

HERBOLOGY GROUP, INC.
MRN281679

BACKGROUND & APPLICATION OF INTENT REVIEW

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

Herbology Group, Inc.

2. Address of the Marijuana Establishment:

195 Northampton Street, Easthampton, Massachusetts 01027

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

Retail

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

Retail (application submitted)

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

Jane Hawman—Executive
Michael Duku—Executive
Stephen Gotwald—Director
Anna Gray—Close Associate
Bradford Baker—Close Associate
April Hawman—Close Associate

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

Herbology Holdings, LLC—is an entity providing initial capital resources.

7. Priority status of applicant:

RMD Priority (RP201924)

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

The RMD is in compliance with the Department of Public Health (DPH).
The RMD business will not be co-located with the adult-use operation.
The RMD has a Provisional Certificate of Registration for dispensing, cultivation, and processing.

9. Information regarding host community agreement certification:

The Host Community Agreement was executed on May 7, 2018; certification provided.

10. Information regarding community outreach meeting:

The community outreach meeting was held on April 10, 2018.
Notice was published at least seven days prior in the Daily Hampshire Gazette.
The applicant certified notice to the municipality and abutters.
The applicant certified compliance with the community outreach meeting requirements.

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

No objections were communicated to the Commission. The Commission received a response from the municipality on October 9, 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:

The applicant plans to do the following:

- a. Commit up to one percent (1%) of its revenue to the Cannabis Control Commission's Social Equity Training and Technical Assistance Fund;
- b. Host education seminars on best business practices in the marijuana industry; and
- c. Recruit employees from areas of disproportionate impact.

SUITABILITY REVIEW

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

No concerns.

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

No concerns.

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 marijuana-related business interests in other jurisdictions:

Not disclosures.

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

April 5, 2018 | Certificate of Good Standing, Secretary of the Commonwealth
(Certification Number: (18040126410)

April 9, 2018 | Certificate of Good Standing, Department of Revenue
(Letter ID: L1221828736)

MANAGEMENT AND OPERATIONS REVIEW

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

The applicant is an existing RMD and states that it can be operational once given approval from the Commission.

20. Applicant's proposed hours of operation:

Monday - Friday: 9:00 a.m. to 10:00 p.m.

Saturday: 9:00 a.m. to 11:00 p.m.

Sunday: 9:00 a.m. to 10:00 p.m.

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 plans to do the following:

- a. Host career fairs in underrepresented and minority communities;
- b. Specifically use suppliers who are committed to diversity and inclusion;
- c. Provide training on recognizing conscious and unconscious bias;

- d. Develop relationships with organizations serving minorities, women, people of all gender identities and sexual orientations, veterans, and persons with disabilities for employment referrals; and
- e. Establish recruitment efforts at higher learning institutions, and institutions with programs that reach diverse people.

23. Summary of cultivation plan (if applicable):

Not applicable.

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

Not applicable.

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

The applicant plans to obtain marijuana or marijuana products by contracting with other licensed establishments.

26. ISO 17025 Certifying Body and Certificate Number (if applicable):

Not applicable.

RECOMMENDATION

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

- (1) Final license is subject to certification that the applicant remains in compliance with DPH regulations, 105 CMR 725.000;
- (2) 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;
- (3) Final license is subject to inspection and audit to ascertain that the facilities are compliant with all applicable state and local codes, bylaws, ordinances, and regulations;
- (4) The applicant shall cooperate with and provide information to Commission investigators, agents, and employees upon request;
- (5) Provisional license is subject to the payment of the appropriate license fee pursuant to 935 CMR 500.005;
- (6) Final license is subject to the licensee providing Commission staff a specific range of revenue (in dollars or percentages, greater than zero) that it will commit to the Commission's Social Equity Training and Technical Assistance Fund; and
- (7) Final license is subject to the licensee providing the Commission staff with specific details on the types of information that its proposed educational seminars will cover.

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 applications 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.