliance with all local ordinances and bylaws.

12. Summary of plan to positively impact areas of disproportionate impact:

Applicant plans to do the following:

- a. Conduct career fairs in Haverhill and Lynn;
- b. Schedule and conduct formal interviews with individuals from those areas;
- c. Offer job skill assessments and provide guidance for interested parties to receive training relevant to establishment positions;
- d. Continue to make charitable donations to local non-profit organizations;
- e. Conduct food drives to benefit local food pantries.

SUITABILITY REVIEW

13. Concerns arising from background checks on individuals associated with the application:

No.

14. Concerns arising from background checks on entities associated with the application:

No.

15. Applicant's disclosure of any past civil or criminal actions:

No disclosures.

16. Applicant's disclosure of any occupational license issues:

No disclosures.

17. Applicant's disclosure of any business interests in other jurisdictions:

No disclosures.

18. Status of applicant's compliance with the Department of Revenue and Secretary of the Commonwealth:

March 14, 2018 | Certificate of Good Standing, Secretary of the Commonwealth
April 5, 2018 | Certificate of Good Standing, Department of Revenue
(Letter ID: L2122518656)

MANAGEMENT AND OPERATIONS REVIEW

19. Applicant's proposed timeline to become operational in the adult-use market:

Applicant proposes to be operational immediately upon being granted a final license. Applicant is an existing RMD and states all needed human and capital expenditures to begin operations have already been made. Special permit to operate the facility was granted on June 25, 2018. No additional construction is required at this site. The applicant currently uses a POS system programmed already to virtually separate sales of medical and adult-use products.

20. Applicant's proposed hours of operation:

Monday-Sunday: 8:00 am to 4:00 pm

21. Applicant's compliance with submitting summaries of the following plans, policies and procedures:

- a. Security Plan
- b. Prevention of Diversion Plan
- c. Storage of Marijuana Plan
- d. Transportation Plan
- e. Inventory Procedures
- f. Quality Control and Testing Procedures

- g. Personnel Procedures
- h. Dispensing Procedures
- i. Record-Keeping Procedures
- j. Maintenance of Financial Records Policy
- k. Diversity Plan

The applicant is fully compliant with submitting all summaries. All summaries were determined to be substantially compliant with the requirements listed in 935 CMR 500.105 through 935 CMR 500.160 as applicable. Full compliance will be reviewed during inspections and will be required before a final license is issued.

22. Summary of diversity plan:

The applicant's plan outlines its goals and includes the following:

- a. Diverse Workforce—build upon an already diverse staff of executives and managers.
- b. Inclusive Work Environment—Provide an inclusive and flexible environment for employees by identifying and removing any remaining systemic barriers to equitable access, participation and progression in employment so that all employees have the opportunity to fully contribute to life at the company. The applicant will implement a range of proactive and preventative strategies and programs, including provision of training and professional development opportunities for employees to raise awareness of equal opportunity, discrimination, bullying and harassment, and provide strategies to prevent this from occurring in the workplace.
- c. Support for Domestic Violence Victims: The applicant aims to create a working environment that allows employees to safely seek support to address issues arising from domestic and family violence. It recognizes that employees may face situations of domestic and family violence that may have an impact on their attendance and productivity at work. The applicant is therefore committed to providing support to employees who are affected by domestic and family violence.
- d. Statistics and Reassessments: The applicant plans to perform staff surveys, analyze results, identify areas for improvement, and take corrective steps.

23. Summary of cultivation plan (if applicable)

Not applicable.

24. Summary of products to be produced and/or sold (if applicable)

- 1 oz. Tinctures
- Dark Chocolates
- Milk Chocolates
- White Chocolates

- Capsules
- Topical Salve
- Distillates
- Cartridges
- Oils
- Kiefs

25. Plan for obtaining marijuana or marijuana products (if applicable)

Not applicable.

RECOMMENDATION

Commission staff recommend issuing a provisional license with the following conditions:

- (1) Final license is subject to the required individuals successfully completing a fingerprint-based check of state and national criminal history databases;
- (2) Final license is subject to certification that applicant remains in compliance with DPH regulations, 105 CMR 725.000;
- (3) Final license is subject to inspection and audit to ascertain compliance with the requirements listed in 935 CMR 500.105 through 935 CMR 500.160 as applicable;
- (4) Final license is subject to inspection and audit to ascertain that its facilities are compliant with all applicable state and local codes, bylaws, ordinances, and regulations;
- (5) The applicant shall cooperate with and provide information to Commission investigators, agents, and employees upon request;
- (6) Provisional license subject to the payment of the appropriate license fee pursuant to 935 CMR 500.005;

This recommendation was based on the applicant's demonstrated compliance with the laws and regulations of the Commonwealth, suitability for licensure, and upon the evaluation of the thoroughness of the applicant's responses to the required criteria.

Commission staff certify that a due diligence review of the application was performed. As of this date, the applicant has demonstrated compliance with the laws and regulations of the Commonwealth and suitability for licensure. Accordingly, the applicant is recommended for provisional licensure with the previously mentioned conditions.