

KHEM
Organics Inc.

BY HAND DELIVERY

September 29, 2017

Monica Bharel, M.D., Commissioner
Massachusetts Department of Public Health
Medical Use of Marijuana Program
99 Chauncy Street, 11th Floor
Boston, Ma 02111

Attention: Eric Sheehan, Bureau Director

RE: Submission of Management & Operations Profile and related materials

Dear Commissioner Bharel:

In response to your invitation dated August 15, 2017, Khem Organics Inc. ("Khem") hereby submits the following documents:

- DPH Invitation to submit Management & Operations Profile dated August 15, 2017
- Completed Management & Operations Profile, for application 2 of 3, dated September 29, 2017
- Articles of Incorporation for Khem Organics Inc.
- Certificate of Good Standing for Khem Organics Inc.
- Bylaws for Khem Organics Inc.
- Cashier's check payable to the Commonwealth in the amount of \$30,000
- Remittance Form

Note that I have not included the background authorization materials, CORI forms or the Employment and Education forms, as Khem has submitted those materials in connection with Khem's first application and final certificate.

Please also note that Khem is in the process of a corporate name change to BR, Inc. The name change has been approved by DPH, and has been submitted to the Secretary of State. The Secretary's approval is contingent upon receipt of a certain consent letter. Until that consent letter is received we will continue to file under the Khem name. I will inform you as soon as the Secretary of State has confirmed the name change.

Encls.





CHARLES D. BAKER
Governor

KARYN E. POLITO
Lieutenant Governor

The Commonwealth of Massachusetts
Executive Office of Health and Human Services
Department of Public Health
Bureau of Health Care Safety and Quality
Medical Use of Marijuana Program
99 Chauncy Street, 11th Floor, Boston, MA 02111

MARYLOU SUDDERS
Secretary

MONICA BHAREL, MD, MPH
Commissioner

Tel: 617-660-5370
www.mass.gov/medicalmarijuana

August 15, 2017

[REDACTED]
Khem Organics, Inc.
501 Dalton Avenue
Pittsfield, MA 01201

RECEIVED
SEP 29 2017

Re: Invitation to submit *Management and Operations Profile*

Dear [REDACTED]

Khem Organics, Inc. is invited to submit a *Management and Operations Profile* (Application 2 of 3) to the Department of Public Health ("Department").

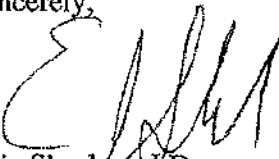
On or before October 2, 2017, the Department must receive the *Management and Operations Profile*, along with all required attachments, as outlined in the *Management and Operations Profile* instructions.

The *Management and Operations Profile* must be submitted by U.S. mail or hand-delivered to:

Department of Public Health
Medical Use of Marijuana Program
RMD Applications
99 Chauncy Street, 11th Floor
Boston, MA 02111

Please follow all directions posted on the Medical Use of Marijuana Program website when completing the application forms. Please remember to type all responses in the application forms. You may direct any questions regarding the application process to RMDapplication@state.ma.us or 617-660-5370.

Sincerely,


Eric Sheehan, J.D.
Bureau Director
Bureau of Health Care Safety and Quality
Massachusetts Department of Public Health

Management and Operations Profile



The Commonwealth of Massachusetts
Executive Office of Health and Human Services
Department of Public Health
Bureau of Health Care Safety and Quality
Medical Use of Marijuana Program
99 Chauncy Street, 11th Floor, Boston, MA 02111

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MANAGEMENT AND OPERATIONS PROFILE
Request for a Certificate to Registration to
Operate a Registered Marijuana Dispensary

INSTRUCTIONS

This application form is to be completed by a non-profit corporation that wishes to apply for a Certificate of Registration to operate a Registered Marijuana Dispensary ("RMD") in Massachusetts, and has been invited by the Department of Public Health (the "Department") to submit a *Management and Operations Profile*.

Once invited by the Department to submit a *Management and Operations Profile*, the applicant must submit the *Management and Operations Profile* within 45 days from the date of the invitation letter, or the applicant must submit a new *Application of Intent* and fee.

If invited by the Department to submit a *Management and Operations Profile* for more than one proposed RMD, you must submit a separate *Management and Operations Profile*, attachments, and application fee for each proposed RMD. Please identify each application of multiple applications by designating it as Application 1, 2 or 3 in the header of each application page. Please note that no executive, member, or any entity owned or controlled by such an executive or member, may directly or indirectly control more than three RMDs.

However, even if submitting a *Management and Operations Profile* for more than one RMD, an applicant need only submit one background check packet, including authorization forms for all required individuals, and fee associated with the background checks.

Unless indicated otherwise, all responses must be typed into the application forms. Handwritten responses will not be accepted. Please note that character limits include spaces.

Attachments should be labelled or marked so as to identify the question to which it relates.

Each submitted application must be a complete, collated response, printed single-sided, and secured with a binder clip (no ring binders, spiral binding, staples, or folders).

Application 2 of 3

Applicant Non-Profit Corporation

Khem Organics, Inc.

Mail or hand-deliver the *Management and Operations Profile*, with all required attachments, the \$30,000 application fee, and completed Remittance Form to:

Department of Public Health
Medical Use of Marijuana Program
RMD Applications
99 Chauncy Street, 11th Floor
Boston, MA 02111

All fees are non-refundable and non-transferable.

REVIEW

Applications are reviewed in the order they are received.

After a completed application packet and fee is received by the Department, the Department will review the information and will contact the applicant if clarifications/updates to the submitted application materials are needed. The Department will notify the applicant whether they have met the standards necessary to be invited to submit a *Siting Profile*.

PROVISIONAL CERTIFICATE OF REGISTRATION

Applicants have one year from the date of the submission of the *Management and Operations Profile* to receive a Provisional Certificate of Registration. If an applicant does not receive a Provisional of Certificate of Registration after one year, the applicant must submit a new *Application of Intent* and fee.

REGULATIONS

For complete information regarding registration of an RMD, please refer to 105 CMR 725.100.

It is the applicant's responsibility to ensure that all responses are consistent with the requirements of 105 CMR 725.000, et seq., and any requirements specified by the Department, as applicable.

PUBLIC RECORDS

Please note that all application responses, including all attachments, will be subject to release pursuant to a public records request, as redacted pursuant to the requirements at M.G.L. c. 4, § 7(26).

QUESTIONS

If additional information is needed regarding the RMD application process, please contact the Medical Use of Marijuana Program at 617-660-5370 or RMDapplication@state.ma.us.

CHECKLIST

The forms and documents listed below must accompany each application, and be submitted as outlined above:

- ☒ A fully and properly completed *Management and Operations Profile*, signed by an authorized signatory of the applicant non-profit corporation (the "Corporation")
- ☒ A copy of the Corporation's *Articles of Incorporation*
- ☒ A copy of the Corporation's *Certificate of Good Standing* from the Massachusetts Secretary of State
- ☒ A copy of the Corporation's bylaws
- ☒ An *Employment and Education* form (use template provided) for each of the following individuals: The Corporation's Chief Executive Officer, Chief Operations Officer, Chief Financial Officer, individual/entity responsible for marijuana for medical use cultivation operations, and individual/entity responsible for the RMD security plan and security operations
- ☒ A bank or cashier's check made payable to the *Commonwealth of Massachusetts* for \$30,000
- ☒ A completed *Remittance Form* (use template provided)
- ☒ A sealed envelope with the name of the Corporation and marked "authorization forms," that contains the background check authorization forms (use forms provided) and fee, for each of the following actors:
 - Chief Executive Officer; Chief Operating Officer; Chief Financial Officer; individual/entity responsible for marijuana for medical use cultivation operations; individual/entity responsible for the RMD security plan and security operations; each member of the Board of Directors; each Member of the Corporation, if any; and each person and entity known to date that is committed to contributing 5% or more of initial capital to operate the proposed RMD. For entities contributing initial capital to operate the proposed RMD, authorization forms must be completed and signed by the entity's Chief Executive Officer/Executive Director and President/Chair of the Board of Directors.

SECTION A. APPLICANT INFORMATION

1. Khem Organics, Inc.
Legal name of Corporation
2. [REDACTED]
Name of Corporation's Chief Executive Officer
3. 100 North Street, Pittsfield, MA 01201
Address of Corporation (Street, City/Town, Zip Code)
4. [REDACTED]
Applicant point of contact (name of person Department of Public Health should contact regarding this application)
5. [REDACTED]
Applicant point of contact's telephone number
6. [REDACTED]
Applicant point of contact's e-mail address
7. Number of applications: How many *Management and Operations Profiles* do you intend to submit?
2

SECTION B. INCORPORATION

8. Attach a copy of the corporation's *Articles of Incorporation*, documenting that the applicant is a non-profit entity incorporated in Massachusetts.
9. Attach a copy of the corporation's *Certificate of Good Standing* from the Massachusetts Secretary of State.
10. Attach a copy of the corporation's bylaws.

SECTION C. NON-PROFIT COMPLIANCE

Answer each of the questions below to explain how the Corporation will remain in compliance with the non-profit requirements of Ch. 369 of the Acts of 2012, the regulations at 105 CMR 725.000, and "Guidance for Registered Marijuana Dispensaries Regarding Non-Profit Compliance." Please refer to the "Guidance for Registered Marijuana Dispensaries Regarding Non-Profit Compliance" document in completing this form.

11. Please identify any management company that the applicant intends to utilize and summarize the terms of any agreement or contract, executed or proposed, with the management company.

Upon receipt of certificate and in order to secure suitable real estate, Khem Organics, Inc. will execute an assignment and sublease with KO Resources LLC(KOR). KOR has been formed to support Khem and is aligned with Khem's non-profit mission. Such assignment will carry commercially reasonable terms. Khem will reimburse KOR for equipment, cultivation and retail services on a cost-plus basis at 20%. Khem will pay not more than 18% for financing sourced through KOR. Khem will also execute a master services agreement with Khem. The agreement shall provide fair market compensation payable to KOR. Services will include: Real estate procurement; Leasing and management; Site and building design; Construction management; Cap ex, working capital, payroll & operations financing; Production optimization, including cultivation and extraction technology; Cultivation expertise including grow technologies, soils, organics and best practices; Dispensary retail strategies, including product mix, patient interaction and related IP; Brand, packaging and logo development; Patient education; Outreach to physician/provider community; Software and IT services; Financial reporting/audit; Non-profit and regulatory compliance; IP development and deployment.

12. Please identify any agreements or contracts, executed or proposed, in which the applicant will engage in a Related Party Transaction and summarize the terms of each such agreement.

As indicated in the response to Question 11, Khem will enter into a master services agreement with KOR. That agreement creates a Related Party Transaction in one respect: COO Dennis Depaolo (DD) has a 2% ownership interest in KOR. Khem believes that such Related Party Transaction properly incentivizes DD's production of quality medicine, and is consistent with DPH regulation. Khem will provide an independent legal opinion upon request.

13. Please identify whether any members of the Board of Directors are also serving as employees of the proposed RMD and, if so, their title and role with the proposed RMD.

██████████ a registered nurse and clinical acute care specialist, is duly licensed by the Massachusetts Board of Registration in Nursing. ██████████ will serve as president of Khem's Board of Directors, and will serve as Chief Executive Officer. No other member of the Board of Directors serves or anticipates serving as an employee of the proposed RMD.

14. Please identify whether any members of the Board of Directors are serving as officials, executives, corporate members or board members for any management company, investor or other third party proposed to contract or otherwise conduct business with the proposed RMD.


As described in response to Question 11, Khem anticipates that KOR will provide a number of services to Khem pursuant to a master services agreement approved by Khem's Board of Directors. No member of the Board of Directors serves as an official, executive, corporate member or board member for KOR, or for any other such management company, investor or other third party proposing to contract or conduct business with the proposed RMD.

15. Please identify any contract or agreement, executed or proposed, under which a percentage or portion of the applicant's revenue will be distributed to a third party and summarize the terms of any such agreement or contract.

In accordance with M.G.L. c. 180 and §725.100(A), Khem will operate on a non-profit basis and will devote its revenue solely for the purpose of meeting its patient obligations and satisfying its non-profit mission.


Therefore, and as more fully described in response to Question 11, Khem will enter into a master services agreement with KOR. In exchange for the services described in the master services agreement, Khem will provide fair market compensation to KOR, including reimbursement for equipment, cultivation and retail services on a cost-plus basis at 20%. Khem will execute an assignment and sublease to secure suitable real estate. Khem will pay not more than 18% for financing, if any, sourced through KOR.

The applicant agrees and attests that it will operate in compliance with all applicable state laws and regulations, including, but not limited to, laws regarding child support and taxation, as well as the "Guidance for Registered Marijuana Dispensaries Regarding Non-Profit Compliance."


9/29/2017

Signature of Authorized Signatory

Date Signed


Print Name of Authorized Signatory

President/CEO

Title of Authorized Signatory

SECTION D. EXPERIENCE

16. Attach an Employment and Education form (use template provided) for each of the following individuals: The Corporation's Chief Executive Officer, Chief Operations Officer, Chief Financial Officer, individual/entity responsible for marijuana for medical use cultivation operations, and individual/entity responsible for the RMD security plan and security operations.
17. Describe the experience, and length of experience, of the Corporation's Chief Executive Officer, Chief Operations Officer, and Chief Financial Officer with running a non-profit organization or business.

COO [REDACTED] has extensive experience working within non-profit dispensary and cultivation organizations. He is familiar with daily operations, including cultivation protocols, dispensary operations, and caregiver and patient communication. Prior to his work for Khem, DD served as director of cultivation at Maine Organic Therapy Inc, a non-profit cultivation and dispensary formed in 2010 to serve patients in Ellsworth. [REDACTED] was also consulted as director of plant science to Canuvo Inc., a Maine non-profit supplying medicinal grade cannabis strains to patients in the Biddeford area. His experience extends to 2008-09, when [REDACTED] worked at Boyce Thompson Institute for Plant Research, an affiliate of Cornell University, where he conducted research in plant biology and insect interaction in controlled grow environments. His skills include management, operations, cultivation, lab testing, and non-profit compliance.

[REDACTED] has also worked in Maine and elsewhere to advocate for cannabis professionals, patients and caregivers. [REDACTED] has worked with legislators, regulators and industry participants on various regulatory and legislative matters. A member of the International Cannabinoid Research Society, his contributions have helped shape the legal framework for medical cannabis in Maine.

CEO [REDACTED] is a clinical acute care specialist who has worked within several large non-profit health care systems. He started his career as a woodworker and artisan, and later attended nursing school after age 30. Since achieving his RN in 2012, he has worked with several highly regarded non-profit health care providers in the region, including St Peters Hospital (Trinity Health) in Albany, Fairview Hospital in Gt Barrington and Berkshire Medical Center in Pittsfield. JM developed particular experience working with disabled children at Berkshire Meadow, a Massachusetts-approved special education residential school. His experience within these non-profits includes hands-on clinical work, management and advisory work.

CFO [REDACTED] is responsible for financial management and oversight of BRI. A CPA since 1988, he provides tax, audit, financial management and supervisory services to small and large businesses and non-profit corporations throughout MA. He has 20+ years of experience advising organizations in the health and human service area, including non-profit community-based human service providers. [REDACTED] has expertise in implementing financial controls for private non-profits. He has extensive experience with auditing organizations compliance with laws and regulation in accordance with the Single Audit Act a reporting requirement of the Massachusetts Uniform Financial Report (UFR). He will review Khem's tax returns, and will supervise Khem staff from purchasing to POS.

18. Describe the experience, and length of experience, of the Corporation's Chief Executive Officer, Chief Operations Officer, and Chief Financial Officer with providing health care services.

CE [REDACTED] has provided health care services to patients in ER, ICU and other hospital-based settings. As a RN licensed in Massachusetts, he has been affiliated with St. Peter's Hospital (Trinity Health) in Albany and Berkshire Health Systems in Pittsfield. After completing nursing school, he finished rotations at BMC in Pittsfield and at Fairview Hospital in Gt Barrington. Among other disciplines, [REDACTED] trained in the management of chronic pain management. He has since developed expertise in ICU care, including the management of pain in chronically ill patients.

[REDACTED] has devoted his nursing career treating patients suffering from acute and chronic pain. In the ICU, his work has focused on cancer treatment, pain management and anesthesiology in community-based and hospital settings. He has extensive clinical experience, and has worked with surgeons, PCPs, RNs, ICU techs and other health care professionals to coordinate plans for pain management and comprehensive care.

As an RN [REDACTED] has partnered with specialists and patient PCPs to craft pain management therapies for chronically ill patients. He has experience in pharmacology and drug therapies designed to address acute pain. He consults with physicians from a range of medical disciplines, including anesthesiology, oncology, physical therapy and ER medicine. More recently, he has trained in providing chronic pain assessment in conjunction with substance abuse treatment, opioid therapy screening and cognitive behavioral disorders.

As an RN [REDACTED] worked at Berkshire Meadows in Gt Barrington, a Chapter 766 residential facility for children suffering from severe developmental disabilities, including autism, down syndrome, cerebral palsy and a variety of neurological disorders. [REDACTED] provided hands-on health care for the disabled children living at the facility. Working with medical professionals, physical therapy staff, orthopedic specialists and others [REDACTED] communicated with patients and their families, learned about specific patient needs and worked with Berkshire Meadow staff to coordinate care.

COC [REDACTED] has extensive experience in designing and preparing cannabis medicine. DD has served as director of cultivation at Maine Organic Therapy Inc, a non-profit cultivation and dispensary formed in 2010 to serve patients in Ellsworth. DD has also served on a consulting basis as director of plant science to Canuvo Inc., a Maine non-profit supplying medicinal grade cannabis strains to patients in the Biddeford area. At both organizations, he has used his cultivation skills, MIP expertise and knowledge of plant science to prepare medicine designed to meet individual patient requirements. His usual practice is to interact with dispensary agents (and from time to time directly with patients) in order to design a cannabis product suitable for patient use.

CF [REDACTED] a CPA, has no experience providing health care services.

19. Describe the experience, and length of experience, of the Corporation's Chief Executive Officer, Chief Operations Officer, and Chief Financial Officer with providing services for marijuana for medical purposes.

CO [REDACTED] has an extensive background in providing services for marijuana for medical purposes. He is familiar with all operational aspects of community-based medical marijuana programs, including cultivation protocols, dispensary operations, and caregiver and patient communication. He has worked in cultivation and MIP preparation, designing and cultivating strains to produce high-quality, medical grade cannabis for licensed dispensaries. He has served as director of cultivation at Maine Organic Therapy Inc., a non-profit cultivation and dispensary formed in 2010 to serve patients in Ellsworth.

[REDACTED] has also served on a consulting basis as director of plant science to Canuvo Inc., a Maine non-profit supplying medicinal grade cannabis strains to patients in the Biddeford area. His experience extends to 2008-09, when [REDACTED] joined at Boyce Thompson Institute for Plant Research, an affiliate of Cornell University, where he conducted research in plant biology and insect interaction in controlled grow environments. His skills include management, operations, cultivation, lab testing, and non-profit compliance.

[REDACTED] will be the executive responsible for cultivation operations at Khem. As he did at Maine Organic Therapy and at Canuvo, [REDACTED] has designed and equipped a cultivation and processing system to consistently produce high-THC, high-CBD, and mixed-ratio cannabis products. [REDACTED] experience in plant science and product design will allow Khem to address specific patient symptoms and disease-states. Under [REDACTED] guidance, Khem will utilize fresh, local, organic ingredients to provide patient-specific MIPs when allergies or intolerances may affect a patient's choice of medicine.

In Maine, [REDACTED] has supervised all aspects of growing and processing of medical cannabis. [REDACTED] has consistently produced cannabis that tests at the highest quality standards and in accordance with Maine state regulation. [REDACTED] has expertise in producing less common medicine such as tinctures, lozenges, beverages, cooking oils, transdermal patch applications, vapor cartridges and other MIPs. [REDACTED] experience in providing services for marijuana for medical purposes includes his work as an advocate. He has worked in Maine and elsewhere to advocate for cannabis professionals, patients and caregivers, and on a variety of regulatory and legislative matters. He has supplemented his industry-based knowledge through his membership in the International Cannabinoid Research Society.

CF [REDACTED] CPA, has no experience providing services for marijuana for medical purposes.

CEO [REDACTED] an RN, has no experience providing services for marijuana for medical purposes.

20. Describe the experience, and length of experience, of the Corporation's individual/entity responsible for marijuana for medical use cultivation operations and individual/entity responsible for the RMD security plan and security operations with providing services for marijuana for medical purposes.

Khem's Chief Security Officer is [REDACTED] A veteran of the Pittsfield Police Department, [REDACTED] retired in 2007 as a sergeant after 30 years of service. [REDACTED] is committed to stringent security measures ensuring the safety of patients, personnel and the public consistent with state law and §725.110.

A career police officer with a background in street patrol, investigation and security, [REDACTED] is skilled at navigating complex security systems. He has a proven ability to communicate orally and in writing through a chain of command, and is skilled in interacting with local, state and federal law enforcement. He was successful in writing several public safety grants for the PPD, and supervised the Accident Investigation Unit of the Traffic Bureau.

[REDACTED] knowledgeable about Mass. law relative to marijuana. He has worked closely with many members of the PPD Drug Unit as well as Superior Court Probation, and has interacted with the State Crime Lab, State Police and prosecutors in both District and Superior Court.

In the 1990s, [REDACTED] created and designed a system and managed the inventory, storage, transportation, and security for videotapes from then-new cruiser-mounted cameras. He was responsible for the care, accuracy, transportation and security of the Breath Analysis devices employed for OUI prosecutions, and also trained PPD's operators. He was also familiar with the department's security system for monitoring the cell block and access/egress areas.

With Khem staff, [REDACTED] will design and operate a Secure Limited Access Area (SLAA) in which Khem will keep all marijuana products located on the premises, as required by §725.110(C). Using police prototype [REDACTED] will design an access protocol, per §725.105(C) and (P), through which outside vendors, contractors and visitors must display ID badges when on the premises and will be escorted at all times. ID badges will be returned upon exit [REDACTED] and Khem staff will assure that badge check-in/out is recorded.

Working with [REDACTED] Chief Cultivation Officer [REDACTED] and third-party vendors will install and operate state-of-the-art alarm and surveillance systems. [REDACTED] has 2 years of experience designing and operating systems featuring external surveillance cameras and entry indication hardware on perimeter access points. [REDACTED] has specific experience with bio-metric fingerprint readers, autolock door equipment, and DVR technology to watermark times of entry.

[REDACTED] and others will assure that cultivation security systems are operational 24/7/365, and that security hardware/software meets or exceeds the standards set forth under state regulation. [REDACTED] will similarly assure for Khem's compliance with §725.110(D)(1). [REDACTED] will conduct monthly [REDACTED] inspections of all security equipment, and will conduct full annual audits per §725.110(D)&(G). [REDACTED] and [REDACTED] will report any incident per §725.100(F).

SECTION E. OPERATIONS**21. Provide a summary of the RMD's operating procedures for the cultivation of marijuana for medical use.**

Pursuant to an FCR issued by DPH on August 25, 2017, Khem has built a new, efficient, safe and secure cultivation and processing facility (CF) at 501 Dalton Avenue in Pittsfield. The CF will incorporate best-in-class technology and proven cultivation methods in providing compassionate care. The CF will maximize production efficiency, while strictly adhering to all regulations and provisions pertaining to §725.000. The CF has various cultivation areas, designated to specific stages of production. These areas will consist of propagation, strain preservation, cultivation production, and processing.

Propagation will begin with the selection of 23 different strains, all of which having been procured from reputable breeding companies. Strains with high values of CBD, THC, and other medicinal cannabinoid compounds will be prioritized in the selection process.

Strain preservation rooms will host mother plants which will allow for consistent variety and selections for patients. Cuttings will be taken from select mother plants to provide genetic copies of the desirable phenotypes. Rooting will then be induced to provide for the next upcoming crop. Harvests will be staggered to ensure consistent production.

Cultivation production rooms will consist of multiple enclosures to mitigate the potential of substantial crop failure. Each room will be fully automated with advanced, redundant systems and equipment, allowing for full control of environmental conditions and mitigation of mechanical failures. The vegetative stage will commence and upon sexual maturation, the photoperiod will be adjusted to induce flowering. Thorough, frequent inspections and organic preventative measures will be conducted to ensure optimum health and development of the crop.

Upon harvest of mature flowers, Khem staff will transfer the fresh product into their respective areas for trimming, drying and curing. All forms of product will be immediately entered into Khem's MJ Freeway tracking software to ensure accurate and consistent tracking throughout the harvest process.

Management will ensure all regulations, policies and procedures are adequately enforced and documented. Management will monitor staff productivity and will facilitate all aspects of cultivation. Khem will install and implement sustainable and environmentally conscious amenities to the CF, including ultra-efficient commercial grow rooms to reduce our carbon footprint. The CF will include, among other features: Air-Lock sanitation chambers, monitored plant breeding protocols, automated irrigation and water filtration, CO2 supplementation, air purification-HEPA/Carbon, disease and pest control, Desert Aire HVAC systems, commercial-grade full spectrum light systems, automated cultivation control systems, segregated environmentally controlled drying and curing spaces, and 24/7 emergency power generators.

22. Describe the types and forms of Marijuana Infused Products ("MIPs") that the RMD intends to produce, if any.

Khem will provide an abundant selection of MIPs designed to allow patients to custom tailor their medicinal regimen. Many patients have differing conditions that will require a specific mode of ingestion. Under the direction of COO [REDACTED] Khem will produce high THC, high CBD, and mixed ratio MIPs for our patients to match their medicine with their specific ailments. Khem will utilize fresh, local, and organic ingredients while providing patient specific MIPs when allergies or intolerances are a factor in the patient's selection of medicine.

Upon specific requests from our patients, our staff will be able to produce less common, patient specific medicine. MIPs that Khem will regularly produce will include, but not limited to, the following: vaporization cartridges (an alternative to combustion); various forms of non-psychoactive medicine; supercritical extracted CO2 oil; cookies, brownies and chocolates and other confectionaries; glycerin and ethanol tinctures (via capsules, syringes, dropper and spray bottles); sublingual lozenges for patients who have trouble swallowing; cannabis-infused mineral waters; juiced cannabis; cooking oils; and transdermal applications such as patches and salves.

23. Provide a summary of the RMD's methods of producing MIPs, if the RMD intends to produce MIPs.

All operating procedures for inventory management will adhere to §725.105(G). Khem will utilize MJF's GrowTracker software to create an individual barcode and serial number reference tag for every new clone or seed. This tag is used to reference, track, and log data about each plant beginning with propagation through the vegetative and flowering stages.

Processing and manufacturing of marijuana will be monitored using MJF's MixTracker. This software tracks the production of raw marijuana material as it is processed into finished goods. Finished products will be weighed, packaged, inventoried and labeled using MJF's GramTracker software. This software will track products from packaging to POS. At the end of each business day, dispensary agents will do a manual inventory against MJF's tracking software to identify any potential discrepancies.

Khem will perform a monthly manual inventory of all marijuana in the process of being cultivated as well as finished stored products. Khem's CEO will perform a comprehensive annual inventory. Findings will be recorded both manually and electronically through MJF. Discrepancies or diversion of inventory will be promptly reported to DPH and if necessary, law enforcement, per §725.110(F).

29. Provide a summary of the RMD's operating procedures for quality control and testing of product for potential contaminants.

Khem intends to provide registered patients with medical grade cannabis of the highest quality. Khem will do so by implementing firm operational controls, maintaining a sanitary and secure environment, and utilizing ISO laboratory testing.

Cultivation and processing areas will be cleaned and monitored daily for signs of contaminants such as mold, fungus and pests. If contamination occurs, Khem staff will remedy the contamination, relying on their individual expertise and on peer support.

Khem will meet or exceed sanitary guidelines required by §725.105(C)(6). Staff will use locker rooms to transition into uniforms and store personal belongings before entering the cultivation or processing areas. Upon entering these specific areas, personnel will enter a sanitation chamber equipped with air showers and UV lights to mitigate potential contaminants.

To ensure integrity and consistent dosages, all medicine shall be tested at an approved ISO facility pursuant to §725.105(C)(2). Testing will ensure potency, purity and medicinal value. Quantifying these values will provide accurate and consistent dosing for all marijuana products, and allows patients to make informed selections of contaminant-free medicine. Any waste containing marijuana will be disposed in adherence to §725.105(J).

30. Provide a summary of the RMD's operating procedures for maintaining confidentiality of registered qualifying patients, personal caregivers, and dispensary agents, as required by law.

Khem will maintain the confidential nature of information relative to patients, personal caregivers and dispensary agents as required by §725.200.

Confidential information regarding patients, personal caregivers, and dispensary agents will be stored securely, following federal HIPAA Security Requirements. MJF's HIPAA-compliant software will allow Khem to manage all patient records in a secure platform. Khem will use InterGuard Employee Monitoring software to record and control the use of all computers and mobile devices belonging to the RMD. Confidential paper documents will be stored in a secure fireproof file cabinet available only to certain authorized dispensary agents and Khem's COO and CEO.

All dispensary agents, private contractors and external entities granted access to confidential information will be required to sign a "Confidentiality and Security Agreement." Any breach of contract will be reported in accordance with §725.110(F) and may result in disciplinary actions, including but not limited to termination of employment or business relationship.

Khem's confidential information regarding patients, personal caregivers, and dispensary agents will be disclosed only under the circumstances set forth in §725.200(D).

31. Provide a summary of the RMD's personnel policies.

Khem will provide a warm, friendly and community-oriented workplace for dispensary agents. Khem will hold agents to high professional standards, and for those that succeed, Khem will offer opportunities to advance.

Khem will maintain high ethical standards. The Khem RMD will provide an ethical and respectful workplace. Khem will strictly prohibit any form of workplace violence, intimidation, discrimination or sexual or other forms of harassment. Khem will comply with all labor laws enforced by federal EEOC or under Massachusetts law. Khem will provide fair and appropriate compensation, along with benefits such as health insurance, paid time off, overtime and performance bonuses, and workers compensation coverage as required by law. Khem will comply with or exceed Massachusetts law with respect to compensated personal and family medical leave.

Khem will assure that all staff behave in a safe and responsible manner, consistent with workplace safety standards promulgated by US OSHA and the Massachusetts division of occupational safety. Khem's CEO will work with Khem staff to foster the development of individual career ladders. Khem will promote dispensary agents where the availability of positions within the RMD allow, and as part of Khem's effort to support staff advancement, productivity and career objectives. Performance-based evaluations will be conducted at least annually.

33. Provide a summary of the RMD's operating procedures for record keeping.

Khem will maintain all records in compliance with §725.105(I). Patient records and purchasing history will be securely stored and updated using MJ Freeway's HIPAA compliant software. Patient documentation received in paper form will be maintained and secured in a limited access area, available only to authorized Khem personnel.

MJ Freeway's seed-to-sale software will allow appropriate Khem staff members to reference detailed records regarding current and past production of marijuana or MIPs in all phases of production, dispensary records and other data relative to production, sale and security.

Employee records will be regularly maintained to satisfy the requirements outlined in §725.105(I)(4). Corporate documents, DPH certificates, accounting information and other required documentation, as expressed in §725.105(I)(5), will be securely maintained and available upon request from the DPH.

All digital records will be redundantly backed up to redundant cloud-based encrypted secure servers, thereby ensuring the integrity of Khem records in the event of a technological failure. Where necessary, paper documentation will be stored in secure, fireproof cabinets located available only to authorized Khem personnel.

34. Provide a summary of the RMD's plans for providing patient education.

Khem will educate patients about medical marijuana, and help make informed choices about the products. Upon registering with Khem, patient cardholders will review and sign our Patient Policy Form, in which access to educational materials will be explained.

Khem staff will encourage patients to take advantage of our educational resources, including interactive multimedia, pamphlets, and informative articles on Khem's website, all of which will be provided in multilingual verbal and nonverbal forms. Khem's materials will allow patients to track their selections, dosage, mode of ingestion, and associated effects with each strain. This methodology will help patients hone their medicinal regimens, while allowing staff to become familiar with specific patient needs. Seminars and counseling sessions will be held from time to time, and will explore different topics guided by industry professionals and Khem staff.

35. Provide a summary of the RMD's operating procedures for patient or personal caregiver home-delivery, if the RMD plans to provide home-delivery services.

Khem Home Delivery Service (HDS) will be safe, secure, and closely monitored to be sure it is meeting patient demand. All HDS delivery transports will be conducted in a manner compliant with § 725.105(E). Khem will select certain dispensary agents to participate in HDS. These agents will undergo training prior to performing job functions.

A secure touchtone and digital menu will be provided for patients to submit orders for HDS. Orders will be filled by agents, packaged with an order form and stored in white opaque, ASTM certified, childproof bag. Orders for HDS will be placed in an additional, large, white opaque child proof bag.

Each HDS will require two agents. Prior to departure, staff will follow the transportation procedures described in response to question 27. At the time of departure, Khem will provide dispensary agents with the required paperwork and a hard copy of a randomly generated delivery route.

One agent, obligated to remain in the vehicle at all times, will record arrivals and departures in hard copy and digital forms using MJ Freeway's software. The second agent, delivering medicine to the patient at home, will record the transaction using MJ Freeway's mobile POS capability. InterGuard Employee Monitoring Software will record all phone and tablet activity during HDS. Khem's operating procedures for dispensing marijuana through HDS will adhere to §725.105(F), and will be subject to review and improvement by Khem's CEO and COO at least bi-annually.

36. Provide a summary of the RMD's policies and procedures for the provision of marijuana for medical use to registered qualifying patients with verified financial hardship without charge or at less than the market price.

In accordance with §725.004, Khem will provide a comprehensive program to offer discounted marijuana to patients with documented verified financial hardship. Patients will be deemed eligible for Financial Assistance (FA) upon presenting proof of:

- Enrollment in MassHealth
- Enrollment in Supplemental Security Income
- Individual income not in excess of 300% FPL
- Current receipt of unemployment benefits
- Status as a wounded or disabled veteran

Khem will ensure that FA records remain confidential at all times, with access limited to authorized Khem employees. Khem will closely monitor the transactions and status of all FFA patients. Khem will ensure that patients remain eligible for FA while also tracking potential diversion. Khem will provide free or reduced cost personal home delivery for FA patients within the Khem service area. Khem believes that the FA program will advance and complement its non-profit mission of serving patients. Therefore, Khem intends to review its FA program from time to time, and at least annually, to assure that it adequately serves patients and complies with §725.100(A)(6).

37. Provide a summary of the training(s) that the RMD intends to provide to Dispensary Agents.

Khem's CEO and COO will lead Khem's training program for dispensary agents (DAs). In depth training for all DAs will ensure maximum efficiency and productivity in all aspects of operations and management. Khem intends provide to provide all staff with a detailed Employee Handbook, clearly describing all provisions and requirements for employment.

Khem will provide a general orientation for DAs. DAs will receive digital and hard copies of the Handbook and 105 CMR 725.000 et seq. Training will focus on patient confidentiality, sensitivity, security, anti-diversion training, and other protocols. After completion of the orientation, DAs will sign a form acknowledging an adequate understanding of the Handbook and DPH regulations. Orientation will not count towards the minimum annual 8 hours of training required by §725.105(H).

Khem will devote those hours to providing extensive job-specific training. Performed by the CEO or COO, the training will include an intensive overview of the job duties, along with a shadowing process until DAs are competent to meet the demands of the position in a responsible and patient-focused manner.

As required by §725.105(H), additional mandatory and voluntary training will be provided from time to time throughout the year. DAs will be required to maintain certifications unique to their positions and will be incentivized to pursue training and certificate programs.

38. Will the Corporation provide worker's compensation coverage to the RMD's Dispensary Agents?

Yes ☒ No ☐

39. Will the Corporation obtain professional and commercial insurance coverage?

Yes ☒ No ☐

40. Describe the Corporation's plan to obtain liability insurance or place in escrow the required amount to be expended for coverage of liabilities.

Khem will obtain liability insurance in compliance with §725.105(Q). The policy will provide coverage of no less than \$1 million dollars per occurrence and \$2 million dollars aggregate, annually, and product liability coverage for not less than \$1 million per occurrence and \$2 million in aggregate, annually. The deductible shall be no more than \$5,000 per occurrence. Khem also anticipates securing professional/D&O liability coverage at prevailing rates.

Khem also anticipates securing commercial auto coverage at prevailing rates, including enhanced coverage for optional bodily injury, for any Khem vehicles used to transport of medicine. Khem will retain the services of a local insurance agent and legal counsel to review and adjust coverages from time to time to meet the needs of the company, to assure compliance with DPH regulation, and to adequately protect Khem's assets, personnel and patients.

SECTION F. CAPITAL CONTRIBUTORS

List all persons and entities known to date that are committed to contributing 5% or more of initial capital to operate the proposed RMD. For entities contributing initial capital to operate the proposed RMD, list the entity's Chief Executive Officer/Executive Director and President/Chair of the Board of Directors.

Attach additional tables if needed.

Individual Name	Amount of Initial Capital Committed	% of Initial Capital Committed
Matthew C. Feeney	\$ 1,083,989.93	100
	\$	
	\$	
	\$	
	\$	

Entity Name	Leadership Names	Amount of Initial Capital Committed	% of Initial Capital Committed
KO Resources LLC	Albert Wojtkowski	\$500,450.65	100
	Entity CEO/ED		
	Entity Pres/Chair		
KO Resources LLC	Albert Wojtkowski	\$527,743.07	100
	Entity CEO/ED		
	Entity Pres/Chair		
		\$	
	Entity CEO/ED		
	Entity Pres/Chair		

Information on this page has been reviewed by the app [REDACTED] provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory her

Application 2 of 3

Applicant Non-Profit Corporation

Khem Organics, Inc.

ATTESTATIONS

Signed under the pains and penalties of perjury, I, the authorized signatory of the non-profit applicant corporation, agree and attest that all information included in this application is complete and accurate and that I have an ongoing obligation to submit updated information to the Department if the information presented within



Signature of Authorized Signatory

9/29/17
Date Signed



Print Name of Authorized Signatory

President/CEO

Title of Authorized Signatory

I hereby attest that if the corporation is allowed to proceed to submit a *Siting Profile*, the corporation is prepared to comply with all *Siting Profile* requirements.



Signature of Authorized Signatory

9/29/17
Date Signed



Print Name of Authorized Signatory

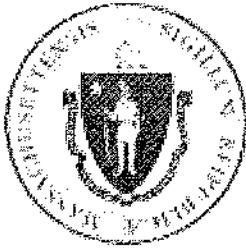
President/CEO

Title of Authorized Signatory

Information on this page has been reviewed by the applicant and indicated by the initials of the authorized signatory here

provided by the applicant, is accurate and complete, as

Articles of Incorporation



**The Commonwealth of Massachusetts
William Francis Galvin**

Minimum Fee: \$35.00

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

Special Filing Instructions

Restated Articles of Organization

(General Laws, Chapter 180, Section 7)

Identification Number: 001191074

We [REDACTED] President Vice President,

and [REDACTED] Clerk Assistant Clerk,

of KHEM ORGANICS INC.

located at: 100 NORTH STREET SUITE 405 PITTSFIELD, MA 01201 USA

do hereby certify that the following Restatement of the Articles of Organization was duly adopted at a meeting held on:
12/7/2015, by vote of:

0 members, All directors, or 0 shareholders,
being at least two-thirds of its members/directors legally qualified to vote in meetings of the corporation (or, in the case
of a corporation having capital stock, by the holders of at least two thirds of the capital stock having the right to vote
therein);

ARTICLE I

The exact name of the corporation is:

KHEM ORGANICS INC.

ARTICLE II

The purpose of the corporation is to engage in the following business activities:

TO ENGAGE IN ANY OR ALL LAWFUL ACTS OR ACTIVITIES FOR WHICH NON-PROFIT CORPORATIONS MAY BE ORGANIZED UNDER THE GENERAL NON-PROFIT CORPORATION LAWS OF MASSACHUSETTS, AND PERMITTED UNDER GENERAL LAWS OF MASSACHUSETTS PART I, TITLE XXII, CHAPTER 180.

ARTICLE III

A corporation may have one or more classes of members. If it does, the designation of such classes, the manner of election or appointments, the duration of membership and the qualifications and rights, including voting rights, of the members of each class, may be set forth in the by-laws of the corporation or may be set forth below:

ARTICLE IV

Other lawful provisions, if any, for the conduct and regulation of the business and affairs of the corporation, for its voluntary dissolution, or for limiting, defining, or regulating the powers of the corporation, or of its directors or members, or of any class of members, are as follows:

(If there are no provisions state "NONE")

Note: The preceding four (4) articles are considered to be permanent and may ONLY be changed by filing appropriate Articles of Amendment.

ARTICLE V

The effective date of the Restated Articles of Organization of the corporation shall be the date approved and filed by the Secretary of the Commonwealth. If a *later* effective date is desired, specify such date which shall not be more than *thirty days* after the date of filing.

ARTICLE VI

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

a. The street address (post office boxes are not acceptable) of the principal office of the corporation in Massachusetts is:

No. and Street: 100 NORTH STREET

SUITE 405

City or Town:

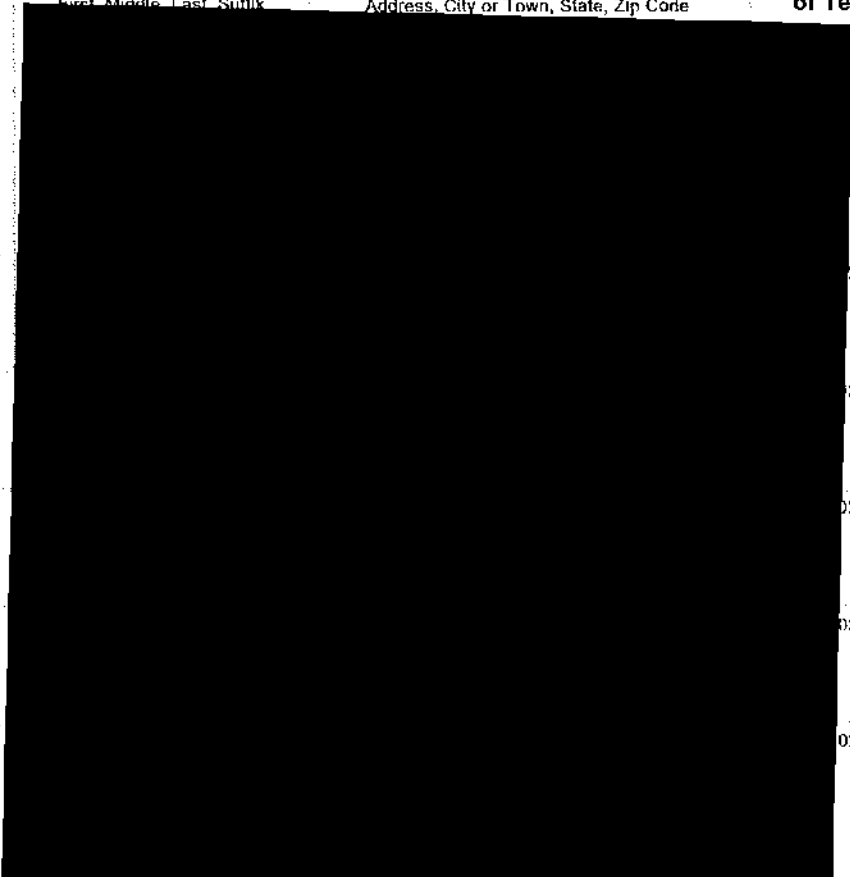
PITTSFIELD

State: MA

Zip: 01201

Country: USA

b. The name, residential street address and post office address of each director and officer of the corporation is as follows:

Title	Individual Name <small>First Middle Last Suffix</small>	Address (no PO Box) <small>Address, City or Town, State, Zip Code</small>	Expiration of Term
PRESIDENT			20
TREASURER			20
CLERK			20
DIRECTOR			20
DIRECTOR			20
DIRECTOR			20
DIRECTOR			20

c. The fiscal year (i.e., tax year) of the business entity shall end on the last day of the month of:

January

d. The name and business address of the resident agent, if any, of the business entity is:

Name: ANDREA F. NUCIFORO, JR., ESQ.

No. and Street: 100 NORTH STREET

SUITE 405

City or Town: PITTSFIELD

State: MA


Zip: 01201

Country: USA

We further certify that the foregoing Restated Articles of Organization affect no amendments to the Articles of Organization of the business entity as heretofore amended, except amendments to the following articles. Briefly describe amendments below:

THESE ARTICLES HAVE BEEN RESTATED IN ORDER TO REFLECT THE CURRENT BOARD OF DIRECTORS (ARTICLE VI) AND TO REFLECT A CHANGE TO ARTICLE II.

SIGNED UNDER THE PENALTIES OF PERJURY, this 11 Day of December, 2015,

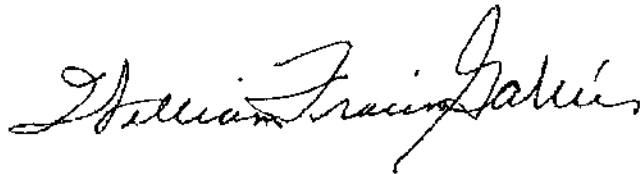
 sident / Vice President,

 rk / Assistant Clerk.

THE COMMONWEALTH OF MASSACHUSETTS

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

December 11, 2015 11:31 AM

A handwritten signature in cursive script, reading "William Francis Galvin". The signature is written in black ink and is positioned above the printed name and title.

WILLIAM FRANCIS GALVIN

Secretary of the Commonwealth

Certificate of Good Standing



William Francis Galvin
Secretary of the
Commonwealth

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

August 24, 2017

TO WHOM IT MAY CONCERN:

I hereby certify that according to the records of this office

KHEM ORGANICS INC.

is a domestic corporation organized on **September 28, 2015 (Chapter 180)**.

I further certify that there are no proceedings presently pending under the Massachusetts General Laws Chapter 180 section 26A, for revocation of the charter of said corporation; that the State Secretary has not received notice of dissolution of the corporation pursuant to Massachusetts General Laws, Chapter 180, Section 11, 11A, or 11B; 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

Bylaws

BYLAWS

KHEM ORGANICS, INC.

Section 1.

ARTICLES OF ORGANIZATION, LOCATION, CORPORATE SEAL AND FISCAL YEAR

1.1 Articles of Organization. The name and purposes of the Corporation shall be as set forth in its Articles of Organization. These Bylaws, the powers of the Corporation and of its directors and officers, and all matters concerning the conduct and regulation of the affairs of the Corporation shall be subject to such provisions in regard thereto, if any, as are set forth in the Articles of Organization.

1.2 Purpose. To engage in civic, educational and benevolent activities as per Mass. Gen. Laws ch. 180 §4, including making medical marijuana available to qualified patients and their personal caregivers in a safe, healthy, and clean environment that complies with the laws of The Commonwealth of Massachusetts and the directives of the Massachusetts Department of Public Health. Additionally, the purpose includes providing palliative and other services to qualified patients, as well as educational materials regarding the potential benefits and dangers associated with the use of medical marijuana. As permitted by law, the Corporation may engage in any and all activities in furtherance of, related to, or incidental to these purposes, the activities being lawful for a Corporation formed under said Chapter 180.

1.3 Location. The principal office of the Corporation in The Commonwealth of Massachusetts shall initially be located at the place set forth in the Articles of Organization of the Corporation. The directors may change the location of the principal office in The Commonwealth of Massachusetts effective upon filing a certificate with the Secretary of the Commonwealth.

1.4 Corporate Seal. The directors may adopt and alter the seal of the Corporation.

1.5 Fiscal Year. The fiscal year of the Corporation shall end on the December 31 in each year unless the directors change the fiscal year by filing a certificate with the Secretary of the Commonwealth.

1.6 Annual Meeting. The annual meeting of the Corporation shall be held not later than the last day of December at such time and place as the directors shall designate.

1.7 Gender. The personal pronoun "he" or possessive pronoun "his", when appropriate, shall be construed to mean "she" or "her" and the word "chairman" shall be construed to include a female.

1.8 Not-for-Profit Operation.

(a) The Corporation shall at all times operate on a non-profit basis for the benefit of registered qualifying patients and shall ensure that revenue of the Corporation is used solely in furtherance of its nonprofit purpose, in full accordance with 105 CMR 725.100(A)(1) and the Guidance for Registered Marijuana Dispensaries Regarding Non-Profit Compliance issued by the Massachusetts Department of Public Health.

(b) No dividends, liquidating dividends, or distributions shall be declared or paid by the Corporation to any private individual, member, officer, or director of the Corporation.

(c) No part of the net earnings or net income of the Corporation shall inure to the benefit of any private individual or officer or director of the Corporation; provided, however, that such a person may

receive reasonable compensation for sales, leases or loans, or personal services rendered which are necessary to carrying out the purposes of the Corporation.

(d) Notwithstanding any other provision of these Articles of Organization, the Corporation shall not carry on any other activities not permitted to be carried out by a Corporation that is formed under Mass. Gen. Laws ch. 180.

(e) The Corporation intends to establish a registered marijuana dispensary pursuant to 105 CMR 725.000 et seq., and is in compliance with the laws of the Commonwealth of Massachusetts.

Section 2. SHAREHOLDERS

The Corporation shall have no shareholders. Any action or vote required or permitted by Mass. Gen. Laws c. 180 to be taken by members shall be taken by action or vote of the same percentage of directors in accordance with Mass. Gen. Laws c. 180, §3.

Section 3. SPONSORS, BENEFACTORS, CONTRIBUTORS, ADVISORS, FRIENDS OF THE CORPORATION

The directors may designate certain persons or groups of persons as benefactors, contributors, advisors or friends of the Corporation or such other title as they deem appropriate. Such persons shall serve only in an honorary capacity and, except as the directors shall otherwise designate, shall in such capacity have no right to notice of or to vote at any meeting, shall not be considered for purposes of establishing a quorum, and shall have no other rights or responsibilities.

Section 4. BOARD OF DIRECTORS

4.1 Powers. The business and affairs of the Corporation shall be controlled and governed by the Board of the Directors who may exercise all the powers of the Corporation as permitted by law.

4.2 Number and Election. By majority vote, the directors shall determine the number of directors and the manner by which new directors are nominated and elected. The directors may nominate and elect directors at any time, and such directors may serve full or partial terms. The names and addresses of the initial Board of Directors and Officers are set forth in the documents on file with the Office of the Secretary of the Commonwealth.

4.3 Term of Office. The directors shall determine the length and number of terms to be served by directors, and will amend the documents on file with the Office of the Secretary of the Commonwealth to so reflect such directors and the applicable terms.

4.4 Meetings. The Board of Directors shall hold annual meetings each year and may select the time and place for annual and other meetings of the Board. Other meetings of the Board of Directors may be called by the president or by a majority of the directors then in office by delivering notice in writing by mail, facsimile or electronic transmission, at his usual or last known business or residence address of the date, time, place, and purpose of such meeting, to all directors at least three (3) days in advance of such meeting.

4.5 Executives and Staff. The Board of Directors, or any person duly authorized by the Board, may hire, retain and terminate executives and staff on behalf of the Corporation, in accordance with Massachusetts law. The Board may terminate any such staff, including the chief executive and any other

executive or staff, by majority vote and consistent with any agreement relating thereto, and in accordance with law.

4.6 Waiver of Notice for Meetings. Whenever any notice of a meeting is required to be given to any director under the Articles of Organization, these Bylaws, or the laws of Massachusetts, a waiver of notice in writing signed by the director, whether before or after the time of the meeting, shall be equivalent to the giving of such notice.

4.7 Quorum. At any meeting of the directors a majority of the directors then in office shall constitute a quorum. Any meeting may be adjourned by a majority of the votes cast upon the question, whether or not a quorum is present, and the meeting may be held as adjourned without further notice.

4.8 Action by Vote. When a quorum is present at any meeting, a majority of the directors present and voting shall decide any question, including election of directors and officers, unless otherwise provided by law, the Articles of Organization, or these Bylaws.

4.9 Action by Writing. Any action required or permitted to be taken at any meeting of the directors may be taken without a meeting if all the directors consent to the action in writing and the written consents are filed with the records of the meetings of the directors. Such consents shall be treated for all purposes as a vote at a meeting.

4.10 Committees. The directors may establish committees and subcommittees that the directors deem necessary and proper to conduct the business of the corporation. Absent a unanimous vote of the board to the contrary, the directors shall establish the following committees: audit committee, compensation committee, and compliance committee. Such committees shall be populated as directed by the Board, and shall report to the board as directed from time to time.

4.11 Qualifications. The directors shall at all times have and qualify for a dispensary agent registry identification card issued by the Massachusetts Department of Public Health. At any time should a director fail to qualify for a dispensary agent registry identification card or have such card revoked pursuant to 105 CMR 725.000, the director shall be deemed automatically removed from the Board.

4.12 Presence Through Communications Equipment. Unless otherwise provided by law or by the articles of organization, directors may participate in any meeting of the Board of Directors by means of a conference telephone or similar electronic or communications equipment by means of which all persons participating in the meeting can hear each other at the same time, and participation by such means shall constitute presence in person at a meeting.

Section 5. OFFICERS AND AGENTS

5.1 Number and Qualification. The officers of the Corporation shall be a president, treasurer, clerk and such other officers, if any, as the directors may determine. The Corporation may also have such agents, if any, as the directors may appoint. An officer may, but need not, be a director. A person may hold more than one office at the same time. If required by the directors, any officer shall give the Corporation a bond for the faithful performance of his duties in such amount and with such surety or sureties as shall be satisfactory to the directors.

5.2 Election. In the event that officers retire or are otherwise removed, the officers of the Corporation shall be elected by the Board of Directors at the annual meeting, or at any special meeting

called for said purpose. Each officer shall hold office until a successor shall have been elected and qualified.

5.3 Tenure. The president, treasurer and clerk may each hold office for a term of not more than three (3) years. Such term may be extended for a period of not more than three (3) additional years upon a majority vote of the Board of Directors.

5.4 President. Unless otherwise determined by the directors, the president shall have general charge and supervision of the affairs of the Corporation. If no chairman of the Board of Directors is elected, the president shall preside at all meetings of the directors, except as the directors otherwise determine. The president shall have such other duties and powers as the directors shall determine.

5.5 Treasurer. Unless otherwise determined by the directors, the treasurer shall be in charge of the Corporation's books of account and accounting records, and of its accounting procedures. It shall be the duty of the treasurer to prepare or oversee all filings required by the Commonwealth of Massachusetts, the Internal Revenue Service, and other federal or state agencies. He shall have such other duties and powers as designated by the directors or the president.

5.6 Clerk. The clerk shall be responsible for keeping records of board meetings and board actions, including the taking of minutes at all board meetings, providing notice and board meeting announcements, preparing and distributing agenda and minutes to the directors, and assuring the proper maintenance of corporate records. In addition, the clerk shall record and maintain records of all proceedings of the directors in a book or series of books kept for that purpose, which book or books shall be kept within the Commonwealth at the principal office of the Corporation or at the office of its clerk or of its resident agent and shall be open at all reasonable times to the inspection of any director. Such book or books shall also contain records of all meetings of incorporators and the original, or attested copies, of the Articles of Organization and Bylaws and names of all directors and the address of each. If the clerk is absent from any meeting of directors, a temporary clerk chosen at the meeting shall exercise the duties of the clerk at the meeting. The clerk shall have custody of the seal of the Corporation.

5.7 Chairman of the Board of Directors. If a chairman of the Board of Directors is elected, he or she shall preside at all meetings of the directors except as the directors shall otherwise determine, and shall have such other powers and duties as may be determined by the directors.

Section 6. RESIGNATIONS, REMOVALS AND VACANCIES

6.1 Resignations. Any director or officer may resign at any time by delivering his resignation in writing to the chairman of the board, if any, or the president or the clerk or to the Corporation at its principal office. Such resignation shall be effective upon receipt unless specified to be effective at some other time. If there is only one director of the Corporation, the director may not resign without appointing a new director, updating these Bylaws or dissolving the Corporation.

6.2 Removals. A director may be removed with or without cause by a two-thirds (2/3) vote of a majority of the directors then in office (not including himself). An officer may be removed for cause by unanimous vote (not including himself) only after reasonable notice and opportunity to be heard before the body proposing to remove him on the occurrence of any of the following events:

(a) upon a good faith finding by the directors of (i) the failure of such director or officer to perform his assigned duties for the Corporation, (ii) dishonesty, gross negligence or willful misconduct, or (iii) the conviction of, or the entry of a pleading of guilty or nolo contendere by such director or officer to, any

crime involving moral turpitude or any felony;

(b) upon any period of inactivity on the part of such director or officer for the preceding twelve month period prior to such removal as determined by the directors in their reasonable discretion; and

(c) upon the disability of such director or officer. As used in this section, the term "disability" shall mean the inability of such director or officer, due to a physical, emotional or mental disability, for a period of one hundred and twenty (120) days, whether or not consecutive, during any three hundred and sixty (360) day period to perform his assigned duties for the Corporation. A determination of disability shall be made by the directors in their reasonable discretion, but requiring a unanimous vote of directors (not including the vote of the director who may be disabled).

6.3 No Right to Compensation. Except as provided in Section 1.8(b), no director or officer shall have any right to compensation as such director or officer for his service, or upon his resignation or removal, or any right to damages on account of such removal. The Corporation shall endeavor to maintain compliance with the Guidance for Registered Marijuana Dispensaries Regarding Non-Profit Compliance issued by the Massachusetts Department of Public Health on May 15, 2015.

6.4 Vacancies. Any vacancy in any office or on the board of directors may be filled by the directors by a two-thirds (2/3) vote of a majority of the directors then in office. The directors shall elect a successor if the office of the president, treasurer or clerk becomes vacant and may elect a successor if any other office becomes vacant. Each such successor shall hold office for the unexpired term and in the case of the president, treasurer and clerk until his successor is chosen and qualified, or in each case until he sooner dies, resigns, or is removed. The directors shall have and may exercise all their powers notwithstanding the existence of one or more vacancies in their number.

6.5 Membership. Upon a majority vote, the directors may allow one or more additional directors to join the Board, whether or not such vote is precipitated by the occurrence of a vacancy.

Section 7. EXECUTION OF PAPERS

Except as the directors may authorize the execution thereof in some other manner, all deeds, leases, transfers, contracts, bonds, notes, checks, drafts and other obligations made in the course of the Corporation's regular business, accepted or endorsed by the Corporation shall be signed by the president or by the treasurer. Except as otherwise provided by M.G.L. c. 180 or directed by the directors, the president may authorize in writing any officer or agent of the Corporation to sign, execute and acknowledge such documents and instruments in his or her place and stead. The clerk of the Corporation, is authorized and empowered to sign in attestation all documents so signed, and to certify and issue copies of any such document and of any resolution adopted by the directors of the Corporation, provided, however, that an attestation is not required to enable a document to be an act of the Corporation.

Any recordable instrument purporting to affect an interest in real estate, executed in the name of the Corporation by the president or a vice president and the treasurer or an assistant treasurer, who may be one and the same person, shall be binding on the Corporation in favor of a purchaser or other person relying in good faith on such instrument, notwithstanding any inconsistent provisions of the Articles of Organization, Bylaws, resolutions or votes of the Corporation.

Section 8.

PERSONAL LIABILITY

8.1 No Personal Liability. The directors and the officers of the Corporation shall not be personally liable for any debt, liability or obligation of the Corporation for or arising out of a breach of fiduciary duty as an officer or director notwithstanding any provision of law imposing such liability; provided, however, that the foregoing shall not eliminate or limit the liability of an officer or director to the extent that such liability is imposed by applicable law for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of the law.

8.2 Corporate Obligations. All persons, corporations or other entities extending credit to, contracting with, or having any claim against, the Corporation, may look only to the funds and property of the Corporation for the payment of any such contract or claim, or for the payment of any debt, damages, judgment or decree, or of any money that may otherwise become due or payable to them from the Corporation.

Section 9. INDEMNIFICATION

The Corporation shall, to the extent legally permissible, indemnify any person serving or who has served at any time as a director, executive director, president, vice president, treasurer, assistant treasurer, clerk, assistant clerk or other officer of the Corporation, or at its request as a director or officer of any organization, or at its request in any capacity with respect to any employee benefit plan, and may indemnify an employee or other agent who has so served, against all liabilities and expenses, including, without limitation, amounts paid in satisfaction of judgments, in compromise or as fines and penalties, and counsel fees, reasonably incurred by him in connection with the defense or disposition of any action, suit or other proceeding, whether civil or criminal, in which he may be involved or with which he may be threatened, while in office or thereafter, by reason of his being or having been such a director or officer (or in any capacity with respect to any employee benefit plan), except with respect to any matter as to which he shall have been adjudicated in any proceeding not to have acted in good faith in the reasonable belief that his action was in the best interests of the Corporation (or, to the extent that such matter relates to service with respect to an employee benefit plan), in the best interest of the participants or beneficiaries of such employee benefit plan; provided, however, that as to any matter disposed of by a compromise payment by such person, pursuant to a consent decree or otherwise, no indemnification either for said payment or for any other expenses shall be provided unless such compromise and indemnification shall be approved:

- (i) by a majority vote of a quorum consisting of disinterested directors;
- (ii) if such a quorum cannot be obtained, then by a majority vote of a committee of the board of directors consisting of all the disinterested directors;
- (iii) if there are not two or more disinterested directors in office, then by a majority of the directors then in office, provided they have obtained a written finding by special independent legal counsel appointed by a majority of the directors to the effect that, based upon a reasonable investigation of the relevant facts as described in such opinion, the person to be indemnified appears to have acted in good faith in the reasonable belief that his action was in the best interests of the Corporation (or, to the extent that such matter relates to service with respect to an employee benefit plan, in the best interests of the participants or beneficiaries of such employee benefit plan); or
- (iv) by a court of competent jurisdiction.

If authorized in the manner specified above for compromise payments, expenses including, but not limited

to, counsel fees, reasonably incurred by any such person in connection with the defense or disposition of any such action, suit or other proceeding may be paid from time to time by the Corporation in advance of the final disposition thereof upon receipt of (a) an affidavit of such individual of his good faith belief that he has met the standard of conduct necessary for indemnification under this Section, and (b) an undertaking by such individual to repay the amounts so paid to the Corporation if it is ultimately determined that indemnification for such expenses is not authorized by law or under this Section, which undertaking may be accepted without reference to the financial ability of such person to make repayment.

The right of indemnification hereby provided shall not be exclusive of or affect any rights to indemnification to which corporate personnel other than the persons designated in this Section may be entitled by contract, by vote of the board of directors, or otherwise under law.

As used herein the terms "person," "director," "officer," "employee," and "agent" include their respective heirs, executors and administrators, and an "interested" director or officer is one against whom the proceedings in question or other proceedings on the same or similar grounds is then pending.

If any term or provision hereof, or the application thereof to any person or circumstances, shall to any extent be held invalid or unenforceable, the remainder hereon, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision hereof shall be held valid and be enforced to the fullest extent permitted by law.

Section 10. AMENDMENTS

These Bylaws may be adopted, altered, amended or repealed, in whole or in part, by a two-thirds (2/3) vote of a majority of the directors then in office.

Section 11. ACTIVITIES

11.1 Powers. By and through the board, the Corporation shall have the power to do any and all lawful acts which may be necessary or convenient to affect the charitable purpose for which the corporation is organized, and to assist other organizations or persons whose activities further accomplish, foster or attain such purposes. The powers of the corporation may include, but not be limited to, the acceptance of contributions from the public and private sectors, whether financial or in kind in nature. The Corporation shall have the power to lease, sell, mortgage, transfer, in such manner and on such terms as they may deem advisable, all property, real or personal; to acquire, by purchase or otherwise, and retain for whatever period they shall think proper, all kinds of real and personal property and every kind of investment, including cash, securities and other property; to execute agreements and contract in furtherance of the business of the Corporation; to settle, compromise or pay any claims, including taxes, in accordance with law; to collect rents and other proceeds from real estate not specifically devised and to pay all carrying charges thereon and make such repairs thereto as they deem proper without the necessity of obtaining leave of any court.

11.2 Investments. The Corporation shall have the right to retain all or any part of any securities or property acquired by it in whatever manner, and to invest and reinvest any funds held by it, according to the judgment of the directors, without being restricted to the class of investments which a trustee is or may hereafter be permitted by law to make or any similar restriction, provided, however, that no action shall be taken by or on behalf of the Corporation if such action is a prohibited transaction under Massachusetts law.

11.3 Loans. No moneys shall be borrowed on behalf of the Corporation and no evidences of such indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

11.4 Deposits. All funds of the Corporation, not otherwise employed, shall be deposited from time to time to the credit of the Corporation in such banks, investment firms or other depositories as the Board of Directors shall select.

11.5 Conflict of Interest. Whenever a director or officer has a financial or personal interest in any matter coming before the Board of Directors, the affected person shall (a) fully disclose the nature of the interest and (b) withdraw from discussion, lobbying, and voting on the matter. Any transaction or vote involving a potential conflict of interest shall be approved only when a majority of disinterested directors determine that it is in the best interest of the Corporation to do so. The minutes of meetings at which such votes are taken shall record such disclosure, abstention and rationale for approval.

11.6 Audits. Within four months after the close of the Corporation's fiscal year, the Corporation will prepare reviewed financial statements in accordance with generally accepted accounting principles (GAAP) and make these statements available to any interested parties. In the event that the Corporation has total gross revenue in excess of \$100,000 per year the Corporation will prepare independently audited financial statements, in accordance with GAAP, and make those available to any interested parties. In the event that the Corporation becomes a Public Charity under M.G.L. Chapter 12, Section 8 et seq. or is otherwise required by the Department of Public Health or any other provision of Massachusetts law to file audited or reviewed financial statements and a Form PC, such auditing and filing will be completed in accordance with GAAP and performed in a timely manner.

Section 12. INSURANCE

The Corporation may purchase and maintain insurance (including but not limited to insurance for legal expenses and costs incurred in connection with defending any claim, proceeding or lawsuit) on behalf of any person who is or was a director, officer, employee, fiduciary or agent of the Corporation or who, while serving in this role, is or was serving at the request of the Corporation as a director, officer, partner, trustee, employee, fiduciary or agent of any other foreign or domestic Corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise, against any liability asserted against him or incurred by him in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of Section 10. In addition the Corporation shall maintain liability insurance coverage in compliance with 105 CMR 725.105(Q).

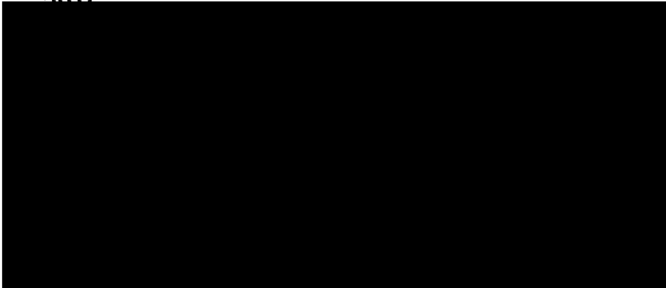
Section 13. CORPORATE INTEGRITY POLICY

Consistent with its non-profit mission, it is the policy of the Corporation to encourage and enable directors, officers, and employees to make reports where they believe, in good faith, that acts or omissions unlawful under the laws of the Commonwealth of Massachusetts or unethical may have occurred. With this goal in mind, no one who, in good faith, makes a report shall be subject to retaliation in any form, including adverse employment consequences. Moreover, an employee who retaliates against someone who has made a good faith report is subject to discipline up to and including dismissal from the volunteer position or termination of employment. If after an investigation, the claim is determined to have been made in bad faith or was knowingly false, the individual making the claim will immediately have his or her position in the Corporation revoked.

Section 16. SEVERABILITY

The invalidity or unenforceability of any provisions of these Bylaws shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

As set forth above, these Bylaws have been adopted by a vote of the board as per Section 11 and affirmed by the President of the Corporation on this 4th day of September 2016.



Employment and Education forms

(omitted, previously submitted)

Authorization forms

(omitted, previously submitted)