

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

May 11, 2016

MA Dept. of Public Health
99 Chauncy Street
Boston, MA 02111

MAY 13 2016

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M&O Response to Request for Information issued April 12, 2016

1. It is unclear to the Department who is servicing as the individual responsible for marijuana for medical use cultivation operations. The applicant identified [REDACTED] as the "Cultivation Manager" in its Management and Operations Profile (Application 1 of 2), with [REDACTED] providing support to the organization. However, [REDACTED] was identified as the "Cultivation Manager" in the applicant's Application of Intent (application 2 of 2). Please clarify who is serving as the individual responsible for marijuana for medical use cultivation operation [REDACTED] as the individual responsible for marijuana for medical use cultivation operations, the applicant must submit an Employment and Education Form for him. Please also update your Management and Operations Profile (Application 1 of 2) as it pertains to all questions regarding [REDACTED] Please clarify what, if any, ongoing role [REDACTED] will have with Brighton Health Advocates.

Response:

In [REDACTED] capacity as a cultivation consultant, he is responsible for the design of proper cultivation of marijuana for medical use. Application of Intent (2 of 2) identified [REDACTED] as "Cultivation Manager" because he will manage the design and initial execution of cultivation operations. He will directly oversee all aspects of the cultivation through the first harvest, and will serve as a supervisor in ensuing harvests. [REDACTED] consulting position reports to the Chief Operating Officer [REDACTED]. BHA is currently in discussions with an individual who has earned a Master's degree in Forest Science and a doctorate in Environmental Science from Yale University as a likely Director of Compliance. At this point [REDACTED] will facilitate cultivation operations following the first harvest of marijuana for medical use. Cultivation organizational hierarchy will be as follows:

[REDACTED]
Director of Compliance – TBD (seeking a Ph.D.-level individual having biology/ecology background)
Cultivation Design and Start-up Consultant – Cultivate Consulting Inc. [REDACTED]
Cultivation Business as Usual (BAU) Manager [REDACTED]

Please see attached revision to question D.20.



2. Please note that [REDACTED] is affiliated with multiple RMDs. Please submit the agreement between the applicant and [REDACTED] for review for compliance with 105 CMR 725.100(A)(2).

Response:

Please find the attached contract between BHA and Cultivate Consulting. In regards to 105 CMR 725.100(A)(2) [REDACTED] not an executive of BHA, nor member, nor party to any entity having an ownership stake in any entity either directly or indirectly involved with BHA. BHA will ensure that [REDACTED] consulting affiliation with BHA and registration as an RMD agent will comply with 105 CMR 725.030.

3. Please note that Verdure, Inc. is affiliated with multiple RMDs. Please submit the agreement between the applicant and Verdure, Inc. for review for compliance with 105 CMR 725.100(A)(2).

Response:

BHA is no longer contracting with Verdure, Inc. Cultivation design expertise is fulfilled through the agreement with Cultivate Consulting.

4. The Promissory Note with Massachusetts Recovery Services, Inc. ("MRS") is secured by a Security Agreement that has not been submitted to the Department. Please submit the Security Agreement for review. Please note that if the security agreement contains provisions calling for seizure of property, it must also contain language protecting regulated assets.

Response:

Please see the attached security agreement and supplements.

5. The agreement with MRS for the lease of equipment and hardware have not yet been submitted for review. Also, an independent legal opinion has not yet been submitted for the commercial-sub lease agreements or the lease agreement for equipment and hardware. Please submit the aforementioned agreement, as well as the independent legal opinion(s) regarding compliance with the non-profit requirements of 105 CMR 725.100(A)(1) and the Guidance for Registered Marijuana Dispensaries Regarding Non-Profit Compliance (<http://www.mass.gov/eohhs/docs/dph/quality/medical-marijuana/applications/non-profit-compliance-guidance.pdf>). Please note that an independent legal opinion is one in which the attorney issuing the opinion does not have a pre-existing relationship with any of the contracting parties. Another attorney employed in the same law firm as an attorney with a pre-existing relationship with any of the contracting parties would not be deemed sufficiently independent.

Response:

BHA and MRS have NOT entered into any management service agreements or agreements for the leasing of equipment or hardware. Any potential future service agreement between BHA and MRS (or any other service provider) will be competitively bid by no less than 3 vendors and will entered into at [REDACTED]



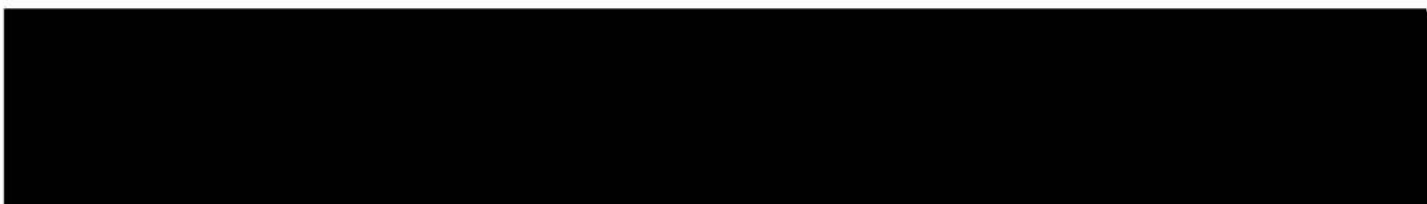
commercially reasonable rates in compliance with all non-profit requirements of 105 CMR 725.100(A)(1) and tenets of the Guidance for Registered Marijuana Dispensaries Regarding Non-Profit Compliance. Any potential contracts or agreements will be thoroughly communicated and approved by the Department. Any contract(s) or agreement(s) between BHA and a Related Third Party will also include independent legal opinion(s) IF they are executed.

[REDACTED] Chief Executive Officer and President, [REDACTED] Chair of the Board of Directors, [REDACTED] Vice President, a [REDACTED] Chief Financial Officer, Chief Operating Officer, and member of the Board of Directors, are also contributors of 5% or more of initial capital to operate the proposed RMD. These related party transactions were not listed in your response to Question C.12. Please resubmit a complete response to Questions C.12 that includes proposed agreements between these individuals and the applicant. Please also submit a copies of the agreements and an independent legal opinion that the agreements are in compliance with the non-profit requirements of 105 CMR 725.100(A)(1) and the Guidance for Registered Marijuana Dispensaries Regarding Non-Profit Compliance.

Response:

The listed individuals in question #6 do not have any agreements directly with BHA. The contributing parties listed have promissory note agreements with MRS (it is this loan aggregation function that is the purpose of MRS and make it a "Related Third Party"). All documents regarding the promissory notes with these individuals have been received by the Department in BHA's March 21, 2014 update. A revised Section F is attached reflecting the initial capital contributions bundled through MRS.

Thank you,



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.

██████████, Director of Security is a Licensed Private Detective, with a Master's Degree in Criminal Justice and a Bachelor's in Communications. He retired from the Massachusetts State Police as a Sergeant after 25 years of service. ██████████ brings a vast amount of expertise providing protection and security to the public. For the final 4 years of his State Police tenure, ██████████ was a mentor at the North Middle School in Brockton, MA. He has extensive interpersonal and public relation skills and experience in supervision, training and recruitment. He will work closely with local and state law enforcement to implement policies and procedures to ensure the safety and security to the staff, patients and community.

BHA will rely on the advice and intellectual property of Cultivate Consulting a consulting company operated ██████████ ██████████ president ██████████ has over 16 years' experience in cultivating marijuana for medical use and earned a Master of Science degree in Plant Biology. In 2011 ██████████ contributed to the successful launch of a State-licensed dispensary in Maine (Maine Organic Therapy, Inc. ██████████ is currently managing a 24K square foot medical marijuana cultivation facility in Maine and overseeing all aspects of plant growth ██████████ is a critical addition to BHA's professional application of industry expertise. ██████████ consultation position is responsible for cultivation operations and reports directly to the COO ██████████

██████████ is an expert cultivator of Medical Marijuana, having held the position of Cultivation Manager for Greenleaf Compassionate Care Center in Rhode Island and as a personal caregiver for patients for over 5 years ██████████ has extensive experience operating large cultivation facilities. Mr. Emmons has studied marijuana for medicinal use for over 30 years and has an exceedingly detailed understanding of the medicinal attributes of various strains of cannabis. ██████████ will be responsible for business as usual (BAU) operations after the first harvest of marijuana for medical use is completed.

BHA is in discussions with an individual who has earned a Yale doctorate in Environmental Science and Horticulture. Once her recruitment is completed, she will be responsible for regulatory compliance regarding cultivation of marijuana for medical use as Director of Compliance. She will provide an added layer of oversight for cultivation operations.

Information on this page has been reviewed by the applicant ██████████ where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here ██████████

Application ¹ of ² Applicant Non-Profit Corporation _____

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	Percentage of Initial Capital Committed
	\$	
	\$	
	\$	
	\$	
	\$	

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

Application 1 of 2

Applicant Non-Profit Corporation _____

Entity Name	Leadership Names	Amount of Initial Capital Committed	Percentage of Initial Capital Committed
Massachusetts Recovery Services (MRS)		\$ 550,724.00	100%
	Entity CEO/ED: Entity President/Chair:	\$	
	Entity CEO/ED: Entity President/Chair:	\$	
	Entity CEO/ED: Entity President/Chair:	\$	
	Entity CEO/ED: Entity President/Chair:	\$	

Information on this page has been reviewed by the applicant, and where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here 