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**LIST OF AUTHORIZED SIGNATORIES
(EXHIBIT B)**

This exhibit must be completed and submitted as part of the application.

Corporation Name: Bay State Holistic, Incorporated

Application # (if more than one): N/A

	Name	Role within the Corporation
1	Gregory Malik Burnett, M.D.	Chief Executive Officer
2	Adler Eliacin	Vice President and Executive Dispensary Manager
3		
4		
5		

APPLICATION RESPONSE FORM COVER PAGE
Make this the first page of your response

Corporation

The applicant corporation's legal name, trade name, and any other name under which the bidding entity does business (if any): [Bay State Holistic, Incorporated]

Website URL (if applicable): [www.BayStateHolistic.com]

Address:

[20F Shrewsbury Greens Drive]

[]

City: [Shrewsbury] State: [MA] Zip: [01545]

CEO (Chief Executive Officer)/Executive Director (ED)

First Name: [Gregory Malik] Last Name: [Burnett]

FEIN: [453356290]

Contact Person

First Name: [Gregory Malik Burnett] Last Name: [Burnett]

Title: [Chief Executive Officer]

Telephone: (678) 416-0057 FAX: () - E-Mail: [GMalik@BayStateHolistic.com]

Contact Person Address (if different):

[]

[]

City: [] State: [] Zip: []

Authorized Signature

This application must be signed by an authorized signatory of the non-profit corporation who is listed on the corporation's list of authorized signatories (complete and attach exhibit B). The original application must have an original or "wet" signature in blue ink.

Background Check Authorization

The Department will conduct a background check on:

1. Each member of the applicant's **Executive Management Team** (those persons listed in exhibit 2.1);
2. Each member of the **Board of Directors** (those persons listed in exhibit 1.4);

- CEO/ED and Board Officers of that entity will be checked (those persons listed in exhibit 1.5);
4. The CEO/ED and Board Officers of any parent corporation, partially or wholly owned subsidiaries, or related organizations (those persons listed in exhibit 1.8);
 5. And each person contributing 5% or more of the initial capital to operate the proposed RMD. In the event that a contributor is an entity, the CEO/ED and **Board Officers** of that entity will be checked (those persons listed in exhibit 4.2).

Each required individual must complete and sign the attached authorization forms (exhibits A1-A4), with a wet signature in blue ink.

Submit all original signed authorizations (no copies) and list of authorizations (exhibit A5) in one sealed envelope marked "authorization forms" and name of corporation? and include it with the original application.

Application Fee

Enclose a bank/cashier's check or money order made payable to the Commonwealth of Massachusetts in the amount of \$30,000. Personal checks will not be accepted. Failure to include a bank/cashier's check or money order will result in disqualification of the application.


\$30,000 bank/cashier's check attached.

A selection committee established by the Department shall evaluate and score applications for the purpose of granting registrations. Decisions will be based on the thoroughness and quality of the applicants' responses to the required criteria, and the applicants' ability to meet the overall health needs of registered qualifying patients and the safety of the public.

Required Signatures

Failure to provide original "wet" signatures in blue ink will result in disqualification of the application.

Signed under the pains and penalties of perjury, the authorized signatory (as designated in exhibit B) agrees that all information included in this application is complete and accurate. The hard original application must have an original wet signature in blue ink.


 Name: Gregory Malik Burnett
 Title: Chief Executive Officer

11/14/13
 Date November 14, 2013

I hereby attest that if the corporation is approved for a provisional RMD certificate of registration, the corporation is prepared to pay a non-refundable registration fee of \$50,000, as specified in 105 CMR 725.000, within two weeks of being notified that the RMD has been selected for a provisional registration. The hard original application must have an original wet signature in blue ink.


 Name: Gregory Malik Burnett
 Title: Chief Executive Officer

11/14/13
 Date November 14, 2013

APPLICATION RESPONSE FORM

Enter your response in the gray shaded areas using Microsoft Word.

A note about the text boxes: Type or paste text into the gray areas. Text input is limited to a maximum number of characters. MS Word will not allow more than this limit. Spaces, commas, line breaks, etc. are counted as characters. The spell-check feature does not work in a text box.

Example: text input limit 625 characters, 100 words, 1 paragraph
limit 1,250 characters, approximately 200 words, 2 paragraphs
limit 2,500 characters, approximately 400 words, 4 paragraphs
limit 6,000 characters, approximately 1,000 words, one page

Enter text here: example text limit 1,250 characters

If a question includes a text box, a narrative response in the text box is required.

When a question indicates that an exhibit must be included, the response must be included as an attachment, as instructed. The provided exhibit forms are not optional and must not be left blank.

It is the applicant's responsibility to ensure that all responses are consistent with the requirements of 105 CMR 725.000.

Definitions

EXECUTIVE MANAGEMENT TEAM means the individuals who are responsible for the day-to-day operations of the RMD, including the chief executive officer (CEO) or executive director (ED), chief operations officer (COO) or director of operations, chief financial officer (CFO) or director of finance, director of human resources, chief medical officer and any other individuals involved in the oversight and business management of the RMD operations.

BOARD OF DIRECTORS means the directors of a corporation, including persons and officers having the powers of directors, with fiduciary responsibility for the RMD.

BOARD OFFICERS means the board president/chair, vice president/vice chair, treasurer, and clerk/secretary.

MEMBER means an individual having membership rights, whether or not designated as a member, in a corporation in accordance with the provisions of its articles of organization or bylaws.

Questions

1. Applicant's Corporate Background

1.1 Provide the legal name of the applicant's non-profit corporation/organization and date of incorporation.

[Bay State Holistic, Incorporated, incorporated on August 16, 2013.]

1.2 Describe the organization's mission and vision.

[Bay State Holistic is organized for the express purpose of providing holistic solutions for the care of patients within the Commonwealth, for whom traditional medical therapy has proven to be suboptimal.]

In line with this vision, we are committed to:

- Providing safe access to high quality, organically grown, laboratory tested, medical grade cannabis products
- Furthering the body of scientific research supporting the medicinal use of cannabis
- Educating patients and those working in the industry on the proper and responsible use of cannabis products
- Ensuring the development and well-being of the surrounding community]

1.3 Provide an organizational chart that clearly demonstrates the roles, responsibilities, and relationships of individuals within the organization. Clearly identify the **Executive Management Team** and any management consultants or contractors for the provision of services, and include title, name (if known at the time of submission), and function for each position.

Organizational chart attached as exhibit 1.3

1.4 Provide the name and contact information of each individual on the applicant's **Board of Directors**.

List of Board of Directors attached as exhibit 1.4

1.5 Provide the names and contact information for each **Member** having membership rights in the applicant corporation. In the event a **Member** of the corporation is an organization, provide the names and contact information of the CEO/ED and Board Officers of that entity. If there are no **Members** of the non-profit corporation, indicate N/A on the exhibit.

List of members of the applicant corporation attached as exhibit 1.5

1.6 Attach the corporation's bylaws.

Bylaws attached as exhibit 1.6

1.7 Attach any amendments to the corporation's articles of organization made since August 22, 2013, and explain in the text box the reason(s) for the amendments. If the articles have not been amended, indicate N/A in the text box and on the exhibit.

[Bay State Holistic, Incorporated has made the following changes to the Organization since submission of the Phase I application:

Revised Board and Management Structure

Revised Financing Model]

Amended articles of organization attached as exhibit 1.7

1.8 Provide a list of the names and addresses of any parent corporation, any partially or wholly owned subsidiaries, and any other organizations related to the applicant non-profit corporation, and explain the nature of each relationship.

List of parent corporation, partially or wholly owned subsidiaries, or related organizations attached as exhibit 1.8 (if not applicable indicate N/A on the exhibit)

1.9 Provide three professional references from among those entities with which the applicant's CEO/ED has had business or employment experience within the last three years. DPH may contact these references and any other individual or organization, whether or not identified by the applicant.

List of references attached as exhibit 1.9

2. Applicant's Evidence of Business Management Experience

2.1 Provide a list of the applicant's **Executive Management Team** (as defined above) including each person's name, business address, email, and role within the organization.

List of Executive Management Team attached as exhibit 2.1

2.2 Describe the **Executive Management Team's** experience with running a non-profit organization or other business, including the type of business and its performance. Please indicate how this experience will ensure the success of the proposed registered marijuana dispensary. Attach each Executive Team Member's current résumé.

[Chief Executive Officer Dr. G. Malik Burnett has 5 years of non-profit experience, during which time he has held numerous positions including serving as the President of the Duke Student National Medical Association, the nation's largest student run organization dedicated to ensuring a stable supply of physicians of color nationwide. Additionally, he currently serves on the Board of Trustees at Duke University. Dr. Burnett's experience and dedication will ensure a well-run organization in which staff is highly trained, managed, and educated. Dr. Burnett will be able to identify the needs of the company and its patients and can give the company the time and dedication needed to ensure its success.

Executive Director Corey Barnette brings 12 years of total non-profit experience, including significant experience with cannabis dispensaries. Mr. Barnette served as Executive Director of the San Diego Medical Collective, a non-profit medical cannabis dispensary in San Diego, and later founded Chi Holistic, a non-profit medical cannabis dispensary in San Diego California. Both dispensaries also featured cultivation center operations that provided greater cannabis and cannabis-infused products to their combined over 12,000-person patient base. Mr. Barnette also founded the Patient Care Association, a California non-profit trade association, formed to help professionalize the medicinal cannabis industry and provide better service to patients. Mr. Barnette currently owns both District Growers, LLC a registered medical cannabis cultivation center in Washington D.C., and Metropolitan Wellness, a registered medical cannabis dispensary in Washington D.C. Finally, Mr. Barnette has served on the Board of Directors for numerous charities. Mr. Barnette's experience with non-profit cannabis dispensaries will be imperative to the success of the company, as his intimate knowledge of operating a medical cannabis dispensary as a non-profit will ensure a sophisticated, well-run operation. Furthermore, through his experience with medical marijuana dispensaries in California, Mr. Barnette is aware of common concerns and issues that arise in dispensary operations as well as the best practices and necessary mechanisms to prevent diversion and ensure quality, non-contaminated product. Through his experience with the California Patient Care Foundation, Mr. Barnette will bring to the company a sophisticated knowledge of patient relations and patient needs, building the company's patient education program and patient relations services. His expertise in working with non-profits will allow for a robust, compliant operation. His knowledge will be beneficial to the entire staff as well as patients and caregivers.

Executive Director Adler Eliacin brings 5 years of non-profit experience serving as director of information technology for the National Urban League of Eastern Massachusetts leading technology initiatives within the organization in addition to supporting the development of minority business within the Commonwealth of Massachusetts. Mr. Eliacin's technological expertise will be utilized in adopting the

company's robust patient tracking system to promote compliance, prevent diversion, and give the company the ability to track patient's medical needs in order to provide high level patient services.

The combined experience of the members of the Executive Management Team will ensure the smooth operation of Bay State Holistic in compliance with M.G.L. 180 governing non-profit corporations and 105 CMR 725.000. The expertise of the members will provide for expert oversight over the direction of the corporation as a healthcare entity, the promotion of the development of minority enterprise within the Commonwealth of Massachusetts, and ensure a professional environment with knowledgeable and experienced staff that will provide patients with safe access to cannabis.]

Current résumé of each Executive Management Team member attached as exhibit 2.2--clearly labeled on each page with the individual's name and title within the applicant's organization

2.3 Describe the **Executive Management Team's** experience, by team member, with providing health care services or services providing marijuana for medical use.

[The Executive Management Team of Bay State Holistic brings a wide breadth and depth of medical experience to the corporation. Executive Director Dr. G. Malik Burnett received his medical degree from Duke University School of Medicine, which is consistently ranked in the top ten for medical education nationwide. During his education, he trained in chronic pain management and design and management of healthcare IT systems. Dr. Burnett also completed his general surgery internship at the University of Massachusetts Medical Center and is familiar with the healthcare marketplace within the Commonwealth. His expertise in IT systems will be utilized in operating the company's seed to sale tracking system and patient tracking system, ensuring all patient needs are recorded, addressed, and kept confidential. His familiarity with the healthcare marketplace will allow Bay State Holistic to identify and cater to patient needs.

Corey Barnette has vast experience in the medical cannabis industry, previously operating non-profit dispensaries and cultivation centers in the California market and currently owning/operating both a medical cannabis dispensary and medical cannabis cultivation center in Washington D.C. Mr. Barnette's dispensary operations in Washington DC currently service greater than 35% of all patients in the Washington D.C. Medical Marijuana Program. He will bring this experience in providing safe access and service to patients to Bay State Holistic.

In the dispensaries operated by Mr. Barnette in California, each dispensary featured an in-house cultivation center designed to provide cannabis and cannabis-infused products to their combined patient base of over 12,000 patients. Additionally, he has experience managing research and a clinical trials company, which will be critical to supporting the research efforts of Bay State Holistic.

Adler Eliacin brings significant experience in healthcare information technology to Bay State Holistic. His ability to develop and manage multiple databases within the healthcare space will allow the corporation to effectively navigate the rapidly evolving technology marketplace within the cannabis industry]]

2.4 Describe the **Executive Management Team's** experience, by each individual team member, with running a financially sound organization/business (including budget size) and indicate which member of the team will be responsible for the financial management and oversight of the organization.

[The financial management expertise and capabilities of the Executive Management Team at Bay State Holistic will ensure sound financial management of the corporation. Dr. Burnett currently serves on the Board of Trustees of Duke University, in which capacity he oversees the budget of the Duke University Medical Center, which has a current annual operation budget of \$1.4 billion. Additionally, he has directly

overseen the budgets of the Duke Student National Medical Association, with an annual budget of \$180,000 and facilitated the turnaround of the Sickle Cell Program in the Department of Medicine at Duke University Hospital, saving the program \$600,000 annually.

Corey Barnette has a vast financial background serving as a Founder and Managing Director of The Scroll Companies, a private equity sponsor seeking to purchase growing small businesses across multiple industries. While operating The Scroll Companies, Mr. Barnette and his partners successfully purchased 8 companies with valuations ranging from \$1,000,000 to \$22,000,000. Prior to forming The Scroll Companies, Mr. Barnette served as a Vice-President at the Small Enterprise Assistance Funds (SEAF), an emerging market venture capital fund, investing in and growing small businesses in emerging markets across 23 countries. During his tenure with the SEAF, Mr. Barnette managed the fund's venture operations in West Africa and South America, investing in more than 12 companies with valuations ranging from \$500,000 to \$14,000,000 USD. Prior to SEAF, Mr. Barnette served as an Associate Investment Banker at Bank of America Securities' High Yield Finance Group. As a small business owner and financier, Mr. Barnette has significant experience developing and managing the financial controls and infrastructure of new and developing small businesses.

Adler Eliacin brings a wealth of nonprofit financial experience to the management team as he has served as the Treasurer and Finance Chair of the National Association for the Advancement of Colored People (NAACP) and Financial Chair of the Paul Robertson Institute for Youth Self Development, with annual operating budgets of \$450,000 and \$150,000 respectively. The collective financial experiences of the members of the Executive Management Team will ensure responsible stewardship of the finances of Bay State Holistic..]

2.5 Describe the **Executive Management Team's** experience, by team member, with managing financial corrective action measures that they had to undertake as the result of an operational review.

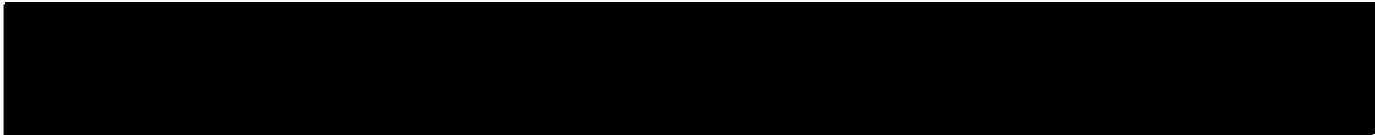
[Due to the track record of success of the members of the Executive Management Team of Bay State Holistic, the entities associated with these members have avoided situations in which financial corrective actions were required as a result of an operational review. Instead, each member brings robust experience in increasing the financial health of organizations with which they are associated. For example, Dr. Burnett was responsible for coordinating efforts to redesign the business operations of the Sickle Cell Program at Duke Hospital, resulting in \$600,000 of savings annually.

Corey Barnette, throughout his over ten-year venture capital and private equity sponsor career, has been responsible for generating returns based on operational goals and performance. Routinely as a result of audits and management reviews, Mr. Barnette has had to (i) revise operational financial strategies, (ii) manage budget controls, (iii) refinance, and (iv) raise capital to support the operations his companies. Mr. Barnette worked intimately with his own portfolio companies to manage budgets and install/monitor financial controls to meet operational goals and objectives. Finally as a banker, Mr. Barnette worked with clients to properly finance operations for the purpose of supporting the changing strategic direction of their companies.

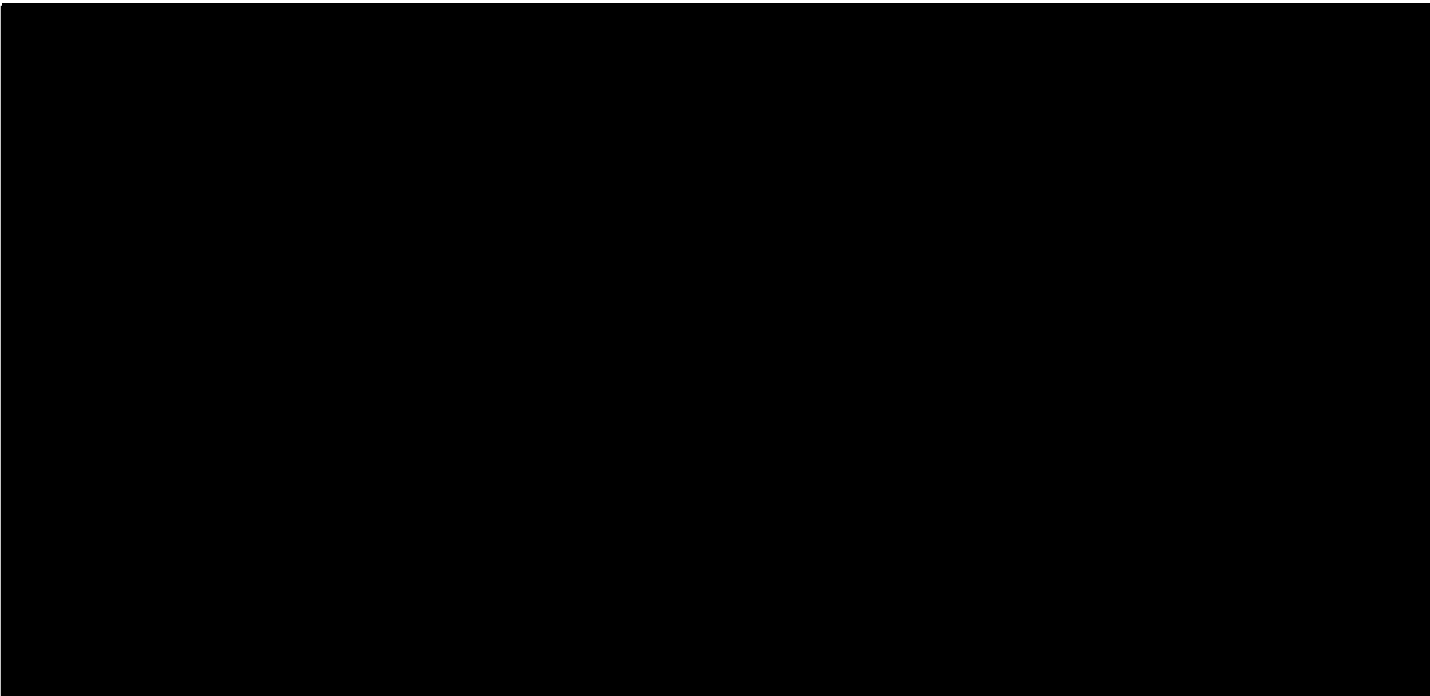
Adler Eliacin has been a responsible steward of the finances over which he has presided throughout his career. Moreover, he has used his technology expertise to design technology solutions for AMICAS, resulting in \$600,000 of savings for the company's customer base. Given this collective experience, Bay State Holistic will effectively mitigate the risks associated with the assets of the company and be able to successfully navigate any financially corrective actions should they arise.]

3. Applicant's Evidence of Suitability

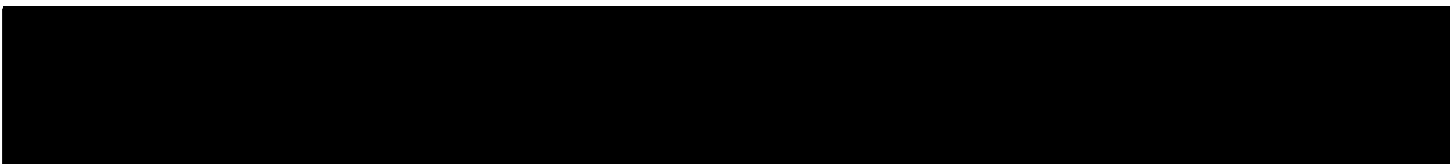
3.1 Indicate whether is/has been in compliance with all laws of the Commonwealth relating to taxes, child support, and workers' compensation with regard to any business in which the individual has been involved. In cases in which an Executive Management Team member is not in compliance with such a law, indicate which team member is non-compliant and describe the circumstances surrounding that situation. Indicate N/A for each individual with no history of non-compliance.



3.2 List and describe any criminal action under the laws of the Commonwealth, or another state, the United States, or a military, territorial, or Indian tribal authority, whether for a felony or misdemeanor, against any member of the **Executive Management Team and Board of Directors, including Board Officers**, including but not limited to action against any health care facility or facility for providing marijuana for medical purposes in which those individuals either owned shares of stock or served as executives, and which resulted in conviction, guilty plea, plea of nolo contendere, or admission of sufficient facts. If no history of such criminal action, indicate N/A.



3.3 List and describe any civil or administrative action under the laws of the Commonwealth, another state, the United States, or a military, territorial, or Indian tribal authority against any member of the **Executive Management Team and Board of Directors, including Board Officers**, including but not limited to actions related to fraudulent billing practices and any attempt to obtain a registration, license, or approval to operate a business by fraud, misrepresentation, or submission of false information. If no history of such civil or administrative action, indicate N/A.



[REDACTED]

3.4 Indicate and describe whether any member of the **Executive Management Team or Board of Directors, including Board Officers**, has been the subject of any past discipline, or a pending disciplinary action or unresolved complaint, by the Commonwealth, or a like action or complaint by another state, the United States, or a military, territorial, or Indian tribal authority, with regard to any professional license or registration.

[REDACTED]

3.5 Indicate and describe whether any member of the **Executive Management Team or Board of Directors, including Board Officers**, with respect to any business, has filed (or had filed against it) any bankruptcy or insolvency proceeding, whether voluntary or involuntary, or undergone the appointment of a receiver, trustee, or assignee for the benefit of creditors. If no such history, indicate N/A

[REDACTED]

4. Applicant's Evidence of Financial Condition

4.1 Provide a one-page statement in the name of the applicant's non-profit corporation, or in the name of the Corporation's CEO/Executive Director or President of the Board of Directors, from an insured financial institution documenting the available liquid cash balance in a single account (\$500,000 for the first application and \$400,000 for each subsequent application, if invited to submit more than one), dated no earlier than 14 days prior to the response deadline (November 7, 2013). If the Corporation has the required funds in an individual account in the name of the Corporation's CEO/Executive Director or President of the Board of Directors, said individual must provide a completed and signed a notarized Letter of Commitment (in exhibit 4.1).

Proof of liquid funds in an account in the name of the corporation or, if applicable, in an account in the name of the Corporation's CEO/Executive Director or President of the Board of Directors, plus the Letter of Commitment attached as exhibit 4.1

4.2 If applicable, provide the names and addresses of all persons or entities contributing 5% or more of the initial capital to operate the proposed RMD, by application, and specify the actual percentage contributed by each person or entity. Indicate whether the contribution is cash, in-kind, or land or building. When the contributor is an entity include the names and addresses of its CEO/ED and **Board Officers**.

List of persons/entities/creditors contributing more than 5% and what form that capital takes attached as exhibit 4.2

4.3 Provide a narrative summary of projected capital expenses to build out both the proposed dispensary and cultivation or processing facilities, and attach a copy of the proposed capital budget.

[Bay State Holistic will be located at 300 Southbridge Street, Worcester, Massachusetts. This building is located in the Southbridge-Sargent Manufacturing District, a part of the National Register of Historic Places given the historical contribution this location has provided to the economy of Worcester, Massachusetts. The building is currently unoccupied and in need of some renovation. Bay State Holistic considers the renovation and restoration of this building, being mindful the historical context, as part of the long term business plan of the company.

With this in mind, the company is planning to collaborate with the landlord to develop a long term restoration strategy should it be awarded licensure. For the purposes of year one renovations, a building restoration budget of \$40,000 has been built in to the overall construction budget of \$78,000. The company is already working with the landlord to devise a long-term strategy and business arrangement for the restoration of the property should it be granted licensure.

The build out strategy of Bay State Holistic can be best understood by separating business operations into two categories: dispensary operations and cultivation operations. These have been further subdivided into assets and expenses for accounting purposes. Bay State Holistic projects that all components of the build out strategy will cost the company \$343,250. Given the total startup capital of \$500,000, at completion of this project the company will be left with \$104,750 in assets (equipment) on its balance sheet. Additionally, it is important to note that the subsequent paragraphs describe the proposed budget meant to fund initial infrastructure needs over the first year. As operations expand additional infrastructure needs will be funded by capital reserve, internally generated cash and additional principal investment. Based on the experience of the management team, the proposed operation will fund infrastructure needed to provide and dispense medicine to a registered qualified patient base of 3600 once the Worcester market reaches maturity.

Cultivation Operation. The capital expenses for the cultivation operation will cost the company \$173,500. This will include \$82,500 in assets and \$91,000 in expenses. Company expenses include a budget of \$70,000 for construction dedicated to creating an environment suitable for cultivation, including certain renovation of the internal building structures. It should be noted that, as a certified minority business entity (MBE) by the Greater New England Supplier Development Council, the company will look to support fellow MBEs as architectural consultants in this process. Additionally, the company has budgeted \$6,000 for expenses related to the registration of six (6) dispensary agents for management of cultivation operations. The company has also budgeted \$10,000 in hiring and training expenses for these agents. Finally, the company has budgeted \$5,000 in expenses for legal fees and specifics relating to executing the initial lease of the property. At completion, the company will have \$60,000 worth of cultivation equipment needed to support a perpetual aeroponic growing system designed to yield/ harvest medicine routinely every 2-3 weeks. This includes LED grow lights, PVC piping, pumps, nutrient regulators, environment monitors/controllers, containers and other associated equipment. The company has budgeted \$4,000 in costs for technology to support the cultivation

operation and will engage with Grohaus Automation (www.grohaus-automation.com) and BioTrackTHC (www.biotracktch.com) as providers of this software equipment. Additionally, the company has budgeted \$29,000 for outfitting the cultivation operation with furniture and ensuring appropriate security provisions. \$1,500 has been set aside by the company for miscellaneous expenditures.

Dispensary Operation. The capital expenses for the dispensary operation will cost the company \$99,250, and leave the company with \$28,750 in assets on the balance sheet. Expenses associated with the dispensary operation include a budget of \$8,000 in construction expenses to create a compliant, professional environment. As previously mentioned, the company will look to engage MBEs where possible as architectural and interior design consultants in an effort to support minority business development. The company has budgeted \$52,500 in licensing fees associated with the dispensary operation. This is further subdivided into \$50,000 for RMD licensure and an additional \$2,500 for the registration of 5 dispensary agents to oversee the dispensary operation. Finally, an additional \$2,000 has been budgeted for the hiring and training of these dispensary agents.

At completion of the dispensary build out, the dispensary will have \$1,800 in equipment used to support the point of sale systems within the dispensary including label printers, receipt printers, cash drawers, computers, and scales.

Finally the company has budgeted \$9,950 for furniture, lighting, cannabis accessories, supplies, network and telephony equipment, and additional miscellaneous items needed to outfit dispensary operations.

. It should be noted that the Management team is experienced in starting and operating dispensaries and cultivation centers. As such, their projected budget reflects their industry experience, purchasing relationships, and proven capability.]

Capital expenses attached as exhibit 4.3

4.4 Provide a narrative summary of the proposed year-one RMD operating budget, including projected revenues by sales type, line item operating expenses, and budget assumptions, and include the budget as an attachment.

[Bay State Holistic (BSH) plans to complete its capital build out and be ready to open for business in July 2014. At this time, the company projects it will have \$156,750 cash on hand to support business operations. Based on the company's projection of the market size and rate of development; the company projects to earn \$929,395 in gross revenue in year one with 89% of this revenue coming from cannabis flower sales, 9% of sales coming from infused products, and 2% of sales coming from cannabis accessories. During its first year of operations, the company is projected to incur \$753,504 in operating expenses. This will leave the company with \$332,641 of internal capital to continue to support operations at the end of year one. Bay State Holistic has used a conservative approach to its financial assumptions. The assumptions are based on the following:

1) Market Size. As described in section 7.9 of this application Bay State has sized the total potential Worcester market at 36,000 patients based on qualifying conditions outlined in the DPH regulations. Of this 36,000, BSH predicts that the total number of enrolled patients in Worcester will be 3,600 patients, this estimation is congruent with the percentage participating patient in states with legalized cannabis markets. BSH has adopted very conservative assumptions to ensure stability in business operations as the market develops. In year 1, the company assumes it will provide services to 360 patients for total 1626 unique visits to the dispensary.

2) Consumption Rates. Each patient will be eligible for up to 5 ounces per month based on DPH regulations. However, BSH bases its revenue on patients purchasing 1.5 ounces/month. Additionally, the company has estimated that a patient will spend \$20 dollars on cannabis accessories monthly. This number is based on the fact that most accessories (vaporizers) BSH will sell have a MSRP of \$100+. This expense has been averaged across all patients and accounts for those occasions where patients do not purchase accessories.

Finally, BSH estimates that the MIP consumption rate will account for approximately 10% of total sales in year 1 given the novelty of these items and the associated marketing and learning curve of patients in picking this product.

3) Costs. BSH based its compensation on industry rates for the particular services rendered. Additional costs are based on the company's experience with providing cannabis services in other markets..]

Year-one operating budget attached as exhibit 4.4

4.5 Provide a detailed summary of a three-year business plan for the proposed RMD, including strategic planning assumptions, utilization projections, growth projections, and projected revenue and expenses. Note that the complete business plan will be reviewed as a component of the provisional inspection process. Include projected revenue and expenses as an attachment.

[Over the course of three years the medical cannabis marketplace in Massachusetts will mature significantly as patients, physicians, and RMDs become more sophisticated in their dealings within the industry. Bay State Holistic plans to implement a strategy that will allow the company to be competitive in the developing marketplace. Over the course of the first three years, BSH predicts that there will be a steady increase in the demand for cannabis products as patient and physicians become familiar with the services provided by dispensaries. Based on the population of Massachusetts and knowledge of marijuana usage rates, BSH projects the patient population growth rate will be around 66% for the first two years and ultimately stabilize at 50% until the market place reaches maturity around year five. This will place 540 and 810 patients in the Worcester marketplace in fiscal years 2015 and 2016 respectively. Given the fact that patients may frequent any dispensary within the Commonwealth, it is difficult to predict market share patterns at this early stage, however, BSH predicts that patients will visit on average twice monthly. In order to compensate for the unpredictability of market share, the company preserves its conservative consumption estimates throughout this 3 year model. Based on an average 1.5oz/month consumption rate the Worcester market will consume approximately 2200 pounds of cannabis over the first three years. BSH is well positioned to meet this demand as its growing strategies currently allow the company to produce approximately 40 pounds per month utilizing approximately 2500 square feet of cultivation space. The company will be the sole occupant of a 27,000 square foot facility and thus has excess capacity to meet demand should the need arise.

In spite of these conservative assumptions, the company stands to be well positioned financially should these projections come to fruition. Bay State Holistic stands to increase its revenue 125% while holding cost increases to only 30% over this three year period. This can be attributed to a number of factors including the company's cultivation strategy, the ability to provide a diversity of product offerings which will attract customers, and the natural efficiencies provided by economies of scale. The company plans to utilize this favorable financial situation to increase and promote company employees in line with market demands and performance, in addition to furthering company goals and providing a positive impact on the Worcester community.]

Three-year projections attached as exhibit 4.5

4.6 Provide a description of the proposed RMD's plan to obtain a liability insurance policy or otherwise meet the requirements of 105 CMR 725.105(Q).

[Bay State Holistic Inc, in its commitment to supporting certified MBE/Veteran owned business shall engage West Insurance Agency for general and product liability insurance as required in 105 CMR 725.105 (Q). West Insurance is a establish insurance located in Dorchester, Massachusetts, providing insurance services to a wide array of clients throughout the United States. Specific coverage areas for this program will include:

- General Liability Insurance no less than \$1,000,000 per occurrence and \$2,000,000 aggregate, annually
- Product Liability Insurance no less than \$1,000,000 per occurrence and \$2,000,000 aggregate, annually

Bay State Holistic shall also engage Integrated Insurance Solutions, LLC to obtain the required property and casualty insurance coverage for our organization. Integrated Insurance Solutions is an established insurance brokerage and consulting firm based in Framingham, Massachusetts, providing insurance services to a wide array of clients throughout the United States. Specific coverage areas for this program will include:

- Builder's Risk Insurance
- Real and Personal Property Insurance
- Business Interruption Insurance
- Equipment Breakdown
- Employee Dishonesty
- EDP or Data Processing Coverage
- Crop Coverage including living plant material, harvested plant material and finished stock.
- Professional Liability Insurance
- Umbrella/Excess Liability
- Directors & Officers / Employment Practices Liability / Fiduciary Liability
- Data Privacy & Security
- Workers Compensation

The deductible for the liability policies will be no higher than \$5,000 per occurrence. Additionally, the Management team is aware of other providers willing to make a market for BSH. However, if for some reason we are unable to obtain minimum liability insurance coverage we will place in escrow a sum of \$250,000 to be expended for coverage of liabilities. In the case of any expenditure, the escrow account will be replenished within 10 business days.

Bay State Holistic, Incorporated, West Insurance Agency, and Integrated Insurance Solutions have reviewed the aforementioned coverage options with the program underwriters and the policies will be put in force upon the awarding of a Registered Cannabis Dispensary license by the MA Department of Public Health.]

5. Location and Physical Structure

5.1 Provide the physical address of the proposed RMD dispensary site if a location has been secured. If a location has not been secured, indicate N/A in the text box and exhibit. Attach supporting documents as evidence of interest in the property by location. Interest may be demonstrated by (a) a clear legal title to the proposed site; (b) an option to purchase the proposed site; (c) a lease; (d) a legally enforceable agreement to give such title under (a) or (b), or such lease under (c), in the event the Department determines that the applicant qualifies for registration as a RMD; or (e) evidence of binding permission to use the premises.

[The physical address of the proposed RMD dispensary site is 300 Southbridge Street, Worcester, MA 01608.]

Evidence of interest attached as exhibit 5.1

5.2 Provide the physical address of the proposed RMD cultivation site if a location has been secured (the response must be the same as the location indicated in the response to 5.1 or 5.3). If a location has not been secured,

indicate N/A in the text box and exhibit. Attach supporting documents as evidence of interest in the property by location (see examples of evidence in 5.1).

[The physical address of the proposed RMD cultivation site is 300 Southbridge Street, Worcester, MA 01608.]

Evidence of interest attached as exhibit 5.2

5.3 Provide the physical address of the proposed RMD processing site if a location has been secured (the response must be the same as the location indicated in the response to 5.1 or 5.2). If a location has not been secured, indicate N/A in the text box and exhibit. Attach supporting documents as evidence of interest in the property by location (see examples of evidence in 5.1).

[The physical address of the proposed RMD processing site is 300 Southbridge Street, Worcester, MA 01608.]

Evidence of interest attached as exhibit 5.3

5.4 Describe efforts to obtain assurances of support or non-opposition from the local municipality(ies) in which the applicant intends to locate a dispensary, cultivation site, and/or processing site and indicate whether the municipality expressed any opposition. If the sites are in different municipalities, provide information related to each community. If available, include a demonstration of support or non-opposition furnished by the local municipality, by attaching one or more of the following:

- A letter from the Chief Administrative Officer, as appropriate, for the desired municipality, indicating support or non-opposition;¹
- A letter indicating support or non-opposition by the City Council, Board of Aldermen, or Board of Selectmen for the desired municipality; or
- A letter indicating support or non-opposition by the Board of Health in the desired municipality.

[Bay State Holistic has been active in its efforts to obtain local support from the Worcester community. Company executives have held meetings with local city officials including Sarai Rivera, Phillip Palmieri, Joe O'Brien, Mayor Joe Petty, and Dr. Michael Hirsh. Additionally, the company has engaged state representatives Dan Donahue, and Mary Keefe to discuss the company's long term plans for Worcester. During each of these meetings, company executives discussed the benefits which dispensaries can provide for communities as well any potential concerns of local officials. Worcester has been quite proactive in its efforts to accommodate dispensaries in the city, beginning work towards creating zoning in early July.

The zoning recommendations were brought before the City Planning Board at September 4th meeting, in which company executives were in attendance. During this meeting, the Planning Board approved zoning recommendations and provided analysis maps to those in attendance, which described where potential RMDs could be located in the city. Bay State Holistic used these maps as a guide in choosing its location. In the interim, the Chief Economic Development Council has been charged with making final approval of zoning regulations prior to the regulations being sent to the city council for adoption. This governing body is also spearheading the effort to provide letters of non-opposition to RMD applicants already in compliance with the proposed zoning requirements in order to meet the state DPH application deadline. Based on these actions, Bay State Holistic is confident that the zoning regulations will ultimately be adopted in the city of Worcester. The company considers compliance with local laws

¹ Chief Administrative Officer is the Mayor, Town Manager, Town Administrator, or other municipal office designated to be the chief administrative officer under the provisions of a local charter.

a top priority and will continue to work with local city officials throughout its operations in order to ensure responsible development of the cannabis marketplace.]

Letter(s), if any, attached as exhibit 5.4

5.5 Provide a summary chart reflecting answers to questions 5.1 -5.4 indicating evidence of local support or non-opposition for cultivation, processing or dispensing activities of the proposed RMD.

Summary chart attached as exhibit 5.5

5.6 Provide a description of the applicant's plans to ensure that the proposed RMD is or will be compliant with local codes, ordinances, zoning, and bylaws, as well as state requirements for the physical address of the proposed RMD dispensing site and for the physical address of the additional location, if any, where marijuana will be cultivated or processed.

[Bay State Holistic facility is located in a zone that is preliminarily approved by the City Council for zoning as an RMD. Bay State Holistic has employed professional resources familiar with construction and renovation in Worcester, and intends to utilize these resources to achieve full compliance.

Bay State Holistic takes seriously its responsibility to remain in compliance with all state and local ordinances and codes. The company has engaged Vicente Sederberg LLC as its legal representation. This Massachusetts based firm specializes in medical cannabis law and has tremendous experience representing dispensaries in the Colorado marketplace. Bay State Holistic will work closely with Vicente Sederberg to train its employees on all legal matters pertaining to medical cannabis at the state and local level. Additionally, the company has an internal chief compliance officer at the board level, whose primary responsibility will be to ensure that the company remains updated and compliant with the latest state and local regulations. This role will be filled by Oscar Weeks Esq., who not only is a US Navy veteran, but also served as VP and Chief Compliance Officer for Vivendi Universal, a global Fortune 500 company, for 10 years.

Moreover, through the development of the company's Worcester Cannabis Action Network (C.A.N.), the company will hold quarterly meetings with members from local government, local law enforcement, community based organizations, and potentially other dispensary organizations to create an opportunity for open dialogue surrounding the development of the cannabis industry. These meetings will allow the company to remain engaged in the community and keep abreast of developments at the local level and address problems before they arise.]

5.7 Describe the applicant's plan to continue to develop and maintain a positive relationship in each community in which the RMD is/will be located.

[Given the misconceptions surrounding cannabis within society, perception is a vital component of BSH's business. BSH will make every effort to maintain an image of professionalism and high quality in all of its business dealings. The staff's expertise, education, and involvement in the community and local government will foster positive relationships in the community. BSH's engagement in patient relations, relationships with local community members, and its presence as a source for safe access to medical cannabis as well as education will impact relationships with patients, the community, and the medical cannabis industry as a whole. BSH will operate in the most professional and secure setting in an effort to gain the esteem of patients and community members alike.

Furthermore, each Executive Management Team member has years of experience working with non-profits. This experience includes developing and maintaining positive relationships within their communities



and organizations. The Executive Management Team will bring this experience to BSH in order to foster relationships in the community.

Additionally, the Worcester Cannabis Action Network (C.A.N), will not only serve as a space for community dialogue, but will serve as the mechanism through which BSH engages with the community. Qualified patients have the opportunity to join Worcester C.A.N. and engage in community service within the Worcester community. Moreover, the Worcester C.A.N. program will serve as a mechanism through which patients with financial hardship can earn additional cannabis at a discounted price.

BSH has partnered with Mosaic Cultural Complex (Mosaic), a local grass roots community organization that focuses on the health outcomes of men of color, to help fulfill the company's advocacy mission. It is a well-established fact that drug policy, particularly surrounding cannabis, has disproportionately affected men of color. As a certified minority business entity, Bay State Holistic takes its diversity efforts very seriously and believes it can make positive change through its efforts and relationships with organizations like Mosaic. Through Worcester C.A.N, the company plans to support the efforts of Mosaic through philanthropy and volunteerism as they work to raise awareness around men's health through events like Doc N' the Shop. Furthermore, Worcester C.A.N plans to support the efforts of groups like AIDS Project Worcester by providing volunteers for their programs such as Food Bank and Meals on Wheels.

BSH also plans to engage with the the Regional Environmental Council of Central Massachusetts, which has a Urban Garden Resources of Worcester Program. Given the natural synergies between BSH and the Regional Environmental Council, there will be ample opportunity to collaborate.

BSH prides itself on its community relations and strives to not only be a professional provider and resource for patients and caregivers, but a positive presence in the community as a whole.]

- 5.8 Provide a description of the proposed enclosed, locked facility that would be used for the cultivation and/or processing of marijuana, including steps to ensure that marijuana production is not visible from the street or other public areas. Note that the security plan will be reviewed as a component of the provisional inspection process.

[REDACTED]

5.9 Describe how the facility's security plan will help deter and prevent unauthorized entrance into areas containing marijuana and/or MIPs and theft of marijuana and/or MIPs at the proposed RMD and the alternate location, if any. Note that the security plan will be reviewed as a component of the provisional inspection process.

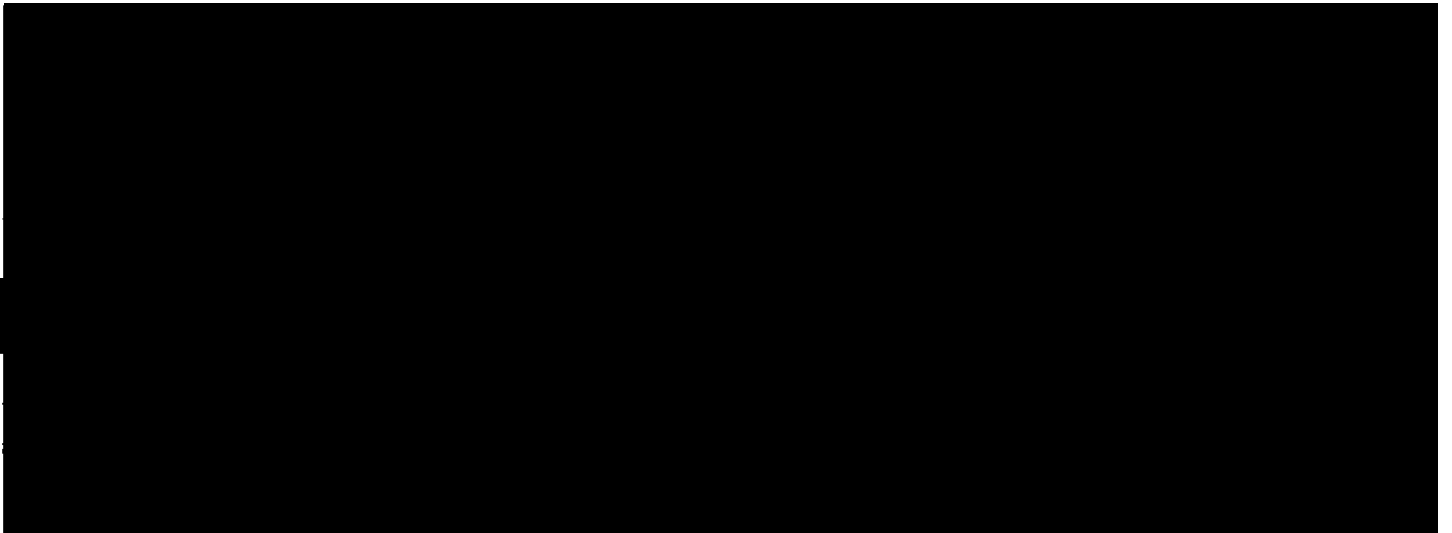
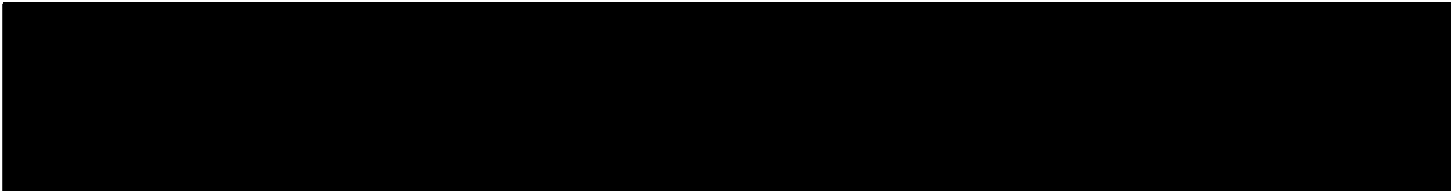
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



6. Staffing Plan and Development

6.1 Provide a narrative description of the proposed RMD staffing plan including position description, full time equivalency, and reporting structure. Attach an organizational chart in which you identify all staff and all reporting relationships. If this level of detail is already included in exhibit 1.3, include the same organizational chart in exhibit 6.1.

[Bay State Holistic's (BSH) Executive Decision Process (EDP) provides a framework for systematic management, review, and oversight of BSH's operations. The purpose of the EDP is to advise the reader on the chain of command and to explain how decisions (including, but not limited to, budget, procedure, organizational direction, organizational assessments, and resolving conflicts) are made. This process provides the forum through which BSH's senior management provides advice and counsel on high-level operation and management issues. The EDP promotes integrated planning and evaluation, and creates greater transparency of senior leadership decisions.

BSH's employees are its most important asset. Their expertise, creativity, commitment, diversity, and innovation are vital to the accomplishment of BSH's mission. Management, primarily at the direction of the Executive Management Team via the Administrative Assistant, provides policies, programs, and processes that facilitate the recruitment, hiring, development, and retention of a diverse, highly-skilled, motivated, and effective workforce capable of accomplishing the Company's mission.

The Administrative Assistant provides BSH-wide leadership to workforce management functions, including strategic human capital planning, employee relations. (FTE required: 1.0). This individual also facilitates performance management and incentive awards, training, and career development in conjunction with the Executive Management Team.

The Executive Garden Manager is responsible for the oversight of the cultivation facility and all cultivation staff (FTE required: 1.0). The Garden Manager reports to the Executive Garden Manager and assists them in the oversight of the cultivation. (FTE required: 1.0). Garden staff is reports to the Garden Manager and will be required to comply with all rules and regulations and report any unauthorized activity directly to the Garden Manager.

The Production Specialist is responsible for the creation of finished goods, education regarding infused products, and compliance with all infused products procedures. (FTE required: 1.0). The production specialist reports to the Garden Manager.

The Security Officer is responsible for ensuring compliance with BSH's comprehensive security plan as well as ensuring all equipment is in good condition, inspected, and up to date. The Security Officer must ensure the security and well being of the facility and its employees, as well as patients and caregivers. The Security Officer reports to the Garden Manager. The Security Officer is also responsible for emergency procedures. (FTE required: 2.0).

The Administrative Assistant is responsible for all administrative record keeping, coordinating Human Resources, facilitating employee communication, and ensuring all confidentiality and reporting procedures are followed. (FTE required: 1.0). The Administrative Assistant will report to the Executive Management Team.

The Chief Compliance Officer is responsible for operational compliance for BSH, keeping up to date with all laws and regulations, training employees in compliance, and educating the staff on all applicable laws and regulations. (FTE required: 1.0). The Chief Compliance Officer reports to the Executive Management Team.

The Dispensary Manager oversees the day-to-day activities of dispensary operations and reports to the General Manager. (FTE required: 1.0).

The Patient Specialist is responsible for patient relations, providing patient education surrounding cannabis and consumption, and ensures administrative and financial record keeping. (FTE required: 2.0). Patient Specialists report to the Dispensary Manager.

Minimum staffing requirements

The following shall be the minimum required staffing for BSH's cultivation center as required by the 105 CMR 725.030:

1. No person under the age of 21 shall be employed by BSH to grow or cultivate medical cannabis.
2. Each dispensary agent shall be the holder of a valid registration, which shall be renewable each year.
3. BSH shall be staffed with at least two (2) persons when employees are present inside of the center.
4. Each dispensary agent shall be trained pursuant to company policy before commencing employment.

Reporting Board, Director, Employee and Manager Changes

A cultivation center or dispensary shall notify the Department of Public Health within twenty-four (24) hours after a registered director, officer, member, incorporator, agent, employee, or manager ceases to work at, manage, own, or otherwise be associated with the operation.

The director, officer, member, incorporator, agent, employee, or manager shall surrender his or her identification card to the Executive Director or Chair of the Board within twenty-four (24) hours of ceasing to work at, manage, or otherwise be associated with the operation.

In accordance with Massachusetts Department of Public Health guidelines 105 CMR 725.030(H), BSH shall immediately notify the Department in writing if the BSH discovers that any director, officer, member, incorporator, agent, or employee has at any time prior to or during his or her employment been convicted of a misdemeanor for a drug-related offense or a felony. For purposes of this section, "immediately" shall mean notifying the Department within five days of discovering the criminal conviction.]

Organizational chart attached as exhibit 6.1

6.2 Explain the hiring plan for the RMD staff by role, including qualifications and experience by position description. Include a description of the applicant's process to complete a Criminal Offender Record Information (CORI) check on each staff member working at the RMD at hire and on an ongoing basis.

[The majority of the Board of Members of Bay State Holistic, Inc. (Principals) are Massachusetts residents. As such we will focus our recruitment efforts exclusively in Massachusetts. Additionally, as it is our belief that hiring outside the Commonwealth raises certain security concerns, we will hire Massachusetts residents exclusively. Currently, the company has employees at the executive management and daily management level the dispensary and cultivation operations. After we are awarded licensure, the company will seek talent for the positions of administrative assistant, patient specialist, production specialist and Gardener positions. An overview of qualifications for each position are provided below:

Administrative Assistant:

- Three years successful office experience or college degree in office management.
- High degree of proficiency in office procedures/bookkeeping, keyboarding, office equipment operation, maintenance, business machines & computer software programs.
- Ability to make decisions without close supervision, and must be accurate, efficient and capable of handling detailed work assignments.
- Knowledge and practical experience in Microsoft Word, Excel and Access.
- Excellent public relations skills including courteousness, tact and good verbal communications.
- Good health, attendance, and high moral character.
- Maintain respect at all times for confidential information.
- Ability to maintain self-control and complete tasks with frequent interruptions.
- Proven ability to work independently and self-motivated; also work cooperatively with other office personnel.
- Familiar with networks and data backup procedures.

Patient Specialist:

- Three years of successful experience in patient care or customer service related industries
- Knowledge of medical terminology.
- Critical thinking skills to assess a patient's situation, as well as detect changes in symptoms, health or pain.
- Demonstrated ability to show compassion and sympathy for patient needs, and be able to deal with people in various states of pain, trauma and tragedy.
- Organizational Skills and the ability to face patients with differing needs, stages of health and risks.

- Communication Skills and the ability to develop close relationship with patients who are scared, in pain or still coming to terms with issues surrounding end of life. Patient specialists will need to be a patient listener and good communicator to help keep patients calm and understand their situations.

Gardner:

- Two or more years horticultural experience with in-depth knowledge of plant culture, maintenance, and identification.
- Degree/Certification in horticulture or related field preferred.
- Strong interpersonal and communication skills.
- Computer literate with good writing, analytical and problem-solving skills.
- Must be highly trainable and flexible to changing conditions.
- Ability to operate standard office equipment.
- Ability to follow oral and written instructions.
- Experience in general office responsibilities and procedures.
- Preference is given to those with baking/cooking experience.

Production Specialist:

- Strong interpersonal and communication skills.
- Must be highly trainable and flexible to changing conditions.
- Ability to operate standard office equipment.
- Ability to follow oral and written instructions.
- Experience in general office responsibilities and procedures.
- Computer literate.
- Knowledge of principles and practices of basic office management.
- Preference is given to those with baking/cooking experience.

To fill these positions, BSH will work with the Massachusetts Department of Labor and Workforce Development through its One-Stop Career Centers to post its job opportunities. As medical cannabis has received substantial attention and through the use of local services, we believe that there will be no problem finding the required talent in Massachusetts.

Additionally, Bay State Holistic will target opportunities to capture qualified personnel from the graduate training programs based at Massachusetts College of Pharmacy and Health Sciences and the University of Massachusetts Medical Center. Furthermore, the company will hold informational seminars describing job opportunities within the Worcester community, relying on web-based recruitment tools like Craigslist, Monster.com and Careerbuilder.com and the local newspapers to promote these job fairs. Previous experience in regulated markets outside of the Commonwealth has proved these strategies to be successful in recruiting top talent. Bay State Holistic believes we will experience similar results in Massachusetts.

Finally as part of our selection process, BSH conducts a rigorous interview process in conjunction with CORI checks as part of the staffing plan that helps to realistically evaluate the level of capabilities each candidate possesses. The Executive Director is registered with the Department of Criminal Justice Information System in compliance with DPH regulations 105 CMR 725.100(A)(7) in order to facilitate this process. Additionally, the Company considers many legal and practical issues during this hiring process, and therefore uses a thorough hands-on interview approach to obtain a useful assessment of the candidate and their full potential. We meet with candidates, several times if needed, to discuss in detail the candidate's capabilities and our needs. We pay particular attention to attitude, honesty, work ethic, and willingness to learn in conjunction with assessing technical capabilities, knowledge and experience.]

Proof of enrollment with Department of Criminal Justice Information Systems (DCJIS) to complete CORI checks attached as exhibit 6.2

6.3 Provide a detailed summary of the RMD's personnel policies, including proposed wages, opportunities for advancement, the benefits package, and any employment provision required by law that will be offered to employees. Note that the Department will review the RMD's personnel policies as a component of the provisional inspection process.

[Each employee is key to Bay State Holistic, Inc. ("BSH") patient service delivery. Good service is the largest asset to repeat business from qualified patients and caregivers. Consequently, it is expected that all interactions, both internally and externally, be handled with professionalism, courtesy and quality service.

Given the value we place in our employees, BSH will work to create a competitive benefits package for employees. In addition to wages competitive with industry standards, all employees will have the benefit of a defined contribution 401(k) plan with the possibility of company matching as business operations expand. Specifically, BSH would like to provide plans that allow employees to contribute approximately 6% of pay to their 401(k). The company will work towards matching the contribution at approximately 3% as the company grows. Additionally, BSH will offer 4 weeks paid vacation to managers annually and cover all expenses related to travel and accommodations for state, national and international industry conventions.

In addition to benefits related to salary, the company will seek to provide employees with health insurance coverage, BSH has engaged with Corcoran & Havlin (<http://www.chinsurance.com/group-benefits/>) in order to develop a plan that benefits the needs of both BSH and its employees. Furthermore, as a health and wellness company, BSH believes firmly in the power of prevention, thus in an attempt to promote healthy living BSH will provide complimentary gym membership to its employees at one of the local fitness centers in the Worcester area. This effort will help support local business in the Worcester community in addition to encouraging employees to lead a healthy lifestyle. BSH encourages promotion from within the company. As operations expand and the company grows, employees can expect room for advancement.

Additional personnel policies will include the following:

-Always be on time. It is imperative that you be on time to work and ready for your shift. If you are running late, you are expected to call and inform of such. To not do so, is a disciplinary offense (See Disciplinary Offenses and Actions). Note: To not show for work without permission is considered grounds for termination.

-Know the products. Employees working in the garden or interacting with company products in the dispensary are expected to familiarize themselves with all products – especially cannabis strains being cultivated. It is expected that garden employees know at least the available genetics, Sativa/Indica makeup and anticipated effects of each strain being cultivated. Additionally upon request, garden employees should be able to provide the THC, CBD and CBN make- up of all strains being cultivated. Poor information is damaging to both the industry, BSH's brand and reputation, our service delivery and BSH in general.

-Provide excellent service to our customers and patients. This involves:

- Be professional and caring towards customer and patient needs
- Review customer/patient purchase history in PoS system to assess and understand our relationship with the customer/patient prior to interactions where possible
- Greeting everyone with friendliness and a positive demeanor.
- "Ask and Interact" (for instance, "Are you a new customer? (if unknown), How did your last purchase work out for you?)
- Impart product knowledge as requested
- Take initiative to know any specials and make each customer/patient aware of any specials

- Informing them of specialty programs (i.e. loyalty programs, benefits, etc.)
- Make sure we maintain the customer's email address and/or telephone number in MMJ before ending contact, if possible.
- Follow procedures
- Correctly fill out forms, logs, and labels.
- (See Gardener Opening and Closing Standard Operating Procedure)
- (See Dispensary Opening and Closing Standard Operating Procedure)
- (See Refill and Back Stock Operating Procedures)
- (See Label Procedures)
- Ensure Inventory is correct in POS system and on our Logs (See Patient Specialist Opening and Closing Standard Operating Procedure)
- Report any discrepancies including but not limited to cash, inventories, logs, calculations, any and all misconduct including suspected theft, etc.
- Communicate issues, needs, wants and concerns with manager. We are here to support you.
- Be a positive ombudsman for BSH]

6.4 If known at the time of submission, provide the name and the role/title of each dispensary agent that the proposed RMD intends to employ. If the identity of dispensary agents is unknown at the time of application, indicate N/A.

Completed list of known RMD staff attached as exhibit 6.4

6.5 Describe the applicant's staff development plan, including a detailed description of all proposed training(s) for dispensary agents.

[In conjunction with the Bay State Holistic, Inc. staffing plan, and in compliance with DPH regulation 105 CMR 725.105(H), we incorporate a training program designed to align BSH's continuous employee training program and training resources with BSH's operational compliance priorities and growing/production needs. The purpose of our training program is to increase effectiveness of individuals and teams, throughout their employment, so they can contribute to accomplishing BSH's goals. Specifically, we leverage our experience and internal training program to equip and educate our new hires on:

- (i) The BSH policies, procedures and methodologies,
- (ii) The Commonwealth's medical cannabis rules and regulations,
- (iii) The federal law relating to medical cannabis.

Our initial training process will work in concert with the building and roll-out of our facility itself. Our initial focus will be to train all employees, with special emphasis our administrative professional(s) to compile, maintain, and file reports, documents, and records needed to maintain compliance with the Commonwealth's medical cannabis rules and regulations.

In our cultivation operation, we introduce technical training designed to train BSH garden professionals on BSH's hydroponic growing process and methods. Garden professionals will begin their training under direction of the Executive Garden Manager with the Basic Grow Training Manual. This training will emphasize plant genetics, growing systems, growing methods, the environment, stages of growth, plant food and nutrients. After demonstrated proficiency with the techniques in the basic manual, garden professionals will move to the Advance Grow Training Manual. This training will emphasize cannabis life cycle, cannabis propagation, cannabis genetics and breeding, and cannabis maturation and harvesting. Employees will also be trained in seed to sale tracking procedures, reporting and record keeping to prevent diversion. Once employees complete both training programs, ongoing training enhancement/refresher programs will be implemented to increase the skill set of employees and to maintain operational focus.

In our dispensary operation, will introduce technical training designed to train BSH patient specialists on BSH's patient intake processes, cannabis education, cannabis consumption, and general business practice methodologies. Under the direction of the Executive Director, patient specialists will begin their training with the Dispensary Operations Training Manual. Curriculum in this manual will include instruction on HIPPA compliance, patient etiquette and sensitivity, methods of cannabis consumption, cannabis product specifications and uses, overview of debilitating medical conditions, and general business operations. Patient specialists will be required to complete the Dispensary Operations Proficiency Exam and attain a score of 90% or greater prior to beginning work at the dispensary.

At BSH, we believe that a solid training program leverages blended learning strategies that employ e-learning, self-study, and on-the-job (or, at times, in-class) training. As the requirements of the DPH guidelines and many of the BSH growing methods are specific, the bulk of the training process is best done on-the-job and in-classroom. However, we believe that many of the fundamentals of garden maintenance, plant monitoring and problem diagnosis/treatment can be taught as self-study and through e-learning platforms. Consequently, we leverage them all as appropriate.

The following principles form a foundation for BSH's Training Program: 1) Continuous learning is integral to building and maintaining a quality workforce in order to achieve organizational goals. Training is linked to BSH's mission, goals and desired outcomes. 2) Training is based on a mutual obligation wherein employees are expected to share and apply learning, and leaders practice BSH's philosophies and support a learning culture. 3) Focus is placed on efficiency and cost effectiveness. 4) Measured outcomes and on-job assessments are utilized to determine when and what training is needed to promote continuous improvement.]

7. Operations and Programmatic Response Requirements

7.1 Explain the RMD start-up timeline, including evidence that the RMD will be ready to dispense within that proposed timeline if the RMD receives a provisional certificate of registration by the Department. The timeline must detail, by location, the start up period, including key benchmarks, leading up to the Department's final inspection.

[Bay State Holistic's strategy includes a pragmatic start up time line that will allow the company to meet its objectives of being ready for operations by August 2014. In the development of this strategy, the company has built in checkpoints where the Department of Public Health will be invited to perform inspections to ensure the company is adhering to the processes outlined in this application, which is also in compliance with 105 CMR 725.100(C). The company strategy can be defined broadly into three categories: renovation, cultivation, and staff preparation.

After being granted a provisional license in February 2014, Bay State Holistic will immediately engage its architects and construction team in the renovation process of the 1st floor and exterior of 300 Southbridge Street location. Once plans for renovation have been finalized, these plans will be submitted for review by the Department of Public Health. Once approved Bay State Holistic will begin the renovation process. Priority will be placed on aspects of the renovation that will allow Bay State Holistic to begin cultivation, as this process is the rate limiting process that has the potential to delay operations. During the initial renovation period, Bay State Holistic will simultaneously engage in the hiring and training process of the cultivation staff. Once priority renovation steps are completed and staff required to run the cultivation operation are hired and trained, Bay State Holistic reach another checkpoint where departmental inspection would be welcomed. Once departmental approval is attained, Bay State Holistic would begin the cultivation process.

At steady state, the cultivation process is 16 week process and is divided into four components: vegetation, flowering, drying, and curing wherein product will be harvested every two weeks in a perpetual

fashion. BSH's cultivation system is designed to provide perpetual harvest. As a certain number of plants are introduced into the system periodically, a certain number are harvested periodically. Garden systems, plants and processes are checked daily. Our process is designed this way to promote better performance, increased monitoring, quicker response, and higher quality. Any anomaly, delay or interruption is immediately reported both literally and via daily tracking logs, which are then reviewed daily by management staff. As a result of our procedures, reporting and operating methods, BSH will be able to more routinely manage and assure that progress is made and maintained in its cultivation process. Consequently, our professionals will be (i) better positioned to know that we are on schedule and able to deliver product to the dispensary, (ii) able to react quicker to any change in demand and or product requirements, and (iii) better able to modify the types of products cultivated.

At week eight (8) of the cultivation process (approximately mid way), Bay State Holistic will begin the process of hiring and training staff for the dispensary operations of the business. Management, based on experience, is able to bring the entire management and operational staff up to ready-status within 30 days. Once all staff have been hired/trained and cannabis products have been finished, tested, inventoried,, and are deemed ready for sale, Bay State Holistic will be in a position for final inspections by the Department of Public Health. Once granted final approval by the DPH, Bay State Holistic will open for business at 300 Southbridge Street, Worcester Massachusetts.]

Start-up timeline with clear benchmarks and dates attached as exhibit 7.1

7.2 Provide a detailed summary of the year-one operating plan, including key business check-in points over the year that will inform business practice improvements.

[BSH will open for business in August 2014. 12 total staff employees will be on site, consisting of the Executive Management Team, administrative assistant, dispensary and garden manger, gardeners and patient specialists. BSH will hold monthly board meetings in which management will provide reports on operations and performance. These meetings serve as key business check-in points to ensure that there is no major variance from the plan of operation. Any significant variance will be brought to the board's attention and addressed. BSH business operations can be classified around three categories: education, access, and advocacy. In the first year, BSH will conduct quarterly check in points.

Education. BSH will educate patients and others in the industry on responsible use of cannabis products. During year 1, BSH will engage with numerous community partners, such as Mosaic Cultural Complex, and AIDS Project Worcester to hold education forums in order to inform local community members about company services, as well as provide opportunities to get involved. The company hopes to hold 4 events of this type each quarter during its first year. The company looks to engage the University of MA Medical Center in developing research protocols exploring the clinical outcomes of cannabis therapy for patients and fulfilling the company mission of furthering the body of scientific research supporting the use of medical cannabis. In the second quarter, the company aims to be in the midst of institutional review for at least one research project clinical trial. In the final two quarters the company hopes to be in the data gathering process of this research protocol.

Access. BSH seeks to be a leader in providing safe access to high quality, organically grown, laboratory tested, medical grade cannabis/cannabis products. BSH aims to provide the most strains of cannabis for patients in the Worcester marketplace. BSH has an aggressive growth strategy that leverages features of its harvest system. During the first quarter, BSH looks to introduce and perfect the cultivation of 6 strains. BSH will subsequently release 3 additional strains each quarter, ultimately allowing BSH to offer 15 strains in the Worcester marketplace at the end of year one. The company seeks to grow its MIP product offerings. Given BSH projections that MIPs will only account for 10% of cannabis sales in year one, BSH has set the internal benchmark of introducing one new MIP quarterly, with the ultimate goal of partnering with a local confectionary company at the end of year one to ramp up MIP product offerings in the out years.

Advocacy. BSH, a certified MBE, is committed to supporting diversity efforts in business and community. This fulfills the company mission of ensuring the development and well being of the surrounding community. In order to fulfill this goal, BSH will develop its Worcester C.A.N. community outreach arm. The success of these efforts can be measured quarterly as the Worcester C.A.N. will strive to hold at least one quarterly meeting with local officials, law enforcement, community organizations, and other cannabis industry organizations to discuss issues surrounding the development of the cannabis marketplace. BSH seeks to grow the membership of the Worcester C.A.N. by 25 people quarterly, for a total year one membership of 100. BSH will incentivize patients to join Worcester C.A.N. by offering 24 hour access to the member's only section of the BSH website. Here, patients can place orders in advance of arriving at the dispensary in addition to coordinating delivery. BSH will use its Worcester C.A.N. arm to promote volunteerism in the community. Patients will be incentivized to participate, as they will be able to earn vouchers for opportunities to purchase cannabis at discounted rates based on their amount of volunteerism. This will also serve as the vehicle through which financial hardship patients gain access to their cannabis on a sliding scale fee.]

7.3 Describe the applicant's knowledge of (and experience with) growing methods to be used in the cultivation of medical marijuana. Note that a copy of the marijuana cultivation and management plan will be reviewed as a component of the provisional inspection process.

[The Executive Garden Manager, Mr. Barnette is directly responsible for the cultivation operations of BSH and shall oversee the training of staff and management of the cultivation system. Mr. Barnette has extensive experience in starting, managing and operating cultivation centers and collectives in California and DC. He has served as Executive Director and owner of two medicinal cannabis dispensaries in San Diego and currently serves as Executive Garden Director at a medical cannabis cultivation center in Washington DC. He has established and re-started cultivation center operations and consulted and managed the contracted build-out, start-up, and ramp-up of numerous other cultivation operations for collective dispensaries and private clients seeking to grow their own medicine. Mr. Barnette has overseen the cultivation of over 18 different strains of medicinal grade cannabis in compliance with CA and DC law. Today, his operations are set up to provide harvest every 2 weeks and yield greater than 2 times the cannabis grown prior to Mr. Barnette's take-over – with far fewer plants. Cannabis production methods are a critical differentiator within the marketplace and have far reaching implications on the long term growth of BSH. BSH has developed a sophisticated organic growing system that accounts for pest control and is reproducible over time. BSH will differentiate itself by being an industry leader in cannabis strains.

The following are some of the competitive advantages our growing methods provide. BSH features a perpetual organic aeroponic growing system designed to consistently yield high quality pharmaceutical grade cannabis. Management has refined its process over the years (i) to provide reliable routine harvests of high quality cannabis, (ii) to focus attention on plant development and healthy growth, (iii) to mitigate adverse occurrences though increased plant interaction and shared knowledge. Because many of the more mundane systems have been automated, workers in the garden spend the majority of their time actually interacting with plants to promote optimal growth performance. Plants are introduced into the growing system every 2 weeks and are consequently harvested every 2-3 weeks once reaching maturity. Consequently, because there are always plants at different stages in the process, any adverse occurrence only impacts a few plants rather than the entire garden thereby assuring reduced stoppages or downtime. Because more emphasis is placed on interacting with the plant rather than the system, gardeners are more in-touch with how the plants perform and are more likely to notice an adverse occurrence. The result is superior growth. The BSH growth method features redundant controls, reporting and tracking so that any adverse occurrence is rare, quickly caught and resolved given an occurrence. In accordance with BSH procedures, cultivator journals are reviewed to follow daily activities and to promote gardener development. Also, BSH has access to quality plant genetics that are proven to have superior performance. Because the management team maintains significant relationships throughout the

industry, management is able to access to superior plant genetics across multiple high quality strains that perform well in the BSH growing process.

BSH features a superior proven cultivation process with superior gardening techniques operated by experienced cultivators with high-quality proven plant genetics. As such, BSH has avoided the use of certain chemicals, pesticides, herbicides and non-organic fertilizers used by other growers to promote quality. Instead we focus on increased interaction with the plant in a controlled environment conducive to optimal growth. We then support our products with informed personnel by interacting with the patients to better communicate the product's benefits and use..

Our philosophy is to grow completely organically and avoid the use of chemical pesticides, herbicides or non-organic fertilizers. In our hydroponic process, we utilize organic mixes that depend upon bacterial action to reduce organic matter into a soluble form and thereby provide plants with essential minerals. From time to time, we use organic additives that help stimulate growth, such as humic acid extracts or Kelp (seaweed) extracts. These contain a type of growth hormone called "cytokinins" that stimulate cell division and growth. We utilize only organic and bio-organic plant foods, supplements and soilless grow substrates. We will utilize best cultivation practices in order to limit contamination. BSH will never utilize the following substances or techniques: Synthetic pesticides, wood preservatives; fertilizer or composted plant and animal material that contains a prohibited substance; sewage sludge, in any form, as a soil amendment; synthetic growth regulators or allopathic veterinary drugs; synthetic processing substances, aids and ingredients, and food additives and processing aids including sulphates, nitrates and nitrites; equipment, packaging materials and storage containers, or bins that contain synthetic fungicide, preservative or fumigant; any pesticide, fungicide, fertilizer, rodenticides, or drugs banned by the Department of Agriculture or FDA; or any other substances or techniques deemed unlawful by the Department.

Our procedures will ensure that cannabis is processed in a safe and sanitary manner. Only the leaves and flowers of the female cannabis plant will be processed and will be well cured, free of seeds and stems, free of dirt, sand, debris, contamination by mold, rot, other fungus and bacterial diseases, and other foreign matter. All products will be prepared and handled on a food-grade stainless steel table and packaged in a secure area. BSH will never adulterate cannabis with any substance. Additionally, BSH will never harvest medical cannabis before the plant is 60 days old.. BSH will only cultivate cannabis for sale at BSH.]

7.4 Describe steps that will be taken to ensure the quality of the medical marijuana, including purity and consistency of dose and the presence of potential contaminants. Include a description of the testing process and frequency, quality standards, and plans to engage with a lab to conduct the testing. Note that a copy of the RMD's quality control plan will be reviewed as a component of the provisional inspection process.

[BSH has engaged ProVerde Laboratories to provide analytical testing to satisfy all DPH requirements in 105 CMR 725.105(C) . The company's services include ensuring purity and consistency of dose using the most current chromatographic technologies, generating cannabinoid profiles, reporting specific concentrations of cannabinoids present, including the acidic forms, not detectable by GC analysis. The application of Convergence Chromatography to this application represents the most environmentally friendly and most technologically advanced technique available for these analyses. Services also include testing for microbiological contaminants, residual moisture content and solvents, and detection of heavy metals.

ProVerde Labs is prepared to work with BSH to provide secured transportation of the samples between the RMD and the testing facility, fulfilling all security requirements established by the DPH. It is recommended that a scientifically selected, 4-gram sample be collected from each pound of cannabis to ensure that the sample tested adequately represents the bulk material Depending on DPH requirements, multiple sample collection

strategies are available, in which (1) the analytical sample is collected at the RMD and transported to the testing laboratory for analysis or (2) the entire lot of cannabis is collected from the RMD and transported to the laboratory for testing and secure packaging. Under the second scenario, once a testing sample is collected, the remainder of the product is sealed under inert atmosphere (nitrogen), in UV-opaque packaging materials to prevent any additional oxidative or UV-initiated product degradation, and given a unique identification number to enable tracking of cannabis through the entire process. Once testing is complete, a certificate of analysis for that specific lot is generated, with labels printed for packaging with clear identification of the lot number and testing results.

All analytical testing will be performed in a Good Laboratory Practice (GLP) environment, including a regimented protocol of instrument calibration and documentation; with all calibration and data measurements referenced to external calibration standards. ProVerde Labs follows these rigorous protocols while we are working towards certification under the ISO 17025 guidelines, with certification anticipated in January 2014. ProVerde Labs is an MA based corporation focused on the providing the most environmentally neutral testing methodology available. ProVerde Labs maintains a strong commitment to the community by sharing the financial burden of compassionate care products. Under our "Proportionate Share Fare" program, fees associated with analytical testing are adjusted to match the discount offered by Bay State Holistic to hardship patients.

To ensure patient safety, any sample collected for testing must be statistically relevant to represent the bulk of the sample. To ensure a constant, reliable confidence level in any analytical testing, we feel the lot size from which a sample is collected should be maintained as constant. We feel that a testing ratio of one 4-gram sample tested per pound of cannabis represents an adequate confidence level that the sample is statistically representative of the specific lot tested, ensuring high confidence in patient safety. Competing RMD's may desire and specify a lesser testing frequency, with the understanding that the decrease in sampling frequency will result in a corresponding decrease in confidence level of any analytical test results. This should be considered carefully for any response to question 7.4, as testing frequency is being evaluated with regard to patient safety. Additionally, parsing an individual harvest into separate testing lots could minimize loss if one lot was found to be contaminated, requiring destruction of only that lot.]

7.5 Describe the applicant's plan to dispose of excess or damaged plants or products, including security and plans to avoid diversion. Note that a copy of the RMD's marijuana disposal plan will be reviewed as a component of the provisional inspection process.

[In accordance with Massachusetts DPH guidelines 105 CMR 725.105(J), BSH will destroy or dispose of unused or surplus medical cannabis and its by-products by contracting with Wheelabrator Millbury Inc. (<http://www.wheelabratortechnologies.com/index.cfm/assured-destruction/>). Wheelabrator Technologies is a world leader in the safe and environmentally sound conversion of solid waste into clean energy. They have a proven track record of providing reliable, waste-to-energy services to hundreds of customers. They maintain all environmental permits in good standing under stringent federal and state regulatory standards at each facility. They also routinely deal with special waste materials that are too confidential or sensitive to discard in the usual manner such as confiscated illegal drugs from federal, state, or local law enforcement. Wheelabrator offers Assured Destruction Services that guarantee to absolutely destroy waste materials. Their facilities meet all federal, state, and local regulations and permit requirements.

In accordance with our recordkeeping procedures, all records of waste disposal with Wheelabrator will be recorded, including a certification that medical cannabis was relinquished for destruction. This record will include the type and quantity disposed of, manner of disposal, persons present during the disposal, and their signatures. These records will be kept for at least 2 years. Any waste containing cannabis or MIPs will be stored

in a separate, secure area and managed in accordance with state and local statutes, ordinances, and regulations. Liquid waste containing cannabis or cannabis by-products will be disposed of in accordance with the requirements for discharge into surface water (314 CMR 3.00), groundwater (314 CMR 5.00), and sewers (314 CMR 7.00). BSH will accept at no cost any unused, excess, or contaminated cannabis from a registered qualifying patient or personal caregiver and maintain a written record of the disposal. This record will include the name of the supplying registered qualifying patient or personal caregiver.

On a daily basis, all garden staff is required to compile trash for removal at the end of each shift. However garden staff is prohibited from placing cannabis, cannabis bi-products, or processed cannabis into the garbage. For cannabis related material, once all valuable plant material has been extracted, waste material will be compiled, weighed and stored in a specified location at BSH headquarters. On a weekly basis, two employees will be responsible for transporting waste material to the Wheelaborator facility. The employees will follow a similar set of policies and procedures to the company delivery services policy as described in section 7.8 of this application, and be monitored via GPS tracking software throughout the entire transport process. Upon arrival at Wheelaborator facilities, the employees will follow policies and procedures outlined by the company for its assured destruction services. Wheelaborator will provide the employees with a receipt containing the total weight of materials destroyed and the employees will return this receipt to company headquarters for appropriate documentation. By maintaining such policies surrounding waste management, Bay State Holistic will be not only be complaint with state regulations but will prevent opportunities for product diversion.]

7.6 If the proposed RMD intends to produce MIPs, describe the types and forms of MIPs that the RMD intends to produce, the methods of production (including sanitation and food protection processes), and procedures for labeling, storing, disposing, dispensing, and tracking MIPs. Note that a copy of the MIPs production plan will be reviewed as a component of the provisional inspection process. If the RMD does not plan to produce MIPs, indicate N/A.

[Bay State Holistic will produce MIPs in its Massachusetts operation; however, the MIP marketplace takes time to develop and generally attracts a patient population that is more experienced in cannabis culture and effects. The vast majority of company MIPs will be based on the creation of strain specific butter or concentrates. The creation of cannabis butter and concentrates is a relatively simple process and will be conducted in the company kitchen or concentrate production room that is a separate area from the cultivation and dispensing area. All MIPS will be prepared, handled, and stored in compliance with sanitation requirements in 105 CMR 500.000, Good Manufacturing Practices for Food, and with requirements for food handlers in 205 CMR 300.00, Reportable Diseases, Surveillance, and Isolation and Quarantine Requirements.

The Production Specialist will produce butter and concentrates using safe sanitary techniques. These butter and concentrates will be stored on the company premises and confectionary partners with a presence in the local community will be engaged in order to create MIPs. MIPS products will not be made to resemble a typical food or beverage product. Bay State Holistic believes by producing MIPs in confectionary forms similar to those already intrinsic to the community, it will encourage the development of the MIP industry in Worcester, allowing the company to consider hiring confectionary staff in a full time capacity.]

7.7 Describe the applicant's inventory management program, including seed-to-sale tracking procedures, prevention of diversion, and storage of marijuana products. Note that a copy of the inventory management program policies and procedures will be reviewed as a component of the provisional inspection process.

[BSH will utilize the BioTrackTHC (www.biotrackthc.com) point of sale systems, which are designed to cater to the unique needs of the medical cannabis industry. The fully integrated system includes features for tracking, managing, and reporting on all business operational facets unique to the industry. The Grow House

Management system monitors grow operations, and inventory conversion features allow BSH to monitor MIP operations. The patient management system integrated into BSH allows the company to have full control over patient records and point of sale operations for added security. All components of the software maintain strict batch tracking through all operations representing true 'seed-to-sale' inventory management.

The BioTrackTHC software suite will assign a batch number to each set of like plants at the time of harvest, and maintains this batch number until the finished product reaches the end user in whatever form delivered, be it flower, edible, or concentrate. Individual plant records may be used to track any employees who touched a plant, and what nutrients went into a plant. Packages of product taken from any such batch also record histories, tracking any related MIP operations, movement of product, or other adjustments performed through distribution to the end user. Reports may be run specific to current and historical batch information, including defining the end purchaser of any given batch or package from that batch. This data may be used for recall purposes should the need arise.

The inventory features enable tracking of all plants, trim, waste, MIP goods, finished flower inventory, and more. The modular nature of the system means inventories are stored relative to their place in the process. Plant inventory may be broken down by site, room, or table. Finished goods may be tracked in bulk and then distributed to shop level where it may be assigned to specific employee workstations or delivery drivers. All batch information is maintained throughout the process. Third party test data is also tracked by batch number. The system will print automated labels including this test data on finished goods as required.

The detailed nature of inventory tracking capability within the system affords the operator unparalleled access in monitoring inventory for theft, diversion or loss. Inventory of unfinished product will also be tracked and managed utilizing our Garden Daily Sheets. These sheets track the daily progress of plants from seed through the curing or production process and through packaging. Finished cannabis or MIPs will be immediately inventoried by the Executive Garden Manager or Garden Manager into the point of sale and management information systems. All office related product will be inventoried by the administrative assistant into the management information system.

All product will be inventoried as follows: 1) Visually inspect for contaminants and quality; 2) Ensure product has been tested according to testing procedures; 3) Assign batch identification numbers and obtain Garden Manager/Director verification; 4) Verify testing results and print label; 5) Weigh/count product to be inventoried by category, product and type; 6) If a display counter is maintained on site and if inputting new cannabis flowers, place up to 3 grams in a display jar. The Manager (or designee) should label the jar with the cultivation center, identification/batch number and strain name and place the display jar inside the display counter; 7) Locate the Inventory Log and record the data; 8) Confirm the weight/count of inventory to be input with the Garden Manager and provide results to the Administrative Assistant; 9) Update Inventory Log ; 10) Click on category of inventory 11) Identify the Product and Type or create a type in a new section on a new line; 12) Confirm the number/weight of the product existing in inventory by weighing/counting existing inventory. If unequal to number/weight in the system, stop, alert the Executive Garden Director/Manager and identify the discrepancy. If unable to identify the cause of any discrepancy, record in the incident log; 13) Record the finishing date, start date, name, ID/batch number, and quantity/weight; 14) Close the file and replace the Inventory Log; 15) Open MIS/POS System and log in; 16) Update MIS/POS system.

All plants are assigned a tracking number at the time of their planting as seeds or cloning. We have a detailed plant tracking system described in our Operations Manual. Our inventory procedures and the use of BioTrackTHC will ensure that no cannabis or MIPs fall through the cracks. Along with our security system, our inventory program will prevent diversion, theft, and loss by tracking our products from seed to sale. The cannabis products will be stored in a locked, limited storage area and only minimum personnel will be allowed entry. Storage areas will have adequate lighting, ventilation, temperature, humidity, space, and equipment. There will be a separate locked area for storage of cannabis that is outdated, damaged, deteriorated, mislabeled, contaminated, or containers or packaging that have been opened or breached, until these products are destroyed. All storage areas will be maintained in a clean and orderly condition and free from infestation. Storage areas will have the same security measures as the cultivation and processing areas in accordance with

725.110. Our inventory of seeds, plants and usable cannabis will be limited to reflect the needs of our registered qualifying patients. Inventory will be taken daily and reviewed by the Executive Garden Manager routinely. Comprehensive inventories, monthly inventories, and annual inventories will be handled by the Executive Garden Manager in accordance with 105 CMR 725.105(G). The record of every inventory will include the date of the inventory, a summary of the inventory findings, and the names, signatures, and titles of the individuals who conducted the inventory.]

7.8 Describe how the applicant will transport marijuana, whether between the cultivation and dispensing site or between the dispensing site and a patient's home, including provisions for preventing diversion and tracking inventory during transport. Include a description of the RMD's proposed home delivery protocol, including an identification check of the registered patient or registered personal caregiver and record keeping. Note that a copy of the transportation program policies and procedures will be reviewed as a component of the provisional inspection process.



7.9 Define the applicant's service area and provide an analysis of the projected patient population and projected need in the service area of the proposed RMD, including the applicant's strategy for delivering culturally competent and linguistically appropriate services.

[BSH is targeting Worcester, Massachusetts as center of our business operations. There are a number of factors that make the Worcester market particularly attractive. Worcester is the second largest city in New England with a population of 180,000, while the population of Worcester County, one of the seven counties in the state, is approximately 900,000. The city is centrally located between Boston and Providence, Rhode Island with easy access to many of the major thoroughfares that connect the major metropolitan areas in New England. Historically based on a manufacturing economy, the city is currently becoming a hub of medical care, and biotechnology in the state of Massachusetts. The University Of Massachusetts School Of Medicine, the state's flagship medical school, is located in the city along with College of Pharmacy and Health Sciences, which provides graduate-level nursing and pharmacy training. These entities have the potential to support the staffing needs of BSH as well as provide opportunities for partnerships as BSH looks to fulfill the research components of its mission.

Of the approximate 900,000 residents in Worcester county, a cross sectional analysis of Hospital Discharge diagnosis codes and CMS reimbursement data found in the MassCHIP database reveals 39,000 patients who have conditions which allow them to qualify for medical cannabis therapy. Based on an internal company analysis of the usage rates among qualified patients in legal cannabis markets, the average usage rates fall around 10%. This places the potential market size of Worcester County at 3,900 patients, once the market reaches maturity, usually occurring after 5 years. Based on these numbers we project 360 patients will register within the first year of the program and the program will grow at 66% in each subsequent fiscal year for the first three years, stabilizing to 50% annual growth in the out years.

Additionally, Worcester is a diverse community that is home to a diverse array of immigrant populations with distinctive language requirements. Spanish is the second most commonly spoken language, in the city of Worcester. As such, Bay State Holistic will look to hire staff with bilingual ability. Additionally, the company will provide educational materials in both English and Spanish. For those patients who require additional language services, Bay State Holistic will engage Language Line Solutions and their Video Remote Language Interpreting (VRI) services (<http://www.language.com/solutions/interpretation/video-interpretation/>), as communication with patients is a critical component of our business operation. VRI services will allow patient specialists to create relationship with patients as if they spoke English. Additionally, by utilizing VRI Bay State Holistic will be able to cater to those patients that have auditory disabilities.]

7.10 Describe the RMD's procedures for safely dispensing medical marijuana to registered qualifying patients or their registered personal caregiver, including a process for identifying patients/caregivers, ensuring their safety, and protecting their privacy.

7.11 Describe the RMD's patient record keeping system and planned use of technology to support business operations, including use of the Department's electronic registration and dispensing tracking system. Note that a copy of the patient record keeping policies and procedures will be reviewed as a component of the provisional inspection process.

[BSH shall be operable for cultivation and sale via its website 24 hours a day. Dispensary and delivery operations shall be restricted to the hours of 10:00am to 7:00pm on Monday, Wednesday, and Friday and 10:00am to 6:00pm on Tuesday, Thursday and Saturday and closed on Sunday. At no time shall the hours of operations fall outside of the allowance MA law. In addition to the above and in accordance with 105 CMR 725.105(G) and 105 CMR 725.105(I) the Administrative Assistant and Bookkeeper of BSH shall cause BSH to keep and maintain upon the registered premises true, complete, legible and current books and records requested as part of this procedure.

In addition, with each sale of medical cannabis, BSH shall make in duplicate an invoice of the sale same information originally required. Summary Sales Reports of the above shall be provided to the Executive Management Team by the Bookkeeper at the end of each month for the prior month on a form and in a manner deemed acceptable by the Executive Garden Director

Financial Reporting. In accordance with Massachusetts DPH guidelines 105 CMR 725.105(M), BSH shall maintain a statement showing the information below (“Reports”). The Reports are provided under oath. 1) The quantity of each medical cannabis product manufactured by BSH during the preceding six months; 2) The quantity of each medical cannabis product sold by BSH during the preceding six months; 3) The quantity of paraphernalia manufactured by BSH during the preceding six months; 4) The quantity and price of paraphernalia sold by BSH during the preceding six months; 5) The amount of medical cannabis destroyed or disposed of during the preceding six months; 7) Certification from Wheelaborator that medical cannabis that was cultivated was relinquished for destruction or disposal; 8) The cultivation’s center’s total expenditures for manufacturing medical cannabis during the preceding six months; 8) Total sales of medical cannabis during the preceding six months; 9) BSH’s gross revenue based upon its medical cannabis sales during the preceding six months; 10) The quantity of medical cannabis still available for sale at BSH to qualified patients and caregivers on the date the report is filed; 11) The contact information, and date of birth of each current employee; and 12) An affidavit executed by an individual registrant, partner of an applicant partnership, or the appropriate officer of an applicant corporation,

In accordance with DPH guidelines all books and records referred to in this chapter will be open to inspection by the DPH, or any other government agencies as necessary. The Administrative Assistant shall cause BSH to keep and maintain all books and for a period of four years after the latest transaction recorded in those books and records.

Point of Sale System. BioTrackTHC allows BSH to keep patient information on company servers. This allows BSH to assume greater responsibility over its patient data and mitigate the risks of information being hijacked or stolen as compared to other industry patient management systems using cloud based systems. BSH will use its internal capabilities to develop cyber security solutions for all data. For proprietary and security reasons, these capabilities will not be discussed in detail in this application but a general overview can be found at www.tainoconsultinggroup.com. BSH has recruited Herby Duverene, Chief Operating Officer of the Disadvantaged Business Enterprise Tanio Consulting Group, as its Chief Security Officer. Mr. Duverene has served as the director of Emergency Management as well as Deputy Director of Aviation Security for the MA Port Authority. BSH will work with DPH to develop interoperable solutions for the company and the department’s electronic registration dispensing tracking systems to interface. In addition to security and interoperability, BioTrackTHC has built-in mechanisms to track and enforce state mandated limits on purchasing and to create patient profiles.]

7.12 Provide a detailed summary of the proposed RMD’s policies and procedures for the provision of marijuana to registered qualifying patients with verified financial hardship at no cost or reduced cost, including a sliding fee scale. Note that a copy of these policies and procedures will be reviewed as a component of the provisional inspection process.

[It is the policy of Bay State Holistic to provide access to cannabis therapy while taking a patient’s ability to pay into consideration and to provide access to those who are suffering from debilitating medical conditions but cannot afford medicine. Discounts are offered based upon family/household size and annual income. A sliding fee schedule is used to calculate the basic discount and is updated each year using the Federal Poverty Guidelines (<http://aspe.hhs.gov/poverty/>). Once approved at the state level as a patient qualified for access based on financial hardship, the patient will have access to sliding scale prices for one year. After one year, the patient will have to reapply.

The sliding scale will be based on the minimum fee base, adjusted based on the annual level of family income up to 300% of the federal poverty level. During the first year of operation this minimum fee will be set at the estimated cost of production, which will start at approximately \$7.25/gram. By adopting this policy, the company will be able to offer a more generous financial hardship program over time as efficiencies are gained in the production of cannabis.

In order to support these efforts, Bay State Holistic has recognized a 2% assignment for the Sliding Scale in the company's annual revenue statement. BSH will devote 2% of its gross revenue from medical cannabis to the sliding scale registration program set forth in the DPH regulations to assist in providing medical cannabis to eligible qualifying patients who are unable to afford it. Those who qualify for financial hardship under Massachusetts law have the following conditions: 1) are recipients of MassHealth, Supplemental Security income, or 2) their income fails to exceed 300% of the federal poverty level for their household size. This will allow BSH to provide access to patients in need by lowering the price of cannabis for those with verified financial hardship.]

Proposed sliding price scale attached as exhibit 7.12

7.13 Describe the proposed plans to provide counseling and educational materials to registered qualifying patients and their personal caregivers related to methods of marijuana administration and information about the health effects of marijuana use.

[The Patient Specialist shall be principally responsible for educating patients. In our dispensary operation, we will introduce technical training designed to train BSH patient specialists on BSH's patient intake processes, cannabis education, cannabis consumption, and general business practice methodologies. Under the direction of the Executive Director, patient specialists will begin their training with the Dispensary Operations Training Manual. Curriculum in this manual will include instruction on HIPPA compliance, patient etiquette and sensitivity, methods of cannabis consumption, cannabis product specifications and uses, overview of debilitating medical conditions, and general business operations. Patient specialists will be required to complete the Dispensary Operations Proficiency Exam and attain a score of 90% or greater prior to beginning work at the dispensary. Every registered qualified patient and personal caregiver will have available to them an allotment of educational materials developed by Americans for Safe Access that are in compliance with DPH regulations. An adequate supply of up-to-date educational materials will be maintained and made available for distribution at our dispensary. The educational materials will be available in languages accessible to all patients we serve, as well as for the visually and hearing impaired. All educational materials will be available, upon request, for inspection by the Department.

The educational materials will include verbal and written direction including but not limited to the following: warnings that cannabis lacks FDA approval; warnings that cannabis should be kept away from children; potential health risks; warnings that driving and machinery operation is prohibited; information to assist in the selection of cannabis; materials for tracking strains used and their associated effects; information on dosage, the impact of potency, titration, and methods of administration with an emphasis on using the smallest amount possible to achieve the desired effects; facts regarding substance abuse signs, symptoms and referral information for substance abuse treatment programs; a discussion of tolerance, dependence, and withdrawal; and a statement that patients may not distribute cannabis to any other individual and must return unused, excess or contaminated product to the RMD from which they purchased the product for disposal. The patient educational materials will include information from the Americans for Safe Access Patient Resource Program. The Executive Director is responsible for providing and maintaining patient education materials in accordance with Department regulations. We may engage the services of a third-party for translation services if needed. The dispensary manager and medical director may also coordinate and schedule quarterly educational events for patients and caregivers free of charge covering in-depth topics relevant to our community.

In addition, all new patients and caregivers visiting our RMD for the first time will receive a new patient guide. The guide will be updated semi-annually by the Executive Director and will only include information from credible sources.]

7.14 Describe the RMD's proposed marketing and advertising plan, including the company logo, printed materials and flyers, external signage, advertising practices, and outreach and promotional materials. Note that a copy of the marketing and advertising plan will be reviewed as a component of the provisional inspection process. Do not include reproductions or representations of the logo, printed materials, or flyers.

[The following four efforts will encompass the bulk of BSH's marketing and advertising plan: 1) Provide BSH branded printed collateral describing the benefits of medical cannabis to be placed in physician offices and local patient care centers to reach prospective patients and practicing physicians; 2) Advertise in appropriate medical journals and magazines, as well as appropriate local print media and websites; 3) Host patient and physician focused BSH-sponsored community forums that discuss the medical benefits of cannabis and address outstanding questions to the community; 4) Communicate the company brand, products, and services through the company website www.baystateholistic.com.

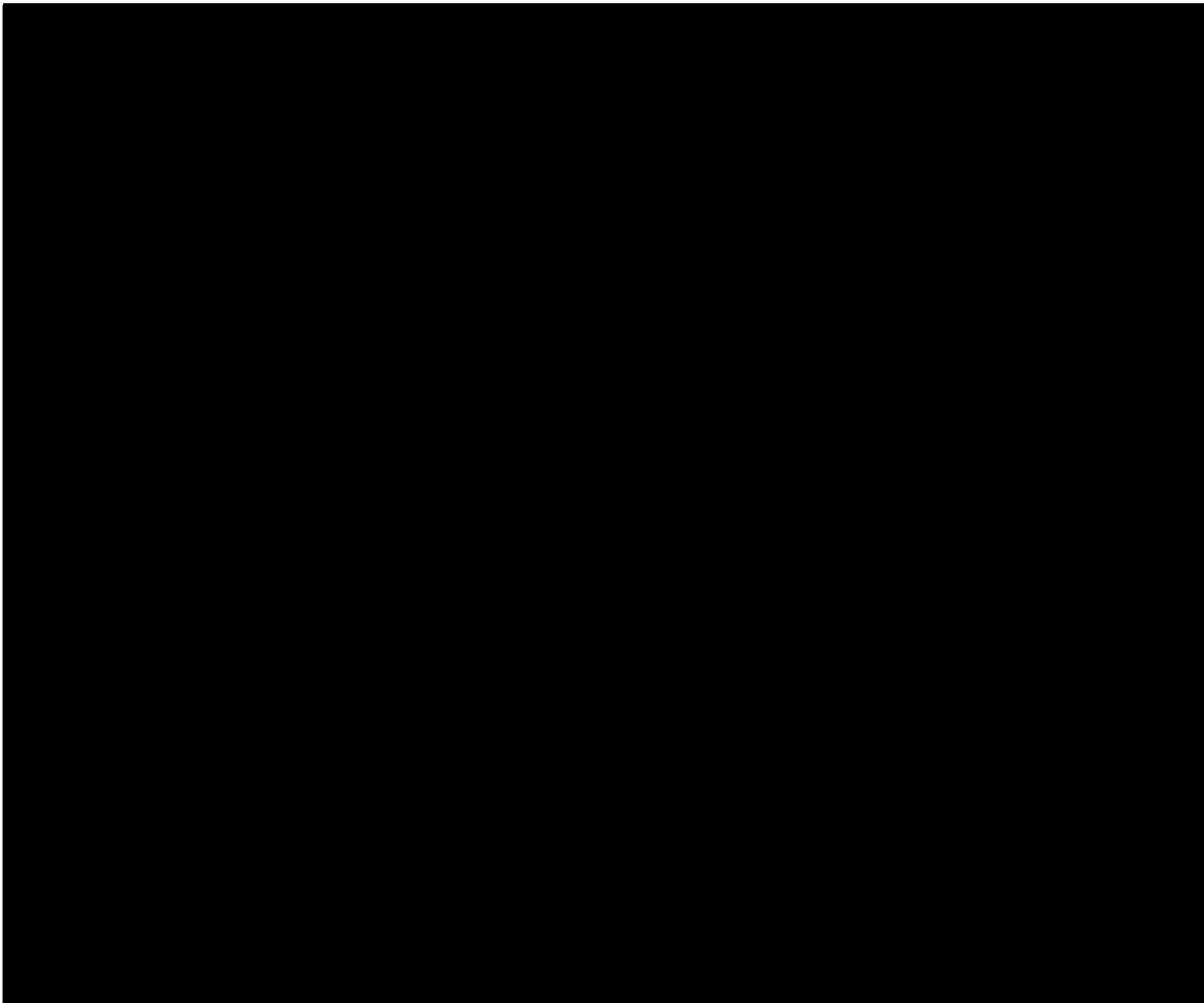
BSH branding will be created in a method that reflects professionalism and high quality to prospective patients. BSH believes that location and accessibility relative to the patient's permanent address will be a primary factor for a patient when choosing a dispensary. BSH will market itself through a range of activities including educational forums with eligible populations within the Worcester community and research relationships with local healthcare partners. BSH will follow best practices from leading dispensaries across the country to launch effective ad campaigns that reach the target market with the goal of securing a patient base of at least 20% of total Worcester registered patients. Qualified patient will be able to access information on products and services via a password protected portal on the company website. Additionally, engaging with healthcare companies and interested practitioners within the local community will be critical to increasing the awareness of medical cannabis therapy in the marketplace. BSH is actively working to form partnerships with the University of Massachusetts Medical Center to engage in a research on the clinical outcomes of medical cannabis on patients. Developing the body of clinical literature around the use of medical cannabis will assist with the speed of adoption of the therapy among medical practitioners.

All BSH marketing and advertising will be in strict compliance with 150 CMR 725.105(L). BSH will not display advertisements on the exterior of the facility and will comply with all signage restrictions. BSH will not advertise in a manner that encourages or represents the recreational use of marijuana or relates to the safety or efficacy of marijuana without substantial supporting evidence. BSH will not produce any promotional items for sale with symbols or references to marijuana or the BSH logo.]

7.15 Describe the RMD's emergency preparedness procedures, including a disaster plan with procedures to be followed in case of fire or other emergency. Note that a copy of the safety and security procedures will be reviewed as a component of the provisional inspection process.



7.16 Describe the RMD's employee security policies, such as an employee ID/badge system and personal safety. Note that a copy of employee security policies will be reviewed as a component of the provisional inspection process.



[REDACTED]

[REDACTED]

7.17 Describe the RMD's incident management program, including policies and procedures to document, report, and manage adverse incidents, consumer complaints, operational concerns, and issues that will be reported to law enforcement and/or the Department. Note that a copy of the incident management program policies will be reviewed as a component of the provisional inspection process.

[Bay State Holistic personnel will document any incidents in the Incident Log. BSH will use the Incident Log to record information and share it with the police. The Incident Log records the time and date of the incident, and any other information. Employees will be highly trained to handle all different types of incidents including a robbery, dealing with difficult or irate people, abusive persons, unwelcome members of the public, trespassers, and to watch for adverse situations.

All customer concerns should be taken directly to the Administrative Assistant and Patient Specialist, who will record the concern and address it with executive staff. The Patient Specialist will be responsible for responding to customers and ensuring the satisfaction of customers as well as proper treatment of employees.

Operational concerns should be taken directly to the Administrative Assistant, who will record the concern and address it with executive staff within five days for the report. If the operational concern could create a safety risk or potential of diversion, the concern must be addressed with the Executive Management Team immediately. Failure to report an operational concern may result in disciplinary action.]

ORGANIZATIONAL CHART
(Exhibit 1.3)

This exhibit must be completed and attached to a required document and submitted as part of the application.

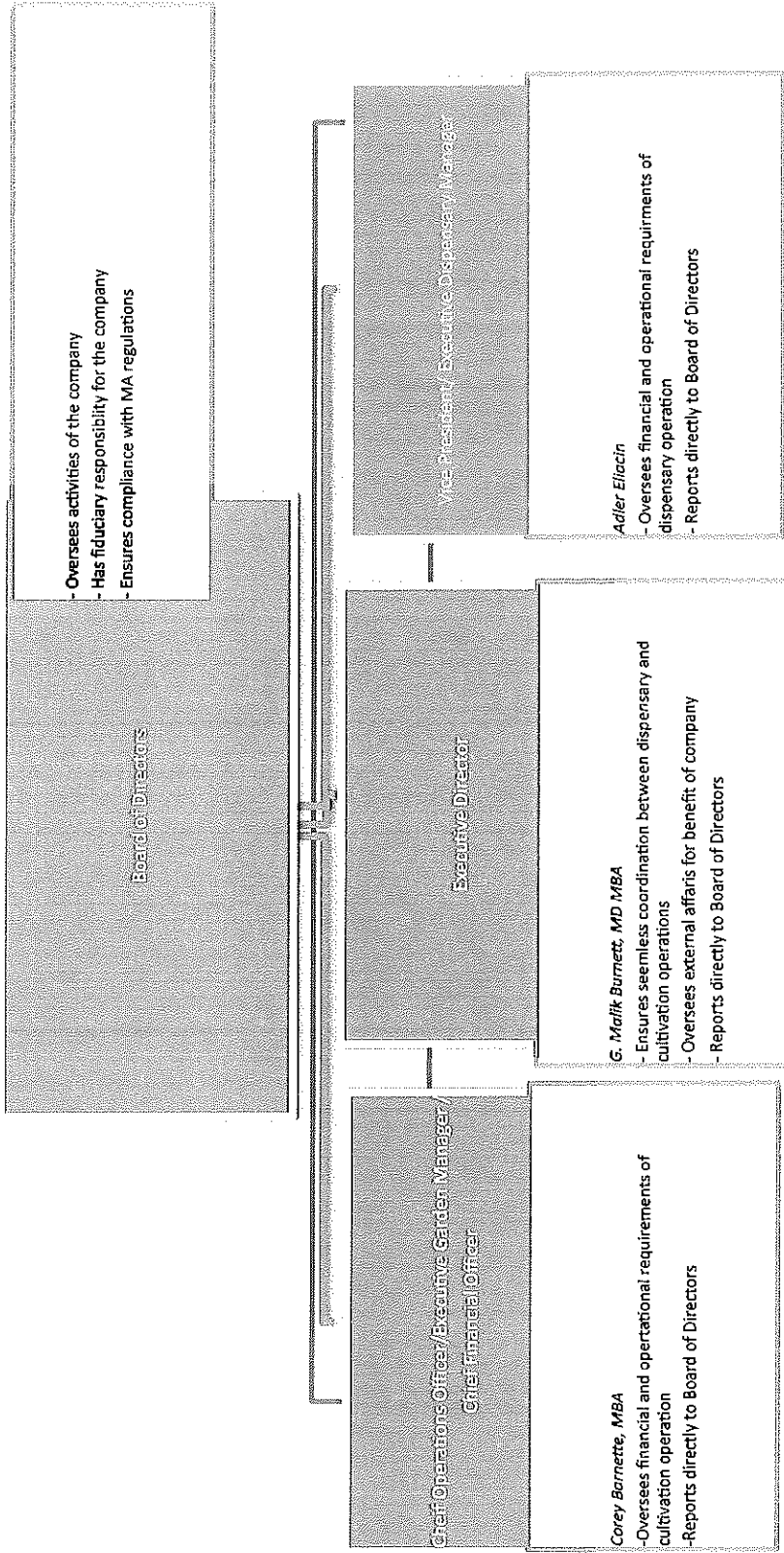
Corporation Name: Bay State Holistic, Incorporated

Application # (if more than one): N/A

Attach organizational chart.



Exhibit 1.3 - Organizational Chart



BOARD OF DIRECTORS
(Exhibit 1.4)

This exhibit must be completed and submitted as part of the application.

Corporation Name: Bay State Holistic, Incorporated

Application # (if more than one): N/A

Board Role	Name	Date of Birth	Business Email	Business Address
1 President/Chair	Gregory Malik Burnett Diversity: Black	[REDACTED]	GMalik@BayStateHolistic.com	20F Shrewsbury Greens Drive Shrewsbury, MA 01545
3 Treasurer/Director	Corey Barnette Diversity: Black	[REDACTED]	Corey@BayStateHolistic.com	1440 Primrose Road NW Washington DC, DC 20012
4 Clerk/Director	Adler Eliacin Diversity: Black, Creole	[REDACTED]	Adler@BayStateHolistic.com	135 Cedar Street Boston, MA 02119
5 Director	Minyetta Marie Boone Diversity: Black, Woman, LGBT	[REDACTED]	Marie@BayStateHolistic.com	13 Benefit Street Worcester, MA 01610
6 Director	Herby Duverne Diversity: Black, Creole	[REDACTED]	Herbert@BayStateHolistic.com	3 Kenney Court Woburn, MA 01801
7 Director	Oscar Weekes Diversity: Black, Veteran	[REDACTED]	Oscar@BayStateHolistic.com	10901 NW 7 th Court Plantation, FL 33324
8 Director	Jenese Brownhill Diversity: Black, Woman	[REDACTED]	Jenese@BayStateHolistic.com	45 Birchwood Road Apt 232 Randolph, MA 02368

ORIGINAL

MEMBERS OF THE CORPORATION
(Exhibit 1.5)

This exhibit must be completed or marked N/A and submitted as part of the application.

Corporation Name: Bay State Holistic, Incorporated Application # (if more than one): N/A

A. Member as Individuals

Individual Name	Business Address	Type of Membership Rights	If Member of Other RMD, Which One?
1 N/A			
2			
3 Add more rows as needed.....			

B. Member as Corporations

Corporate Name/ Business Address	Leadership	Type of Membership Rights	If Member of Other RMD, Which One?
1	CEO/ED: President/Chair: Treasurer: Clerk/Secretary:		
2	CEO/ED: President/Chair: Treasurer: Clerk/Secretary:		
3 Add more rows as needed.....	CEO/ED: President/Chair: Treasurer: Clerk/Secretary:		

ORIGINAL

CORPORATE BYLAWS
(Exhibit 1.6)

This exhibit must be completed and attached to a required document and submitted as part of the application.

Corporation Name: Bay State Holistic, Incorporated

Application # (if more than one): N/A

Attach bylaws.

**Bylaws
of
Bay State Holistic, Incorporated**

**Article 1
Offices**

Section 1. Principal Office

The principal office of the corporation is located in Worcester County, State of Massachusetts.

Section 2. Change of Address

The designation of the county or state of the corporation's principal office may be changed by amendment of these bylaws. The board of directors may change the principal office from one location to another within the named county by noting the changed address and effective date below, and such changes of address shall not be deemed, nor require, an amendment of these bylaws:

New Address: 20F Shrewsbury Greens Drive
 Shrewsbury, MA 01545

Dated: August 16th, 2013

Section 3. Other Offices

The corporation may also have offices at such other places, within or outside its state of incorporation, where it is qualified to do business, as its business and activities may require, and as the board of directors may, from time to time, designate.

**Article 2
Nonprofit Purposes and Provisions**

Section 1. Specific Objectives and Purposes

The specific objectives and purposes of this corporation shall be holistic health and wellness activities, community building, and scientific research in the public interest within the Commonwealth of Massachusetts. 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 Chapter 180 of the General Laws of Massachusetts. Any revenue from the corporation shall be used solely in Furtherance of the corporation's nonprofit purposes.

Section 2. Prohibition Against Private Inurement

No part of the net earnings of this corporation shall inure to the benefit of, or be distributable to, its members, directors or trustees, officers, or other private persons, except that the corporation

shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of this corporation.

Article 3 Directors

Section 1. Number

The corporation shall have six (7) directors and collectively they shall be known as the board of directors.

Section 2. Qualifications

Directors shall be of the age of majority in this state. Other qualifications for directors of this corporation shall be as follows:

- a. Be in compliance with all laws within the Commonwealth of Massachusetts in both personal and business dealings;
- b. Meet the requirements to be a certified dispensary agent within the Commonwealth of Massachusetts

Section 3. Powers

Subject to the provisions of the laws of this state and any limitations and exceptions in the articles of incorporation and these bylaws relating to action required or permitted to be taken or approved by the members, if any, or the Executive Committee of this corporation (as defined below), the activities and affairs of this corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the board of directors.

Section 4. Duties

Except the powers delegated to the Executive Committee, it shall be the duty of the directors to:

- a. Perform any and all duties imposed on them collectively or individually by law, by the articles of incorporation, or by these bylaws;
- b. Appoint and remove, employ and discharge, and, except as otherwise provided in these bylaws, prescribe the duties and fix the compensation, if any, of all officers, agents, and employees of the corporation;
- c. Supervise all officers, agents, and employees of the corporation to assure that their duties are performed properly;
- d. Meet at such times and places as required by these bylaws;
- e. Register their addresses with the secretary of the corporation, and notices of meetings mailed or telegraphed to them at such addresses shall be valid notices thereof.

Section 5. Term of Office

Each director shall hold office for a period of one year and/or until his or her successor is elected and qualifies.



Section 6. Compensation

Directors shall serve without compensation except that a reasonable fee may be paid to directors for attending regular and special meetings of the board. In addition, they shall be allowed reasonable advancement or reimbursement of expenses incurred in the performance of their duties. Any payments to directors shall be approved in advance in accordance with this corporation's conflict of interest policy, as set forth in Article 9 of these bylaws.

Section 7. Place of Meetings

Meetings shall be held at the principal office of the corporation unless otherwise provided by the board or at such other place as may be designated from time to time by resolution of the board of directors.

Section 8. Regular Meetings

Regular meetings of directors shall be held on the third Tuesday of every other month at 8p.m., unless such day falls on a legal holiday, in which event the regular meeting shall be held at the same hour and place on the next business day.

If this corporation makes no provision for members, then, at the regular meeting of directors held on the third Tuesday of a new calendar year, directors shall be elected by the board of directors. Voting for the election of directors shall be by written ballot. Each director shall cast one vote per candidate, and may vote for as many candidates as the number of candidates to be elected to the board. The candidates receiving the highest number of votes up to the number of directors to be elected shall be elected to serve on the board.

Section 9. Special Meetings

Special meetings of the board of directors may be called by the chairperson of the board, the president, the vice president, the secretary, by any two directors, or, if different, by the persons specifically authorized under the laws of this state to call special meetings of the board. Such meetings shall be held at the principal office of the corporation or, if different, at the place designated by the person or persons calling the special meeting.

Section 10. Notice of Meetings

Unless otherwise provided by the articles of incorporation, these bylaws, or provisions of law, the following provisions shall govern the giving of notice for meetings of the board of directors:

- a. Regular Meetings.** No notice need be given of any regular meeting of the board of directors.
- b. Special Meetings.** At least one week prior notice shall be given by the secretary of the corporation to each director of each special meeting of the board. Such notice may be oral or written, may be given personally, by first class mail, by telephone or by facsimile machine, and shall state the place, date, and time of the meeting and the matters proposed to be acted upon at the meeting. In the case of facsimile notification, the director to be contacted shall acknowledge personal receipt of the facsimile notice by a return message or telephone call within twenty-four hours of the first facsimile transmission.



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- c. Waiver of Notice.** Whenever any notice of a meeting is required to be given to any director of this corporation under provisions of the articles of incorporation, these bylaws, or the law of this state, 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.

Section 11. Quorum for Meetings

A quorum shall consist of a majority of the members of the board of directors.

Except as otherwise provided under the articles of incorporation, these bylaws, or provisions of law, no business shall be considered by the board at any meeting at which the required quorum is not present, and the only motion which the chair shall entertain at such meeting is a motion to adjourn.

Section 12. Majority Action as Board Action

Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present is the act of the board of directors, unless the articles of incorporation, these bylaws, or provisions of law require a greater percentage or different voting rules for approval of a matter by the board or the Executive Committee of the Board.

Section 13. Conduct of Meetings

Meetings of the board of directors shall be presided over by the chairperson of the board, or, if no such person has been so designated, or in his or her absence, the executive director of the corporation, or in his or her absence, by the vice president of the corporation, or in the absence of each of these persons, by a chairperson chosen by a majority of the directors present at the meeting. The secretary of the corporation shall act as secretary of all meetings of the board, provided that, in his or her absence, the presiding officer shall appoint another person to act as secretary of the meeting.

Meetings shall be governed by Robert's Rules of Order, insofar as such rules are not inconsistent with or in conflict with the articles of incorporation, these bylaws, or with provisions of law.

Section 14. Vacancies

Vacancies on the board of directors shall exist (1) on the death, resignation, or removal of any director, and (2) whenever the number of authorized directors is increased.

Any director may resign effective upon giving written notice to the chairperson of the board, the executive director, the vice president, or the board of directors, unless the notice specifies a later time for the effectiveness of such resignation. No director may resign if the corporation would then be left without a duly elected director or directors in charge of its affairs, except upon notice to the office of the attorney general or other appropriate agency of this state.

Directors may be removed from office, with or without cause, as permitted by and in accordance with the laws of this state, except for Directors who are members of the Executive Committee who may only be removed for "Cause" upon a unanimous vote of the disinterested Directors. For the purpose of this Section "Cause" shall mean if any director: (1) fails to qualify as a dispensary agent as determined by the Massachusetts Department of Public Health ("DPH"); (2) is found unsuitable or unqualified to sit as director of a registered marijuana dispensary as determined by DPH

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pursuant to written notice to the non-profit; (3) engages in any negligent, reckless, or intentional action or inaction that causes substantial financial or reputational injury to the non-profit, or jeopardizes the non-profit's ability to receive or renew a marijuana dispensary permit, as determined in a written opinion of the non-profit's legal counsel; or (4) disability of the Director such that the Director cannot perform the Director's duties for a period equal to one-hundred and eighty (180) days in any three hundred sixty-five (365) day period.

Unless otherwise prohibited by the articles of incorporation, these bylaws, or provisions of law, vacancies on the board may be filled by approval of the board of directors only after nomination by the Executive Committee. If the number of directors then in office is less than a quorum, a vacancy on the board may be filled by approval of a majority of the directors then in office or by a sole remaining director. A person elected to fill a vacancy on the board shall hold office until the next election of the board of directors or until his or her death, resignation, or removal from office.

Section 15. Nonliability of Directors

The directors shall not be personally liable for the debts, liabilities, or other obligations of the corporation.

Section 16. Indemnification by Corporation of Directors and Officers

The corporation shall, to the fullest extent legally permissible, indemnify each person who may serve or who has served at any time as an officer or director of the corporation against all expenses and liabilities, including, without limitation, counsel fees, judgments, fines, excise taxes, penalties and settlement payments, reasonably incurred by or imposed upon such person in connection with any threatened, pending or completed action, suit or proceeding in which he or she may become involved by reason of his or her service in such capacity; provided that no indemnification shall be provided for any such person with respect to any matter as to which he or she shall have been finally adjudicated in any proceeding not to have acted in good faith in the reasonable belief that such action was in the best interests of the corporation; and further provided that any compromise or settlement payment shall be approved by a majority vote of a quorum of directors who are not at that time parties to the proceeding.

The indemnification provided hereunder shall inure to the benefit of the heirs, executors and administrators of persons entitled to indemnification hereunder. The right of indemnification under this Article shall be in addition to and not exclusive of all other rights to which any person may be entitled.

This Article constitutes a contract between the corporation and the indemnified officers and directors. No amendment or repeal of the provisions of this Article which adversely affects the right of an indemnified officer or director under this Article shall apply to such officer or director with respect to those acts or omissions which occurred at any time prior to such amendment or repeal.

Section 17. Insurance for Corporate Agents

Except as may be otherwise provided under provisions of law, the board of directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the corporation (including a director, officer, employee, or other agent of the corporation) against liabilities asserted against or incurred by the agent in such capacity or arising out of the agent's

status as such, whether or not the corporation would have the power to indemnify the agent against such liability under the articles of incorporation, these bylaws, or provisions of law.

Article 4 Officers

Section 1. Designation of Officers

The officers of the corporation shall be an Executive Director, a vice president, a chief compliance officer, and a chief financial officer. The corporation may also have a chairperson of the board, one or more vice presidents, assistant compliance officers, assistant financial officers, and other such officers with such titles as may be determined from time to time by the board of directors.

Section 2. Qualifications

Any appropriately qualified person may serve as officer of this corporation.

Section 3. Election and Term of Office

Officers shall be elected by the board of directors, at any time, and each officer shall hold office until he or she resigns or is removed or is otherwise disqualified to serve, or until his or her successor shall be elected and qualified, whichever occurs first.

Section 4. Removal and Resignation

Any officer may be removed, either with or without cause, by the board of directors, at any time. Any officer may resign at any time by giving written notice to the board of directors or to the president or secretary of the corporation. Any such resignation shall take effect at the date of receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The above provisions of this section shall be superseded by any conflicting terms of a contract which has been approved or ratified by the board of directors relating to the employment of any officer of the corporation.

Section 5. Vacancies

Any vacancy caused by the death, resignation, removal, disqualification, or otherwise, of any officer shall be filled by the board of directors. In the event of a vacancy in any office other than that of executive director, such vacancy may be filled temporarily by appointment by the executive director until such time as the board shall fill the vacancy. Vacancies occurring in offices of officers appointed at the discretion of the board may or may not be filled as the board shall determine.

Section 6. Duties of Executive Director

The Executive Director shall be the chief executive officer of the corporation and shall, subject to the control of the board of directors, supervise and control the affairs of the corporation and the activities of the officers. He or she shall perform all duties incident to his or her office and such other duties as may be required by law, by the articles of incorporation, or by these bylaws, or which may be prescribed from time to time by the board of directors. Unless another person is specifically appointed as chairperson of the board of directors, the executive director shall preside

at all meetings of the board of directors and, if this corporation has members, at all meetings of the members. Except as otherwise expressly provided by law, by the articles of incorporation, or by these bylaws, he or she shall, in the name of the corporation, execute such deeds, mortgages, bonds, contracts, checks, or other instruments which may from time to time be authorized by the board of directors.

Section 7. Duties of Vice President

In the absence of the executive director, or in the event of his or her inability or refusal to act, the vice president shall perform all the duties of the executive director, and when so acting shall have all the powers of, and be subject to all the restrictions on, the executive director. The vice president shall have other powers and perform such other duties as may be prescribed by law, by the articles of incorporation, or by these bylaws, or as may be prescribed by the board of directors.

Section 8. Duties of Chief Compliance Officer

The Chief Compliance officer shall:

Certify and keep at the principal office of the corporation the original, or a copy, of these bylaws as amended or otherwise altered to date.

Ensure that the corporation is in compliance with all applicable statutes listed in M.G.L chapter 180 concerning not-for-profit corporations, Chapter 369 of Acts of 2012 concerning Humanitarian Medical Use of Marijuana, and 105 CMR 725.000 Implementation of Humanitarian Medical Use of Marijuana, or any additional statutes or regulations germane to the activities of the corporation.

Keep at the principal office of the corporation or at such other place as the board may determine, a book of minutes of all meetings of the directors, and, if applicable, meetings of committees of directors and of members, recording therein the time and place of holding, whether regular or special, how called, how notice thereof was given, the names of those present or represented at the meeting, and the proceedings thereof.

Ensure that the minutes of meetings of the corporation, any written consents approving action taken without a meeting, and any supporting documents pertaining to meetings, minutes, and consents shall be contemporaneously recorded in the corporate records of this corporation. "Contemporaneously" in this context means that the minutes, consents, and supporting documents shall be recorded in the records of this corporation by the later of (1) the next meeting of the board, committee, membership, or other body for which the minutes, consents, or supporting documents are being recorded, or (2) sixty (60) days after the date of the meeting or written consent.

See that all notices are duly given in accordance with the provisions of these bylaws or as required by law.

Be custodian of the records and of the seal of the corporation and affix the seal, as authorized by law or the provisions of these bylaws, to duly executed documents of the corporation.

Keep at the principal office of the corporation a membership book containing the name and address of each and any members, and, in the case where any membership has been terminated, he or she shall record such fact in the membership book together with the date on which such membership ceased.



Exhibit at all reasonable times to any director of the corporation, or to his or her agent or attorney, on request therefor, the bylaws, the membership book, and the minutes of the proceedings of the directors of the corporation.

In general, perform all duties incident to the office of the Compliance officer and such other duties as may be required by law, by the articles of incorporation, or by these bylaws, or which may be assigned to him or her from time to time by the board of directors.

Section 9. Duties of Chief Financial Officer

The Chief Financial Officer shall:

Have charge and custody of, and be responsible for, all funds and securities of the corporation, and deposit all such funds in the name of the corporation in such banks, trust companies, or other depositories as shall be selected by the board of directors.

Receive, and give receipt for, monies due and payable to the corporation from any source whatsoever.

Disburse, or cause to be disbursed, the funds of the corporation as may be directed by the board of directors, taking proper vouchers for such disbursements.

Keep and maintain adequate and correct accounts of the corporation's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains, and losses.

Exhibit at all reasonable times the books of account and financial records to any director of the corporation, or to his or her agent or attorney, on request therefor.

Render to the president and directors, whenever requested, an account of any or all of his or her transactions as treasurer and of the financial condition of the corporation.

Prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports.

In general, perform all duties incident to the office of Chief Financial Officer and such other duties as may be required by law, by the articles of incorporation of the corporation, or by these bylaws, or which may be assigned to him or her from time to time by the board of directors.

Section 10. Compensation

The salaries of the officers, if any, shall be fixed from time to time by resolution of the board of directors. In all cases, any salaries received by officers of this corporation shall be reasonable and given in return for services actually rendered to or for the corporation. All officer salaries shall be approved in advance in accordance with this corporation's conflict of interest policy, as set forth in Article 9 of these bylaws.

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Article 5 Committees

Section 1. Executive Committee

There shall be an Executive Committee consisting of three (3) board members. The initial members of the Executive Committee shall be Director Burnett, Director Barnette, and Director Eliacin. The Executive Committee shall be able to appoint and approve other Executive Committee Members.

The Executive Committee shall have the following powers, which shall be executed through a majority vote of which those powers shall be exclusive to all other entities and individuals in the corporation:

1. Selling substantially all of the assets of the corporation;
2. Raising capital in any form or manner in excess of \$10,000;
3. Prepaying any loan or other financial obligation of the corporation in excess of \$50,000;
4. Committing the corporation to any financial obligation over \$50,000;
5. Adding or removing any member of the Executive Committee or dissolving the Executive Committee;
6. Nominating a Director (but not approving Directors); or
7. Amending these bylaws.

The Executive Committee shall keep regular minutes of its proceedings, cause them to be filed with the corporate records, and report the same to the board from time to time as the board may require.

Section 2. Other Committees

The corporation shall have such other committees as may from time to time be designated by resolution of the board of directors. These committees may consist of persons who are not also members of the board and shall act in an advisory capacity to the board.

Section 3. Meetings and Action of Committees

Meetings and action of committees shall be governed by, noticed, held, and taken in accordance with the provisions of these bylaws concerning meetings of the board of directors, with such changes in the context of such bylaw provisions as are necessary to substitute the committee and its members for the board of directors and its members, except that the time for regular and special meetings of committees may be fixed by resolution of the board of directors or by the committee. The board of directors may also adopt rules and regulations pertaining to the conduct of meetings of committees to the extent that such rules and regulations are not inconsistent with the provisions of these bylaws.

Section 1. Execution of Instruments

The board of directors, except as otherwise provided in these bylaws, may by resolution authorize any officer or agent of the corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent, or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

Section 2. Checks and Notes

Except as otherwise specifically determined by resolution of the board of directors, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of the corporation shall be signed by the Chief Financial Officer and countersigned by the Executive Director of the corporation.

Section 3. Deposits

All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the board of directors may select.

Section 4. Gifts

The board of directors may accept on behalf of the corporation any contribution, gift, bequest, or devise for the nonprofit purposes of this corporation.

Article 7**Corporate Records, Reports, and Seal****Section 1. Maintenance of Corporate Records**

The corporation shall keep at its principal office:

- a. Minutes of all meetings of directors, committees of the board, and, if this corporation has members, of all meetings of members, indicating the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof;
- b. Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains, and losses;
- c. A record of its members, if any, indicating their names and addresses and, if applicable, the class of membership held by each member and the termination date of any membership;
- d. A copy of the corporation's articles of incorporation and bylaws as amended to date, which shall be open to inspection by the members, if any, of the corporation at all reasonable times during office hours.

Section 2. Corporate Seal

The board of directors may adopt, use, and at will alter, a corporate seal. Such seal shall be kept at the principal office of the corporation. Failure to affix the seal to corporate instruments, however, shall not affect the validity of any such instrument.

Section 3. Directors' Inspection Rights

Every director shall have the absolute right at any reasonable time to inspect and copy all books, records, and documents of every kind and to inspect the physical properties of the corporation, and shall have such other rights to inspect the books, records, and properties of this corporation as may be required under the articles of incorporation, other provisions of these bylaws, and provisions of law.

Section 4. Right to Copy and Make Extracts

Any inspection under the provisions of this article may be made in person or by agent or attorney and the right to inspection shall include the right to copy and make extracts.

Section 5. Periodic Report

The board shall cause any annual or periodic report required under law to be prepared and delivered to an office of this state or to the members, if any, of this corporation, to be so prepared and delivered within the time limits set by law.

Article 8 Conflict of Interest and Compensation Approval Policies

Section 1. Purpose of Conflict of Interest Policy

The purpose of this conflict of interest policy is to protect this corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the corporation or any "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations and which might result in a possible "excess benefit transaction" as defined in Section 4958(c)(1)(A) of the Internal Revenue Code and as amplified by Section 53.4958 of the IRS Regulations. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Section 2. Definitions

- a. Interested Person.** Any director, principal officer, member of a committee with governing board delegated powers, or any other person who is a "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations, who has a direct or indirect financial interest, as defined below, is an interested person.
- b. Financial Interest.** A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

1. An ownership or investment interest in any entity with which the corporation has a transaction or arrangement;
2. A compensation arrangement with the corporation or with any entity or individual with which the corporation has a transaction or arrangement; or
3. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the corporation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Section 3, paragraph B, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Section 3. Conflict of Interest Avoidance Procedures

- a. **Duty to Disclose.** In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.
- b. **Determining Whether a Conflict of Interest Exists.** After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.
- c. **Procedures for Addressing the Conflict of Interest.** An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

After exercising due diligence, the governing board or committee shall determine whether the corporation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the corporation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

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- d. Violations of the Conflicts of Interest Policy.** If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 4. Records of Board and Board Committee Proceedings

The minutes of meetings of the governing board and all committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Section 5. Compensation Approval Policies

A voting member of the governing board who receives compensation, directly or indirectly, from the corporation for services is precluded from voting on matters pertaining to that member's compensation.

A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the corporation for services is precluded from voting on matters pertaining to that member's compensation.

No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the corporation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

When approving compensation for directors, officers and employees, contractors, and any other compensation contract or arrangement, in addition to complying with the conflict of interest requirements and policies contained in the preceding and following sections of this article as well as the preceding paragraphs of this section of this article, the board or a duly constituted compensation committee of the board shall also comply with the following additional requirements and procedures:

- a. the terms of compensation shall be approved by the board or compensation committee prior to the first payment of compensation;

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- b. all members of the board or compensation committee who approve compensation arrangements must not have a conflict of interest with respect to the compensation arrangement as specified in IRS Regulation Section 53.4958-6(c)(iii), which generally requires that each board member or committee member approving a compensation arrangement between this organization and a "disqualified person" (as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations):
1. is not the person who is the subject of the compensation arrangement, or a family member of such person;
 2. is not in an employment relationship subject to the direction or control of the person who is the subject of the compensation arrangement;
 3. does not receive compensation or other payments subject to approval by the person who is the subject of the compensation arrangement;
 4. has no material financial interest affected by the compensation arrangement; and
 5. does not approve a transaction providing economic benefits to the person who is the subject of the compensation arrangement, who in turn has approved or will approve a transaction providing benefits to the board or committee member.
- c. the board or compensation committee shall obtain and rely upon appropriate data as to comparability prior to approving the terms of compensation. Appropriate data may include the following:
1. compensation levels paid by similarly situated organizations, both taxable and tax-exempt, for functionally comparable positions. "Similarly situated" organizations are those of a similar size, purpose, and with similar resources;
 2. the availability of similar services in the geographic area of this organization;
 3. current compensation surveys compiled by independent firms;
 4. actual written offers from similar institutions competing for the services of the person who is the subject of the compensation arrangement;
- As allowed by IRS Regulation 4958-6, if this organization has average annual gross receipts (including contributions) for its three prior tax years of less than \$1 million, the board or compensation committee will have obtained and relied upon appropriate data as to comparability if it obtains and relies upon data on compensation paid by three comparable organizations in the same or similar communities for similar services.
- d. the terms of compensation and the basis for approving them shall be recorded in written minutes of the meeting of the board or compensation committee that approved the compensation. Such documentation shall include:
1. the terms of the compensation arrangement and the date it was approved;

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2. the members of the board or compensation committee who were present during debate on the transaction, those who voted on it, and the votes cast by each board or committee member;
 3. the comparability data obtained and relied upon and how the data was obtained;
 4. If the board or compensation committee determines that reasonable compensation for a specific position in this organization or for providing services under any other compensation arrangement with this organization is higher or lower than the range of comparability data obtained, the board or committee shall record in the minutes of the meeting the basis for its determination;
 5. If the board or committee makes adjustments to comparability data due to geographic area or other specific conditions, these adjustments and the reasons for them shall be recorded in the minutes of the board or committee meeting;
 6. any actions taken with respect to determining if a board or committee member had a conflict of interest with respect to the compensation arrangement, and if so, actions taken to make sure the member with the conflict of interest did not affect or participate in the approval of the transaction (for example, a notation in the records that after a finding of conflict of interest by a member, the member with the conflict of interest was asked to, and did, leave the meeting prior to a discussion of the compensation arrangement and a taking of the votes to approve the arrangement);
 7. The minutes of board or committee meetings at which compensation arrangements are approved must be prepared before the later of the date of the next board or committee meeting or 60 days after the final actions of the board or committee are taken with respect to the approval of the compensation arrangements. The minutes must be reviewed and approved by the board and committee as reasonable, accurate, and complete within a reasonable period thereafter, normally prior to or at the next board or committee meeting following final action on the arrangement by the board or committee.

Section 6. Annual Statements

Each director, principal officer, and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- a. has received a copy of the conflicts of interest policy;
- b. has read and understands the policy;
- c. has agreed to comply with the policy; and

Section 7. Periodic Reviews

To ensure the corporation operates in a manner consistent with expressed purposes and does not engage in activities that could jeopardize its status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's-length bargaining.

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- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes, and do not result in inurement, impermissible private benefit, or in an excess benefit transaction.

Section 8. Use of Outside Experts

When conducting the periodic reviews as provided for in Section 7, the corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

Article 9 Amendment of Bylaws

Section 1. Amendment

Subject to the power of the members, or the Executive Committee, if any, of this corporation to adopt, amend, or repeal the bylaws of this corporation and except as may otherwise be specified under provisions of law, these bylaws, or any of them, may be altered, amended, or repealed and new bylaws adopted by approval of the board of directors.

Article 10 Construction and Terms

If there is any conflict between the provisions of these bylaws and the articles of incorporation of this corporation, the provisions of the articles of incorporation shall govern.

Should any of the provisions or portions of these bylaws be held unenforceable or invalid for any reason, the remaining provisions and portions of these bylaws shall be unaffected by such holding.

All references in these bylaws to the articles of incorporation shall be to the articles of incorporation, articles of organization, certificate of incorporation, organizational charter, corporate charter, or other founding document of this corporation filed with an office of this state and used to establish the legal existence of this corporation.

All references in these bylaws to a section or sections of the Internal Revenue Code shall be to such sections of the Internal Revenue Code of 1986 as amended from time to time, or to corresponding provisions of any future federal tax code.

ARTICLE 11

Policies

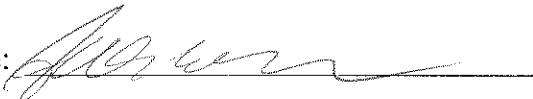
The Board of Directors may adopt policies that shall be incorporated into these By-Laws. The following policies have been adopted and incorporated herein:

Appendix 1: Whistleblower Policy

Appendix 2: Document Retention and Destruction Policy

Appendix 3: Comprehensive Information Security Policy

I, ASHER ELCACIN, as the duly appointed clerk of Bay State Holistic, Incorporated, hereby attest to the fact that these are the bylaws of the corporation, and that they were duly adopted by a vote of the board of directors on November 19, 2013.

Signature: 

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Appendix 1

Bay State Holistic, Inc.

WHISTLEBLOWER POLICY

I. Expectation

Bay State Holistic, Inc. (the "Non-profit") expects directors, officers and employees to observe high ethical standards in carrying out their responsibilities and to comply with all applicable laws and regulations.

II. Open Door Policy

If any director, officer or employee has complaints, concerns, or questions as to the ethics or legality of a particular action taken by another director, officer or employee, he/she is encouraged to raise such complaints, concerns or questions with the relevant individual. With respect to directors, the relevant individual is the chair of the board of directors or any other director. With respect to officers and employees, the relevant individual is the Executive Director, if there is one in office, and if not, any member of the board. In the event the director, officer or employee believes there may have been a legal transgression, and that it is not reasonable to raise the issue with a board member or the Executive Director, he/she should contact an outside attorney. Anyone filing a complaint concerning a violation or suspected violation of a law, regulation or ethical requirement must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation. Individuals making baseless or malicious accusations will be disciplined up to and including termination.

III. Requirement of Investigation

Within a reasonable time of receiving a complaint, concern or question regarding compliance with a law, regulation or ethics requirement, the Executive Director and/or board member shall open an investigation into the matter and pursue it to resolution. Should the Executive Director or board member find that a law, regulation or ethics requirement has been violated, appropriate action should be taken.

IV. Confidentiality

To the degree possible, the names of the individuals reporting under this Whistleblower Policy shall be kept confidential.

V. Protection from Retaliatory Action

Neither the Non-profit nor its managers may take any negative employment or other retaliatory action against any director, officer or employee who in good faith reports a violation of a law or regulatory requirement. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline including, but not limited to, termination of employment.

VI. General Policy

This general policy is not a contract and it may be rescinded or amended at any time by the Non-profit. It is not intended to and does not create any legally enforceable rights whatsoever for any employee.

Adopted November 19, 2013,  Adler Eliacin, Clerk, Bay State Holistic, Incorporated.

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Appendix 2
Bay State Holistic, Incorporated
DOCUMENT RETENTION AND DESTRUCTION POLICY
I. Retention Policy

Bay State Holistic, Incorporated (the “Non-profit”) takes seriously its obligations to preserve information relating to litigation, audits, and investigations. The information listed in the retention schedule below is intended as a guideline and may not contain all the records the Non-profit may be required to keep in the future.

From time to time, the Non-profit may suspend the destruction of records due to pending, threatened, or otherwise reasonably foreseeable litigation, audits, government investigations, or similar proceedings or as otherwise required under applicable law or regulation.

File Category	Item	Retention Period
Corporate Records	<i>Bylaws and Articles of Incorporation</i>	Permanent
	<i>Corporate resolutions</i>	Permanent
	<i>Board and committee meeting agendas and minutes</i>	Permanent
	<i>Conflict-of-interest disclosure forms</i>	4 years
Finance and Administration	<i>Financial statements (audited)</i>	7 years
	<i>Auditor management letters</i>	7 years
	<i>Payroll records</i>	7 years
	<i>Check register and checks</i>	7 years
	<i>Bank deposits and statements</i>	7 years
	<i>Chart of accounts</i>	7 years
	<i>General ledgers and journals (includes bank reconciliations)</i>	7 years
<i>Investment performance reports</i>	7 years	



	<i>Equipment files and maintenance records</i>	7 years after disposition
	<i>Contracts and agreements</i>	7 years after all obligations end
	<i>Correspondence — general</i>	3 years
Insurance Records	<i>Policies — occurrence type</i>	Permanent
	<i>Policies — claims-made type</i>	Permanent
	<i>Accident reports</i>	7 years
	<i>Safety (OSHA) reports</i>	7 years
	<i>Claims (after settlement)</i>	7 years
	<i>Group disability records</i>	7 years after end of benefits
Real Estate	<i>Deeds</i>	Permanent
	<i>Leases (expired)</i>	7 years after all obligations end
	<i>Mortgages, security agreements</i>	7 years after all obligations end
Tax	<i>IRS Tax returns and related correspondence</i>	Permanent
	<i>IRS Form 1120s</i>	7 years
	<i>State Tax returns</i>	7 years
Human Resources	<i>Employee personnel files</i>	Permanent
	<i>Retirement plan benefits (plan descriptions, plan documents)</i>	Permanent
	<i>Employee handbooks</i>	Permanent

Permanent


	<i>Workers comp claims (after settlement)</i>	7 years
	<i>Employee orientation and training materials</i>	7 years after use ends
	<i>Employment applications</i>	3 years
	<i>IRS Form I-9 (store separate from personnel file)</i>	Greater of 1 year after end of service, or three years
	<i>Withholding tax statements</i>	7 years
	<i>Timecards</i>	3 years
Technology	<i>Software licenses and support agreements</i>	7 years after all obligations end

II. Electronic Documents and Records

Electronic documents will be retained as if they were paper documents. Therefore, any electronic files that fall into one of the document types on the above schedule will be maintained for the appropriate amount of time. If a user has sufficient reason to keep an e-mail message, the message should be printed in hard copy and kept in the appropriate file or moved to an “archive” computer file folder. Backup and recovery methods should be tested on a regular basis.

III. Emergency Planning

The Non-profit’s records should be stored in a safe, secure, and accessible manner. Documents and financial files that are essential to keeping the Non-profit operating in an emergency should, if possible, be duplicated or backed up at least weekly and maintained off-site.

IV. Document Destruction

Documents should be eliminated at the end of the relevant retention period. Destruction of financial and personnel-related documents should be accomplished by shredding as permitted by the applicable local and state regulations. Document destruction with respect to relevant documents will be suspended immediately, upon any indication of an official investigation or when a lawsuit is filed or appears imminent. Destruction will be reinstated upon conclusion of the investigation or lawsuit.

V. Compliance

The Non-profit will periodically review these procedures with legal counsel or the Non-profit’s certified public accountant to ensure that they are in compliance with new or revised regulations.

Adopted November 17, 2013,  Adler Eliacin, Clerk, Bay State Holistic, Incorporated.



Appendix 3

Bay State Holistic, Incorporated.

COMPREHENSIVE INFORMATION SECURITY POLICY

I. OBJECTIVE

It is the objective of Bay State Holistic, Incorporated (“Non-profit”) in the development and implementation of this comprehensive information security program (“CISP”) to create effective administrative, technical and physical safeguards for the protection of personal information, and to comply with obligations under 201 CMR 17.00 and 105 CMR 725.00. This CISP sets forth our procedure for evaluating our electronic and physical methods of accessing, collecting, storing, using, transmitting, and protecting personal information. For purposes of this CISP, “personal information” means an individual’s first name and last name or first initial and last name in combination with any one or more of the following data elements that relate to such resident: (a) Social Security number; (b) driver's license number or state-issued identification card number; or (c) financial account number, or credit or debit card number, with or without any required security code, access code, personal identification number or password, that would permit access to an individual’s financial account; provided, however, that “personal information” shall not include information that is lawfully obtained from publicly available information, or from federal, state or local government records lawfully made available to the general public. Non-profit generally acquires personal information in connection with hiring employees and payroll, and in connection with sales to the public.

II. PURPOSE

The purpose of the CISP is to:

- Ensure the security and confidentiality of personal information;
- Protect against any anticipated threats or hazards to the security or integrity of such information; and



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- Protect against unauthorized access to or use of such information in a manner that creates a substantial risk of identity theft or fraud.

III. DATA SECURITY COORDINATOR

RMD appoints the Treasurer to be its Data Security Coordinator. The Data Security Coordinator will be responsible for:

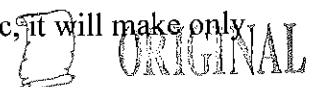
- Initial implementation of the CISP;
- Regular testing of the CISP's safeguards;
- Evaluating the ability of each of Non-profit's third party service providers to implement and maintain appropriate security measures for the personal information to which Non-profit permits them access, and requiring such third party service providers to implement and maintain appropriate security measures;
- Reviewing the scope of the security measures in the CISP at least annually, or whenever there is a material change in Non-profit's business practices that may implicate the security or integrity of records containing personal information; and
- Conducting an annual training session for all directors, officers, employees, volunteers and independent contractors, including temporary and contract employees who have access to personal information on the elements of the CISP.

IV. HANDLING PERSONAL INFORMATION

A. Paper Records

All paper records containing personal information shall be kept in a locked file cabinet with restricted access. Paper records will be destroyed regularly in accordance with Non-profit's document destruction policy using an office-grade shredder as permitted by the applicable regulations. Records containing personal information may not be taken out of the office and may be accessed only by personnel with a business necessity. Checks that need to be transported from the dispensary to the bank may be sent by US mail or hand delivered by the responsible employee, and if hand delivered, will not be left unattended at any point in the transition.

Checks. When Non-profit receives checks from members of the public, it will make only

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one hard copy and keep it in a locked file cabinet with restricted access. The checks themselves will also be kept under lock and key until they are deposited.

Paper employment records. Paper employment records must be kept under lock and key and accessed only by staff members responsible for employment issues and/or by the Executive Director.

B. Electronically Held Records

Non-profit requires the following security systems with respect to the maintenance of personal information on its computers:

Authentication Protocols. The Data Security Coordinator shall secure user authentication protocols including:

- Control of user IDs and other identifiers;
- A reasonably secure method of assigning and selecting passwords, or use of unique identifier technologies, such as biometrics or token devices;
- Control of data security passwords to ensure that such passwords are kept in a location and/or format that does not compromise the security of the data they protect;
- Restricting access to active users and active user accounts only; and
- Blocking access to user identification after multiple unsuccessful attempts to gain access.

Access Protocols. The Data Security Coordinator shall implement the following secure access control measures:

- Restrict access to records and files containing personal information to those who need such information to perform their job duties; and
- Assign unique identifications plus passwords, which are not vendor supplied default passwords, to each person with computer access, that is reasonably designed to maintain the integrity of the security of the access controls.

Restriction on E-mailing Personal Information. Non-profit will not, as a general rule, send or accept personal information by e-mail. To the extent exceptions must be made, the security measures described in this CISP shall be taken.

Encryption. Should any records and files containing personal information be transmitted,



across public networks or wirelessly, such records or files shall be encrypted. Personal information stored on laptops and other portable devices shall also be encrypted.

Monitoring. Non-profit shall take all steps necessary to reasonably monitor its computer network for unauthorized use of or access to personal information.

Firewalls. All files containing personal information on a system that is connected to the Internet shall be protected by a reasonably up-to-date firewall protection and operating system security patches designed to maintain the integrity of the personal information.

Virus protection. All computers containing personal information shall be protected by reasonably up-to-date versions of system security agent software, including malware protection and reasonably up-to-date patches and virus definitions, or a version of such software that can still be supported with up-to-date patches and virus definitions, and is set to receive the most current security updates on a regular basis.

C. Vendors

Non-profit routinely shares personal and financial information with its payroll service, its CPA firm, legal counsel, credit card vendors and Pay Pal. Non-profit requires each of these organizations to send written evidence, signed by an authorized person, confirming that they follow a security plan that fully complies with 201 CMR 17.

D. Training

The Data Security Coordinator shall ensure that all employees, whether full-time, part-time, seasonal or temporary, and independent contractors, consultants and volunteers who have access to personal information are trained on the data security requirements provided in this CISP.

VI. PERSONS SEPARATING FROM NON-PROFIT

All employees, whether full-time, part-time, seasonal or temporary, and independent contractors, consultants and volunteers upon termination or resignation shall immediately be denied access to physical and electronic records containing personal information and will be required to return or destroy all records and files containing personal information in any form that may at the time of such termination or resignation be in their possession or control, including all

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such information stored on laptops, portable devices, or other media, or in files, records, notes, or papers.

VII. SECURITY BREACH AND NOTIFICATION

All employees, whether full-time, part-time, seasonal or temporary, and independent contractors, consultants and volunteers, shall as soon as practicable and without unreasonable delay notify the Data Security Coordinator when such person knows or has reason to know of a security breach or when the person knows or has reason to know that personal information was acquired or used by an unauthorized person or used for an unauthorized purpose.

A “security breach” is any unauthorized acquisition or unauthorized use of unencrypted data or, encrypted electronic data and the confidential process or key that is capable of compromising the security, confidentiality, or integrity of personal information that creates a substantial risk of identity theft or fraud. A good faith but unauthorized acquisition of personal information by a person or agency, or employee or agent thereof, for lawful purposes, is not a breach of security unless the personal information is used in an unauthorized manner or subject to further unauthorized disclosure.

When the Data Security Coordinator is informed of a security breach, she will (1) notify the individual whose information was compromised, and (2) notify the Massachusetts Attorney General and the Office of Consumer Affairs and Business Regulation.

The notice to the individual will be in writing, possibly by electronic mail, and will include the following information:

- A general description of the incident;
- Identification of the personal information that may be at risk;
- A description of Non-profit’s security program;
- A phone number to call within Non-profit for further information;
- Suggestion of extra caution, to review account statements, and to obtain a credit report; and

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- Phone numbers and addresses of the Federal Trade Commission, state agencies that may be of assistance, and major consumer reporting agencies. The notice will not be provided if law enforcement personnel advise against it.

The notice to the Office of Consumer Affairs and Business Regulation and to the Attorney General will include the following:

- A detailed description of the nature and circumstances of the breach of security;
- The number of people affected as of the time of notification;
- The steps already taken relative to the incident;
- Any steps intended to be taken relative to the incident subsequent to notification; and
- Information regarding whether law enforcement is engaged investigating the incident.

Non-Retaliation. Non-profit will not retaliate against anyone who reports a security breach or non-compliance with CISP, or who cooperates in an investigation regarding such breach or non-compliance. Any such retaliation will result in disciplinary action by the responsible parties up to and including suspension or termination.

Documentation. Non-profit shall document all responsive actions taken in connection with any incident involving a security breach.

Adopted November 19, 2013,  Adler Eliacin, Clerk, Bay State Holistic, Incorporated.

AMENDED ARTICLES OF ORGANIZATION
(Exhibit 1.7)

This exhibit must be completed and attached to a required document (if applicable) and submitted as part of the application.

Corporation Name: Bay State Holistic, Incorporated

Application # (if more than one): N/A

Please check box if articles have changed since Phase 1:

YES

NO

PARENT OR SUBSIDIARY CORPORATIONS
(Exhibit 1.8)

This exhibit must be completed and submitted as part of the application.

Corporation Name: Bay State Holistic, Incorporated

Application # (if more than one): N/A

Corporation Name	Chief Executive Officer	CEO Business Phone & Email	Corporation's Board Officers	Corporate Relationship to Applicant
1 N/A			President/Chair: Treasurer: Clerk/Secretary:	
2			President/Chair: Treasurer: Clerk/Secretary:	
3			President/Chair: Treasurer: Clerk/Secretary:	
4			President/Chair: Treasurer: Clerk/Secretary:	
5			President/Chair: Treasurer: Clerk/Secretary:	



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**REFERENCES
(Exhibit 1.9)**

This exhibit must be completed and submitted as part of the application.

Corporation Name: Bay State Holistic, Incorporated

Application # (if more than one): N/A

	Name of Reference	Business Phone & Email	Relationship to Applicant	Dates of Relationship
1	Dr. Anne Larkin M.D.	508-344-5202 Anne.Larkin@umassmemorial.org	She was my supervisor as program director for the Department of General Surgery at UMASS Medical Center	July 1, 2012 to July 1, 2013
2	Dr. Victor Dzau M.D.	919-684-2255 Victor.Dzau@Duke.edu	He is the chancellor of health affairs for Duke University Health System. We sit on the Board of Trustees at Duke University together.	July 2007 to the present.
3	Dr. Richard Brodhead PhD	919-684-2424 President@Duke.edu	He is the President of Duke University. He also sits on the Board of Trustees at Duke University.	October 2004 to the present.



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EXECUTIVE MANAGEMENT TEAM
(Exhibit 2.1)

This exhibit must be completed and submitted as part of the application.

Corporation Name: Bay State Holistic, Incorporated

Application # (if more than one): N/A

	Management Role	Name	Date of Birth	Business Email and Phone Number	Business Address
1	Chief Executive Officer	Gregory Malik Burnett	[REDACTED]	GMalik@BayStateHolistic.com 678-416-0057	20F Shrewsbury Greens Drive Shrewsbury, MA 01545
2	Vice President/ Executive Dispensary Manager	Adler Eliacin	[REDACTED]	Adler@BayStateHolistic.com 617-306-0766	135 Cedar Street Boston, MA 02119
3	Chief Operations Officer/ Executive Garden Manager/ Chief Financial Officer	Corey Barnette	[REDACTED]	Corey@BayStateHolistic.com 202-841-3232	1440 Primrose Road NW Washington DC, DC 20012



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RMD Phase 2 application- November 21, 2013

**RESUMES FOR EXECUTIVE MANAGEMENT TEAM
(Exhibit2.2)**

This exhibit must be completed and attached to the required documents and submitted as part of the application.

Corporation Name: Bay State Holistic, Incorporated

Application # (if more than one): N/A

List the résumés attached:

	Title	Name
1	Chief Executive Officer	Gregory Malik Burnett
2	Vice President/Executive Dispensary Manager	Adler Eliacin
3	Chief Operations Officer/Executive Garden Manager	Corey Barnette

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Resume of Gregory Malik Burnett

Chief Executive Officer of Bay State Holistic, Incorporated

20F Shrewsbury Greens Drive Shrewsbury, MA 01545

(678) 416-0057 [REDACTED]

EDUCATION

DUKE UNIVERSITY, Fuqua School of Business, Durham, NC 2009 - 2012

Master of Business Administration, Health Sector Management Concentration, GPA: 3.3 GMAT: 660 (80%), V: 37 Q: 43, Fuqua School of Business Scholar (50% Merit Scholarship), 2009 Aspen Health Forum Fellow (1 out of 6 professional students nationwide), Duke University Annual Fund Executive Committee Member

DUKE UNIVERSITY, School of Medicine, Durham, NC 2007 - 2012

Doctor of Medicine, Duke University Scholar (awarded to 1 out of 100 students), President, Class of 2011

President, Student National Medical Association, Clinical Core Student Advisory Committee Member, Practice Course Diversity Committee Member, Body and Disease Task Force Member

DUKE UNIVERSITY, Durham, NC 2003 - 2007

Bachelors of Science in Psychology GPA: 3.4, President, Black Student Alliance, President/Co-founder, Black Male Outreach and Education (community service organization, placed 8 students in college)

EXPERIENCE

University of Massachusetts Medical Center, Worcester, MA 2012 - 2013

Resident, General Surgery

- Coordinated the preoperative and postoperative care of 750 surgical patients
- Conducted analysis of work hour violations resulting in a change in documentation policy within the department
- Performed 100 general surgery procedures within the various subspecialties of the field
- Taught 25 3rd and 4th year medical students about the care of surgical patients

Duke University Board of Trustees, Durham, NC 2012 - Present

Graduate Young Trustee (1 graduate student elected university-wide)

- Contextualized the impact of board decisions on the graduate school experience at the 10 graduate schools of Duke University with the goal of improving board governance structure.
- Reviewed facility design and business operations for the renovation and redesign of the University student union.
- Appraised the governance structure, business operations and financial viability of Duke School of Medicine in preparation for implementation of the Affordable Care Act.

Duke University Hospital, Durham, NC Summer 2010

Graduate Summer Intern

- Facilitated a program evaluation of business and clinical operations for the Sickle Cell Division of the Department of Medicine with projected annual savings of \$600,000.
- Analyzed the utilization and space requirements of the hospital gymnasium ultimately expanding access for hospital faculty and staff by 20%.

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- Developed performance metrics to define physician quality at the hospital
- Reported directly to the President/CEO of Duke Hospital

Duke School of Medicine, Durham, NC

2007 - 2009

President, Class of 2011

- Authored and edited 1st Year Curriculum Chapter of the Duke Liaison Committee on Medical Education Report in order to help the school maintain accreditation
- Served as the liaison between students and administration to create a change in school technology policy resulting in a refund of \$200 being issued to students
- Developed and maintained a class blog which served to facilitate assessing class sentiment, coordinating class events, and managing class funds.

RESEARCH

Impact of Undocumented Patients on Hospital Resources. Department of Surgery, Duke School of Medicine. Durham, NC. August 2011.

Virtual Learning Environments in Medical Education: A Brazilian Experience. Center for Health Informatics, Federal University of Pernambuco. Recife, Brazil. May 2011.

ADDITIONAL INTERESTS

German (conversational), Portuguese (basic), Eagle Scout- Boy Scouts of America, college and professional football, boxing, international soccer, health care innovation, domestic and foreign policy



ORIGINAL

Resume of Adler Eliacin

Vice President and Executive Dispensary Manager of Bay State Holistic, Incorporated

135 Cedar Street Boston, MA 02119

Phone: (617) 306-0766

SUMMARY:

Proven, hands on, results-driven **IT Director/Global Project Manager** with extensive experience leading project teams, implementing technical systems, improving process flow, and administering department budgets. Possesses an in-depth understanding of emerging technologies and their commercial applications. Over sixteen years of successful planning and directing activities that provide innovative Information Technology, Telecommunications, and Customer Service Solutions across diverse customer groups in the financial services, consulting, government, healthcare and start-up industries.

AREA OF EXPERTISE:

- Technology Architecture & Integration
- Global IT Delivery & Multi-Site Project Management
- Vendor Negotiations & Coordinator
- Budgeting & Cost Control
- Organization & Staff Development
- Growth Strategies & Quality Assurance
- Electronic Commerce Strategy & Development
- Training & Program Development
- Customer Relations Management
- Managed Service Provider Management



ORIGINAL

Resume of Adler Eliacin

Vice President and Executive Dispensary Manager of Bay State Holistic, Incorporated

EXPERIENCE:

Urban League of Eastern Massachusetts (ULEM) -, Boston, Massachusetts

Director of Information Technology and Technical Training (November 2008 – Present)

Responsibilities include: Direct overall Information Technology and Telecommunications services for ULEM. Manage IT and telecom staff, contractors, and partners. Plan and implement Information Technology and Telecommunications standards, procedures, and processes. Responsible for vendor relations, department integration, budget management, data security, capacity, expansion, and growth planning. Provide strategic advice to the chief executive officer, corporate leadership and board of directors regarding system specifications, data management, hardware/software applications, information storage/retrieval, inventory, and system states.

- Develop and mentor direct reports. Deliver consistently high quality results on-time and under budget projects. Lead teams and gain members' commitment to overall success of assignment.
- Design and implement hardware and software solutions to meet the needs of all departments (Customer Service, Training, Business Development, Information Technology, Telecommunications, Finance, Human Resources, and Accounting.)
- Hands-on Project Management for implementing server virtualization (From multi physical to virtual via VMware ESX.) System Administration of all Windows Based 2008/2012 Servers, SQL 2005/2008 Servers, and Mixed Mode Architecture.
- Provide support for web application programming, audio/visual, and security systems. Monitor technology infrastructure for entire district and provide system and state reporting.
- Serve as the liaison between the ULEM and its diverse technology community partner's with primary responsibility for technical job outreach and development.
- Develop and implement new technical training procedure and course material for ULEM career readiness initiatives program.

Verizon Business, Boston, Massachusetts

Corporate Account Manager (January 2006– June 2008)

Prospected and sold to top strategic accounts within the New England area. Continued to build on Verizon Business reputation and established strong foundations for future sales through extensive sales skills.

- Maintenance and growth of the existing revenue streams as well as formulating strategic account plans for increasing each client's portfolio of Verizon Business products and services, resulting in 110% increased revenue
- Closed 110% of quota by building strong rapport with technical account users that influenced decision makers.
- Built internal support for product solutions designed to fit specific customer needs; engendered long-term loyalty, with requests for collaboration despite promotions to different markets.
- Designed and developed conceptual solutions for business problems. Create high-level representation of the solution. Prioritized and analyzed data and engaged resources for complex projects.
-
-

Resume of Adler Eliacin

Vice President and Executive Dispensary Manager of Bay State Holistic, Incorporated

- Product base consisted of Professional Services, Security, Wireless, Data and IP Services, VoIP, Hosting, Customer Premises Equipment (CPE) Solutions, conferencing, Wireless Solution, Managed Networks, and Contact Centers.
- Prepared and presented detailed proposals to decision-makers (VP and C-level) and translated technical information into terms that linked business solutions and emphasized benefits.
- Worked with government client to gain crucial 3-year commitment. Identified and overcame objections during and after proposed solutions.

AMICAS- Boston, Massachusetts

Information Technology Manager (June 2003 – January 2006)

Developed and implemented Technology Solutions for internal and external AMICAS clients including RIS and PACS readiness assessments and planning, virtualization, storage and network architecture, security assessments, data compliance and other modular IT services for Healthcare and Life Science companies.

- Ensured the optimal performance of business-critical network, workstation equipment, internet sites, user applications, and database. Procure hardware, software and telecom equipment.
- Developed AMICAS's corporate technology vision and strategy. Steered multiple projects to completion within time and budget. Strengthened the relationship with the end-user community.
- Prepared RIS and PACS solution design and support for the Community Hospital as a service offering. Developed and delivered persuasive presentations. Partnered with clients and built strong partnerships persisting over long sales cycle.
- Reestablished successful account relationships in a territory that had been vacant for more than a year.
- Worked closely with the Healthcare strategic consulting, national hospital group, RIS and PACS lead group and physician services group to support Modular technology service offerings.
- Helped design a solution that generated \$600,000.00 savings in productivity for AMICAS Customers.
- Demonstrated expertise in all aspects of hands-on client services and business development practices including needs analysis, suggestive/strategic selling and maximizing client potential.
- Designed and developed conceptual solutions for business problems. Identified and overcame objections during and after proposed solutions.

iBasis Corp, a Cisco Company, Burlington, MA

International Project Manager (May 2000 - March 2003)

International Sales Engineer (December 1998 – May 2000)

Responsible for implementations and all support facets of over 20 Global Cisco Network, VoIP, Satellite and data solutions projects. International and domestic multi-site deployment and management.

- Accountable for the architecture and installation of client voice and data networks worldwide. Organized, managed, and coordinated all aspects of multiple complex projects to include planning, execution, and evaluation that led to 210% increase in revenue.
- Managing matrixed teams of developers and subcontractors in multiple locations. Defined objectives, made recommendations, and set goals leading to project implementation and significant performance improvements.
- Supported clients during implementation and installation. Provided consulting and support services to customers in relation to changes, upgrades, or new functionality of products.

Resume of Adler Eliacin

Vice President and Executive Dispensary Manager of Bay State Holistic, Incorporated

- Team leader of up to six systems and network engineers, on multiple projects. Build global alliance in over 15 international countries, including in Latin America, Europe, Middle East, Africa, and Pacific Asia.
- Worked in parallel with alliance partners (Cisco, Dell, EMC and NCR) to support clients.
- Provided updates of requirements, ROI, and profitability to essential groups as well as to the corporate senior executive team.

BBN Technologies, a Raytheon Company, Cambridge, Massachusetts

Field Engineer (November 1996 - December 1998)

Managed the rollout of the company network based on both Windows NT and Novell servers in 22 state offices.

- Managed all user network accounts. Migrated users from Novell environment to Window NT.
- Configured and administered MS BackOffice products, national LAN/WAN, and TCP/IP configuration.
- Installed, configured, and supported Motorola and Cisco routers. Installed and configured all software on individual PC's.
- Performed product research & development, recommended new technologies, documented procedures and implemented new application software improving system designs and ensuring compatibility with existing network architecture.
- Configured and supported workstations for remote access using TCP/IP and asynchronous dial-up connections.

EDUCATION:

Northeastern University, Boston, MA

Bachelors of Sciences in Business Administration - June 1996

Focus: Management Information Systems, Minor: Marketing

Project Management Services, Inc., Atlanta, GA

Project Management Training - February 2000

Resume of Corey Barnette

Chief Operations Officer and Executive Garden Manager of Bay State Holistic, Incorporated

Experience

2009-Present DISTRICT GROWERS, LLC Washington D.C.

Operator of licensed medical cannabis cultivation centers and medical cannabis dispensaries providing medical cannabis to registered patients in regulated medical marijuana programs.

2010 – Present District Growers, Washington DC

Registered cultivation center in Washington DC.

- Produces more varieties of strains than any other cultivation centers in Washington DC.
- 2nd licensed cultivation center in Washington DC.

2010 – 2008 Metropolitan Wellness Center, Washington DC

Registered dispensary center in Washington DC.

- As of 11/01/2013, served greater than 38% of all patient in the Medical Marijuana Program

2010 – 2011 Chi Holistic, LLC San Diego California

California not-for-profit medical marijuana dispensary

- Patient base greater than 8,000 patients at closing
- Internally cultivated over 40% of cannabis for member patients at the time of closing
- Closed due to re-zoning of dispensaries in San Diego

2009 – 2010 San Diego Medical Collective, Inc. San Diego, CA

California not-for-profit medical marijuana dispensary

- 9th oldest dispensary in San Diego
- Patient base greater than 11,000 patients at closing
- Internally cultivated greater than 45% of cannabis for member patients at the time of closing
- Closed due to re-zoning of dispensaries in San Diego

 ORIGINAL

Resume of Corey Barnette

Chief Operations Officer and Executive Garden Manager of Bay State Holistic, Incorporated

2004-2010 THE SCROLL COMPANIES, LLC Washington D.C.

Independent sponsor combining capital and strategic expertise to acquire and manage controlling positions in small growing companies (Investment performance available upon request). Served as Managing Director and led (or co-led) each of the firms investments since inception. Provided strategic oversight for portfolio companies. Select Scroll portfolio investments include:

2008 – 2010 Primary Physicians Research, Inc.

Clinical trials company with 22 testing sites focused initially on vaccine and pediatric trials.

- Diversified client base and extended therapeutic areas by 50%
- 2.7x increase in 12-month forward looking Contract Calendar at exit

2005 – 2008 Henry's Wrecker Service, LLC

Largest single-region auto recovery company in the country with over 220 trucks in the DC-MD-VA area.

- Acquired/integrated auto auction company to expand margins and increase/diversify revenue streams
- Acquired/integrated two strategic towing companies to access municipal contracts and expand northern footprint capabilities
- Exited at 4.6x original purchase price

2004 – 2008 Acord Holdings, LLC

Tier II "cut and sew" manufacturing supplier to the automotive industry.

- Acquired/integrated competitor to expand capabilities and access new customers increasing revenue by over 30%
- Increased run-rate revenues over 250% prior to exit
- Strategic acquisition of a Mexico-based sister company (\$6 million revenue)

2000-2004 SMALL ENTERPRISE ASSISTANCE FUNDS, Washington D.C.

Principal, Venture Capital & Structured Equity

Led and served on SEAF international deal teams and investment committees for managed funds in Central and Eastern Europe, South America and Africa (led/co-led 12 investments). Worked with portfolio companies around the world to build value post-investment and promote exit. Managed strategic relationships with venture partners in developing markets. Actively advise

Resume of Corey Barnette

Chief Operations Officer and Executive Garden Manager of Bay State Holistic, Incorporated

other SEAF Fund teams regarding emerging market investment strategies. (Investment performance and references available upon request).

- Internal rate of return on investments of approximately 19.4%

1999-2000 **BANK OF AMERICA CORPORATION, Washington, D.C.**

Vice President, Disadvantaged Business Corporate Banking Group

Executed investments (debt and equity) in minority-owned businesses and businesses operating in disadvantaged markets. Developed and maintained relationships with business owners and potential in-market financing partner sources. Created investment strategies, performed due diligence, design risk mitigation strategies, structured/negotiated debt and equity investments in companies across multiple industries.

- Executed transactions totaling over 48% of group's 1999 fee base.

1997-2000 **NATIONSBANC MONTGOMERY SECURITIES, Charlotte, NC**

Associate, High Yield/Leveraged Finance

Analyzed and provided financing alternatives for highly leveraged mergers/acquisitions, leveraged buy-outs and change of control transactions. Conducted due diligence, proposed risk management strategies, participated on deal teams and presented to deal committees. Prepared presentations, financial data, valuation models and offering memorandum for the public and private investor markets.

- Executed in excess of \$7.8 billion in highly leveraged M&A and refinancing transactions.

Summer 1996 Associate Intern, Global Finance

Analyzed financial data, industry reports, and company information of client companies to identify strategic alternatives. Served on cross-functional deal teams to deliver capital markets products. Supported Client Management efforts.

1992-1995 **BECHTEL CORPORATION, Augusta, GA**

Resume of Corey Barnette

Chief Operations Officer and Executive Garden Manager of Bay State Holistic, Incorporated

Mechanical Engineer, Design Engineering

Provided design support for process engineering systems throughout the Savannah River Site (Aiken, SC). Focused specifically on small-system machine design, process design, and engineered system maintenance. Designed/maintained processed material systems. Served on cross functional "Critical Systems" teams to provide emergency response where needed.

- Managed two site areas providing immediate design support for critical systems
- Promoted twice in two years which was considered an accelerated pace
- Designed/procured tanks and engineered products for use in radioactive areas

Education

1995-1997 FUQUA SCHOOL OF BUSINESS, Duke University, Durham, NC

Master of Business Administration, May 1997. Fuqua Fellowship Recipient. Elected Section Representative. Finance Club. Entrepreneur & Venture Capital Club. Intramural Sports. Small and Minority Business Consulting Program.

1987-1992 TENNESSEE TECHNOLOGICAL UNIVERSITY, Cookeville, TN

Bachelor of Science, Mechanical Engineering, December 1992. Dean's List. Pi Tau Sigma Honorary Mechanical Engineering Fraternity. Amoco Oil Company Scholar. Polemarch, Kappa Alpha Psi Fraternity, Inc. Entrepreneurship Club. Small Business Consulting Office work study.

Boards and Obligations include:

- Speaker at the Capital Round Table: Independent/Fundless Sponsor Training 2008, Fuqua's Entrepreneurship & Venture Capital class 2000-2004, Howard University Scholl of Business, International finance and Entrepreneurship class 2000-Present, Robert H. Smith School of Business, University of Maryland entrepreneurship and venture capital class
- Board Member, Little Genius (2003-2008), Capital Renaissance Theatre Board Member (2002-2005)
- Member, Kappa Alpha Psi Fraternity, Inc., Washington, DC Alumni Chapter
- Husband to Kim and father to Kelci and Cierra

EVIDENCE OF CAPITAL
(Exhibit 4.1)

This exhibit must be completed and attached to a required document and submitted as part of the application.

Corporation Name: Bay State Holistic, Inc.

Application # (if more than one): N/A

Total Capital needed for this application: \$ 500,000

Attach one-page bank statement.

Date: 11/19/2013

To Whom It May Concern;

As requested by the customer indicated below, this letter confirms the following account information at Citizens Bank:

Account Title: Bay State Holistic Inc.

Account Open Date: 10/15/2013

Account Type: Checking

Current Available Balance: 521,097.45

Bank Customer's Signature: [Signature]

This letter is intended merely to describe current account information and does not constitute a Citizens Bank guarantee.

Sincerely,

Thomas J. Fitzgerald

Name of Branch Colleague: Thomas J. Fitzgerald

Branch Colleague Title: Assistant Branch Manager

Branch Location: Copley Square, Boston, MA

 ORIGINAL

**INDIVIDUALS/ENTITIES CONTRIBUTING 5% OR MORE OF INITIAL CAPITAL
(Exhibit 4.2)**

This exhibit must be completed and submitted as part of the application.

Corporation Name: Bay State Holistic, Incorporated

Application # (if more than one): N/A

Individual Name	Business Address	\$ amount and % of Initial Capital Provided	Type of Contribution (cash, land, building, in-kind)	Role in Dispensary Operations	Terms of Agreement (if any)
1 Corey Barnette	1440 Primrose Road NW, Washington DC, DC 20012	\$ 510,000 % 96.2	Cash/Loan	Director	Interest only payments for the first year, sixty payments of principal and interest with all principal and interest due 72 months after the loan origination date. Interest at 7% per annum with a 5% loan origination fee.
2		\$ %			
3		\$ %			

Entity Name/ Business Address	Leadership Names	\$ amount and % of Initial Capital Provided	Type of Contribution (cash, land, building, in-kind)	Role in Dispensary Operations	Terms of Agreement (if any)
1	CEO/ED: President/Chair: Treasurer: Clerk/Secretary:	\$ %			

1 ORIGINAL

CAPITAL EXPENSES
(Exhibit 4.3)

This exhibit must be completed and submitted as part of the application.

Corporation Name: Bay State Holistic, Incorporated

Application # (if more than one): N/A

	Expense Type	Costs	Explanation of Expense
	Planning and Development		
1	Architect and design fees	\$3,000	BSH will engage MBE architectural consultants in design of operations
2	Environmental survey	\$5,000	BSH will engage with and environmental consultant to evaluate any possible revitalization projects needed from previous business use of the property
3	Permits and Fees	\$58,500	RMD licensure and registration of 12 dispensary agents
4	Security assessment	\$3,000	Engagement fee for Lan-Tel Communications
5	Land/building cost	\$27,000	Lease deposit and rent for 6 months
6	Site clean-up and preparation	\$3,500	Incorporated into overall company construction allowance
7	Employee Hiring and Training	\$20,000	Fees associated with hiring and training company staff
8	_____	\$	
9	_____	\$	
	Build-out Costs		
1	Construction expenses	\$78,000	Incorporated into overall company construction allowance
2	Painting and finishes	\$3,250	Incorporated into overall company construction allowance
3	Security system	\$37,000	Lan-Tel security Equipement needs (safe, cameras, systems, etc.)
4	Landscape work	\$250	Incorporated into overall company construction allowance
5	Parking facility	\$0	Incorporated into overall company construction allowance
6	Other- describe	\$	
7	_____	\$	
8	_____	\$	
9	_____	\$	
	Equipment Costs		
1	Vehicles and transportation	\$2,000	Live View GPS equipment and software cost
2	Cultivation equipment	\$60,000	Areoponic cultivation system equipment and software
3	Furniture and storage needs	\$28,950	Cultivation and Dispensary furniture needs
4	Computer equipment	\$5,800	BioTrackTHC PoS system fees
5	HVAC	\$5,000	Incorporated into overall company construction allowance
6	Kitchen/food prep equipment	\$3,000	Incorporated into overall company construction allowance
7	Other- describe	\$	
	TOTAL	\$ 343,250	

 ORIGINAL

YEAR-ONE OPERATING BUDGET
(Exhibit 4.4)

This exhibit must be completed and submitted as part of the application.


Corporation Name: Bay State Holistic, Incorporated

Application # (if more than one): N/A

Budget Period: July 2014 to June 2015

Projected Number of Patients: 175 Number of Visits: 1626

		Year ONE Budget	Budget Notes ⁱ
REVENUE			
1	Medical Marijuana sales	\$ 830,120	This is based on patients consuming 42.5g/month
2	Other supplies sold	\$ 16,262	This is based on patients spending an average \$20 per month on accessories (value of accessories amortized over the one year)
3	Other revenue sources	\$ 83,012	This is based on MIP accounting for 10% of sales in year 1
A	TOTAL REVENUE:	\$929,395	
PAYROLL EXPENSES			
	Personnel Category	# FTE	
1	Executive Director	1	\$80,000 Proposed salary based in nationwide industry average
2	Executive Garden Manager	1	\$80,000 Proposed salary based in nationwide industry average
3	Executive Dispensary Manager	1	\$80,000 Proposed salary based in nationwide industry average
4	Garden Manager	1	\$50,000 Proposed salary based in nationwide industry average
5	Dispensary Manager	1	\$50,000 Proposed salary based in nationwide industry average
6	Gardener	0.5	\$37,440 Proposed salary based in nationwide industry average
7	Patient Specialist	1	\$37,440 Proposed salary based in nationwide industry average
8	Administrative Assistant	1	\$40,000 Proposed salary based in nationwide industry average
9	Production Specialist	0.5	\$37,440 Proposed salary based in nationwide industry average
B	TOTAL SALARIES	8	\$ 492,320
C	Fringe Rate and Total	% 0	\$0
D	TOTAL SALARIES PLUS FRINGE (B+C)	\$	\$492,320
OTHER EXPENSES			
1	Consultants		\$0
2	Supplies		\$ 9,000

 ORIGINAL

YEAR-ONE OPERATING BUDGET
(Exhibit 4.4 Continued)

This exhibit must be completed and submitted as part of the application.

Corporation Name: Bay State Holistic, Incorporated

Application # (if more than one): N/A

Budget Period: July 2014 to June 2015

Projected Number of Patients: 175 Number of Visits: 1626

3	Office Expenses	\$15,084	
4	Utilities	\$18,000	
5	Insurance	\$36,000	
6	Interest/Taxes	\$ 25,000	
7	Depreciation/Amortization	\$42,000	
8	Leasehold Expenses	\$54,000	
9	Bad Debt	\$0	
10	Security	\$51,600	
12	Legal Fees	\$4,200	
13	Marketing	\$6,000	
14	Bank Fees	\$300	
E	TOTAL OTHER EXPENSES	\$261,184	
	TOTAL EXPENSES: (D+E)	\$ 753,504	
	DIFFERENCE	\$175,891	

¹ Enter short explanation of expenses

ORIGINAL

THREE-YEAR BUSINESS PLAN BUDGET PROJECTIONS
(Exhibit 4.5)

This exhibit must be completed and submitted as part of the application.

Corporation Name: Bay State Holistic, Incorporated

Application # (if more than one): N/A

Fiscal Year Time Period: July 14-June 16 Projected Start Date for the First Full Fiscal Year: July 2014

	FIRST FULL FISCAL YEAR PROJECTIONS 2014	SECOND FULL FISCAL YEAR PROJECTIONS 2015	THIRD FULL FISCAL YEAR PROJECTIONS 2016
Projected Revenue	\$929,395	\$1,394,092	\$2,091,138
Projected Expenses	\$753,504	\$858,020	\$986,723
TOTAL :	\$175,891	\$536,072	\$1,104,415
Number of Patients	360	540	810
Number of Patient Visits	1626	2710	4,517
Projected % of growth rate annually	66%	66%	50%
Total FTE in staffing	8 FTE	10 FTE	12 FTE
Projected Medical Marijuana Inventory	405 Lbs.	672Lbs.	1120 Lbs.



ORIGINAL

**EVIDENCE OF INTEREST IN DISPENSARY SITE
(Exhibit 5.1)**

This exhibit must be completed or marked N/A and attached to required documents and submitted as part of the application.

Corporation Name: Bay State Holistic, Incorporated

Application # (if more than one): N/A

Physical Address	County	Type of Evidence Attached
300 Southbridge Street Worcester, MA 01608	Worcester	Lease



ORIGINAL

BINDING OPTION TO LEASE

THIS BINDING OPTION TO LEASE (hereinafter, the "Agreement") is made on November 18th, 2013, between the Saul Talbert Trust of Worcester, MA (hereinafter, the "Prospective Lessor") and Baystate Holistic, of Shrewsbury, MA, (hereinafter, the "Prospective Lessee").

WHEREAS, Prospective Lessor is the landlord of the real property located at 300 Southbridge Street, Worcester, MA 01608, (hereinafter, the "Property") it desires to lease;

WHEREAS, Prospective Lessee desires to reserve the right to lease the Property;

WHEREAS, Prospective Lessee acknowledges that the space is being provided "as is" and Lessor neither warrants nor guarantees its suitability for any specific purpose.

WHEREAS, the parties to this Agreement desire to enter an agreement by which Prospective Lessee shall have an option for a prescribed period to lease the Property; and

NOW THEREFORE, in consideration for the matters described above and of the mutual benefits and obligations set forth in this Agreement, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Creation of Option. Prospective Lessee has paid \$1,000.00 to Prospective Lessor for an option to lease the Property for a term of five (5) years from the date of exercise of this option. This option shall be valid until March 1st, 2014. All sums paid hereunder shall be kept by Prospective Lessor as consideration for the option granted hereunder.
2. Exercise of Option.
 - a. Prospective Lessee may exercise this option to lease the Property at any time during the term of the option by giving three (3) days written notice to Prospective Lessor of its intention to exercise the option, followed by successful execution of a Lessor provided lease agreement within 21 days of notice including payment of any deposits, rental payments, or other expenses required therein.
3. Form of Lease.
 - a. A standard commercial lease, customary for transactions of this type, and commonly referred to as a "triple net lease" will be drafted to comply with local and state requirements.
4. Provisions of Lease.
 - a. Exhibit A (Provisions of Lease)
5. Proof of Ownership.
 - a. Prospective Lessor shall deliver to Prospective Lessee, on the request of Prospective Lessee, during the term of this Agreement, any abstracts of title or supplements to abstracts of title relating to the Property that are the subject of this Agreement. Any

 ORIGINAL


abstracts furnished shall be furnished at the expense of Prospective Lessee and shall be returned to Prospective Lessor by Prospective Lessee if the Option to Renew, as set forth in Exhibit A, is not exercised.

6. Miscellaneous.


- a. This Agreement shall be governed by, construed, and enforced according to the laws of the Commonwealth of Massachusetts.
- b. This Agreement shall bind and inure to the benefit of the respective heirs, personal representatives, successors, and assigns of the parties to the Agreement.
- c. In any action that may be brought to enforce the provisions of this Agreement, the prevailing party shall be entitled to recover from the other reasonable attorneys' fees.
- d. In case any one or more of the provisions contained in this Agreement is held to be invalid, illegal, or unenforceable in any respect for any reason, such invalidity, illegality, or unenforceability shall not affect any other provision of the Agreement, and this Agreement shall be construed as if the invalid, illegal, or unenforceable provision had never been included.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

PROSPECTIVE LESSOR
Saul Taubert Trust


By: Benjamin Mantyla
Its: Trustee Saul Taubert Trust

PROSPECTIVE LESSEE
Bay State Holistic, Incorporated


By: G. Malik Burnett, MD
Its: Executive Director, Bay State Holistic, Inc.

 ORIGINAL

Exhibit A

Provisions of Lease

- a. The initial term of the lease shall be for five (5) years with rent payable at four thousand five hundred and no/100 dollars (\$4,500.00) per month, each rental payment due on the first day of each calendar month.
- b. Provided Prospective Lessee is not in default, Prospective Lessor shall grant Prospective Lessee two (2), five (5) year Options to Renew providing Prospective Lessor with no less than six months' prior written notice.
- c. Prospective Lessee acknowledges and agrees that the space is being provided "as is" and Lessor neither warranties nor guarantees its suitability for any specific purpose.
- d. Prospective Lessee acknowledges that they shall be responsible for all expenses, including, but not limited to the following: real estate taxes, snow removal, landscaping and general upkeep, water, sewer, general building maintenance, the building and roof structure, security, property insurance, and actual usage for natural gas and electricity.
- e. Prospective Lessor shall provide Prospective Lessee the right to assign or sublet any portion of the leased premises with prior consent of the Prospective Lessor. Prospective Lessor agrees that such consent will not be unreasonably withheld.
- f. Prospective Lessee shall have twenty-four (24) hour access, seven (7) days a week to the Property.
- g. Prospective Lessee shall be allowed to erect signage on the Property at Prospective Lessee's sole cost and expense, provided, however, all signage erected on the Property must conform with all applicable state and local laws and meets the approval of the Lessor.
- h. Prospective Lessee shall be responsible for obtaining all necessary permits and approvals from the City of Worcester and the Commonwealth of Massachusetts, for the Prospective Lessee's intended use of the Property, including any construction within the Property (or the Lessee hire contractor).
- i. The interests of both parties under this Agreement shall be assignable to any person, or entity to be nominated by a person, who qualifies pursuant to applicable state and local laws.

 ORIGINAL

EVIDENCE OF INTEREST IN CULTIVATION SITE
(Exhibit 5.2)

This exhibit must be completed or marked N/A and attached to required documents and submitted as part of the application.

Corporation Name: Bay State Holistic, Incorporated

Application # (if more than one): N/A

Physical Address	County	Type of Evidence Attached
300 Southbridge Street Worcester, MA 01608	Worcester	Lease



ORIGINAL

BINDING OPTION TO LEASE

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WHEREAS, Prospective Lessee acknowledges that the space is being provided "as is" and Lessor neither warranties nor guarantees its suitability for any specific purpose.

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2. Exercise of Option.
 - a. Prospective Lessee may exercise this option to lease the Property at any time during the term of the option by giving three (3) days written notice to Prospective Lessor of its intention to exercise the option, followed by successful execution of a Lessor provided lease agreement within 21 days of notice including payment of any deposits, rental payments, or other expenses required therein.
3. Form of Lease.
 - a. A standard commercial lease, customary for transactions of this type, and commonly referred to as a "triple net lease" will be drafted to comply with local and state requirements.
4. Provisions of Lease.
 - a. Exhibit A (Provisions of Lease)
5. Proof of Ownership.
 - a. Prospective Lessor shall deliver to Prospective Lessee, on the request of Prospective Lessee, during the term of this Agreement, any abstracts of title or supplements to abstracts of title relating to the Property that are the subject of this Agreement. Any

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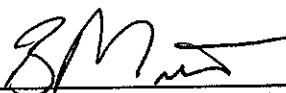
abstracts furnished shall be furnished at the expense of Prospective Lessee and shall be returned to Prospective Lessor by Prospective Lessee if the Option to Renew, as set forth in Exhibit A, is not exercised.

6. Miscellaneous.


- a. This Agreement shall be governed by, construed, and enforced according to the laws of the Commonwealth of Massachusetts.
- b. This Agreement shall bind and inure to the benefit of the respective heirs, personal representatives, successors, and assigns of the parties to the Agreement.
- c. In any action that may be brought to enforce the provisions of this Agreement, the prevailing party shall be entitled to recover from the other reasonable attorneys' fees.
- d. In case any one or more of the provisions contained in this Agreement is held to be invalid, illegal, or unenforceable in any respect for any reason, such invalidity, illegality, or unenforceability shall not affect any other provision of the Agreement, and this Agreement shall be construed as if the invalid, illegal, or unenforceable provision had never been included.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

PROSPECTIVE LESSOR
Saul Taubert Trust


By: Benjamin Mantyla
Its: Trustee Saul Taubert Trust

PROSPECTIVE LESSEE
Bay State Holistic, Incorporated


By: G. Malik Burnett, MD
Its: Executive Director, Bay State Holistic, Inc.

 ORIGINAL

Exhibit A

Provisions of Lease

- a. The initial term of the lease shall be for five (5) years with rent payable at four thousand five hundred and no/100 dollars (\$4,500.00) per month, each rental payment due on the first day of each calendar month.
- b. Provided Prospective Lessee is not in default, Prospective Lessor shall grant Prospective Lessee two (2), five (5) year Options to Renew providing Prospective Lessor with no less than six months' prior written notice.
- c. Prospective Lessee acknowledges and agrees that the space is being provided "as is" and Lessor neither warranties nor guarantees its suitability for any specific purpose.
- d. Prospective Lessee acknowledges that they shall be responsible for all expenses, including, but not limited to the following: real estate taxes, snow removal, landscaping and general upkeep, water, sewer, general building maintenance, the building and roof structure, security, property insurance, and actual usage for natural gas and electricity.
- e. Prospective Lessor shall provide Prospective Lessee the right to assign or sublet any portion of the leased premises with prior consent of the Prospective Lessor. Prospective Lessor agrees that such consent will not be unreasonably withheld.
- f. Prospective Lessee shall have twenty-four (24) hour access, seven (7) days a week to the Property.
- g. Prospective Lessee shall be allowed to erect signage on the Property at Prospective Lessee's sole cost and expense, provided, however, all signage erected on the Property must conform with all applicable state and local laws and meets the approval of the Lessor.
- h. Prospective Lessee shall be responsible for obtaining all necessary permits and approvals from the City of Worcester and the Commonwealth of Massachusetts, for the Prospective Lessee's intended use of the Property, including any construction within the Property (or the Lessee hire contractor).
- i. The interests of both parties under this Agreement shall be assignable to any person, or entity to be nominated by a person, who qualifies pursuant to applicable state and local laws.

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**EVIDENCE OF INTEREST IN PROCESSING SITE
(Exhibit 5.3)**

This exhibit must be completed or marked N/A and attached to required documents and submitted as part of the application.

Corporation Name: Bay State Holisitc, Incorporated Application # (if more than one): N.A

Physical Address	County	Type of Evidence Attached
300 Southbridge Street Worcester, MA 01608	Worcester	Lease

 ORIGINAL

BINDING OPTION TO LEASE

THIS BINDING OPTION TO LEASE (hereinafter, the "Agreement") is made on November 18th, 2013, between the Saul Talbert Trust of Worcester, MA (hereinafter, the "Prospective Lessor") and Baystate Holistic, of Shrewsbury, MA, (hereinafter, the "Prospective Lessee").

WHEREAS, Prospective Lessor is the landlord of the real property located at 300 Southbridge Street, Worcester, MA 01608, (hereinafter, the "Property") it desires to lease;

WHEREAS, Prospective Lessee desires to reserve the right to lease the Property;

WHEREAS, Prospective Lessee acknowledges that the space is being provided "as is" and Lessor neither warranties nor guarantees its suitability for any specific purpose.

WHEREAS, the parties to this Agreement desire to enter an agreement by which Prospective Lessee shall have an option for a prescribed period to lease the Property; and

NOW THEREFORE, in consideration for the matters described above and of the mutual benefits and obligations set forth in this Agreement, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Creation of Option. Prospective Lessee has paid \$1,000.00 to Prospective Lessor for an option to lease the Property for a term of five (5) years from the date of exercise of this option. This option shall be valid until March 1st, 2014. All sums paid hereunder shall be kept by Prospective Lessor as consideration for the option granted hereunder.
2. Exercise of Option.
 - a. Prospective Lessee may exercise this option to lease the Property at any time during the term of the option by giving three (3) days written notice to Prospective Lessor of its intention to exercise the option, followed by successful execution of a Lessor provided lease agreement within 21 days of notice including payment of any deposits, rental payments, or other expenses required therein.
3. Form of Lease.
 - a. A standard commercial lease, customary for transactions of this type, and commonly referred to as a "triple net lease" will be drafted to comply with local and state requirements.
4. Provisions of Lease.
 - a. Exhibit A (Provisions of Lease)
5. Proof of Ownership.
 - a. Prospective Lessor shall deliver to Prospective Lessee, on the request of Prospective Lessee, during the term of this Agreement, any abstracts of title or supplements to abstracts of title relating to the Property that are the subject of this Agreement. Any

ORIGINAL

abstracts furnished shall be furnished at the expense of Prospective Lessee and shall be returned to Prospective Lessor by Prospective Lessee if the Option to Renew, as set forth in Exhibit A, is not exercised.


6. Miscellaneous.

- a. This Agreement shall be governed by, construed, and enforced according to the laws of the Commonwealth of Massachusetts.
- b. This Agreement shall bind and inure to the benefit of the respective heirs, personal representatives, successors, and assigns of the parties to the Agreement.
- c. In any action that may be brought to enforce the provisions of this Agreement, the prevailing party shall be entitled to recover from the other reasonable attorneys' fees.
- d. In case any one or more of the provisions contained in this Agreement is held to be invalid, illegal, or unenforceable in any respect for any reason, such invalidity, illegality, or unenforceability shall not affect any other provision of the Agreement, and this Agreement shall be construed as if the invalid, illegal, or unenforceable provision had never been included.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

PROSPECTIVE LESSOR


Saul Taubert Trust



By: Benjamin Mantyla
Its: Trustee Saul Taubert Trust

PROSPECTIVE LESSEE

Bay State Holistic, Incorporated



By: G. Malik Burnett, MD
Its: Executive Director, Bay State Holistic, Inc.

 ORIGINAL

Exhibit A

Provisions of Lease

- a. The initial term of the lease shall be for five (5) years with rent payable at four thousand five hundred and no/100 dollars (\$4,500.00) per month, each rental payment due on the first day of each calendar month.
- b. Provided Prospective Lessee is not in default, Prospective Lessor shall grant Prospective Lessee two (2), five (5) year Options to Renew providing Prospective Lessor with no less than six months' prior written notice.
- c. Prospective Lessee acknowledges and agrees that the space is being provided "as is" and Lessor neither warranties nor guarantees its suitability for any specific purpose.
- d. Prospective Lessee acknowledges that they shall be responsible for all expenses, including, but not limited to the following: real estate taxes, snow removal, landscaping and general upkeep, water, sewer, general building maintenance, the building and roof structure, security, property insurance, and actual usage for natural gas and electricity.
- e. Prospective Lessor shall provide Prospective Lessee the right to assign or sublet any portion of the leased premises with prior consent of the Prospective Lessor. Prospective Lessor agrees that such consent will not be unreasonably withheld.
- f. Prospective Lessee shall have twenty-four (24) hour access, seven (7) days a week to the Property.
- g. Prospective Lessee shall be allowed to erect signage on the Property at Prospective Lessee's sole cost and expense, provided, however, all signage erected on the Property must conform with all applicable state and local laws and meets the approval of the Lessor.
- h. Prospective Lessee shall be responsible for obtaining all necessary permits and approvals from the City of Worcester and the Commonwealth of Massachusetts, for the Prospective Lessee's intended use of the Property, including any construction within the Property (or the Lessee hire contractor).
- i. The interests of both parties under this Agreement shall be assignable to any person, or entity to be nominated by a person, who qualifies pursuant to applicable state and local laws.



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**EVIDENCE OF LOCAL SUPPORT
(Exhibit 5.4)**

This exhibit must be completed or marked N/A and attached to required documents and submitted as part of the application.

Corporation Name: Bay State Holistic, Incorporated Application # (if more than one): N/A

Site	City/Town	County	Type of Support Attached
1	Worcester	Worcester	Letter from the Worcester City Manager.
2			



ORIGINAL



Michael V. O'Brien
City Manager

CITY OF WORCESTER

November 19, 2013

Cheryl Bartlett, Commissioner
Commonwealth of Massachusetts
Department of Public Health
250 Washington Street
Boston, MA 02108

Re: Bay State Holistic

Dear Commissioner Bartlett:

I write at the request of representatives of Bay State Holistic, who have informed me that they are applying for a State license to operate a medical marijuana cultivation and dispensary operation in Worcester.

In support of laws and regulations recently promulgated by the Commonwealth of Massachusetts, including Department of Public Health regulations found at 105 CMR 725.000, the City of Worcester is in the process of adopting certain zoning ordinance amendments to accommodate the siting of medical marijuana dispensaries and cultivation facilities within the city. These amendments would allow Registered Marijuana Dispensaries (RMDs) and related cultivation facilities to locate in most commercial, manufacturing, and institutional zones in Worcester, subject only to certain buffer requirements. We expect to complete this ordination process by January 2014. If licensed, we anticipate working with Bay State Holistic, and any other interested RMDs and cultivation facilities, to identify appropriate sites within designated areas of the city and assist with local permitting.

We appreciate the efforts of you and your team to carefully review each application and consider local impacts as we welcome this new industry in Massachusetts.

Sincerely,

Michael V. O'Brien
City Manager



OFFICE OF THE CITY MANAGER, CITY HALL, WORCESTER, MA 01608
TELEPHONE (508) 799-1175 | FAX (508) 799-1208
EMAIL: citymanager@worcesterma.gov



SUMMARY CHART OF LOCATIONS AND LOCAL SUPPORT
(Exhibit 5.5)

This exhibit must be completed or marked N/A and submitted as part of the application.

Corporation Name: Bay State Holistic, Incorporated

Application # (if more than one): N/A

	Site	Full Address	Evidence of Interest Submitted	Evidence of Local Support
1	Dispensing	300 Southbridge Street Worcester, MA 01608	Lease	Letter from the Worcester City Manager.
2	Cultivation	300 Southbridge Street Worcester, MA 01608	Lease	Letter from the Worcester City Manager.
3	Processing	300 Southbridge Street Worcester, MA 01608	Lease	Letter from the Worcester City Manager.



ORIGINAL

RMD ORGANIZATIONAL CHART
(Exhibit 6.1)

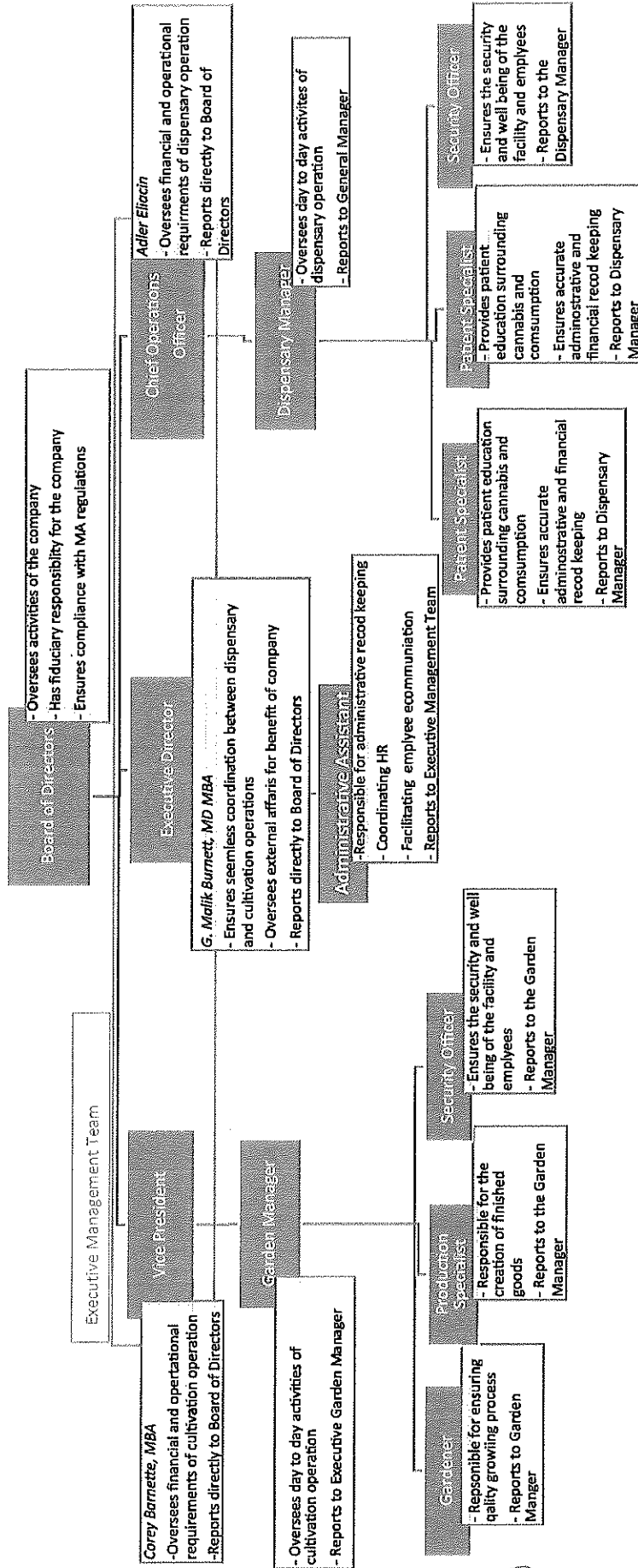
This exhibit must be completed and attached to a required document and submitted as part of the application.

Corporation Name: Bay State Holistic, Incorporated

Application # (if more than one): N/A

Attach organizational chart.

Exhibit 6.1 - Organizational Chart



**EVIDENCE OF ENROLLMENT WITH DEPARTMENT OF CRIMINAL JUSTICE
INFORMATION SERVICES (DCJIS)
(Exhibit 6.2)**

This exhibit must be completed and attached to a required document and submitted as part of the application.

Corporation Name: Bay State Holistic, Incorporated

Application # (if more than one): N/A

Attach evidence of enrollment.



iCORI

Commonwealth of Massachusetts
Department of Criminal Justice Information Services

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[Manage Account](#)

[iCORI Cart \(0\)](#)

**Bay State Holistic,
Incorporated**

Status: **Active**
Account Type(s): **Employer**

Account

[Account Details](#) | [Representatives](#) | [Users](#) | [Authorized Consumer Reporting Agencies](#)

Account Details

[\[Cancel Account\]](#)

Account Status

Account Status: **Active**
Date First Registered: **10/24/2013** Date Last Renewed:

Organization Details

[\[Edit\]](#) [\[Change Org Name\]](#) [\[View Org Name History\]](#)

Account Type(s): **Employer**
Organization Name: **Bay State Holistic,
Incorporated**
Address: **20F Shrewsbury Greens Drive, Shrewsbury, MA 01545**
Phone No.: **678-416-0057**
Website: **www.baystateholistic.com**



**RMD STAFF
(Exhibit 6.4)**

This exhibit must be completed or marked N/A and submitted as part of the application.

	Name	Role/Title
1	Kathryn Rust	Garden Manager
2	Vanessa West	Dispensary Manager
3	Oscar Weeks, Esq	Chief Compliance Officer
4		
5		
6		

RMD START-UP TIMELINE
(Exhibit 7.1)

This exhibit must be completed and submitted as part of the application. Include benchmarks for ALL RMD sites.

Corporation Name: Bay State Holistic, Inc.

Application # (if more than one): N/A

Key Benchmarks ⁱ	Due Dates	Person Responsible	Risk Level If Not Completed on Time	Date RMD Opens
Submission of BSH application to Mass DPH	11/21/13-1/31/13	VS	Critical	
BSH Granted Provisional Licensure	2/1/14-7/31/14	G. Malik Burnett (GMB)	Critical	
BSH engages architectural consultants for renovation planning	2/1/14-2/14/14	GMB	Major	
BSH submits architectural plans for DPH review	2/14/14-2/28/14	GMB	Major	
DPH grants approval for BSH to begin renovation with emphasis on cultivation	3/1/14-7/31/14	DPH	Major	
BSH begins hiring and training process of cultivation staff	3/1/14-7/31/14	Corey Barnette (CB)	Minor	8/1/14
BSH completes renovations and securitization of cultivation site	3/28/14-4/1/14	General Contractor (GC)	Major	
BSH invites DPH for provisional inspection prior to beginning cultivation	4/1/14-4/7/14	CB	Minor	
BSH begins cultivation process: vegetative state	4/7/14-5/7/14	CB	Minor	
BSH invites DPH for provisional inspection prior to beginning flowering stage	4/28/14-5/7/14	GMB	Major	
BSH continues site renovations with emphasis on dispensary build out	4/28/14-7/31/14	GC	Minor	

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RMD START-UP TIMELINE
(Exhibit 7.1)

This exhibit must be completed and submitted as part of the application. Include benchmarks for ALL RMD sites.

Corporation Name: Bay State Holistic, Inc.

Application # (if more than one): N/A

BSH begins flowering process	5/7/14- 7/17/14	CB	Minor	
BSH invites DPH for provisional inspection at midpoint of flowering stage	6/14/14- 6/21/14	CB	Major	
BSH begins hiring and training process of dispensary staff	6/1/14- 7/31/14	GMB	Minor	
BSH invited DPH for final provisional inspection	7/24/14- 7/31/14	GMB	Major	
BSH opens for business operations	8/1/14			

Insert more rows if needed



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PROPOSED SLIDING PRICE SCALE
(Exhibit 7.12)

This exhibit must be completed and attached to a required document and submitted as part of the application.

Corporation Name: Bay State Holistic, Incorporated

Application # (if more than one): N/A

Attach sliding price scale:

Annual Income Thresholds by Sliding Fee Discount Pay Cals and Percent Poverty						
Poverty Level	100%	150%	200%	250%	300%	300%
Family Size	Minimum Fee	20%	40%	60%	80%	100%
1	\$ 11,490	\$ 17,235	\$ 22,980	\$ 28,725	\$ 34,470	\$ 34,471
2	\$ 15,510	\$ 23,265	\$ 31,020	\$ 38,775	\$ 46,530	\$ 46,531
3	\$ 19,530	\$ 29,295	\$ 39,060	\$ 48,825	\$ 58,590	\$ 58,591
4	\$ 23,550	\$ 35,325	\$ 47,100	\$ 58,875	\$ 70,650	\$ 70,651
5	\$ 27,570	\$ 41,355	\$ 55,140	\$ 68,925	\$ 82,710	\$ 82,711
6	\$ 31,590	\$ 47,385	\$ 63,180	\$ 78,975	\$ 94,770	\$ 94,771
7	\$ 35,610	\$ 53,415	\$ 71,220	\$ 89,025	\$ 106,830	\$ 106,831
8	\$ 39,630	\$ 59,445	\$ 79,260	\$ 99,075	\$ 118,890	\$ 118,891

Bay State Holistic Sliding Fee Scale Base for FY2014						
Poverty Level	100%	150%	200%	250%	300%	300%
	Minimum Fee	20%	40%	60%	80%	100%
Price of Cannabis	\$ 7.25	\$ 8.70	\$ 10.15	\$ 11.60	\$ 13.05	\$ 14.50

APPLICATION RESPONSE FORM SUBMISSION PAGE

**CERTIFICATION OF ASSURANCE OF COMPLIANCE:
ADA and NON-DISCRIMINATION BASED ON DISABILITY**

Applicants must certify that they will comply with all state and federal requirements regarding equal employment opportunity, nondiscrimination, and civil rights for persons with disabilities. The Applicant must complete a Certification of Assurance of Compliance: ADA and Non-Discrimination based on Disability. By signing, the Applicant formally notifies the Department that the Applicant is in compliance and shall maintain compliance with all applicable requirements.

- I certify, that the Applicant is in compliance and shall maintain compliance with all applicable federal and state laws protecting the rights of persons with disabilities, including but not limited to the Americans with Disabilities Act ("ADA"), 42 U.S.C. §§ 12131-12134; Article CXIV of the Massachusetts Constitution; and; Chapter 93, § 103; Chapter 151B; and Chapter 272, §§ 98 and 98A of the Massachusetts General Laws.

- I understand that federal and state laws prohibit discrimination in public accommodations and employment based solely on disability. I recognize that to make goods, services, facilities, privileges, advantages, or accommodations readily accessible to and usable by persons with disabilities, the Applicant, under the ADA, must:
 - remove architectural and communication barriers in existing facilities, when readily achievable and, if not readily achievable, must use alternative methods;
 - purchase accessible equipment or modify equipment;
 - modify policies and practices; and
 - furnish appropriate auxiliary aids and services where necessary to ensure effective communication.

I understand that reasonable accommodation is required in both program services and employment, except where to do so would cause an undue hardship or burden. I also understand that the Massachusetts Constitution Article CXIV provides that no otherwise qualified individual shall, solely by reason of disability, be excluded from the participation in, denied the benefits of, or be subject to discrimination under any program or activity within the Commonwealth.

- I agree that the Applicant shall cooperate in any compliance review and shall provide reasonable access to the premises of all places of business and employment and to records, files, information, and employees therein for reviewing compliance with the ADA, the Massachusetts Constitution, other applicable state and federal laws, and this Contractual Agreement.

- I agree that any violation of the specific provisions and terms of this Assurance or of the ADA, and/or of any Corrective Action Plan shall be deemed a breach of a material provision of the Registered Facility registration between DPH and the Registered Facility. Such a breach shall be grounds for cancellation, termination, or suspension, in whole or in part, of the registration by the Department.

I affirm that I will comply with the requirements of this proposal.

Authorized Signatory (as designated in exhibit B):
First Name: [Gregory Malik] Last Name: [Burnett]

Title: [Chief Executive Officer]

Authorized Signature for the Applicant Organization
(in blue ink):



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