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.

MassMedicum has not finalized a management company contract at this time. Should MassMedicum finalize such a contract, it will provide an updated response to this question, disclosing the terms thereof and providing a copy, as well as an independent legal opinion that it is 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 Guidance.
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.

MassMedicum has identified the following agreements or contracts, executed or proposed, in which it will engage in a Related Party Transaction:

1) MassMedicum has executed a Consolidated Line of Credit Agreement, Consolidated Promissory Note, and a Line of Credit and Note Amendment, Extension and Correction Agreement with James T. Kurnick, Trustee of the James T. Kurnick 2012 Irrevocable Trust. The agreements provide MassMedicum with a line of credit loan facility in an amount up to $5,000,000, payable over 25 months with interest accruing at 18 percent (18%) per annum. Dr. Kurnick is the CEO and CFO of MassMedicum.

2) MassMedicum has an executed contract for cultivation services with Medsorganics, Inc. (expenses, plus annual consultant fee of $160,000 - $200,000 with incentive bonus based on production/sales benchmarks). Medsorganics is partially owned by Matthew Kurnick, who is the son of MassMedicum's CEO/CFO, Dr. Kurnick.

Copies of the agreements have been submitted to the DPH along with 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.

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: JTK