

May 1, 2016

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

Siting Profile Response to Request for Information issued April 12, 2016

1. *Please submit the purchase and sale agreement or demonstration of the title for Beach Equities to confirm the property interest held by the applicant.*

Response

Please find attached Purchase and Sale agreement for the proposed Wareham property. The original Purchase and Sale agreement stated "MRS" or its nominee as the purchaser. Please also find the April 19, 2016 letter from Oppenheim & Nickerson LLP declaring "Beach Equities, LLC as the Buyer's nominee to take the Property."

2. *The revised Holliston lease contains language acceptable to the Department exempting the regulated assets from seizure by the Lessor, but goes on to state that "DPH shall be notified of the re-possession of the premises, and DPH assistance in resolving the fate of these regulated substances shall be sought." This language is unclear as to its compliance with 105 CMR 725.105(O) and 725.410. Please explain how it complies with the obligation of an RMD under these provisions.*

Response

BHA is committed to adhering to ALL tenets of 105 CMR 725.000. BHA's commitment to open communication with the Department and continued periodic and event-driven status updates is paramount and therefore is enshrined in all contracts and operational procedures. BHA is aware that circumstances under which BHA's lease is no longer valid would prompt a revocation of a registration to cultivate, process and dispense marijuana for medical use as per 105 CMR 725.410 ("A RMD registration is void if the RMD transfers its location without Department approval or ceases to operate."). The language used in the lease to notify and seek DPH assistance in no way detracts BHA's obligation to comply with 725.105(O) namely:

"(1) If a registration to operate expires without being renewed, is revoked, or becomes void, the RMD shall:

- (a) Immediately discontinue cultivation and production of marijuana;*
- (b) Weigh and inventory all unused marijuana in all stages of cultivation and all MIPs in any stage of production, and create and maintain a written record of all such items;*
- (c) Dispose of the unused marijuana in accordance with 105 CMR 725.105(I) subsequent to approval by the Department. Such disposal shall be considered to be in the best interests of*

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the general public, and the Department shall not be held liable in any way for any financial or other loss; and

(d) Maintain all records as required by 105 CMR 725.105(I)(7).

(2) If the RMD does not comply with the requirements of 105 CMR 725.105(O)(1), the Department shall have the authority to, at the RMD's expense, secure the RMD, and after a period of thirty calendar days, seize and destroy the inventory and equipment and contract for the storage of RMD records."

In the event of a repossession of the premises, BHA will notify the DPH in advance and seek DPH oversight for strict compliance to the CMR sections cited above.

3. The revised Wareham lease contains language acceptable to the Department exempting the regulated assets from seizure by the Lessor, but goes on to state that "DPH shall be notified of the re-possession of the premises, and DPH assistance in resolving the fate of these regulated substances shall be sought." This language is unclear as to its compliance with 105 CMR 725.105(O) and 725.410. Please explain how it complies with the obligation of an RMD under these provisions.

Response

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(c) Dispose of the unused marijuana in accordance with 105 CMR 725.105(J) subsequent to approval by the Department. Such disposal shall be considered to be in the best interests of the general public, and the Department shall not be held liable in any way for any financial or other loss; and

(d) Maintain all records as required by 105 CMR 725.105(I)(7).

(2) If the RMD does not comply with the requirements of 105 CMR 725.105(O)(1), the Department shall have the authority to, at the RMD's expense, secure the RMD, and after a period of thirty calendar days, seize and destroy the inventory and equipment and contract for the storage of RMD records."



In the event of a repossession of the premises, BHA will notify the DPH in advance and seek DPH oversight for strict compliance to the CMR sections sited above.

4. Thank you for the submission of the comparable listings, but for a determination of compliance with 105 CMR 725.100(A)(1) and the Guidance for Registered Marijuana Dispensaries Regarding Non-Profit Compliance, the Department will need an independent legal opinion. We understand one may be in the process of being prepared. Please submit it for review when it is completed.

Response

An independent legal opinion is forthcoming for leasing/sub-leasing contracts. We will submit these to the DPH as they become available in the immediate future.

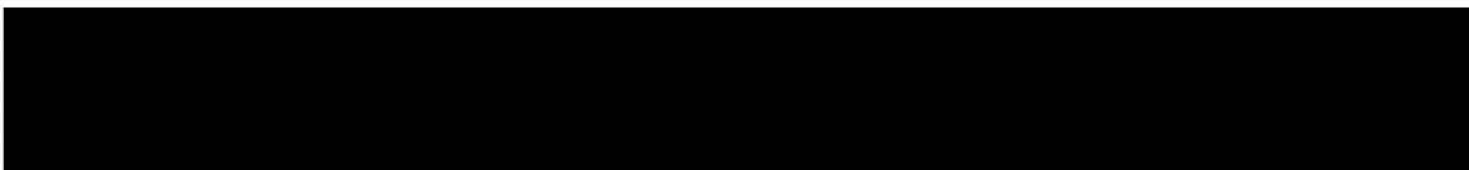
5. In its letter of March 4, 2016, the Department requested information regarding the local requirements regarding siting in Holliston and "what the applicant has done to ascertain its compliance with 105 CMR 110(A)(14)." The applicant has responded that the Town has not specifically zoned for registered marijuana dispensaries, but instead classified them as "commercial greenhouse." The applicant has not, however, provided sufficient detail regarding how it determined what uses were within 500 feet of the proposed location and whether they constitute "a school, daycare center, or any facility in which children commonly congregate" under 105 CMR 725.110(A)(14). Please provide such details.

Response

As stated in BHA's response to DPH request for information dated March 4, 2016, the nearest school, daycare or places where children commonly congregate is located 1 mile from the proposed facility. The proposed cultivation facility in 201 Summer St. Holliston is in a rural area selected for its discrete location and seclusion from children and community visibility. The town of Holliston has sanctioned the use of the proposed facility for cultivation of marijuana for medical use. Uses within 500 feet from any point of the proposed facility include:

1. 201 Summer St.: Wilde Agency: marketing and printing company (in process of vacating building). No children congregation.
2. 201 Summer St.: RobbinsKersten Direct: Fundraising and marketing for non-profits. No children congregation.
3. 200 Summer St.: Empty warehouse space and auto maintenance facility. No children congregation. The owner of this facility is aware of BHA's application and proposed use of the facility and has not made any reservations regarding BHA's presence.
4. 154 Summer St. (this facility is NOT within the 500' distance but we are including it here for good measure) Betania 2: listed as "Spiritual Life Retreat Center." The owner of this facility is aware of BHA's application and proposed use of the facility and has not made any reservations regarding BHA's presence.

Please see aerial view below of the proposed facility location.



OPPENHEIM & NICKERSON LLP
Attorneys at Law


Jeffrey W. Oppenheim
jwo@onllplaw.com

Geoffrey S. Nickerson
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April 19, 2016

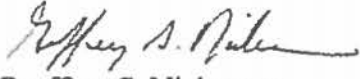
Attorney William C. Decas
Decas, Murray & Decas
132 North Main Street
Middleboro, MA 02346

RE 112 Main Street, Wareham, MA (the "Property")


Please accept this letter as notice, under paragraph 1 of the Purchase and Sale Agreement for the above referenced property (the "P&S"), a copy of the first page of the P&S attached hereto for reference, that the Buyer in the P&S hereby nominates Beach Equities, I.I.C as the Buyer's nominee to take title to the Property.

Thank you for sending a draft deed. I recently received my title abstract for the Property, and will forward any comments regarding the title, along with any revisions to the draft deed, to your attention in the coming days. Thank you for your time and consideration.

Respectfully,


Geoffrey S. Nickerson



MASSACHUSETTS ASSOCIATION OF REALTORS

STANDARD COMMERCIAL PURCHASE AND SALE AGREEMENT

(With Contingencies)

The parties make this Agreement this 1st day of March, 2016. This Agreement supersedes and replaces all obligations made in any prior Letter of Intent, Contract To Purchase or agreement for sale entered into by the parties.

1. Parties: George C. and Katherine C Decas

the "SELLER," agrees to sell and Massachusetts Recovery Services Inc.

the "BUYER," agrees to buy, the premises described in paragraph 2 on the terms set forth below. BUYER may require the conveyance to be made to another person or entity ("Nominee") upon notification in writing to SELLER at least five business days prior to the date for performance set forth in paragraph 5. Designation of a Nominee shall not discharge the BUYER from any obligation under this Agreement and BUYER hereby agrees to guarantee performance by the Nominee.

2. Description Of Premises. The premises (the "Premises") consist of:

(a) the land with any and all buildings thereon known as 112 Main St. Warcham Ma. 02571

as more specifically described in a deed recorded in the Plymouth Registry of Deeds at Book 11652, Page 205, [Certificate No.], a copy of which is [X] is not [check one] attached; and

(b) all structures, and improvements on the land and the fixtures, including, but not limited to: but excluding

[insert references to fixtures, appliances and other items, where appropriate] All goods, materials, equipment and other personal property at the Premises that is intended for use in the maintenance and operation of the Premises and that has not been exhausted or consumed will be delivered to BUYER at the time of delivery of the deed without additional charge.

3. Purchase Price. The purchase price for the Premises is \$ 415,000.00 dollars of which

\$ were paid as a deposit with Contract To Purchase; and

\$ 20,750.00 are paid with this Agreement;

\$ are to be paid ; and

\$ 394,250.00 are to be paid at the time for performance by bank's, cashier's, treasurer's or certified check or by wire transfer for

\$ 415,000.00 Total

4. Escrow. All funds deposited or paid by the BUYER shall be held in a non-interest bearing escrow account, Jack Conway Co. Inc. as escrow agent, subject to the

terms of this Agreement and shall be paid or otherwise duly accounted for at the time for performance. If a dispute arises between the BUYER and SELLER concerning to whom escrowed funds should be paid, the escrow agent shall retain all escrowed funds pending written instructions mutually given by the BUYER and the SELLER. The escrow agent shall abide by any Court decision concerning to whom the funds shall be paid and shall not be made a party to a lawsuit solely as a result of holding escrowed funds. Should the escrow agent be made a party in violation of this paragraph, the escrow agent shall be dismissed and the party asserting a claim against the escrow agent shall pay the agent's reasonable attorneys' fees and costs. [If interest is to accrue on escrowed funds, indicate to whom it shall be paid.]

5. Time For Performance. The SELLER shall deliver the deed and the BUYER shall pay the balance of the purchase price

2 o'clock p.m. on the 3rd day of April, 2016, at the Plymouth Registry of Deeds, or at such other time and place as is mutually agreed in writing. TIME IS OF THE ESSENCE AS TO EACH AND ALL OF THE DEED AND OTHER DOCUMENTS REQUIRED BY THIS AGREEMENT ARE RECORDED AT THE TIME AND PLACE SET FORTH ABOVE AND IN ESCROW, PENDING PROMPT RUNDOWN OF

SELLER'S Initials

SELLER'S Initials



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Jack Conway & Co., Inc., 1017 Oyster, MA 01553

Phone: (774) 551-4419

Fax:

Form No. 421 113 Main St

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