



**Rhode Island Department of Business Regulation  
Office of Cannabis Regulation**

**Application for Medical Marijuana  
Compassion Center License**

**Publication Release Date:  
July 17, 2020**

**Application Period: From July 17, 2020 through December 15, 2020**

**Interested parties should review the Application and submit any questions by email only to [DBR.mmpcompliance@dbr.ri.gov](mailto:DBR.mmpcompliance@dbr.ri.gov) with the subject line "Medical Marijuana Compassion Center Application Questions." Your questions and the Department's answers will be posted on the Department of Business Regulation website so that all Applicants will have access to the same information.**

**If you would like to be added to the interested parties list for updates to the Compassion Center Application process, please email [DBR.MMPCompliance@dbr.ri.gov](mailto:DBR.MMPCompliance@dbr.ri.gov), with a subject line "New Compassion Center Application Interested Parties List."**

**Department Business Hours: M–F, 8:30 am–4:00 pm**

**For additional information regarding the Application process, please visit the Department's website at: <https://dbr.ri.gov/>**

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## **Part 1 – Application Information and Instructions**

The Office of Cannabis Regulation within the Rhode Island Department of Business Regulation (the “Department” or the “Office”) is accepting Applications from qualified Applicants interested in being issued a Medical Marijuana Compassion Center License.

Pursuant to The Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act, Rhode Island General Laws § 21-28.6-1 *et seq.*, as amended by Rhode Island Public Laws 2019, ch. 088, Article 15 (as so amended, the “Act”), the Department is responsible for licensing medical marijuana compassion centers for the licensed dispensing of medical marijuana to registered cardholders. The Medical Marijuana Program allows a patient cardholder or authorized purchaser who is registered with the Department of Health or a primary caregiver who is registered with the Department of Business Regulation to purchase medical marijuana from a licensed compassion center. Licensed compassion centers may acquire medical marijuana in accordance with the Act and *Rules and Regulations Related to the Medical Marijuana Program Administered by the Office of Cannabis Regulation at the Department of Business Regulation*, 230-RICR-80-5-1 (the “Regulations”). **Please thoroughly review the Regulations which can be found on the Secretary of State’s website: <https://rules.sos.ri.gov/regulations/part/230-80-05-1>.**

### **SECTION A: Application Period**

**The period for submission of applications will be from 10:00 a.m. on July 17, 2020, through 3:00 p.m. on December 15, 2020 (the “Application Submission Deadline”).** Updates regarding the application period will be posted on the Department’s website: <https://dbr.ri.gov/>.

If you would like to be added to the interested parties list for the Compassion Center Application process, please email [DBR.MMPCompliance@dbr.ri.gov](mailto:DBR.MMPCompliance@dbr.ri.gov), with a subject line “New Compassion Center Application Interested Parties List.”

It is Applicant’s responsibility to ensure that its application is complete and submitted before the close of the Application Submission Deadline. Incomplete applications will be deficient and will not be accepted for review and evaluation, and the application fee will not be refunded. The Department will not accept or consider applications tendered after the Application Submission Deadline.

### **SECTION B: General Instructions**

Read this Application carefully. Answer each question completely. Do not leave blank spaces.

- **All application materials that require a signature must be signed by an “authorized signatory” of Applicant. An “authorized signatory” means a person that is authorized by the corporation/company to attest to the accuracy of all application information, materials and content submitted to the Department of Business Regulation.**

- If a question does not apply, write "N/A." If the correct answer to a particular question is "None" write "None."
- All Forms, Annexes, Exhibits, Documents and Deliverables on the Checklist are mandatory and must be submitted **at the time of filing this Application** in order for your Application to be complete and eligible for review.
- Applicant is under **a continuing duty to promptly notify** the Department of Business Regulation if there is a change in the information provided to the Department.
- All entries on the Application Forms, Annexes, Exhibits, Documents and Deliverables should be single spaced and typed in 12-point Calibri or Times New Roman font.
- Do not misstate or omit any material fact(s).
- The submittal of an Application constitutes acceptance of the requirements, administrative stipulations, and all of the terms and conditions of this Application. All costs and expenses incurred in submitting an Application will be borne by Applicant.
- **Definitions:** Please refer to the "Definitions" set forth in R.I. Gen. Laws § 21-28.6-3 and the "Definitions" in the Regulations, § 1.1.1, which are applicable to all compassion center license applications.

#### **Application Delivery Location**

It is Applicant's responsibility to ensure timely delivery of its Application to the Department by the 3:00 p.m., December 15, 2020 Submission Deadline. Late Applications will not be accepted.

Rhode Island Department of Business Regulation  
Attn: Office of Cannabis Regulation  
1511 Pontiac Avenue, Building 68-1  
Cranston, RI 02920  
401-462-9500

### **SECTION C: Communications with the Department of Business Regulation – Application Questions**

All questions about the Application or Application process must be sent to the Department of Business Regulation **by email only** at [DBR.mmpcompliance@dbri.gov](mailto:DBR.mmpcompliance@dbri.gov) with the subject line **"Medical Marijuana Compassion Center Application Question."**

Questions and the Department's answers will be posted on the Department of Business Regulation's website so that all Applicants will have access to the same information. The Department reserves the right to not respond to questions concerning matters that are already addressed in the Application, the Act and/or the Regulations or which are immaterial or inappropriate.

For questions received after 4:00 p.m. on December 1, 2020, the Department may not respond prior to the December 15, 2020 Application Submission Deadline. Applicants and therefore encouraged to identify and submit any questions as soon as possible.



## **SECTION D: Application Requirements and Procedures**

Applicants should review the Act and the Regulations for further information regarding application requirements and procedures.

### **Zones – Procedures and Limitations**

In accordance with R.I. Gen. Laws § 21-28.6-12(c)(3) and §§ 1.2(C) & 1.15 of the Regulations, DBR evaluated the overall health needs of qualifying patients and safety of the public including the factors set forth therein and determined the following “application zones” where six (6) new compassion centers shall be licensed:

<b>ZONE</b>	<b>Geographic Boundaries</b>	<b>Number of New Licenses Available in the Zone</b>
1	Burrillville, Cumberland, Glocester, North Smithfield, Smithfield, and Woonsocket	1
2	Central Falls, Johnston, Lincoln, North Providence, and Providence	1
3	Coventry, Foster, Scituate, West Greenwich, and West Warwick	1
4	Cranston, East Greenwich, North Kingstown, and Warwick	1
5	Charlestown, Exeter, Hopkinton, Narragansett, Richmond, South Kingstown, and Westerly	1
6	Barrington, Bristol, East Providence, Jamestown, Little Compton, Middletown, Newport, New Shoreham, Pawtucket, Portsmouth, Tiverton, and Warren	1

An Applicant who applies for a compassion center license may only submit one application per zone. A person or entity cannot be an interest holder (as defined in the Regulations) with respect to more than one applicant/application for a compassion center license per zone. An Applicant may apply for a license in more than one zone provided, however, that if an Applicant is selected for a license in more than one zone, the Applicant must select a single zone in which Applicant will proceed with licensing in accordance with § 1.2(E) of the Regulations, forfeiting their license eligibility in the other zone. Another Applicant will then be selected for the zone or zones which were not selected. Applicants who apply in more than one zone must submit a separate application and separate application fee for each zone they apply to and indicate in each application all applications it has submitted and in which zones. Pursuant to R.I. Gen. Laws § 21-28.6-12 (c)(1)(i), the application fees are nonrefundable, even in instances where an Applicant submits applications in more than one zone.

Pursuant to § 1.2(E)(4) of the Regulations, a selected Applicant may not change or alter its proposed location to another location within the same zone without prior Department approval. A selected Applicant may not relocate or change its proposed location outside of the zone for which they were selected.



### **Review and Evaluation Criteria**

The Department of Business Regulation shall review and evaluate the submitted Applications based upon the criteria set forth in R.I. Gen. Laws § 21-28.6-12(c)(3) and § 1.2 of the Regulations. All Applicants that are deemed “qualified” by the Department shall be eligible for selection.

The Department may require an initial inspection of the proposed licensed premises in order to verify information contained in an Application before deeming an Applicant “qualified” and eligible for inclusion in the selection process.

### **Final Inspection, Requirements and Deadlines**

Selected Applicants must schedule and receive a final pre-license inspection prior to the Department’s issuance of a compassion center license. Additionally, all registry identification card requirements, including completion of national criminal background checks, payment of the \$500,000 licensing fee, and all other licensing conditions and requirements under the Act and Regulations must be satisfied prior to the Department’s issuance of a license. Selected Applicants will have nine (9) months from the date of Application approval to complete the pre-requisites for issuance of the license as described in the Regulations. Once a license is issued, a licensee shall have a period of three (3) months to take reasonable and documented efforts to “launch compassion center activities” as defined in the Regulations. If a selected Applicant or compassion center licensee is unable to meet either of these deadlines, the Department of Business Regulation may rescind its selection/approval and/or revoke the license as described in the Regulations.

### **Divestiture of Prohibited Financial Interests**

Pursuant to § 1.2(F)(7) of the Regulations, a compassion center and any interest holders/key persons thereof may not have any “material financial interest or control” in another Rhode Island compassion center, a cultivator, or a licensed cooperative cultivation or vice versa. Accordingly, disclosure of any such interests and a divestiture plan must be made as required in CC Form 3, Question 4, and Exhibit A.

### **Merger of Cultivator License**

Pursuant to R.I. Gen. Laws § 21-28.6-12(b)(10), if a selected Applicant holds a cultivation license, the cultivation license shall merge into the compassion center license and Applicant shall provide the documents required under § 1.2(F)(3)(b)(7) of the Regulations.

### **Prohibited Business Relationships**

A compassion center licensee and any cardholders under the compassion center license are prohibited from entering into a business relationship with any medical practitioner who provides written certifications of qualifying patients’ medical conditions in connection with the Medical Marijuana Program.

### **Denial or Disqualification of Application**

The Department of Business Regulation may disqualify or deny any Application or decline to issue a license under any of the following circumstances:

- Applicant fails to submit a complete Application, hard copies, and electronic copies including all Forms, Annexes, Exhibits, Documents and Deliverables set forth on the

Checklist in Part 2 and the copies with required redactions set forth in Part 3 of this Application.

- The Application contains a material misstatement, omission, misrepresentation, or untruth.
- Applicant fails to submit the Application by the Application Submission Deadline.
- Applicant fails to pay the \$10,000 Application fee prior to the Application Submission Deadline.
- The payment of taxes due in any jurisdiction is in arrears.
- Applicant fails to demonstrate to the Department's satisfaction that it adequately meets the qualifications and requirements outlined in this application, the Act, and the Regulations.
- Applicant fails to pay the \$500,000 license fee pursuant to R.I. Gen. Laws § 21-28.6-12(c)(5)(ii)(A).
- Applicant fails to implement policies, procedures or actions indicated in its Application.

### **Inventory Limits**

If an Application is approved and a compassion center license is issued to Applicant, Applicant will not be permitted to possess or cultivate medical marijuana seedlings or plants unless a variance request is submitted to, and approved by, the Department in accordance with § 1.6.4 of the Regulations. Applicant may include in its Application information about past cultivation experience and may propose to conduct cultivation activities and/or a licensing of premises for cultivation provided, however, that any such cultivation proposals will not be evaluated or considered by the Department as part of initial licensing. Any such cultivation proposal will only be evaluated and considered by the Department at a later date as determined by the Department in accordance with § 1.6.4 of the Regulations. Pursuant to the Act and § 1.6.4 of the Regulations, a licensed compassion center must limit its inventory of medical marijuana and medical marijuana products to reflect the needs of qualifying patients.

### **SECTION E: Important Notices/Disclaimers**

- This Application is an **OFFICIAL DOCUMENT** of the Rhode Island Department of Business Regulation. It **MAY NOT** be altered or changed in any fashion except to fill in the areas provided with the information that is required. Should any alteration or revision of a question occur, the Department reserves the right to deny the Application in its entirety or deem void that specific response and treat that section as unanswered.
- The burden of proving an Applicant's qualifications at all times rests on Applicant. Applicant accepts any and all risk of adverse public notice, criticism, emotional distress, or financial loss that may result from any action with respect to this Application. Applicant expressly waives any and all claims for damages as a result thereof.
- After the Application has been submitted, Applicant may withdraw the submitted Application after written notice to the Department. The Application fee will not be refunded.
- Applicants are generally prohibited from submitting additional information after the Application is submitted unless the Department requests more information, and except in the event that the Applicant must disclose any changes in ownership, interest holders, and/or CC



Form 2, Form 3, Form 4 and Form 5 disclosures throughout the entirety of the application and licensure periods.

- The Department may request any additional information or request an inspection of proposed location if it determines it is necessary to process and fully evaluate an Application. Applicant shall provide the additional information, documentation, materials and/or certifications within the time prescribed and at the Applicant's own expense. If Applicant does not provide the requested information within the prescribed time period, the Department may remove the Application from the evaluation process.
- **Applicant is under a continuing duty to promptly disclose to the Department any changes in ownership, interest holders, and/or CC Form 2 Disclosures throughout the entirety of the application and licensure periods.**
- **Proposed changes to interest holders and key persons require the Department's approval pursuant to the variance procedure outlined in the Regulations, provided, however, that no variance which affects a majority change in ownership, control, financial interest and/or compensation/remuneration will be approved prior to conclusion of the first year of licensed activities except upon the Department's determination that public, health, safety or welfare requires such variance.**
- All notices regarding an Application submission will be sent to Applicant's Compliance Officer email address provided on the Application Information Sheet, CC Form 1. Applicant must immediately notify the Department if Applicant's email address changes. Further, Applicant is responsible for ensuring that the email address provided in Form 1 of this application is and remains operational to ensure that all e-mail communications from the Department of Business Regulation are received; e-mails sent by the Department will be presumed to have been received by Applicant.
- All Application submissions become the property of the Department and will not be returned.
- **The Department of Business Regulation's decision to approve, disqualify, or deny an Application is final.**



## **Part 2 – CHECKLIST FOR ALL FORMS, ANNEXES, EXHIBITS, DOCUMENTS, AND DELIVERABLES**

All Forms, Annexes, Exhibits, Documents, and Deliverables set forth below must be included in an Application for Medical Marijuana Compassion Center License. Pursuant to § 1.2(C)(5) of the Regulations, only applications which the Department determines to be complete, including delivery of all completed Forms, Annexes, Exhibits, Documents, and Deliverables, as set forth below, shall be eligible for further evaluation and review. Incomplete applications will be deficient and will not be considered further, and the application fee will not be refunded.

<b>FORM/Exhibit #</b>	<b>Name/Description</b>	<b>Included Yes</b>
<b>CC Form 1</b>	Application Information Sheet, Taxpayer Status, Notices and Affirmations executed by a duly authorized signatory of Applicant.	<input checked="" type="checkbox"/>
<b>CC Form 2</b>	Disclosure of Owners and Other Interest Holders executed by a duly authorized signatory of Applicant	<input checked="" type="checkbox"/>
	Attached Organizational chart	<input checked="" type="checkbox"/>
	Attached Schedule of effective ownership interests and compensation/remuneration as described in Section III of the CC Form 2, in compliance with § 1.2(C)(4)(h) of the Regulations	<input checked="" type="checkbox"/>
<b>CC Form 3</b>	Interest Holder Certification Statement executed by a duly authorized signatory of Applicant.	<input checked="" type="checkbox"/>
<b>CC Form 4</b>	Certification Regarding Nonprofit Status and Compliance executed by a duly authorized signatory of Applicant.	<input checked="" type="checkbox"/>
	Attached Annex A – Nonprofit Documents	<input checked="" type="checkbox"/>
	Attached Annex B – Management Companies	<input checked="" type="checkbox"/>
	Attached Annex C – Vendors	<input checked="" type="checkbox"/>
	Attached Annex D – Contracts	<input checked="" type="checkbox"/>
	Attached Annex E – Related Party Transactions	<input checked="" type="checkbox"/>
	Attached Annex F – Real Estate	<input checked="" type="checkbox"/>
	Attached Annex G – Equipment	<input checked="" type="checkbox"/>
	Attached Annex H – Annual Compensation	<input checked="" type="checkbox"/>
<b>CC Form 5</b>	Disclosure executed by a duly authorized signatory of Applicant of all applications, licenses and/or registrations in any jurisdiction, and any withdrawals, denials, suspensions, revocations, consents orders/agreements and/or other enforcement or regulatory actions in any jurisdiction, including copies thereof in compliance with § 1.2(C)(4)(m)(1) and (2) of the Regulations	<input checked="" type="checkbox"/>

<b>Application Fee</b>	\$10,000 nonrefundable Application Fee, payable to the General Treasurer, State of Rhode Island, in the form of a cashier's check or money order only in compliance with § 1.2(C)(4)(a) of the Regulations	<input checked="" type="checkbox"/>
<b>CC Exhibit A</b>	Disclosure of any material financial interests or control in another compassion center, cultivator, cooperative cultivation or other marijuana establishment licensee, and a plan of divestiture in compliance with §§ 1.2(C)(4)(i) and 1.2(F)(7) of the Regulations	<input checked="" type="checkbox"/>
<b>CC Exhibit B</b>	Evidence of appointment of a Compliance Officer for the proposed Compassion Center and including Applicant's legal and operational compliance plan in accordance with § 1.2(C)(4)(l) of the Regulations	<input checked="" type="checkbox"/>
<b>CC Exhibit C</b>	Applicant's Business Plan for the Compassion Center with all information and in compliance with § 1.2(C)(4)(c) of the Regulations	<input checked="" type="checkbox"/>
<b>CC Exhibit D</b>	Applicant's Security and Safety Plan with all information and in compliance with § 1.2(C)(4)(d) of the Regulations	<input checked="" type="checkbox"/>
<b>CC Exhibit E</b>	Applicant's Operations Manual for the Compassion Center with all information and in compliance with § 1.2(C)(4)(e) of the Regulations	<input checked="" type="checkbox"/>
<b>CC Exhibit F</b>	Per § 1.2(C)(4)(f)(1) – (5) of the Regulations, a description of the proposed Licensed Premises, including street address, plat/lot number and zoning district	<input checked="" type="checkbox"/>
<b>Submission of Required Electronic and Paper Copies of Entire Application</b>		
<b>Version A – Paper</b>	Complete unredacted signed paper copy of the entire Application	<input checked="" type="checkbox"/>
<b>Version A – Electronic</b>	Complete electronic copy of the Version A paper application on a USB thumb drive	<input checked="" type="checkbox"/>
<b>Version B – Paper</b>	Complete paper copy of entire application redacted as instructed in Part 3 of this Application	<input checked="" type="checkbox"/>
<b>Version B – Electronic</b>	Complete electronic copy of entire application redacted as instructed in Part 3 of this Application on a USB thumb drive	<input checked="" type="checkbox"/>
<b>Version C – Paper</b>	Complete paper copy of entire application redacted as instructed in Part 3 of this Application	<input checked="" type="checkbox"/>
<b>Version C – Electronic</b>	Complete electronic copy of entire application redacted as instructed in Part 3 of this Application on a USB thumb drive	<input checked="" type="checkbox"/>

All Forms must be completed in their entirety; if a question or field is "not applicable" Applicant must insert "N/A." If the correct answer to a particular question is "None" write "None."



### **Part 3 – Three (3) Copies of Each Application Required – Digital and Paper – Some Redaction Required**

Applicant must submit a hard copy and an electronic copy of three different versions of the Application.

- Version A is the unredacted application.
- Version B includes certain redactions for purposes of public records disclosures.
- Version C will be used for the initial review without identifying information. If this information adequately displays Applicant's qualifications and their ability to meet the license requirements under the Act and the Regulations, then the Department will review the rest of the Application.

It is the responsibility of Applicant to redact all necessary information in accordance with the following instructions.

#### **Application Version A – Unredacted Application:**

- (1) A complete, signed paper copy of the completed Application with all completed Forms, Annexes, Exhibits, Documents and Deliverables; and
- (2) An electronic copy of item (A)(1) (immediately above) on a USB thumb drive.

#### **Application Redacted Version B – Application with Redacted Personal, Financial and Security Information:**

- (1) A paper copy of the completed Application with all completed Forms, Annexes, Exhibits, Documents and Deliverables, redacted as described below to be posted on the Department's website; and
- (2) An electronic copy of item (B)(1) (immediately above) on a USB thumb drive.
  - o Leave names of all Owners, Interest Holders and Key Persons visible in the Application.
  - o Redact any reference to patient, caregiver or authorized purchaser registration names, addresses, card numbers or cards.
  - o Redact any social security numbers and/or federal employer identification numbers
  - o Redact all dates of birth and home street addresses as to individual natural persons
  - o Redact any bank account numbers and bank account information on any check or other document that is submitted
  - o Redact all ownership percentages and dollar amounts, including in the Form 2, Form 4 and schedules/annexes attached thereto
  - o Redact all of CC Exhibit C, Applicant's Business Plan
  - o Redact all of CC Exhibit D, Applicant's Security and Safety Plan
  - o Redact any financial and proprietary information in CC Exhibit E, Applicant's Operations Manual
  - o In CC Exhibit F, redact any floor plans/diagrams of the proposed facilities



**Application Redacted Version C - Application with Redacted Personal and Interest Holder Information including Names:**

(1) A paper copy of completed Application with all completed Forms, Annexes, Exhibits, Documents and Deliverables, redacted as described below; and

(2) An electronic copy of item (C)(1) (immediately above) on a USB thumb drive.




- o Redact Applicant's name and all names and addresses of all Owners, Interest Holders and Key Persons.
- o Redact any reference to all names, addresses, registry identification card numbers of all patients, caregivers and authorized purchasers.
- o Redact any social security numbers and/or federal employer identification numbers
- o Redact all dates of birth and home street addresses as to individual natural persons
- o Redact any bank account numbers and bank account information on any check or other document that is submitted

Other than the redacted material, the information provided in the (A), (B) and (C) versions of the Application must be identical.

## **Part 4 – Compassion Center Required Application Forms**

### **CC FORM 1 – GENERAL CONTACT INFORMATION, TAXPAYER IDENTIFICATION AND AFFIRMATIONS**

<b>1</b>	<b>COMPANY NAME</b>  (legal name, and any d/b/a name(s), if applicable)	Atlas Enterprises Inc.
	<b>Application ZONE#</b>	<b>6</b>  (note separate applications and application fees are required to apply to multiple zones)
<b>2</b>	<b>BUSINESS STREET ADDRESS</b>	70 Jefferson Blvd Ste. 300
<b>3</b>	<b>CITY, STATE, ZIP</b>	Warwick, RI 02888
<b>4</b>	<b>STREET ADDRESS OF PROPOSED LICENSED PREMISES FOR RETAIL SALES OF MEDICAL MARIJUANA</b>	29 JT Connell Hwy
<b>5</b>	<b>CITY, STATE, ZIP</b>	Newport, RI 02840
<b>6</b>	<b>PLAT#/LOT# OF PROPOSED LICENSED PREMISES FOR RETAIL SALES</b>	09/372

	<b>OF MEDICAL MARIJUANA</b>	
<b>7</b>	<b>SQUARE FOOTAGE OF PROPOSED FACILITY FOR RETAIL SALE OF MARIJUANA</b>	3,536
<b>8</b>	<b>FEIN:</b> (Federal Employer Identification Number)	
<b>9</b>	<b>TELEPHONE NUMBER</b>	<b>AREA CODE    NUMBER                      EXTENSION</b> (401) 419-1860 _____ Ext. _____
<b>10</b>	<b>FAX NUMBER</b> (if not applicable, put "N/A")	<b>AREA CODE    NUMBER                      EXTENSION</b> ( N/A ) _____ - _____ Ext. _____
<b>11</b>	<b>TOLL FREE NUMBER</b> (if not applicable, put "N/A")	<b>AREA CODE    NUMBER                      EXTENSION</b> ( N/A ) _____ - _____ Ext. _____
<b>12</b>	<b>COMPLIANCE OFFICER Identification and Contact Information</b>	Applicant must appoint a Compliance Officer to whom information, notices, and documents will be sent. The Department reserves the right to contact and/or send notices and other correspondence to Applicant by email and/or post mail. It is Applicant's responsibility to ensure that the Compliance Officer information is correct and up to date at all times following application and throughout licensure.
	<b>Name:</b>	Napoleon Brito
	<b>Title:</b>	Compliance Officer
	<b>Mailing Address:</b>	
	<b>Email Address:</b>	



Phone Number	<div style="background-color: black; width: 100px; height: 1.2em; display: inline-block;"></div> <div style="background-color: black; width: 100px; height: 1.2em; display: inline-block;"></div> Ext. _____
	<div style="display: flex; justify-content: space-between;"> <span>AREA CODE</span> <span>NUMBER</span> <span>EXTENSION</span> </div>
Fax Number (if not applicable, put "N/A")	<div style="display: flex; justify-content: space-between;"> <span>(N/A) _____</span> <span>Ext. _____</span> </div> <div style="display: flex; justify-content: space-between;"> <span>AREA CODE</span> <span>NUMBER</span> <span>EXTENSION</span> </div>

### TAXPAYER STATUS

All persons and entities applying for or renewing any license, registration, permit, or other authority (hereinafter called "licensee") to conduct a business or occupation in the state of Rhode Island are required to file all applicable tax returns and pay all taxes owed to the state prior to receiving a license as mandated by R.I. Gen. Laws Chapter 5-76, except as noted below.


**PLEASE CHECK ONE BOX BELOW OR APPLICATION WILL BE CONSIDERED INCOMPLETE**

- ☒ I hereby declare, under penalty of perjury, that I have filed all required state tax returns and have paid all taxes owed.
- ☐ I have entered a written installment agreement to pay delinquent taxes that is satisfactory to the Tax Administrator.
- ☐ I am currently pursuing administrative review of taxes owed to the state.
- ☐ I am in federal bankruptcy. (Case # \_\_\_\_\_ )
- ☐ I am in state receivership. (Case # \_\_\_\_\_ )
- ☐ I have been discharged from Bankruptcy. (Case # \_\_\_\_\_ )

Atlas Enterprises Inc.

\_\_\_\_\_  
 Name of Taxpayer/Entity  
 Security or Federal Tax Identification Number

\_\_\_\_\_  
 Social

  
 Philip W. Gasbarro  
 President

## **CC Form 1 - AFFIRMATIONS**

### **Applicant hereby understands and affirms the following:**

1. The burden of proving an Applicant's qualifications rests on the party applying for the license.
2. The Department of Business Regulation may deny an Application that contains a material misstatement, omission, misrepresentation, or untruth.
3. An Application shall be complete in every material detail.
4. The Department of Business Regulation may rescind its approval of a Compassion Center License if Applicant has not completed the pre-requisites for issuance of the license as described in the Regulations within nine (9) months of their approval.
5. Regarding the location of the licensed premises, Applicant commits to the following:
  - a. The premises and operations of Applicant shall conform to local zoning requirements.
  - b. The Compassion Center License shall be conspicuously displayed at the licensed premises.
6. Regarding manufacturing, Applicant commits to having any form of manufacturing that uses a heat source or flammable/combustible material approved by the State Fire Marshal and/or the local fire department.
7. Applicant commits to not using any compressed, flammable gas as a solvent in any solvent extraction process, manufacturing or for any other purpose.
8. Applicant commits to not acquiring medical marijuana from anyone other than a licensed cultivator in accordance with the Act and the Regulations.
9. Applicant commits to the limitations set forth in the Act and the Regulations and understands that they are limited to possessing marijuana only as permitted in the Act and the Regulations.
10. Applicant understands that the licensed premises may not be within 1,000 feet of the property line of a preexisting public or private school.
11. Applicant hereby acknowledges that its employees covered by the National Labor Relations Act or the Rhode Island State Labor Relations Act have the right to form, attempt to form or join a union in the workplace. Applicant acknowledges that its covered employees may be fairly represented by a union if one is formed. Applicant also acknowledges that its employees have the right to refuse to do any or all of these things and that Applicant may not interfere with, restrain or coerce employees in the exercise of these rights.
12. Applicant understands that a licensed compassion center and any interest holders/key persons thereof may not have any material financial interest or control in another Rhode Island licensed compassion center, licensed cultivator or a licensed cooperative cultivation or in a Rhode Island Department of Health approved third party testing provider and vice versa.

**SIGNATURE FOR CC FORM 1**

The undersigned attests that Applicant organization understands and will adhere to the all requirements of the Act and the Regulations, including but not limited to those listed above, and that they have the authority to bind Applicant organization to all requirements.

The undersigned Authorized Signatory of Applicant hereby acknowledges and agrees that Applicant/Licensee has a continuing obligation to disclose any changes to the entirety of this Application for Medical Marijuana Compassion Center License and shall provide written notice to the Department within thirty (30) days of any change of the information provided herein including all Forms, Annexes, Exhibits, Documents and Deliverables submitted in connection with or as part of the application process; each such notice shall include an updated Form, Annex, Exhibit, Document or Deliverable, as the case may be.

Under penalty of perjury, the undersigned hereby declares and verifies that all statements on and information contained in this Application including all Forms, Annexes, Exhibits, Documents and Deliverables submitted herewith, are complete, true, correct and accurate.

**AUTHORIZED SIGNATORY SIGNATURE**

**SIGNATURE:**



**Print Name:** Philip W. Gasbarro

**Print Title:** Board Member *& President*

**DATE:**

12/014/2020.



**CC FORM 2**  
**Disclosure of Owners and Other Interest Holders**

**Name of Applicant/Licensee: Atlas Enterprises Inc.**

**Section I: Owners and Other Interest Holders**

List (A.) all persons and/or entities with any ownership interest with respect to applicant/licensee, **and** (B.) all officers, directors, members, managers or agents of applicant/licensee, **and** (C.) all persons or entities with managing or operational control with respect to applicant/licensee, its operations, the license and/or licensed facilities whether they have an ownership interest or not, **and** (D.) all investors or other persons or entities with any financial interest whether they have ownership interest or not, **and** (E.) all persons or entities that hold interest(s) arising under shared management companies, management agreements, or other agreements that afford third-party management or operational control with respect to applicant/licensee, its operations, the license and/or the licensed facilities (all persons and entities described in (A)-(E) being hereinafter individually referred to as an "Interest Holder" and collectively referred to as "Interest Holders").

To the extent that any Interest Holder is an entity (corporation, partnership, LLC, *etc.*), list all Interest Holders in that entity until all such Interest Holders are identified and disclosed down to the individual person level. Attach a separate sheet(s) if necessary.

**A. LIST ALL PERSONS AND/OR ENTITIES WITH ANY OWNERSHIP INTEREST IN APPLICANT/LICENSEE (including corporation stockholders, LLC members, and partners if a partnership; this includes parent companies if applicant/licensee is a subsidiary of another entity).**

To the extent that any Interest Holder is an entity (corporation, partnership, LLC, *etc.*), list all Interest Holders in that entity until all such Interest Holders are identified and disclosed down to the individual person level.

Name Christopher McGoff	Title Shareholder	SSN/FEIN [REDACTED]	DOB [REDACTED]	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No
Address (residence if an individual) [REDACTED]	City [REDACTED]	State [REDACTED]	ZIP [REDACTED]	Phone Number [REDACTED]
Business Associated with (Applicant, parent business or sub-entity) Applicant	Own. % Business Associated with [REDACTED]			Effective Own. % in Applicant [REDACTED]
Name	Title	SSN/FEIN	DOB	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No
Address (residence if an individual)	City	State	ZIP	Phone Number
Business Associated with (Applicant, parent business or sub-entity)	Own. % Business Associated with			Effective Own. % in Applicant
Name	Title	SSN/FEIN	DOB	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No
Address (residence if an individual)	City	State	ZIP	Phone Number ( )
Business Associated with (Applicant, parent business or sub-entity)	Own. % Business Associated with			Effective Own. % in Applicant
Name	Title	SSN/FEIN	DOB	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No
Address (residence if an individual)	City	State	ZIP	Phone Number ( )
Business Associated with (Applicant, parent business or sub-entity)	Own. % Business Associated with			Effective Own. % in Applicant

Name	Title	SSN/FEIN	DOB	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No
Address (residence if an individual)	City	State	ZIP	Phone Number ( )
Business Associated with (Applicant, parent business or sub-entity)	Own. % Business Associated with			Effective Own. % in Applicant

Name	Title	SSN/FEIN	DOB	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No
Address (residence if an individual)	City	State	ZIP	Phone Number ( )
Business Associated with (Applicant, parent business or sub-entity)	Own. % Business Associated with			Effective Own. % in Applicant

Name	Title	SSN/FEIN	DOB	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No
Address (residence if an individual)	City	State	ZIP	Phone Number ( )
Business Associated with (Applicant, parent business or sub-entity)	Own. % Business Associated with			Effective Own. % in Applicant

**B. LIST ALL OFFICERS, DIRECTORS, MANAGERS, MEMBERS OR AGENTS OF APPLICANT/LICENSEE AND ANY OTHER ENTITIES DESCRIBED IN SECTION A.**

To the extent that any such Interest Holder is an entity (corporation, partnership, LLC, etc.), list all Interest Holders in that entity until all such Interest Holders are identified and disclosed down to the individual person level.

Name Philip Gasbarro	Title Esq.	SSN/FEIN [REDACTED]	DOB [REDACTED]	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No
Address (residence if an individual) [REDACTED]	City [REDACTED]	State [REDACTED]	ZIP [REDACTED]	Phone Number [REDACTED]
Business Associated with (Applicant, parent business or sub-entity) Applicant	Title (officer, director, manager, etc.) President & Board Member			

Name Robert Flaherty	Title Esq.	SSN/FEIN [REDACTED]	DOB [REDACTED]	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No
Address (residence if an individual) [REDACTED]	City [REDACTED]	State [REDACTED]	ZIP [REDACTED]	Phone Number [REDACTED]
Business Associated with (Applicant, parent business or sub-entity) Applicant	Title (officer, director, manager, etc.) Board Member			

Name John Shepard	Title	SSN/FEIN [REDACTED]	DOB [REDACTED]	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No
Address (residence if an individual) [REDACTED]	City [REDACTED]	State [REDACTED]	ZIP [REDACTED]	Phone Number [REDACTED]
Business Associated with (Applicant, parent business or sub-entity) Applicant	Title (officer, director, manager, etc.) Board Member			

Name Napoleon Brito	Title	SSN/FEIN [REDACTED]	DOB [REDACTED]	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No
Address (residence if an individual) [REDACTED]	City [REDACTED]	State [REDACTED]	ZIP [REDACTED]	Phone Number [REDACTED]
Business Associated with (Applicant, parent business or sub-entity) Applicant	Title (officer, director, manager, etc.) Compliance Officer			



Name	Title	SSN/FEIN	DOB	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No
Address (residence if an individual)	City	State	ZIP	Phone Number ( )
Business Associated with (Applicant, parent business or sub-entity)	Title (officer, director, manager, etc.)			
Name	Title	SSN/FEIN	DOB	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No
Address (residence if an individual)	City	State	ZIP	Phone Number ( )
Business Associated with (Applicant, parent business or sub-entity)	Title (officer, director, manager, etc.)			
Name	Title	SSN/FEIN	DOB	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No
Address (residence if an individual)	City	State	ZIP	Phone Number ( )
Business Associated with (Applicant, parent business or sub-entity)	Title (officer, director, manager, etc.)			
<b>C. LIST ALL PERSONS OR ENTITIES WHO HAVE MANAGING OR OPERATIONAL CONTROL WITH RESPECT TO APPLICANT/LICENSEE, ANY OTHER ENTITIES DESCRIBED IN SECTIONS A OR B, ITS OPERATIONS, THE LICENSE, AND/OR LICENSED FACILITIES (WHETHER THEY HAVE AN OWNERSHIP INTEREST OR NOT).</b>				
<p>To the extent that any such Interest Holder is an entity (corporation, partnership, LLC, etc.), list all Interest Holders in that entity until all such Interest Holders are identified and disclosed down to the individual person level.</p>				
Name Philip Gasbarro	Title Esq.	SSN/FEIN [REDACTED]	DOB [REDACTED]	
Address (residence if an individual) [REDACTED]	City [REDACTED]	State [REDACTED]	ZIP [REDACTED]	Phone Number [REDACTED]
Business Associated with (Applicant, parent business or sub-entity) Applicant	Role, interest, etc. President & Board Member			
Name Robert Flaherty	Title Esq.	SSN/FEIN [REDACTED]	DOB [REDACTED]	
Address (residence if an individual) [REDACTED]	City [REDACTED]	State [REDACTED]	ZIP [REDACTED]	Phone Number [REDACTED]
Business Associated with (Applicant, parent business or sub-entity) Applicant	Role, interest, etc. Board Member			
Name John Shepard	Title	SSN/FEIN [REDACTED]	DOB [REDACTED]	
Address (residence if an individual) [REDACTED]	City [REDACTED]	State [REDACTED]	ZIP [REDACTED]	Phone Number [REDACTED]
Business Associated with (Applicant, parent business or sub-entity) Applicant	Role, interest, etc. Board Member			
Name Napoleon Brito	Title	SSN/FEIN [REDACTED]	DOB [REDACTED]	
Address (residence if an individual) [REDACTED]	City [REDACTED]	State [REDACTED]	ZIP [REDACTED]	Phone Number [REDACTED]

Business Associated with (Applicant, parent business or sub-entity) Applicant		Role, interest, etc. Compliance Officer			
Name	Title	SSN/FEIN	DOB	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Address (residence if an individual)	City	State	ZIP	Phone Number ( )	
Business Associated with (Applicant, parent business or sub-entity)		Role, interest, etc.			
Name	Title	SSN/FEIN	DOB	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Address (residence if an individual)	City	State	ZIP	Phone Number ( )	
Business Associated with (Applicant, parent business or sub-entity)		Role, interest, etc.			
Name	Title	SSN/FEIN	DOB	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Address (residence if an individual)	City	State	ZIP	Phone Number ( )	
Business Associated with (Applicant, parent business or sub-entity)		Role, interest, etc.			
<p><b>D. LIST ALL INVESTORS OR OTHER PERSONS OR ENTITIES WHO HAVE ANY FINANCIAL INTEREST WITH RESPECT TO APPLICANT/LICENSEE, ANY OTHER ENTITIES DESCRIBED IN SECTIONS A, B OR C, ITS OPERATIONS, THE LICENSE, AND/OR LICENSED FACILITIES (WHETHER THEY HAVE AN OWNERSHIP INTEREST OR NOT).</b></p> <p>To the extent that any such Interest Holder is an entity (corporation, partnership, LLC, etc.), list all Interest Holders in that entity until all such Interest Holders are identified and disclosed down to the individual person level.</p>					
Name Christopher McGoff	Title Shareholder	SSN/FEIN [REDACTED]	DOB [REDACTED]	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Address (residence if an individual) [REDACTED]	City [REDACTED]	State [REDACTED]	ZIP [REDACTED]	Phone Number [REDACTED]	
Business Associated with (Applicant, parent business or sub-entity) Applicant		Interest [REDACTED]			
Name	Title	SSN/FEIN	DOB	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Address (residence if an individual)	City	State	ZIP	Phone Number ( )	
Business Associated with (Applicant, parent business or sub-entity)		Interest			
Name	Title	SSN/FEIN	DOB	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Address (residence if an individual)	City	State	ZIP	Phone Number ( )	
Business Associated with (Applicant, parent business or sub-entity)		Interest			
Name	Title	SSN/FEIN	DOB	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No	



Address (residence if an individual)		City	State	ZIP	Phone Number ( )
Business Associated with (Applicant, parent business or sub-entity)		Interest			
Name	Title	SSN/FEIN		DOB	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No
Address (residence if an individual)		City	State	ZIP	Phone Number ( )
Business Associated with (Applicant, parent business or sub-entity)		Interest			
Name	Title	SSN/FEIN		DOB	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No
Address (residence if an individual)		City	State	ZIP	Phone Number ( )
Business Associated with (Applicant, parent business or sub-entity)		Interest			
Name	Title	SSN/FEIN		DOB	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No
Address (residence if an individual)		City	State	ZIP	Phone Number ( )
Business Associated with (Applicant, parent business or sub-entity)		Interest			
<b>E. LIST ALL PERSONS OR ENTITIES THAT HOLD INTEREST(S) ARISING UNDER SHARED MANAGEMENT COMPANIES, MANAGEMENT AGREEMENTS, OR OTHER AGREEMENTS THAT AFFORD THIRD-PARTY MANAGEMENT OR OPERATIONAL CONTROL WITH RESPECT TO APPLICANT/LICENSEE, ITS OPERATIONS, THE LICENSE AND/OR THE LICENSED FACILITIES.</b>					
<p>To the extent that any such Interest Holder is an entity (corporation, partnership, LLC, <i>etc.</i>), list all Interest Holders in that entity until all such Interest Holders are identified and disclosed down to the individual person level.</p>					
Name Christopher McGoff		Title Shareholder	SSN/FEIN [REDACTED]		DOB [REDACTED]
Address (residence if an individual) [REDACTED]		City [REDACTED]	State [REDACTED]	ZIP [REDACTED]	Phone Number [REDACTED]
Business Associated with (Applicant, parent business or sub-entity) Eagle Holdings LLC		Interest [REDACTED]			
Name	Title	SSN/FEIN		DOB	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No
Address (residence if an individual)		City	State	ZIP	Phone Number ( )
Business Associated with (Applicant, parent business or sub-entity)		Interest			
Name	Title	SSN/FEIN		DOB	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No

Updated to 7/16/2020

Name	Title	SSN/FEIN	DOB	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No
Address (residence if an individual)	City	State	ZIP	Phone Number ( )
Business Associated with (Applicant, parent business or sub-entity)		Interest		

Name	Title	SSN/FEIN	DOB	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No
Address (residence if an individual)	City	State	ZIP	Phone Number ( )
Business Associated with (Applicant, parent business or sub-entity)		Interest		

Name	Title	SSN/FEIN	DOB	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No
Address (residence if an individual)	City	State	ZIP	Phone Number ( )
Business Associated with (Applicant, parent business or sub-entity)		Interest		

Name	Title	SSN/FEIN	DOB	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No
Address (residence if an individual)	City	State	ZIP	Phone Number ( )
Business Associated with (Applicant, parent business or sub-entity)		Interest		

**Section II:** List all persons (including individuals, firms, partnerships, corporations, limited liability companies, trusts), besides the owners and other Interest Holders previously listed in this Form [2], who/that will loan, give, or otherwise provide money, property interests, equipment, inventory, furniture, licensing or other proprietary rights to or for use in this business, or hold a security interest therein; or who will receive money, profits, proprietary rights or other interests from this business. Attach a separate sheet if necessary. If any such person is an entity, list all persons with any ownership in or control of that entity.

Name	Date of Birth	SSN/FEIN	Interest/Dollar Amount
N/A			




**Section III:**

- A. Attach an organizational chart that clearly depicts all Interest Holders identified in this Form 2.
- B. Attach a list of all Interest Holders identified in Section I(A) and I(D) of Form 2 that are individual persons and include the effective ownership percentage and dollar amount of each Interest Holder's interest with respect to Applicant/Licensee, its operations, the license and/or licensed facilities. List them in order of their effective ownership percentage.
- C. Attach a list of all Interest Holders identified in Section I(A), I(B), I(C) and I(E) of Form 2 and include the dollar amount of annual compensation/remuneration paid/to be paid to such Interest Holders with respect to Applicant/Licensee, its operations, the license and/or licensed facilities for the last five years.

**The organizational chart and accompanying lists should follow the form and structure of the sample charts and lists included with this form.**

## **CERTIFICATION AS TO CC FORM 2**

The undersigned duly authorized signatory of Applicant/Licensee, in his/her capacity as such, for and on behalf of Applicant/Licensee, after due inquiry, hereby certifies to the Office of Cannabis Regulation of the Department of Business Regulation (the "Department" or "DBR") that it/he/she has disclosed to the Department in this Form 2:

(A) With respect to Applicant/Licensee, all persons and entities that:

- (i) Are owners, members, officers, directors, managers, or agents of Applicant/Licensee; and
- (ii) Have/will have managing or operational control with respect to Applicant/Licensee, its operations, the license and/or licensed facilities whether they have an ownership interest or not; and
- (iii) Are investors or have any other financial interest therein; and
- (iv) Hold interest(s) arising under shared management companies, management agreements, or other agreements that afford third-party management or operational control with respect to Applicant/Licensee, its operations, the proposed license, and/or the licensed facilities (any person or entity in the foregoing (i), (ii) and (iii) being herein individually referred to as an "interest holder" and all such persons and entities in the foregoing (i), (ii), (iii), and (iv) being collectively referred to as the "interest holders"); and

(B) To the extent that any interest holder described in (A) above is an entity, all interest holders in that entity until all such interest holders are identified and disclosed down to the individual person level.

The undersigned, after due inquiry, further certifies to the Department that, except for the license that is the subject of this Form 2 and except as permitted under R.I. Gen. Laws § 21-28.6-12(b)(10), no "interest holder" disclosed herein is an "interest holder" with respect to any other license issued by, or license application made to, the Department as to a "marijuana establishment licensee" as defined in R.I. Gen. Laws § 21-28.6-3(17).

The undersigned hereby acknowledges and agrees that Applicant/Licensee has a continuing obligation to disclose any changes and shall provide written notice to the Department within thirty (30) days of any change of the persons/entities/interest holders described and the certifications made in this Form 2 and that each such notice shall include an updated Form 2.

Under penalty of perjury, I hereby declare and verify that all statements on and information submitted with this Form 2 are complete, true, correct, and accurate.

  
\_\_\_\_\_  
Signature of Authorized Signatory

12/14/2020

\_\_\_\_\_  
Date

Philip W. Gasbarro

\_\_\_\_\_  
Printed Name

Print Title: Board Member / President

Print Name of Applicant/Licensee: Atlas Enterprises, Inc.



Updated to 7/16/2020

**CC FORM 3****Owners and Interest Holders Certification Statement Form**

On behalf of Applicant, and with respect to Applicant and each of the Interest Holders/Key Persons described in Form 2, the undersigned certifies as follows:

<p>1. Has the Applicant or any Owner or Interest Holder or any marijuana business entity or its equivalent in which such persons hold or have held an interest or a medical marijuana or other marijuana or cannabis license, registration or authorization in another state or jurisdiction, ever been disciplined (discipline includes without limitation any denial, suspension, revocation, fines or other sanction of the license, registration or authorization) by any state or jurisdiction? If "Yes" provide a brief explanation, copies of all documentation and name/address/phone number/contact person for the licensing/registration/authorization authority.</p> <p>_____</p> <p>_____</p> <p>_____</p>	<p>Yes <input type="checkbox"/></p>	<p>No <input checked="" type="checkbox"/></p>
<p>2. Has the Applicant and/or any Owner or Interest Holder ever been denied a professional license, privilege of taking an examination, or had a professional license or permit disciplined by a licensing authority in Rhode Island or any other state or jurisdiction (discipline includes without limitation any denial, suspension, revocation, fines or other sanction of the license, registration or authorization)? If "Yes" provide a brief explanation, copies of all documentation and name/address/phone number/contact person for the licensing/registration/authorization authority.</p> <p>_____</p> <p>_____</p> <p>_____</p>	<p>Yes <input type="checkbox"/></p>	<p>No <input checked="" type="checkbox"/></p>
<p>3. Is any Owner or Interest Holder employed by the State of Rhode Island? If "Yes" please describe below.</p>	<p>Yes <input type="checkbox"/></p>	<p>No <input checked="" type="checkbox"/></p>
<p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p>		

4. Does the Applicant, or any Owner or Interest Holder have any “material financial interest or control” (as defined in § 1.1.1(A)(30) of the Regulations) in another Rhode Island licensed cultivator, a compassion center, a licensed cooperative cultivation, or a Rhode Island DOH-approved third party testing provider or vice versa. If “Yes” describe below:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
<hr/> <hr/>		
5. Applicant acknowledges that it fully understands that:		
a. Marijuana is a Schedule I controlled substance under the Controlled Substances Act of 1970 (21 U.S.C. 801 <i>et seq.</i> );	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
b. The manufacturing, distribution, cultivation, processing, possession, or possession with intent to distribute a Schedule I controlled substance, or conspiring or attempting to do so, are offenses subject to harsh penalties under federal law and could result in arrest, prosecution, conviction, incarceration, fine, seizure of property, and loss of licenses or other privileges;	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
c. Any activity regarding marijuana that does not comply with Rhode Island law or regulations is a violation of State law and could result in arrest, prosecution, conviction, incarceration, fine, seizure of property, and loss of licenses or other privileges; and	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
d. Applicant must comply with the requirements of R.I. Gen. Laws § 21-28.6-12(c)(7) and § 1.4(C) of the Regulations pertaining to criminal identification records checks prior to licensure.	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
6. Applicant acknowledges that Application Fees are non-refundable.	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
7. Applicant acknowledges that in filing an Application for a license, the following:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
a. The Department of Business Regulation is vested with certain authority and discretion under the Act and Regulations with respect to review and approval of a Compassion Center License; and b. The Department of Business Regulation’s decision in approving or denying an Application shall be final subject to the provisions of the Administrative Procedures Act codified in R.I. Gen. Laws § 42-35-1 <i>et seq.</i>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>



Updated to 7/16/2020

The undersigned hereby acknowledges and agrees that Applicant/Licensee has a continuing obligation to disclose any changes and shall provide written notice to the Department within thirty (30) days of any change of the information provided and the certifications made in this Form 3 and that each such notice shall include an updated Form 3.

Under penalty of perjury, I hereby declare and verify that all statements on and information submitted with this Form 3 are complete, true, correct, and accurate.

  
\_\_\_\_\_  
Signature of Authorized Signatory

12/14/2020  
\_\_\_\_\_  
Date

Philip W. Gasbarro  
\_\_\_\_\_  
Printed Name

Print Title: Board Member *President*

Print Name of Applicant/Licensee: Atlas Enterprises Inc.

**CC FORM 4**  
**CERTIFICATION REGARDING NONPROFIT STATUS AND**  
**COMPLIANCE**

The undersigned duly authorized signatory of Applicant/Licensee, in his/her capacity as such, for and on behalf of Applicant/Licensee, after due inquiry, hereby certifies to the Office of Cannabis Regulation of the Department of Business Regulation (the "Department" or "DBR") as follows:

**1. Nonprofit Status and Operation**

- A. The Applicant/Licensee is and shall be operated on a not-for-profit basis for the mutual benefit of its patients in compliance with The Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act, Chapter 21-28.6 of the Rhode Island General Laws and the regulations promulgated thereunder.
- B. Compassion centers shall not be organized, structured or operated in a manner that violates R.I. Gen. Laws § 21-28.6-12(f), or which would cause medical marijuana and medical marijuana products to be priced at unreasonable rates, as determined by DBR, in accordance with R.I. Gen. Laws § 21-28.6-12(d)(2)(iii).
- C. The Applicant/Licensee is a nonprofit corporation organized, existing and in good standing under the laws of the State of Rhode Island, including the Rhode Island Nonprofit Corporation Act, R.I. Gen. Laws Chapter 7-6, as evidenced in Annex A attached hereto, which includes the following documents:
  - i. A written overview of Applicant's corporate structure as a nonprofit entity, a listing of all board members, officers, and other key persons along with copies of their resumes, job descriptions, roles and duties.
  - ii. Applicant's nonprofit Articles of Incorporation filed with RI Secretary of State (SOS) in accordance with R.I. Gen. Laws Chapter 7-6;
  - iii. Applicant's corporate Bylaws;
  - iv. Applicant's Certificate of Good Standing from the RI SOS; and
  - v. If applicable, documentation evidencing tax-exempt organization status under US Internal Revenue Code.

**2. Management Companies and Vendors**

- A. All contracts and agreements, including any loan or other financing agreements, with all management companies and vendors shall be on commercially reasonable terms and provide for compensation/remuneration at fair market value for the subject services, supplies, equipment, and other goods.
- B. Attached hereto as Annex B is a list of all management companies used/to be used to supply services, supplies, equipment and/or other goods to the compassion center Applicant/Licensee. This list must also include a list of all persons (names and

addresses) who have any ownership or financial interest (officers, directors, stockholders of 5% or more, LLC managers or members, and/or partners) in or operations or managerial control over the management company.

- C. Attached hereto as Annex C is a list of all anticipated vendors used/to be used to supply services, supplies, equipment and/or other goods to the compassion center Applicant/Licensee of \$100,000 or more per calendar year. This list must also include a list of all persons (names and addresses) who have any ownership or financial interest (officers, directors, stockholders of 5% or more, LLC managers or members, and/or partners) in or operations or managerial control over the management company.
- D. Attached hereto as Annex D are copies of any/all agreements, contracts and proposals with management companies, vendors, or other contractors, including copies of any proposed management agreements, leases, loans, contracts, or any other documentation reflecting the terms and conditions of any relationships and/or interests between the nonprofit entity and these agents, persons, or entities. Applicant must include any subsidiaries/parent companies associated with these agents, persons, or entities in the overview and organizational chart and/or any other entities engaged in similar cannabis activities which have shared owners, officers, directors or key persons.

3. Related Party Transactions

- A. Attached hereto as Annex E is a list of all financial transactions between Applicant/Licensee, on the one hand, and any immediate family member(s)<sup>1</sup> (whether directly or through an entity in which such family member(s) has an interest) of an officer, director, manager or other person having managerial or operational control of Applicant/Licensee, on the other hand.
- B. All such financial transactions are on commercially reasonable terms and provide for compensation/remuneration at fair market value for the subject matter thereof.

4. Real Estate and Equipment

- A. Attached hereto as Annex F is a list of all real estate to be purchased or leased by Applicant/Licensee; and
- B. Attached hereto as Annex G is a list of all equipment to be purchased or leased by Applicant/Licensee involving compensation/remuneration of \$100,000 or more per calendar year.
- C. Such purchase and lease transactions are on commercially reasonable terms and provide for compensation/remuneration at fair market value for the subject matter thereof.

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<sup>1</sup> "Family members" means and includes a spouse, parent, grandparent, child, brother, sister, mother-in-law, father-in-law, brother-in-law, sister-in-law, daughter-in-law, son-in-law and includes adopted, half and step members.



5. Compensation of Officers, Directors and Employees

A. Attached hereto as Annex H is a schedule of annual compensation as to:

- i. All officers, directors, managers, and other persons having managerial or operational control of Applicant/Licensee; and
- ii. The ten (10) other persons with the highest-level annual compensation.

B. Applicant/Licensee is in compliance with the compensation, dividend and loan provisions of the Rhode Island Nonprofit Corporation Act, R.I. Gen. Laws Chapter 7-6, including §§ 7-6-26.1, 7-6-31, and 7-6-32.

6. Revenue Sharing

Applicant/Licensee is not and shall not become a party to any revenue or profit-sharing agreements or other arrangements involving sharing of, or compensation/remuneration based upon a percentage of, the compassion center's revenues or profits.

The undersigned hereby acknowledges and agrees that Applicant/Licensee has a continuing obligation to disclose any changes and shall provide written notice to the Department within thirty (30) days of any change of the information provided and the certifications made in this Certification and that each such notice shall include an updated Certification and all annexes hereto.

Under penalty of perjury, the undersigned hereby declares and verifies that all statements on this Certification are complete, true, correct and accurate and all applicable information and deliverables required by this form are attached in Annexes A through H.

  
\_\_\_\_\_  
Signature of Authorized Signatory

12/14/2020

\_\_\_\_\_  
Date

Philip W. Gasbarro

\_\_\_\_\_  
Printed Name

Print Title: Board Member / President

Print Name of Applicant/Licensee: Atlas Enterprises Inc.

**INSTRUCTIONS FOR CC FORM 4 ANNEXES**

Attach separate pages for each Annex, A through H, to CC Form 4. If the information to be provided on any Annex is "none", put "none" on that Annex page.

The materials must demonstrate Applicant's understanding of and ability to comply with the requirements under the Act and the Regulations.

**CC FORM 5**

**BUSINESS LICENSE IDENTIFICATION FORM**

Applicant hereby state(s) as follows:

With respect to Applicant and any Owner or Interest Holders described in Form 2, Section I, such persons have either applied for or are currently or have been previously licensed, registered or authorized to produce or otherwise deal in the manufacture or distribution of marijuana in any form, in the below states or jurisdictions and corresponding agency or authority.

State & Name of Agency	Type of License	Name of Licensee	License or Registration #
None			

Applicant disclosed and provided any and all denial, suspension, revocation, fines, or other sanction of the license, registration or authorization listed above as instructed in CC FORM 3.

Applicant hereby authorizes: (1) the Rhode Island Department of Business Regulation to contact the agencies indicated above for information regarding Applicant and the licenses/registrations listed above; and (2) such other state agencies to provide any and all information requested by the Department regarding the licenses/registrations. If requested by the Department, Applicant will provide any additional authorization required by any of the state agencies in order to provide information requested by the Department.

The undersigned hereby acknowledges and agrees that Applicant/Licensee has a continuing obligation to disclose any changes and shall provide written notice to the Department within thirty (30) days of any change of the information provided and the statements made in this Form 5 and that each such notice shall include an updated Form 5.

Updated to 7/16/2020

Under penalty of perjury, I hereby declare and verify that all statements on and information submitted with this Form 5 are complete, true, correct, and accurate.

  
\_\_\_\_\_  
Signature of Authorized Signatory

12/14/2020

\_\_\_\_\_  
Date

Philip W. Gasbarro

\_\_\_\_\_  
Printed Name

Print Title: Board Member / President

Print Name of Applicant/Licensee: Atlas Enterprises Inc.



## **Part 5 – Compassion Center Application Required Exhibits**


### **CC Exhibit A – Disclosure of Material Financial Interests/Divestiture Plan**

Attach hereto as CC Exhibit A is Applicant's complete disclosure statement of any material financial interests or control in another Rhode Island compassion center, cultivator, cooperative cultivation, or other marijuana establishment licensee and a plan of divestiture in compliance with §§ 1.2(C)(4)(i) & 1.2(F)(7). Please review the definition of "material financial interest or control" in § 1.1(A)(30) of the Regulations.

The materials must demonstrate Applicant's understanding of and ability to comply with the requirements under the Act and the Regulations.

**[ATTACH AND SIGN BELOW – If None, state "None" and Sign]**

None at present time—in active negotiations, subject to DBR approval, with a licensed cultivation facility.

  
\_\_\_\_\_  
Signature of Authorized Signatory

12/14/2020.  
\_\_\_\_\_  
Date

Philip W. Gasbarro

\_\_\_\_\_  
Printed Name

Print Title: Board Member / President

Print Name of Applicant/Licensee: Atlas Enterprises Inc.

**CC Exhibit B – Compliance Plan**

Attach hereto as CC Exhibit B evidence of appointment of a Compliance Officer for the proposed Compassion Center including Applicant's legal and operational compliance plan in accordance with § 1.2(C)(4)(I) of the Regulations.

The compliance plan must include, without limitation, a written description of Applicant's policies, procedures, and plan with regard to patient privacy, sales to out-of-state patients, procedures for access to restricted areas, affiliations with local patient and community organizations, employee/workplace drug use policies/procedures, compliance testing policies/procedures, and Applicant's proposed policies/procedures/mechanisms to ensure compliance with prohibited financial interests and, if applicable, the additional requirements for establishing and maintaining its nonprofit status.

The plan and materials must demonstrate Applicant's understanding of and ability to comply with the requirements under the Act and the Regulations.

**[ATTACH AND SIGN BELOW]**

  
\_\_\_\_\_  
Signature of Authorized Signatory

12/14/2020.

\_\_\_\_\_  
Date

Philip W. Gasbarro

\_\_\_\_\_  
Printed Name

Print Title: Board Member / President

Print Name of Applicant/Licensee: Atlas Enterprises Inc.

**CC Exhibit C– Business Plan**

Attach hereto as CC Exhibit C Applicant's Business Plan for the Compassion Center with all information and in compliance with § 1.2(C)(4)(c) of the Regulations.

The business plan must demonstrate Applicant's understanding of and ability to comply with the requirements under the Act and the Regulations, likelihood of success, and include without limitation:

- a. Applicant's experience running a non-profit organization or other business, and applicant's experience running a medical marijuana business, as applicable;
- b. Detailed description of amount and source of equity, debt and operating capital for the proposed compassion center, including financial statements or other documentation establishing the source of any funds;
- c. Start-up funding and long-term financial feasibility plan;
- d. Detailed timeline for initiating operations;
- e. Funds for capital improvements and operating needs;
- f. Financial capability;
- g. Financial oversight and compliance plan;
- h. Services for hardship patients and charity care;
- i. Three (3) year projected income statement;
- j. Number and category description of FTEs (full time equivalents) and associated payroll expenses (with benefits) required for staffing;
- k. Description of products and services;
- l. Marketing, promotional and sales plan including pricing strategy;
- m. Industry and market assessment and analysis; and
- n. Segment and customer profile.

**[ATTACH AND SIGN BELOW]**

  
\_\_\_\_\_  
Signature of Authorized Signatory

12/14/2020  
\_\_\_\_\_  
Date

Philip W. Gasbarro  
\_\_\_\_\_  
Printed Name

Print Title: Board Member

/ President

Print Name of Applicant/Licensee: Atlas Enterprises Inc.



### **CC Exhibit D- Security and Safety Plan**

Attach hereto as CC Exhibit D Applicant's Security and Safety Plan for the Compassion Center with all information in compliance with § 1.2(C)(4)(d) of the Regulations.

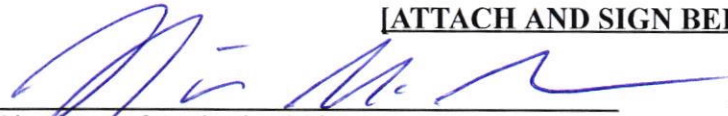
The security and safety plan must demonstrate Applicant's understanding of, and ability to, comply with the requirements under the Act and the Regulations and shall include without limitation a description of:

- (a) Security equipment including hardware, software applications, and compliance with industry standards and specifications;
- (b) Applicant's security and safety plan with regard to third-party vendors;
- (c) Applicant's security and safety plan with regard to Standard Operating Procedures;
- (d) Applicant's security and safety plan with regard to cash management and/or electronic payment processing, as applicable;
- (e) Applicant's security and safety plan with regard to confirmation of a secured deposit banking account or proposed plan to obtain such account prior to beginning the proposed licensed activities;
- (f) How Applicant would train all employees and registered Compassion center agents on security procedures;
- (g) How Applicant would train all employees and registered Compassion Center agents on safety procedures, including but not limited to responding to a (1) medical emergency, (2) a fire, and (3) a chemical spill;
- (h) How Applicant would train all employees and registered Compassion Center agents on safety procedures including responding to threatening events, such as an armed robbery, an invasion, a burglary, and any other criminal incident;
- (i) How Applicant would secure the licensed premises and facility to prevent unauthorized entry in accordance with the Regulations;
- (j) How the premises and facility will be equipped with a security alarm system that:
  - 1. secures and monitors the entire perimeter;
  - 2. is continuously monitored; and
  - 3. is capable of detecting power loss/interruption in accordance with the Regulations;
- (k) How the premises and facility will be protected by a video surveillance recording system to ensure surveillance of the entire licensed premises and adherence to the video surveillance requirements in accordance with the Regulations;

- (l) How a video surveillance system will be supported by adequate security lighting in accordance with the Regulations;
- (m) How Applicant would maintain a security alarm system that covers all perimeter entry points and portals at all premises;
- (n) How the security system will be:
  - 1. Continuously monitored,
  - 2. Capable of detecting smoke and fire, and
  - 3. Accessible via remote feed to the Department of Business Regulation in accordance with the Regulations.
- (o) How security footage and equipment will be stored and secured in accordance with the Regulations.
- (p) How Applicant will maintain a video surveillance recording system at all premises that:
  - 1. Records all activity in images of high quality and high resolution capable of clearly revealing facial detail;
  - 2. Operates 24-hours a day, 365 days a year without interruption; and
  - 3. Provides a date and time stamp for every recorded frame.
- (q) How the surveillance camera(s) will be located and operated to capture each exit from the premises;
- (r) How the surveillance camera(s) will capture activity at each entrance to an area where medical marijuana and medical marijuana products are located;
- (s) How the recording of security video surveillance shall be made available to the Department of Business Regulation or law enforcement in accordance with the Regulations;
- (t) How Applicant will, when visitors are admitted to a non-public area of the licensed premises:
  - 1. Log the visitor in and out;
  - 2. Continuously visually supervise the visitor while on the premises; and
  - 3. Ensure that the visitor does not touch any medical marijuana or medical marijuana products.
- (u) Applicant's policies and procedures for maintenance of a log of all visitors;
- (v) The process Applicant will follow in reporting a theft or diversion to:
  - 1. the Department of Business Regulation; and
  - 2. Rhode Island State Police in accordance with the Regulations.

- (w) How Applicant will ensure that it, or a registered agent thereof, will not distribute any medical marijuana or medical marijuana products to any person if the licensee or registered agent knows, or may have reason to know, that the distribution does not comply with the Act or the Regulations;
- (x) How Applicant will record and execute the transfer of medical marijuana from licensed medical marijuana cultivators in accordance with the Regulations; and
- (y) How Applicant will record and execute the transfer of medical marijuana to a patient cardholder, caregiver cardholder, or authorized purchaser cardholder in accordance with the Regulations.

**[ATTACH AND SIGN BELOW]**

  
\_\_\_\_\_  
Signature of Authorized Signatory

12/14/2020  
\_\_\_\_\_  
Date

Philip W. Gasbarro

\_\_\_\_\_  
Printed Name

Print Title: Board Member / President

Print Name of Applicant/Licensee: Atlas Enterprises Inc.



### **CC Exhibit E – Operations Manual Required Content**

Attach hereto as CC Exhibit E Applicant's Operations Manual for the Compassion Center with all information and in compliance with § 1.2(C)(4)(e) of the Regulations.

The Operations Manual must include, without limitation, a written description of Applicant's policies, procedures and plans regarding:

- Patient intake and identification checks, patient education, patient feedback/product selection, any other proposed services to be provided at the Compassion Center;
- Point of sale tracking;
- Advertising;
- Vehicle/foot traffic impact and mitigation of community impact;
- Packaging and labelling;
- Complaints;
- Returns/refunds; and
- Product recalls.

The Operations Manual must demonstrate Applicant's understanding of and ability to comply with the requirements under the Act and the Regulations and include without limitation a description of:

- (a) The Applicant's biography including experience, knowledge, and training as it relates to:
1. The marijuana industry in Rhode Island or any other state;
  2. Current role or participation in the Rhode Island Medical Marijuana Program;
  3. Past experience running a business or nonprofit;
  4. Familiarity with medical marijuana products and patients' utilization of products to treat qualifying conditions;
  5. Product testing and the use of seed to sale inventory tracking; and
  6. Any other background information or documentation Applicant believes demonstrates its qualifications to hold a compassion license.

If Applicant is currently a caregiver, licensed cultivator, or part of a licensed cooperative cultivation entity in Rhode Island, Applicant must include their registration ID number and how long they have been a caregiver or operating as a licensed cultivator or cooperative cultivation.

- (b) A list of proposed medical marijuana varieties and product types proposed to be offered.
- (c) A pricing model for how the price of products will be determined. Applicant must do this for products that will be procured from licensed cultivators as well as for products which may be manufactured by the compassion center if approved and/or applicable. This must include price ranges by categories of products (edibles, tinctures, vape cartridges, topicals, *etc.*) and/or any price structures which are based on levels of specific cannabinoids (THC, THCa, CBD, *etc.*). Applicant must state whether the compassion center would utilize pricing tiers for flower or any other categories of products and, if so,

describe the general product requirements of each product as well as the price range per tier.

- (d) Any programs the compassion center would adopt to provide patients with discounted or free medicine. Applicant must include any qualifying factors it plans to use, if any, such as patient income, disability status, terminal diagnosis, or any other need-based criteria which the center may adopt.
- (e) How the Applicant would train all employees and registered compassion center agents on Federal and State medical marijuana laws and regulations as well as other laws and regulations pertinent to the compassion center agents' responsibilities.
- (f) How the Applicant would train all employees and licensed compassion center agents on standard operating procedures.
- (g) How the Applicant would train all employees and registered compassion center agents on detection and prevention of diversion of medical marijuana and medical marijuana products.
- (h) How the Applicant would establish written standard operating procedures for receipt of medical marijuana material and/or products, including how Applicant will inspect products for defects, contamination, and compliance with Regulations.
- (i) How the Applicant will use a perpetual inventory control system that identifies and tracks Applicant's stock of medical marijuana products from the time the medical marijuana is obtained by, or delivered to, a registered compassion center to the time it is sold or transferred to a patient cardholder, caregiver cardholder, or authorized purchaser in accordance with the Regulations. Applicant must address the situation in which it has access to the state approved Medical Marijuana Program Tracking System and the situation in which Applicant does not have access to the System (as specified in the Regulations).
- (j) How, as soon as is practical, if the Applicant does not have access to the state approved Medical Marijuana Program Tracking System, Applicant will, for each medical marijuana unit or product:
  - 1. Create a unique identifier;
  - 2. Enter information regarding the product/unit into an alternate inventory control system;
  - 3. Create a label with the unique identifier and batch number; and
  - 4. Securely attach the label to each unit/product.
- (k) How the Applicant will notify the Department of Business Regulation of an inventory or supply discrepancy if Applicant discerns a discrepancy between the inventory and the medical marijuana program tracking system.



- (l) How the Applicant will quarantine and not release any medical marijuana product if notified the product fails to meet all criteria for production or patient consumption in accordance with the Regulations.
- (m) In the case where faulty products have been sold or transferred to customers, how the Applicant will institute a recall and notify customers about the faulty products and what they should do if they still possess them.
- (n) How the Applicant will hold medical marijuana and medical marijuana products in secure and segregated storage.
- (o) How the Applicant, as a licensed compassion center, would establish procedures to receive, organize, store, and respond to all oral, written, electronic, or other complaints regarding medical marijuana and adverse events.
- (p) How the Applicant will ensure it does not transport medical marijuana or medical marijuana products to, or receive any medical marijuana or medical marijuana products from, any place outside of Rhode Island.
- (q) How the Applicant will have a standard operating procedure to require an employee or compassion center agent to report any personal health condition that could pose a threat to customers or compromise the cleanliness or quality of the medical marijuana products the employee/agent might handle.
- (r) How the Applicant will provide for disposal and segregated storage of any medical marijuana or product that is outdated, damaged, deteriorated, misbranded, or adulterated.
- (s) How the packaging and labeling of medical marijuana finished products will be in compliance with all applicable Regulations.
- (t) How a package of medical marijuana finished product will bear any allergen warning required by law.
- (u) How the Applicant will assure that a package of medical marijuana finished product does not bear any resemblance to the trademarked, characteristic, or product-specialized packaging of any commercially available candy, snack, baked good, or beverage.
- (v) How the Applicant will assure that a package of medical marijuana finished product does not bear any statement, artwork, or design that could mislead any person to believe that the package contains anything other than a medical marijuana finished product.
- (w) How the Applicant will assure that a package of medical marijuana finished product does not bear any cartoon, color scheme, image, graphic, or feature that might make the package attractive to children.



- (x) How the Applicant will ensure compliance with state and federal health and safety protocols, requirements and guidance with respect to the COVID-19 health pandemic.

**Exhibit E Signature page**

**[ATTACH AND SIGN BELOW]**

  
\_\_\_\_\_  
Signature of Authorized Signatory

\_\_\_\_\_  
12/14/2020  
Date

Philip W. Gasbarro

\_\_\_\_\_  
Printed Name

Print Title: Board Member / President

Print Name of Applicant/Licensee: Atlas Enterprises Inc.

### **CC Exhibit F – Compassion Center Premises Requirements**

Attach hereto as CC Exhibit F, per § 1.2(C)(4)(f) of the Regulations, is all the information responsive to paragraphs (i) through (vi) below.

Is the applicant proposing **alternative locations** in the same zone under this application?

Yes    ☐                      No    ☒

If “Yes”, then Application must provide a complete response to paragraphs (i) through (vi) below for each proposed location.

Applicant’s response must demonstrate its understanding of, and ability to comply with, the requirements under the Act and the Regulations and include without limitation:

- i. A description of the proposed Licensed Premises, including street address, plat/lot number and zoning district.
- ii. Evidence of compliance for the location(s) with the local zoning laws in the form of a certificate or letter from an authorized zoning official;
- iii. Evidence that the physical location is not located within one thousand feet (1,000’) of the property line of a preexisting public or private school in compliance with R.I. Gen. Laws § 21-28.6-12(f)(2) as demonstrated by a GIS Map or other similar municipal map showing Applicant’s property, and the 1,000 foot distance from the property line of any schools;
- iv. A draft diagram, shown to scale, no smaller than 8.5” by 11” and no larger than 11" X 17", of the proposed facilities showing:
  - (1) Where medical marijuana will be stored, processed, packaged, manufactured and dispensed;
  - (2) The restricted-access areas, limited-access areas, walls, partitions, entrances, exits and location of security alarms, cameras, and surveillance recording equipment locations;
  - (3) Patient access areas including areas designated for patient enrollment, waiting, and education;
  - (4) Any public transportation services nearby,
  - (5) A diagram of all proposed on-site and off-site parking capacity (including spaces for persons with disabilities);
  - (6) How the facility will provide ADA-compliant access for persons with disabilities; and
  - (7) The location of the facility relative to streets and other public areas, and any other relevant information;

- v. A description of objective parameters (such as distances from streets and public areas) and/or proposed measures (such as black-out window shades) that ensure that marijuana at the premises shall not be visible from the street or other public areas; and
- vi. Documents evidencing either ownership of property or lease agreement with owner of property to allow the operation of a compassion center on the property, if property has already been purchased or leased at the time of the application or a signed letter of intent for such a sale or lease.

**Exhibit F Signature page**

**[ATTACH AND SIGN BELOW]**

  
\_\_\_\_\_  
Signature of Authorized Signatory

12/14/2020  
\_\_\_\_\_  
Date

Philip W. Gasbarro  
\_\_\_\_\_

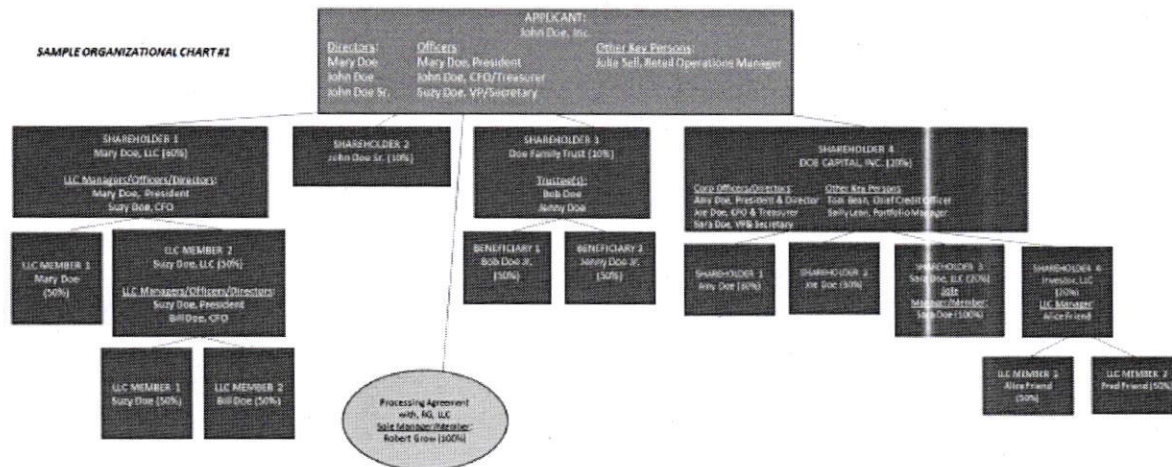
Printed Name

Print Title: Board Member / President

Print Name of Applicant/Licensee: Atlas Enterprises Inc.

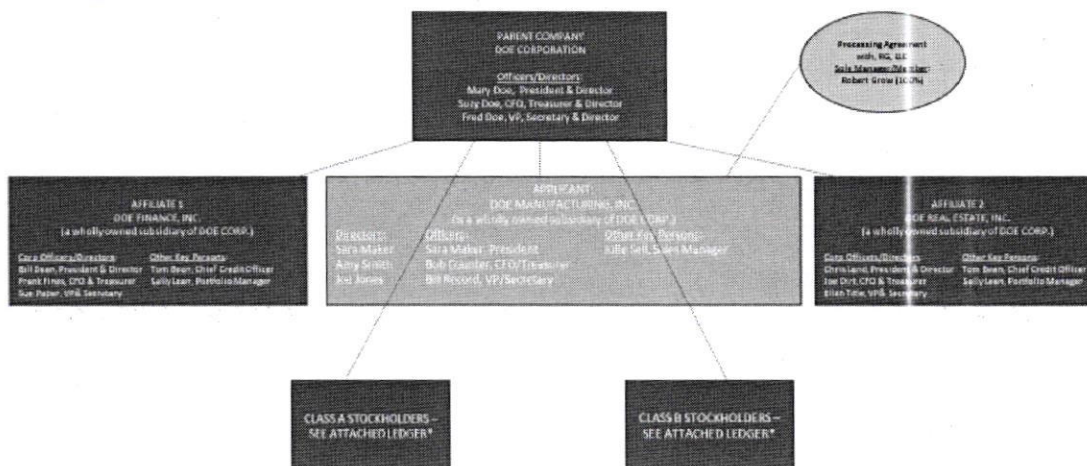


## Appendix A – CC Form 2 Organizational Chart Example



If any interest is held by a corporation, limited liability company, partnership, trust or other entity, continue to add boxes that delineate next level interest holders until the organization chart reflects all interests/roles down to the individual person level.

**SAMPLE ORGANIZATIONAL CHART #2**



\*The list of stockholders must be to the individual person level. If any stock interest is held by a corporation, limited liability company, partnership, trust or other entity, the list must also include interest holders in each entity until the list includes all interest holders to the individual person level.

Updated to 7/16/2020

## Appendix B – CC Form 2 Sample Schedule of Effective Ownership Interests

(shown in landscape only to increase font size of example)

Owners by Effective Percentage of Ownership		Effective Percentage of Ownership	Capital Contributions, if any				
Doe, Mary		30%	\$	300,000.00			
Doe, Bill		15%	\$	150,000.00			
Doe, Suzy		15%	\$	150,000.00			
Doe Sr., John		10%	\$	100,000.00			
Doe, Amy		6%	\$	60,000.00			
Doe, Joe		6%	\$	60,000.00			
Doe Jr., Jerry		5%	\$	50,000.00			
Doe Jr., Bob		5%	\$	50,000.00			
Doe, Sara		4%	\$	40,000.00			
Friend, Alice		2%	\$	20,000.00			
Friend, Fred		2%	\$	20,000.00			
<b>Third Party Management/ Operation Agreements</b>							
Entity		2019 Comp		2018 Comp	2017 Comp	2016 Comp	2015 Comp
RG, LLC	\$	3,000,000.00	\$	2,750,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00
<b>Directors, Officers, and Key Persons</b>							
Name		2019 Comp		2018 Comp	2017 Comp	2016 Comp	2015 Comp
Doe, Mary	\$	750,000.00	\$	750,000.00	\$ 750,000.00	\$ 750,000.00	\$ 750,000.00
Doe Sr., John	\$	200,000.00	\$	200,000.00	\$ 200,000.00	\$ 200,000.00	\$ 200,000.00
Doe Jr., John	\$	200,000.00	\$	200,000.00	\$ 200,000.00	\$ 200,000.00	\$ 200,000.00
Doe, Mary	\$	150,000.00	\$	150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00
Doe, Suzy	\$	150,000.00	\$	150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00
Sell, Julie	\$	95,000.00	\$	95,000.00	\$ 95,000.00	\$ 95,000.00	\$ 95,000.00



**CC Form 2 Organizational Chart**



## **CC Form 2 Schedule of Effective Ownership Interests**

Atlas Enterprises Inc.		
Owners by effective percentage of ownership	Effective Percentage of ownership	Capital Contributions, if any
McGoff, Chris	██████████	██████████

Third Party Management/Operation Agreements	
Entity	2020 Comp.
Eagle Holdings LLC	██████████

Directors, Officers, and Key Persons	Role		
Name	Role	2020 Comp.	2021 Comp.
Napoleon Brito	Chief Compliance Officer	██████████	██████████
Philip W. Gasbarro	Board Member & President	██████████	██████████
Robert E. Flaherty	Board Member	██████████	██████████
John Shepard	Board Member	██████████	██████████

Creditors
None

**CC Form 2 - Interest Compensation**

No Interest Holders of Atlas Enterprises Inc. have been paid annual compensation/remuneration with respect to Applicant/Licensee, its operations, the license, and/or licensed facilities for the last five years.

NAME	TITLE	ANNUAL COMPENSATION LAST 5 YEARS
<b>Chris McGoff</b>	Shareholder	■
<b>Robert E. Flaherty</b>	Board Member	■
<b>John Shepard</b>	Board Member	■
<b>Philip W. Gasbarro, Esq</b>	Board Member & President	■



## **CC Form 4 Annex A – Non-Profit Status**

Please find the following documents attached:

- Articles of Incorporation
- Proof of EIN



**Articles of Incorporation**  
DOMESTIC Non-Profit Corporation

→ Filing Fee: \$35.00

The undersigned, acting as incorporator(s) of a corporation under RIGL 7-6-34, adopt(s) the following Articles of Incorporation for such corporation:

1. The name of the corporation is:

Atlas Enterprises Inc.

2. The period of its duration is: **CHECK ONE BOX ONLY**

☒ Perpetual (on-going)

☐ Date certain for dissolution \_\_\_\_\_

3. The specific purpose or purposes for which the corporation is organized are:

Operation of a health care/medical dispensary

Check the box to indicate an attachment ☐

4. Provisions, if any, not consistent with the law, which the incorporators elect to set forth in these Articles of Incorporation for the regulation of the internal affairs of the corporation are:

Check the box to indicate an attachment ☐

5. Name and address of the initial registered agent/office in Rhode Island is:

Agent Name Robert E. Flaherty

Street Address (NOT a P.O. Box) 70 Jefferson Boulevard

City Warwick

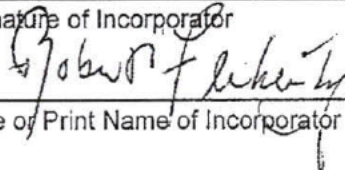
State  
**RHODE ISLAND**

Zip Code 02888

**MAIL TO:**

Division of Business Services  
148 W. River Street, Providence, Rhode Island 02904-2615  
Phone: (401) 222-3040  
Website: [www.sos.ri.gov](http://www.sos.ri.gov)

FOR  
SECRETARY OF STATE  
USE ONLY

6. The number of the initial Board of Directors of the Corporation is _____ (not less than 3 directors) and the names and address of the persons who are to serve as the initial directors are:	
NAME	ADDRESS
Robert E. Flaherty	██████████ ██████████ ██████████
Philip W. Gasbarro	██████████ ██████████ ██████████
John Shepard	██████████ ██████████ ██████████
Check the box to indicate an attachment <input type="checkbox"/>	
7. The name and address of each incorporator is:	
NAME	ADDRESS
Robert E. Flaherty	70 Jefferson Boulevard, Warwick, Rhode Island 02888
Check the box to indicate an attachment <input type="checkbox"/>	
8. Date when these Articles of Incorporation will be effective: <b>CHECK ONE BOX ONLY</b>	
<input checked="checked" type="checkbox"/> Date received (Upon filing)	
<input type="checkbox"/> Later effective date (Date must be no more than 30 days from the date of filing) _____	
<i>Under penalty of perjury, I/we declare and affirm that I/we have examined these Articles of Incorporation, including any accompanying attachments, and that all statements contained herein are true and correct.</i>	
Type or Print Name of Incorporator Robert E. Flaherty	Date 12/08/2020
Signature of Incorporator 	
Type or Print Name of Incorporator	Date
Signature of Incorporator	
Type or Print Name of Incorporator	Date
Signature of Incorporator	





State of Rhode Island  
Department of State - Business Services Division

### Filer Contact Information

In the event our office needs more information in order to complete the filing of this document, we ask for the filer's contact information. **All fields are REQUIRED.**

Name: Robert E. Flaherty		Date: 12/08/2020
Proposed Entity Name: Atlas Enterprises Inc.		
Street Address: 70 Jefferson Boulevard		
City: Warwick	State: RI	Zip Code: 02888
Email Address: ref.flaw@yahoo.com		Phone Number: 401-781-7200

Date of this notice: 12-11-2020

Employer Identification Number:  
[REDACTED]

Form: SS-4

Number of this notice: CP 575 A

ATLAS ENTERPRISES INC  
ATLAS ENTERPRISES  
% ROBERT FLAHERTY  
70 JEFFERSON BLVD STE 300  
WARWICK, RI 02888

For assistance you may call us at:  
1-800-829-4933

IF YOU WRITE, ATTACH THE  
STUB AT THE END OF THIS NOTICE.

**WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER**

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN 85-4242861. This EIN will identify you, your business accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

When filing tax documents, payments, and related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear off stub and return it to us.

Based on the information received from you or your representative, you must file the following form(s) by the date(s) shown.

Form 1120

04/15/2021

If you have questions about the form(s) or the due date(s) shown, you can call us at the phone number or write to us at the address shown at the top of this notice. If you need help in determining your annual accounting period (tax year), see Publication 538, *Accounting Periods and Methods*.

We assigned you a tax classification based on information obtained from you or your representative. It is not a legal determination of your tax classification, and is not binding on the IRS. If you want a legal determination of your tax classification, you may request a private letter ruling from the IRS under the guidelines in Revenue Procedure 2004-1, 2004-1 I.R.B. 1 (or superseding Revenue Procedure for the year at issue). Note: Certain tax classification elections can be requested by filing Form 8832, *Entity Classification Election*. See Form 8832 and its instructions for additional information.

**IMPORTANT INFORMATION FOR S CORPORATION ELECTION:**

If you intend to elect to file your return as a small business corporation, an election to file a Form 1120-S must be made within certain timeframes and the corporation must meet certain tests. All of this information is included in the instructions for Form 2553, *Election by a Small Business Corporation*.

If you are required to deposit for employment taxes (Forms 941, 943, 940, 944, 945, CT-1, or 1042), excise taxes (Form 720), or income taxes (Form 1120), you will receive a Welcome Package shortly, which includes instructions for making your deposits electronically through the Electronic Federal Tax Payment System (EFTPS). A Personal Identification Number (PIN) for EFTPS will also be sent to you under separate cover. Please activate the PIN once you receive it, even if you have requested the services of a tax professional or representative. For more information about EFTPS, refer to Publication 966, *Electronic Choices to Pay All Your Federal Taxes*. If you need to make a deposit immediately, you will need to make arrangements with your Financial Institution to complete a wire transfer.

The IRS is committed to helping all taxpayers comply with their tax filing obligations. If you need help completing your returns or meeting your tax obligations, Authorized e-file Providers, such as Reporting Agents (payroll service providers) are available to assist you. Visit the IRS Web site at [www.irs.gov](http://www.irs.gov) for a list of companies that offer IRS e-file for business products and services. The list provides addresses, telephone numbers, and links to their Web sites.

To obtain tax forms and publications, including those referenced in this notice, visit our Web site at [www.irs.gov](http://www.irs.gov). If you do not have access to the Internet, call 1-800-829-3676 (TTY/TDD 1-800-829-4059) or visit your local IRS office.

**IMPORTANT REMINDERS:**

- \* Keep a copy of this notice in your permanent records. **This notice is issued only one time and the IRS will not be able to generate a duplicate copy for you.** You may give a copy of this document to anyone asking for proof of your EIN.
- \* Use this EIN and your name exactly as they appear at the top of this notice on all your federal tax forms.
- \* Refer to this EIN on your tax-related correspondence and documents.

If you have questions about your EIN, you can call us at the phone number or write to us at the address shown at the top of this notice. If you write, please tear off the stub at the bottom of this notice and send it along with your letter. If you do not need to write us, do not complete and return the stub.

Your name control associated with this EIN is ATLA. You will need to provide this information, along with your EIN, if you file your returns electronically.

Thank you for your cooperation.



12-11-2020 ATLA B 9999999999 SS-4

CP 575 A (Rev. 7-2007)

CP 575 A

DATE OF THIS NOTICE: 12-11-2020  
EMPLOYER IDENTIFICATION NUMBER: 85-4242861  
FORM: SS-4 NOBOD

ATLAS ENTERPRISES INC  
ATLAS ENTERPRISES  
% ROBERT FLAHERTY  
70 JEFFERSON BLVD STE 300  
WARWICK, RI 02888

**CC Form 4 Annex A – Corporate Governance, Resumes, Bylaws, Certificate of Good Standing**

Please find the following from CC Form 4 Annex A Attached:

- Corporate Governance
- Resumes of key individuals
- Bylaws
- Certificate of Good Standing

## **CC Form 4 Annex A - Corporate Governance**

Atlas Enterprises is a registered Non-profit Rhode Island C Corp with S Election. It is owned entirely by Christopher J. McGoff. Atlas has a Board of Directors which meets 4 times annually to oversee operations and financial performance. The Board is composed of the following Directors (Bios Attached):

- **Robert E. Flaherty:** Director – Atlas Board
- **John Shepard:** Director – Atlas Board
- **Philip W. Gasbarro, Esq:** Director – Atlas Board. President of Atlas Enterprises (Applicant).

Atlas Enterprises has contracted with GRF CPAs and Advisors headquartered in Washington DC to provide certified accounting support and tax preparations. Our dedicated account manager is Andrea Nyland (Bio Attached). GRF will conduct REVIEWS of the finances of the Dispensary every 2 years and a certified audit every fifth year.

Atlas has engaged the firm of Cohn-Reznick of Washington DC to provide advisory services related to federal and state regulations and tax law. Michael Harlow is our account lead and he is also the head of Cohn-Reznick Cannabis Practice. Mr Harlow and Ms. Nyland will coordinate their work in supporting the Board of Directors in in their role of oversight.

### **Biographies**

#### **Chris McGoff – Owner of Atlas**

Chris McGoff is the sole owner of Atlas Enterprises Inc. Atlas Enterprises is a Rhode Island corporation and is the Applicant for the Rhode Island Dispensary license.

Chris McGoff is a business builder, investor, best-selling author, and thought leader relating to organizational peak performance.

He is the founder or investor in a wide spectrum of companies the latest being The Clearing, Inc., which specializes in organizational and culture transformation and complex project management. Other companies include manufacturing (cold chain logistics), health care (primary care in developing nations), real estate development, and technology (Workflow SaaS).

Chris McGoff is the author of The PRIMES; How Any Group Can Solve Any Problem'. He is a columnist for Inc. and Fortune. He is a popular speaker at conferences and corporate events. He was awarded both IBM's Outstanding Achievement award and Outstanding Technical Achievement award. Mr. McGoff's companies are often recognized a fastest growing companies in America by Fortune Magazine including each of the past 5 years.



His work has touched the lives of business leaders from the Silicon Valley to Wall Street to Afghanistan and Kenya. Chris McGoff is a trusted advisor to government leaders at the federal, state, and local levels. His advice is sought after by leaders driving complex change efforts and those committed to re-positioning their company for the future. Currently Mr. McGoff carries security clearances for the DoD and United States government.

**Robert E. Flaherty:** Director / Chair – Atlas Board

Robert E. Flaherty is a Director on the Board of Atlas Enterprises. Educated in Rhode Island. K-8 Providence and Warwick Public Schools. Preparatory School Bishop Hendricken High School (1966). Undergraduate Providence College B. A. (1970). Graduate Education University of Rhode Island, MA 9175 Suffolk University Law School, Juris Doctor (1979). Admitted to Practice: Rhode Island Supreme Court 1979, U.S. District Court (R.I.) (1979)

Military service including Commissioned Officer, United States Army 1970-1974, Commanding Officer, Walter Reed Institute of Research Commanding Officer, Headquarters Company, Walter Reed Army Medical Center, Detachment Commander 455th General Hospital, (USAR).

Civic Involvement includes Member, Rhode Island House of Representatives, 1990-2012 , Former Deputy Majority Leader; Chairman Commission on Judiciary; Chairman, Rhode Island Lottery Commission; Board of Management, Kent County YMCA; Board J. Arthur Trudeau Center; Board and Legal Counsel, J.O.N.A.H., Board, Volunteer of Warwick Schools; and Member R.I. State Democratic Committee.

**John Shepard:** Director – Atlas Board

John Shepard started his career in sales with IBM in 1976 and has over 35 years of executive management experience in the technology industry. Prior to founding Veterans Assembled Electronics (VAE) in 2009, Mr. Shepard co-founded a network firewall company and founded an early biometric and authentication company that pioneered a new form factor and price point to replicate traditional passwords.

VAE as a prime contractor to the Naval Underwater Warfare Center, modernized the electronics on the guidance and control section of the MK48 torpedo. From that experience a curriculum was developed to train disabled veteran in electronics technician skills continuing today d/b/a as STRAC Institute.

Recently Mr. Shepard secured research agreement with Brown University to develop a virtual multimodal soldering system to augment conventional hands on soldering training methods, positioning Rhode Island to become recognized as a leader in this field.

Mr. Shepard served with the 101<sup>st</sup> Airborne Division, is a Vietnam combat veteran, and holds a BS from the University of Rhode Island. He and his wife, Pamela, live in North Kingstown. He is a member of VFW Post 152 and a proud sponsor of the NKHS Robotics Team.

**Philip W. Gasbarro, Esq:** Director – Atlas Board. President of Atlas Enterprises (Applicant). Philip is a native Rhode Islander originally from Cumberland, who is a graduate of Bishop Hendricken, Stonehill College, and Roger Williams School of Law. Licensed in the practice of law in both Rhode Island and Massachusetts, Philip runs his own firm, dedicated to direct client interaction and carefully-tailored representation. Philip's focus is on real estate and business, due to the experience he has with managing and operating real estate investments and commercial operations. He is committed to the local community, takes part in community outreach events, and volunteers for his local sewer commission.

**Andrea Nyland:** Atlas Enterprises Certified Public Accountant.

Ms. Nyhan has worked in public accounting since 1990, including extensive experience in the preparation and review of individual, corporate, partnership, fiduciary and estate tax returns. She has also experience with the preparation of audited, reviewed, and compiled financial statements. In her previous role with a public utility company, she was responsible for the preparation of consolidated income tax returns, tax planning and financial accounting.

As a principal in the tax department at GRF CPAs and Advisors headquartered in Washington DC, Ms. Nyhan oversees the preparation of individual, multi-state business, estate, and fiduciary income tax returns. Her client base includes many government contractors, small businesses, and individuals. Additionally, she assists and represents clients with IRS and State Tax Authorities. Ms. Nyhan is also involved in complex tax planning, business sales and acquisitions, and tax research on behalf of her clients.

Headquartered in metropolitan Washington, DC, GRF CPAs & Advisors is a full-service professional services firm providing clients with audit, accounting, tax and advisory solutions. For over 39 years, the firm has supported the financial and operational success of for-profit and tax-exempt organizations locally, nationally and around the world.

### **Michael Harlow: SME - Tax and Regulations**

Michael Harlow is a partner and the Co-Practice Director for the DC Metro Tax Practice for CohnReznick. As such, Michael enjoys working with a variety of clients across the Washington region. He has more than 15 years of experience in public accounting serving clients in attestation, accounting, and tax advisory roles. Michael has extensive experience across multiple real estate-related industries including homebuilding, land development, residential management, commercial management, and land engineering.

He also serves as a practice leader in the firm's Hospitality Practice where he works with privately-owned hotel and restaurant companies. Most recently, Michael has taken a lead role in the CohnReznick Cannabis Practice, bringing his existing skill set to this emerging industry. He is a Certified Public Accountant in the state of Maryland.

Michael has been an active member of the BGCGW Metro Board since 2013 and has served as Finance Committee Chair since May of 2015.



**CC Form 4 Annex A - Resumes**

**Chris McGoff**

Chris McGoff is the sole owner of Atlas Enterprises Inc. Atlas Enterprises is a Rhode Island corporation and is the Applicant for the Rhode Island Dispensary license.

Chris McGoff is a business builder, investor, best-selling author, and thought leader relating to organizational peak performance.

He is the founder or investor in a wide spectrum of companies, the latest being The Clearing, Inc., which specializes in organizational and culture transformation and complex project management. Other companies include manufacturing (cold chain logistics), health care (primary care in developing nations), real estate development, and technology (Workflow SaaS).

Chris McGoff is the author of 'The PRIMES; How Any Group Can Solve Any Problem'. He is a columnist for Inc. and Fortune. He is a popular speaker at conferences and corporate events. He was awarded both IBM's Outstanding Achievement award and Outstanding Technical Achievement award. Mr. McGoff's companies are often recognized as the fastest growing companies in America by Fortune Magazine including each of the past 5 years.

His work has touched the lives of business leaders from Silicon Valley to Wall Street to Afghanistan and Kenya. Chris McGoff is a trusted advisor to government leaders at the federal, state, and local levels. His advice is sought after by leaders driving complex change efforts and those committed to re-positioning their company for the future. Currently Mr. McGoff carries security clearances for the DoD and United States government.

John Shepard Bio (December 2020)

Founder/Chairman Veterans Assembled electronics LLC (VAe)

d/b/a STRAC Institute

[jshep@stracinstitute.com](mailto:jshep@stracinstitute.com)

401-556-0928



John Shepard started his career in sales with IBM in 1976 and has over 35 years of executive management experience in the technology industry. Prior to founding Veterans Assembled electronics (VAe) in 2009, Mr. Shepard co-founded a network firewall company and founded an early biometric authentication company that pioneered a new form factor and price point to replace traditional passwords.

VAe, as a prime contractor to the Naval Undersea Warfare Center, modernized the electronics on the guidance and control section of the Mk48 torpedo. From that experience, a curriculum was developed to train service-disabled veterans in electronics technician skills, continuing today d/b/a STRAC Institute.

Recently, Mr. Shepard secured a collaborative research agreement with Brown University to develop a virtual multimodal (visual, audio, and haptic) soldering system to augment conventional hands-on soldering training methods, positioning Rhode Island to become recognized as a leader in this field.

Mr. Shepard served with the 101<sup>st</sup> Airborne Division, is a Vietnam combat veteran, and holds a Bachelor of Science Degree in Business Administration from the University of Rhode Island. He and his wife, Pamela, live in North Kingstown. He is a member of VFW Post 152 and a proud sponsor of the NKHS Robotics Team.

Robert E. Flaherty, Esquire

[REDACTED]  
[REDACTED]  
Email: ref.flaw@yahoo.com  
(401) 781-7200

**Education:**

K-8 Providence and Warwick Public Schools  
Preparatory School Bishop Hendricken High School (1966)  
Undergraduate Providence College B. A. 1970  
Graduate Education University of Rhode Island, MA 9175  
Suffolk University Law School, Juris Doctor 1979

**Admitted to Practice:**

Rhode Island Supreme Court 1979  
U.S. District Court (R.I.) 1979  
Sole practitioner of law 1979 through present

**Military Service:**

Commissioned Officer, United States Army 1970-1974  
Commanding Officer, Walter Reed Institute of Research  
Commanding Officer, Headquarters Company, Walter Reed  
Army Medical Center, Detachment Commander  
455<sup>th</sup> General Hospital, (USAR)

**Civic Involvement:**

Member, Rhode Island House of Representatives, 1990-2012  
Former Deputy Majority Leader;  
Chairman Commission on Judiciary;  
Chairman, Rhode Island Lottery Commission;  
Board of Management, Kent County YMCA;  
Board J. Arthur Trudeau Center;  
Board and Legal Counsel, J.O.N.A.H.  
Board, Volunteer of Warwick Schools; and  
Member R.I. State Democratic Committee



## Philip W. Gasbarro, Esq.

(401) 419-1860

philip@gasbarroesq.com

*Member of Rhode Island, Massachusetts, and Rhode Island Federal District Court Bars*

### **EXPERIENCE**

**The Law Office of Philip W. Gasbarro, Esq. (d/b/a Philip W. Gasbarro, Esq.)** 2020- Current  
*Owner & Attorney*

- Founded the law firm to provide direct client interaction, carefully tailored representation, and individualized attention
- Primary areas of focus are real estate and business law

**Montalbano & Cloutier, LLC, North Providence, RI** 2017-2020  
*Associate Attorney*

- Performed tax sales in compliance with statutory requirements for multiple municipalities
- Reviewed title abstracts, conducted real estate closings, and issued title insurance policies
- Represented a public housing authority by providing legal analysis to the executive director for matters including contracts negotiations and HUD regulations
- Represented clients in district court matters, especially trespass and ejectment matters (evictions)
- Drafted transactional documents, including deeds, operating agreements, leases, and wills

**Park Square Medical Center, North Smithfield, RI** 2012-2017  
*Assistant Property Manager*

- Managed and maintained accounts and ledgers
- Conducted building maintenance, cleaning, and upkeep
- Communicated with tenants and took part in lease negotiations

**Providence County Superior Court, Providence, RI** 2016  
*Summer Intern*

- Helped to identify legal issues presented in motions in limine and during trial
- Conducted legal research on complex civil legal issues
- Observed civil and criminal trials, sentencing hearings, and arguments on motions

### **EDUCATION**

**Roger Williams University School of Law, Bristol, RI** 2017  
*Juris Doctor, magna cum laude*

Honors: CALI Awards for Highest Grades in Torts I, Civil Procedure I, Property, Negotiation, and Trial Advocacy  
Member of Honors Program

**Stonehill College, Easton, MA** 2014  
*Bachelor of Arts in Philosophy, cum laude*

Honors: Lambda Epsilon Sigma (Stonehill College Honor Society);  
Theta Alpha Kappa (National Honor Society for Religious Studies and Theology)  
2014 Philosophy Department Student of the Year

### **VOLUNTEER WORK**

**North Smithfield Sewer Commission, North Smithfield, RI** 2019-Current  
*Commissioner*

**RI Bar Association, Title Standards Committee, Cranston, RI** 2018-Current  
*Chair of Legislative Subcommittee*

## **CC Form 4 Annex A – Corporate Bylaws**

### **Article I. Offices**

The principal office of the corporation in the state of *Rhode Island* shall be located in the city of *Warwick*, county of *Kent*. The corporation may have other offices, either within or outside of the state of *Rhode Island*, as the board of directors may determine or as the affairs of the corporation may require.

The corporation shall be maintained in the state of *Rhode Island* a registered office, and a registered agent whose office is identical with the registered office, as required by the *Rhode Island* Nonprofit Corporation Act. The registered office may be, but need not be, identical with the principal office in the state of *Rhode Island*, and the address of the registered office may be changed from time to time by the board of directors.

### **Article II. Members**

#### ***Section 1. Classes of Members***

The corporation shall have 1 class (or classes) of members. The designation of the class (or classes) and the qualifications and rights of the members of the class (or classes) shall be determined at the first annual meeting of the membership.

#### ***Section 2. Election of Members***

Members shall be elected by the board of directors. An affirmative vote of 50% of the directors shall be required for election.

#### ***Section 2. Application of Members***

Except in the initial election of members, all applicants for membership shall file with the secretary a written application in such forms as the board of directors shall from time to time determine.

All applications for membership shall be presented promptly for consideration and investigation to the board of directors or to the admissions committee, if an admissions committee has been appointed by the board of directors; and, if an admissions committee has been appointed, it shall report its recommendations promptly to the board of directors. A list of applications for membership shall from time to time be posted at the principal office of the corporation mailed to each member of the corporation.

Not earlier than 7 days after a list of applications has been posted or mailed to

members, the board of directors shall pass upon each application included in said list and either accept or reject it. After an applicant has been rejected, he may not make another application for membership within one year thereafter.

### ***Section 3. Voting Rights***

Each member shall be entitled to one vote on each matter submitted to a vote of the members.

#### ***Section 3. Alternative 1: Limited Voting Rights***

Each member of the resident, sustaining and life classes shall have one vote on each matter submitted to a vote of the members. Members of the nonresident and honorary classes shall have no voting rights.

#### ***Section 3. Alternative 2: No Voting Rights***

No member shall have any voting rights. All voting rights are vested solely in the directors.

#### ***Section 3. Alternative 3: Voting Rights Based on Share Ownership***

Each member shall have one vote upon all questions presented for action at any meeting of the members, provided that holders of shares in this corporation shall have as many votes as the number of shares held by them respectively.

### ***Section 4. Termination of Membership***

The board of directors, by affirmative vote of 50% of all of the members of the board, may suspend or expel a member for cause after an appropriate hearing, and may, by a 50% vote of those present at any regularly constituted meeting, terminate the membership of any member who becomes ineligible for membership, or suspend or expel any member who shall be in default in the payment of dues for the period fixed in Article XI of these bylaws.

### ***Section 5. Resignation***

Any member may resign by filing a written resignation with the secretary, but resignation shall not relieve the member of the obligation to pay any dues, assessments or other charges previously accrued and unpaid.

### ***Section 6. Reinstatement***

Upon written request signed by a former member and filed with the secretary, the board of directors may, by the affirmative vote of 50% of the members of the board, reinstate the former member to membership upon such terms as the board of directors may deem appropriate.

### ***Section 7. Transfer of Membership***

Membership in this corporation is not transferable or assignable.

#### ***Section 7: Alternative: Transferable membership***



Any membership in this corporation may be transferred and assigned by a member whose dues are paid in full, to any person who has the requisite qualifications and whose application is approved by the board of directors and elected to membership.

### **Article III. Meetings of Members**

#### ***Section 1. Annual Meeting***

An annual meeting of the members shall be held on the *13 day* in the month of *January* in each year, beginning with the year *2021*, at the hour of *10AM Eastern Standard Time*, for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the state of *Rhode Island*, the meeting shall be held on the next succeeding business day. If the election of directors shall not be held on the day designated here for any annual meeting, or at any adjournment of the annual meeting, the board of directors shall cause the election to be held at a special meeting of the members as soon after as is convenient.

#### ***Section 2. Special Meetings***

Special meetings of the members may be called by the president, the board of directors, or not less than *50%* of the members having voting rights.

#### ***Section 3. Place of Meeting***

The board of directors may designate any place, either within or outside of the state of *Rhode Island*, as the place of meeting for any annual meeting or for any special meeting called by the board of directors. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be the principal office of the corporation in the state of *Rhode Island*.

#### ***Section 4. Notice of Meetings***

Written or printed notice stating the place, day and hour of any meeting of members shall be delivered, either personally or by mail, to each member entitled to vote at such meeting, not less than *14* nor more than *21* days before the date of such meeting, by or at the direction of the president, or the secretary, or the officers or persons calling the meeting. In case of a special meeting or when required by statute or by these bylaws, the purposes for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears on the records of the corporation, with postage thereon prepaid.

#### ***Section 5. Informal Action by Members***

Any action required by law to be taken at a meeting of the members, or any action which may be taken at a meeting of members, may be taken without a meeting if a consent in writing, setting out the action so taken, shall be signed by at least *50%* of the members entitled to vote with respect to the subject matter of the action.

### ***Section 6. Quorum***

The members holding 50% of the votes which may be cast at any meeting shall constitute a quorum at such meeting. If a quorum is not present at any meeting of members, a majority of the members present may adjourn the meeting without further notice.

### ***Section 7. Proxies***

At any meeting of members, a member entitled to vote may vote by proxy executed in writing by the member or by his authorized attorney in fact. No proxy shall be valid after 11 months from the date of its execution, unless otherwise provided in the proxy.

### ***Section 8. Voting by Mail***

Where directors or officers are to be elected by members or any class or classes of members, the election may be conducted by mail in the manner that the board of directors shall determine.

### ***Section 9. Option: Order of Business at Annual meeting***

The order of business at the annual meeting of the members shall be as follows:

- (a) Roll call,
- (b) Reading of notice and proof of mailing,
- (c) Reading of minutes of last preceding meeting,
- (d) Report of president,
- (e) Report of secretary,
- (f) Report of treasurer,
- (g) Election of directors,.
- (h) Transaction of other business mentioned in the notice.

## **Article IV. Board of Directors**

### ***Section 1. General Powers***

The affairs of the corporation shall be managed by its board of directors. Directors need not be residents of the state of *Rhode Island* or members of the corporation.



### ***Section 2. Number, Tenure anti Qualifications***

The number of directors shall be 3. Each director shall hold office until the next annual meeting of members and until his successor shall have been elected and qualified.

### ***Section 2. Alternative: Classification of Board of Directors***

At the first annual meeting of the members, the members of the board of directors shall be divided into three classes of 1 member each. The members of the first class shall hold office for a term of one year; the members of the sec-ond class shall hold office for a term of two years; the members of the third class shall hold office for a term of three years.

At all subsequent annual elections 3 directors shall be elected by the members for a term of three years to  
succeed the 1 director whose term then expires; provided that nothing here shall be construed to prevent the reelection of a director.

### ***Section 3. Regular meetings***

A regular annual meeting of the board of directors shall be held without other notice than this bylaw, immediately after, and at the same place as, the annual meeting of members. The board of directors may provide by resolution the time and place, ei-ther within or outside of the state of *Rhode Island*, for the holding of additional regular meetings of the board without other notice than the resolution.

### ***Section 4. Special Meetings***

Special meetings of the board of directors may be called by or at the request of the president or any two directors. The per-sons authorized to call special meetings of the board may fix any place, either within or outside of the state of *Rhode Island*, as the place for holding any special meeting of the board called by them.

### ***Section 5. Notice***

Notice of any special meeting of the board of directors shall be given at least two days previously by written notice delivered personally or sent by mail or telegram to each director at the address for such director as shown by the records of the corpora-tion. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage prepaid. If notice be given by telegram, it shall be deemed to be delivered when the telegram is deliv-ered to the telegraph company. Any director may waive notice of any meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the board need be specified in the notice or waiver of no-tice of such meeting, unless specifically



required by law or by these bylaws.

### ***Section 6. Quorum***

A majority of the board of directors shall constitute a quorum for the transaction of business at any meeting of the board; but if less than a majority of the directors are present at the meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

### ***Section 7. Manner of Acting***

The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors, unless the act of a greater number is required by law or by these bylaws.

### ***Section 8. Vacancies***

Any vacancy occurring in the board of directors and any directorship to be filled by reason of an increase in the number of directors, shall be filled by the board of directors. A director elected to fill a vacancy shall be elected for the unexpired term of **the director's predecessor in office.**

### ***Section 9. Compensation***

Directors as such shall not receive any stated salaries for their services, but by resolution of the board of directors a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the board; but nothing contained here shall be construed to preclude any director from serving the corporation in any other capacity and receiving **compensation.**

**f**

### ***Section 10. Informal Action by Directors***

Any action required by law to be taken at a meeting of directors, or any action which may be taken at a meeting of directors, may be taken without a meeting if a consent in writing, setting out the action so taken, shall be signed by all of the directors.

## **Article V. Officers**

### ***Section 1. Officers***

The officers of the corporation shall be a president, one or more vice-presidents (the number to be determined by the board of directors), a secretary, a treasurer and such other officers as may be elected in accordance with the provisions of this article. The board of directors may elect or appoint the other officers, including one or more assistant secretaries and one or more assistant treasurers, as it shall deem desirable, to have the authority and perform the duties prescribed by the board of directors. Any two or more offices may be held by the same person.

## ***Section 2. Election and Term of Office***

The officers of the corporation shall be elected annually by the board of directors at the regular annual meeting of the board of directors. If the election of officers shall not be held at such meeting, it shall be held as soon thereafter as is convenient. New offices may be created and filled at any meeting of the board of directors. Each officer shall hold office until his or her successor shall have been elected and shall have qualified.

## ***Section 3. Removal***

Any officer elected or appointed by the board of directors may be removed by the board of directors whenever in its judgment the best interests of the corporation would be served by removal of the officer, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed.

## ***Section 4. Vacancies***

A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the board of directors for the unexpired portion of the term.

## ***Section 5. President***

The president shall be the principal executive officer of the corporation and shall in general supervise and control all of the business and affairs of the corporation. He or she shall preside at all meetings of the members and of the board of directors. He or she may sign, with the secretary or any other proper officer of the corporation authorized by the board of directors, any deeds, mortgages, bonds, contracts, or other instruments which the board of directors has authorized to be executed, except in cases where the signing and execution shall be expressly delegated by the board of directors or by these bylaws or by statute to some other officer or agent of the corporation; and in general he or she shall perform all duties incident to the office of president and such other duties as may be prescribed by the board of directors.

## ***Section 6. Vice-President***

In the absence of the president or in event of the president's inability or refusal to act, the vice-president (or in the event there be more than one vice-president, the vice-presidents in the order of their election) shall perform the duties of the president, and when so acting, shall have all the powers of and be subject to all the restrictions upon the president. Any vice-president shall perform such other duties as may be assigned to him or her by the president or by the board of directors.

## ***Section 7. Treasurer***



If required by the board of directors, the treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety as the board of directors shall determine. He or she shall have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for moneys due and payable to the corporation from any source, and deposit all such moneys in the name of the corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article VII of these bylaws; and in general perform all the duties incident to the office of treasurer and such other duties as may be assigned to him or her by the president or by the board of directors.

### ***Section 8. Secretary***

The secretary shall keep the minutes of the meetings of the members and of the board of directors in books provided for that purpose; see that all notices are given in accordance with the provisions of these bylaws or as required by law; be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all documents, the execution of which on behalf of the corporation under its seal is authorized in accordance with the provisions of these by-laws; keep a register of the post office address of each member which shall be furnished to the secretary by that member; and in general perform all duties incident to the office of secretary and such other duties may be assigned by the president or by the board of directors.

### ***Section 9. Assistant Treasurers and Assistant Secretaries***

If required by the board of directors, the assistant treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the board of directors shall determine. The assistant treasurers and assistant secretaries, in general, shall perform the duties assigned to them by the treasurer or the secretary or by the president or the board of directors.

## **Article VI. Committees**

### ***Section 1. Committees of Directors***

The board of directors, by resolution adopted by a majority of the directors in office, may designate and appoint one or more committees, each of which shall consist of two or more directors, which committees, to the extent provided in the resolution, shall have and exercise the authority of the board of directors in the management of the corporation; provided, however, that no such committee shall have the authority of the board of directors in reference to amending, altering or repealing the by-



laws; electing, appointing or removing any member of any such committee or any director or officer of the corporation; amending the articles of incorporation; adopting a plan of merger or adopting a plan of consolidation with another corporation; authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the corporation; authorizing the voluntary dissolution of the corporation or revoking proceedings therefor; adopting a plan for the distribution of the assets of the corporation; or amending, altering or repealing any resolution of the board of directors which by its terms provides that it shall not be amended, altered or repealed by the committee. The appointment of any such committee and the delegation of authority shall not operate to relieve the board of directors of any responsibility imposed upon it by law.

### ***Section 2. Other Committees***

Other committees not having and exercising the authority of the board of directors in the management of the corporation may be designated by a resolution adopted by a majority of the directors present at a meeting at which a quorum is present. Except as otherwise provided in the resolution, members of each such committee shall be members of the corporation, and the president of the corporation shall appoint the members of the committees. Any member may be removed by the persons authorized to appoint such member whenever in their judgment the best interests of the corporation shall be served by such removal.

### ***Section 3. Term of Office***

Each member of a committee shall continue as a member until the next annual meeting of the members of the corporation and until his or her successor is appointed, unless the committee shall be terminated sooner, or unless the member be removed from the committee, or unless the member shall cease to qualify as a member of the committee.

### ***Section 4. Chair***

One member of each committee shall be appointed chair by the person or persons authorized to appoint the members of the committee.

### ***Section 5. Vacancies***

Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

### ***Section 6. Quorum***

Unless otherwise provided in the resolution of the board of directors designating a

committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

### ***Section 7. Rules***

Each committee may adopt rules for its own government not inconsistent with these bylaws or with rules adopted by the board of directors.

## **Article VII. Contracts, Checks, Deposits and Funds**

### ***Section 1. Contracts***

The board of directors may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these bylaws, 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.

### ***Section 2. Checks, Drafts, etc.***

All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, shall be signed by those officers or agents of the corporation and in a manner as shall be determined by resolution of the board of directors. In the absence of this determination by the board of directors, the instruments shall be signed by the treasurer or an assistant treasurer and countersigned by the president or a vice-president of the corporation.

### ***Section 3. Deposits***

All funds of the corporation shall be deposited to the credit of the corporation in the 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 general purposes or for any special purpose of the corporation.

## **Article VIII. Certificates of Membership**

### ***Section 1. Certificates of Membership***

The board of directors may provide for the issuance of certificates evidencing membership in the corporation, which shall be in such form as may be determined by the board. The certificates shall be signed by the president or a vice-president and by the secretary or an assistant secretary and shall be sealed with the seal of the corporation. All certificates evidencing membership of any class shall be consecutively numbered. The name and address of each member and the date of issuance of the certificate shall be entered on the records of the corporation. If any



certificate shall become lost, mutilated or destroyed, a new certificate may be issued upon the terms and conditions as the board of directors may determine.

### ***Section 2. Issuance of Certificates***

When a member has been elected to membership and has paid any initiation fee and dues that may then be required, a certificate of membership shall be issued in his or her name and delivered by the secretary, if the board of directors shall have provided for the issuance of certificates of membership under the provisions of section I of this Article VIII.

### ***Section 3. Option: Transfers of Certificates of Membership***

Transfers of certificates of membership shall be made only on the records of the corporation by a registered member or by his attorney authorized by power of attorney executed and filed with the secretary of the corporation, and on surrender for cancellation of the certificate evidencing the membership to be transferred.

## **Article IX. Books and Records**

The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, board of directors and committees having any of the authority of the board of directors, and shall keep at the registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the corporation may be inspected by any member, or his agent or attorney for any proper purpose at any reasonable time.

## **Article X. Fiscal Year**

The fiscal year of the corporation shall begin on the first day of January and end on the last day of December in each year.

## **Article XI. Dues**

### ***Section 1. Annual Dues***

The board of directors may determine the amount of initiation fee, if any, and annual dues payable to the corporation by members of each class.

### ***Section 2. Payment of Dues***

Dues shall be payable in advance on the first day of *[name of month]* in each fiscal year. Dues of a new member shall be pro-rated from the first day of the month in which such new member is elected to membership, for the remainder of the fiscal year of the corporation.

### ***Section 3. Default and Termination of Membership***

When any member of any class shall be in default in the payment of dues for a



period of *[number of months]* months from the beginning of the fiscal year or period for which such dues became payable, his or her membership may be terminated by the board of directors in the manner provided in Article III of these bylaws.

#### **Article XII. Seal**

The board of directors shall provide a corporate seal, which shall be in the form of a circle and shall have inscribed the name of the corporation and the words "Corporate Seal: *Atlas Enterprises Inc.*".

#### **Article XIII. Waiver of Notice**

Whenever any notice is required to be given under the provisions of the *Rhode Island* Nonprofit Corporation Act or under the provisions of the articles of incorporation or the bylaws of the corporation, a waiver in writing signed by the persons entitled to the notice, whether before or after the time stated there, shall be deemed equivalent to the giving of notice.

#### **Article XIV. Amendments to Bylaws**

These bylaws may be altered, amended or repealed and new bylaws may be adopted by a majority of the directors present at any regular meeting or at any special meeting, if at least two days written notice is given of intention to alter, amend or repeal or to adopt new bylaws at the meeting.



State of Rhode Island  
**Department of State | Office of the Secretary of State**  
**Nellie M. Gorbea, Secretary of State**

### **CERTIFICATE OF GOOD STANDING**

I, Nellie M. Gorbea, Secretary of State and custodian of the seal and corporate records of the State of Rhode Island, hereby certify that:

**Atlas Enterprises Inc.**

is a Rhode Island Non-Profit Corporation organized on **December 08, 2020**. I further certify that revocation proceedings are not pending; articles of dissolution have not been filed; all annual reports are of record and the corporation is active and in good standing with this office.

This certificate is not to be considered as a notice of the corporation's financial condition or business practices; such information is not available from this office.



SIGNED and SEALED on

December 08, 2020

Secretary of State

Certificate Number: 20120038710

Verify this Certificate at: <http://business.sos.ri.gov/CorpWeb/Certificates/Verify.aspx>

Processed by: dantonelli

**CC Form 4 Annex B – Management Companies**

The Management Company for Atlas Enterprises Inc. is Eagle Holdings LLC

COMPANY NAME	MEMBER	ADDRESS
Eagle Holdings LLC	Chris McGoff	29 JT Connell Memorial Road Newport, RI 02840

COMPANY	NAME	ROLE	INTEREST	ADDRESS
Eagle Holdings LLC	Chris McGoff	Member	██████	10911 Hoyle Ave. Silver Spring MD 20901



CC Form 4 Annex C - Vendors

<b>Vendor Name</b>	
Hope Harvest LLC	Newport, RI
OSCC, LLC	Warwick, RI
IDBP, LLC	Warwick, RI
Evergreen Gardens, LLC	Warwick, RI
East Coast Cultivation, LLC (formerly Dirtworx)	Warwick, RI
STJ, LLC d/b/a Fire Ganja (formerly Save the J)	Warwick, RI
OP PHARM, LLC	Cranston, RI
Mother Earth Creations Inc.	Pawtucket, RI
Emerald Leaf Organics, LLC	Cranston, RI
St Jude's Compassion, LLC	Exeter, RI
JBE Industries, LLC d/b/a/ Sweetspot Farms	Warwick, RI
Bayside Growers, LLC (Formerly IDN Enterprises)	Warwick, RI
Jardins Garden, LLC	Warwick, RI
Bonsai Buds, LLC	Exeter, RI
Coastal Farms, LLC	Richmond, RI
Organic Bees, LLC	Pawtucket, RI
Zen Blend Farms, LLC	Warwick, RI
LiVity, LLC	Pawtucket, RI
CANNA PHARM RI, LLC	West Warwick, RI
Kelsy Green, LLC	Warwick, RI
New Leaf, LLC	Cranston, RI
Salt Pond Medicinal Pathways, LLC	South Kingstown, RI
IDBP, LLC	Warwick, RI
Evergreen Gardens, LLC	Warwick, RI
East Coast Cultivation, LLC (formerly Dirtworx)	Warwick, RI
STJ, LLC d/b/a Fire Ganja (formerly Save the J)	Warwick, RI
OP PHARM, LLC	Cranston, RI
Mother Earth Creations Inc.	Pawtucket, RI
Emerald Leaf Organics, LLC	Cranston, RI
St Jude's Compassion, LLC	Exeter, RI
JBE Industries, LLC d/b/a/ Sweetspot Farms	Warwick, RI
Bayside Growers, LLC (Formerly IDN Enterprises)	Warwick, RI
Jardins Garden, LLC	Warwick, RI
Bonsai Buds, LLC	Exeter, RI
Coastal Farms, LLC	Richmond, RI
Organic Bees, LLC	Pawtucket, RI
Zen Blend Farms, LLC	Warwick, RI
LiVity, LLC	Pawtucket, RI
CANNA PHARM RI, LLC	West Warwick, RI
Kelsy Green, LLC	Warwick, RI

New Leaf, LLC	Cranston, RI
Salt Pond Medicinal Pathways, LLC	South Kingstown, RI
Best Buds Nursery, LLC	West Warwick, RI
Good Earth Inc.	Warwick, RI
Pinnacle Industries, LLC	Warwick, RI
Green Angel, LLC	Warwick, RI
RI Tree Service Inc.	West Warwick, RI
Heneault & Co., LLC.	Providence, RI
Eden of Rhode Island, LLC	Warwick, RI
RTG Industries, Inc. d/b/a Hank's Herbs	Exeter, RI
NICE, LLC	South Kingstown, RI
Ocean Grown Farms, LLC	Cumberland, RI
The Coughes Pot, LLC	Warwick, RI
ECCC, LLC d/b/a Infinite Bloom	Warwick, RI
Sidecar Nursery Inc.	Warwick, RI
MAD, LLC	West Warwick, RI
MorrBud, LLC	Warwick, RI
Gardening for Good, LLC	Pawtucket, RI
Mive, LLC	Warwick, RI
Natural Green Choice Consultant, LLC	Warren, RI
S&R Gardens, LLC	Exeter, RI
Verde Inc.	Central Falls, RI
Aquidneck Harvest Company, LLC	Warwick, RI

## **CC Form 4 Annex D – All Agreements**

### **MASTER SERVICES AGREEMENT**

This Master Services Agreement (the "Agreement") is made effective as of the 14th day of December 2020 (the "Effective Date"), by and between Eagle Holdings LLC, a Rhode Island Limited Liability Company ("Consultant") and Atlas Enterprises Inc., a Rhode Island Non-Profit Corporation ("ATLAS"). "Consultant" and "ATLAS" are sometimes referred to as the "Parties" and each as a "Party."

#### **RECITALS:**

WHEREAS, during the evolution of the Program, and as of 2016, many new and better practices, standards, inventions, protocols, efficiencies and similar matters have arisen and/or evolved for the benefit of compassion centers, patients and other stakeholders, including without limitation those relating to product quality and diversity, quality assurance, testing, safety and security features, operational efficiencies, internal fiscal and accounting controls and platforms (including reporting), bio-security controls, training protocols, cultivation and dispensary equipment and procedures and protocols, design and build-out techniques and products, staffing and human resources functions, patient and medical community education and awareness and outreach, packaging and labeling methods, and inventory controls and tracking (collectively, the "Enhancements"); and

WHEREAS, The Department of Business Regulation, Office of Cannabis Regulation ("DBR") proposed amendments to regulations in accordance with the 2019 legislative changes to R.I. Gen. Laws Chapter 21-28.6 set forth in 2019 P.L. Ch. 88, Art. 15, which added content to conform to new statutory requirements including but not limited to licensing of six (6) new compassion centers; and

WHEREAS, the New England market is predominantly characterized by, among other things, limited licenses, vertically integrated systems, non-profit structures, strict regulatory environments, exclusive "medical use" orientation and strict federal and state law enforcement perspectives, all of which has resulted in a further evolution of such Enhancements possessing even higher standards and better practices (collectively, and together with the Enhancements, the "New England Features"); and



WHEREAS, the services, practices and expertise of Consultant and affiliated parties not only incorporate the New England Features, but also incorporate expertise not primarily from the "cannabis industry" but from other mature and applicable industries subject to strict federal and state guidelines and oversight thus contributing to heightened and advanced standards, qualities, practices, methodologies, techniques and expertise beyond the New England Features including without limitation those relating to improved quality control features, improved patient management systems, improved point of sale and general management systems, improved internal research and development activities, improved safety and security protocols, and improved practices with respect to pesticide matters (collectively, the Enhancements and New England Features, as further improved by such heightened and advanced standards, qualities, practices, methodologies, techniques and expertise, are referred to as the "Improvements"); and

WHEREAS, the Improvements are within the possession of a very limited number of persons within New England, and are unique vis-a-vis their counterparts in parts of the country outside New England; and

WHEREAS, Consultant possesses the Improvements which, when implemented, will serve and meet the expectations of patients; address the concerns of law enforcement, and health and safety, officials and departments; enhance the understanding and participation of the conventional medical and science communities; and establish higher industry standards and better industry practices for the benefit of the foregoing stakeholders in addition to the Program itself and the general public; and

WHEREAS, ATLAS desires its compassion center operations to take advantage of the Improvements and other related assistance necessary for ATLAS to achieve the objectives and standards described in the previous paragraphs and existing today and in future years; and

WHEREAS, ATLAS intends to establish innovative and exemplary standards, training, protocols, processes, systems, best practices and other related measures as they arise with respect to (i) designing, constructing, developing, establishing, improving and expanding a sophisticated Compassion Center operation in a strict regulatory, nonprofit and vertically integrated environment, and (ii) instituting the most effective, efficient, secure and safe growing, processing, sourcing and screening, selection and procurement, dispensing, and quality control methodologies to best attempt to meet patient demand and expectations relating to the availability, diversity, quality, consistency and dispensing of pharmaceutical grade medicine (collectively, the "Compassion Center Operations"), and ATLAS desires the Improvements and certain other services and products that will support ATLAS in connection with the foregoing, and had desired certain services and products to support ATLAS in the securing of the License to Operate; and

WHEREAS, ATLAS intends to provide a safe and lawful system of patient access to medical marijuana and related educational materials ("ATLAS Services") in connection with the operational facilities of ATLAS (the "Rhode Island Facilities") pursuant to and in compliance with the rules and

regulations ("DOH Regulations") promulgated by the Rhode Island Department of Health ("DOH"); and

WHEREAS, Consultant and affiliates possess (a) the Improvements, significant and deep and applicable experience, know-how, expertise and resources relating to (i) non-profit, state sanctioned and regulated, vertically integrated and medically oriented marijuana dispensary operations, and (ii) all aspects of the state regulated medical marijuana industry in general with respect to start-up requirements, operational establishment, business growth and overall expansion, including but not limited to that which relates to services, products, controls, infrastructure and staffing, to meet patient and Program demands, sophisticated dispensary operations needs and continuously evolving best practices and standards as applicable; and (b) experience in facilities design and development and expansion practices, retail systems, quality control platforms, marketing initiatives, research and development, inventory tracking and accounting capabilities with respect to large scale operations, sophisticated business operations and security systems, and related matters, and is a provider of services, products and proprietary trade secrets and other intellectual property relating thereto, all of which is tailored to New England programs similar to the Program in Rhode Island and which is desired by and would be most beneficial to ATLAS (collectively and as more fully described in Section 1, the "Consultant Services", with such definition potentially to be expanded in scope with the execution of additional SOWs (as defined below)); and

WHEREAS, ATLAS desires to engage Consultant, and Consultant desires to be so engaged, to render Consultant Services for the benefit of the ATLAS and to advance and support ATLAS with respect to Compassion Center Operations, ATLAS Services and ATLAS's goals of providing the highest quality services and products for the benefit of its business and patients, pursuant and subject to the provisions set forth herein; and

WHEREAS, the Parties agree that Consultant has been instrumental in providing many of the aforementioned services and products to support ATLAS in the application for a License to Operate, that Consultant has lent and may continue to lend certain amounts as evidenced by that certain Commercial Term Note and Loan and Security Agreement (collectively, the "Financing Documents") between the Parties and attached hereto as Exhibit C, and that Consultant has provided certain other valuable services prior to the Effective Date to and for the benefit of ATLAS, with respect to which Consultant has not been reimbursed and is part of the consideration for the Parties entering into this Agreement.

NOW, THEREFORE, for good and valuable consideration, including the mutual promises and covenants contained in this Agreement, the sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

**1. CONSULTANT SERVICES.**



The Consultant shall make available to ATLAS the following services listed and described below. The Parties acknowledge that such list of services is not exhaustive, and that the Parties may contract for Consultant to provide additional services in the future, which may be accomplished in the form of a separate statement of work (each a "SOW") detailing the additional services to be provided to ATLAS, along with such additional compensation, if any, to be charged to ATLAS by Consultant. The Parties further acknowledge that Consultant may hire such additional consultants, service providers, intellectual property licensors and subcontractors (collectively, "Subcontractors") as it deems necessary in order to provide the full range of Consultant Services as provided herein. This Agreement shall be deemed effective as of the Effective Date and shall continue in full force and effect unless otherwise terminated earlier in accordance with this Agreement (the "Term").

**1.1 Dispensary and Related Intellectual Property, Operations, Core Operations and Equipment Matters and Services.**

**A. Equipment Relating to Dispensary and Core Operational Services, and Related Proprietary and Intellectual Property Matters.**

Consultant may lease to ATLAS, as needed, up to a minimum of Two Hundred Thousand Dollars (\$200,000.00) of relevant equipment, machines and/or devices (the "Dispensary Leased Equipment" and the "Leased Equipment") critical to the performance of ATLAS's dispensary facility (the "Dispensary Facility" or "dispensary facility") and related operations and core operational services, but shall not have the obligation to do so absent the execution of a separate SOW detailing the terms to govern such transaction. If the Parties desire this service, the equipment lease(s) payments shall be at market rates, and provided to ATLAS as needed, unless provided by another party. The Parties acknowledge that the Consultant, in lieu of leasing the Dispensary Leased Equipment to ATLAS, may lease the Dispensary Leased Equipment from a third party lessor and sub-lease such Dispensary Leased Equipment to ATLAS or provide additional financing to ATLAS to purchase such machinery.

Additionally, the Consultant shall license to ATLAS the use of the Consultant's proprietary and intellectual property related to and necessary for the Dispensary Facility (the "Dispensary IP") pursuant to the Dispensary Matters License Agreement and the related Dispensary License. The Parties acknowledge that the Dispensary IP may be provided by one or more Subcontractors. The offering of the Dispensary IP, the Dispensary Matters License and the other matters described in this section shall represent part of the consideration of services rendered by Consultant to ATLAS pursuant to this Agreement.

**B. Dispensary Facility and Operations, Including Core Operational Services.**



Consultant shall advise ATLAS, and provide guidance and training to same, as appropriate and necessary and requested by ATLAS, with respect to the type, make, installation, implementation, handling and/or use of materials, equipment, processes, methodologies, plans, operating procedures and other matters, as appropriate and necessary, in connection with the Dispensary Facility, related operations needs and core operational services needs with respect to:

1. compliance with all laws, regulations, DOH regulations, ordinances and other applicable legal requirements related to the compassion center operations and proprietary macro design and build-out of the Dispensary Facility, with advice on floor plans, make and placement of equipment, OSHA, other relevant laws and best practices, as appropriate and necessary, in connection with (a) pharmaceutical grade medicine being dispensed for the benefit of patients, (b) sophisticated and automated commercial operations and systems, and (c) current and applicable technology and/or protocols; provided, however, and notwithstanding anything to the contrary contained herein, the Parties acknowledge and agree that Consultant is not providing and shall not provide legal counsel to ATLAS and ATLAS shall be solely reliant on its own counsel for any type of legal advice;
- n. training (through proprietary methodologies and/or otherwise, and as appropriate and necessary) of ATLAS retail technicians, executive management and all other personnel and/or executives, as appropriate, with respect to relevant laws and regulations; confidentiality, patient privacy and HIPAA-related attributes; electronic recordkeeping; protocols for reception and registration specialists; and protocols for counter and retail product transactions;
- n1. dispensary facility security considerations and protocols (proprietary and/or otherwise, and as appropriate and necessary), including applicable dispensary facility security systems, procedures, policies, protocols, plans and/or equipment specific to ATLAS with respect to:
  - a. dispensary premises overview, and measures preventing unauthorized access;
  - b. local law enforcement involvement, and coordination plan;
  - c. floor plan, and make, model and number of security devices;
  - d. safety and security systems;
  - e. safety and security staffing, and job descriptions;
  - f. employee security policies;
  - g. security operational procedures manual;

- h. disaster preparedness; and/or
- l. personal safety and crime prevention techniques, as appropriate;
- lv. transporting, receiving and/or exchange procedures and plans (proprietary and/or otherwise, and as appropriate and necessary), including that which relates to safety, security, inventory control and quality control;
- v. proprietary human resources services and materials as appropriate and necessary and related to a dispensary operation, including without limitation that which relates to the identification, adoption, implementation and/or modification of appropriate organizational charts, staffing optimization goals, hiring policies, desired skill sets, salaries, bonuses, benefits, educational and advanced training programs, workplace policies and procedures, employee working environment plan(s), employee handbook(s) and other human resource necessities, all based on (a) experience and best practices, (b) projected and actual growth of ATLAS and changes in industry matters, company operations and circumstances in general, and (c) an industry marked with high employee turnover and limited applicants with skill sets applicable in a sophisticated corporate environment featuring non-profit characteristics, patient awareness, product knowledge, lack of government funding or grant opportunities, and lack of traditional bank financing opportunities;
- vl. newly developed educational materials, information and techniques (proprietary and/or otherwise), as appropriate and necessary, allowing ATLAS to enable personnel, patients and the conventional medical and science community to remain abreast of all new developments within the medical marijuana industry as they arise;
- vu. inventory tracking with respect to a seed-to-sale program tied into a point of sale system (see below) operating off a developed platform, as appropriate and necessary and reflecting proprietary methodology and maximization of efficiencies and output, to be implemented, established, maintained and updated, as appropriate and necessary, under Consultant's oversight, training, know-how and intellectual property with respect to:
  - (a) Inventory Control- Law and Security;
  - (b) Inventory Control - Physical Steps;
  - (c) Inventory Control - Personnel Duties; and
  - (d) Inventory Control - Information Technology (see below);



v111. the development, implementation, maintenance and updating of a ATLAS-tailored patient management, point-of-sale and inventory control and management system and related software to allow for, as appropriate and necessary, the following:

- (a) a proprietary software system, code and platform combination;
- (b) implementation, establishment, maintenance and updating under Consultant's oversight, training, know-how and intellectual property;
- (c) the supply of necessary database features, record-keeping attributes and critical reports required by such an operation;
- (d) the housing of relevant information pertaining to patients and all transactions useful or necessary in connection with legal compliance, data, marketing, outreach, communications and the like in compliance with Rhode Island law;
- (e) the incorporation of purchase transactions on a per customer basis for reporting requirements; and/or
- (f) the tracking of inventory of vegetative items during their entire production and life cycle, and the tracking of other inventory, retail items and general/office supplies with a high degree of accuracy;

1x. public relations; marketing activities and plans; outreach to the conventional medical and science communities and other stakeholders such as law enforcement, elected officials, civic leaders, patients and the general local community; effecting formal educational sessions for community health care providers; and/or the hosting of various events, appearances, seminars, workshops, symposiums and the like; all based on historical experience, best practices and intellectual property, and as appropriate and necessary and applicable with respect to ATLAS and Rhode Island law;

x. the development and ongoing maintenance of a comprehensive interactive website (proprietary and/or otherwise), as appropriate and necessary, specific to and showcasing ATLAS facilities and its various operational, retail, educational and health care resources, initiatives and outreach activities drawing on historical experience and best practices within the applicable industry;

x1. executive services (proprietary and/or otherwise), as appropriate and necessary, in the areas of business strategy, business models, operations optimization, technology and regulatory compliance, hiring and training, including a proprietary orientation and training program based on a series of training modules designed to instill and enhance general and specific knowledge advantageous to ATLAS's business,



- xn. business strategies, business models, operations optimization, technology and regulatory compliance (proprietary and/or otherwise), as appropriate and necessary;
- xm. the provision, installation and/or maintenance, as appropriate and necessary, of an information technology security system (proprietary and/or otherwise) that reflects:
  - (a) standard security best practices to protect information contained in its databases, including patient, point of sale and inventory control information;
  - (b) "cloud" based technology; and
  - (c) state-of-art security features and back-up reliability;
- xiv. the provision, installation and/or maintenance, as appropriate and necessary, of a system (proprietary and/or otherwise) to:
  - (a) maintain confidential, detailed patient records in an environment geared towards the Federal Health Insurance Portability and Accountability Act of 1996 (HIPAA);
  - (b) feature relevant and current software;
  - and (c) provide and update a privacy policy and procedures manual relating thereto;which system will enable ATLAS through utilization to maintain and/or provide (i) patient records in a confidential, privileged and secure environment similar to those featuring HIPAA attributes, which records will be used daily by ATLAS staff for

patient registration, verification and information with respect to dispensary transactions, and (ii) scanned document storage and retrieval, operating procedures, inventory records, seed-to-sale tracking records, personnel records, sales reports and other business records, waste disposal records, notice reminders, and other administrative and regulatory reporting functions;

- xv. the provision, procurement, installation and/or maintenance, as appropriate and necessary, of all needed merchant services, including without limitation those enabling ATLAS to accept transaction payments by use of patient and/or vendor credit, debit or other similar cards;
- xvi. financial and accounting services (proprietary and/or otherwise), as appropriate and necessary, including the following: budgeting, accounting and payroll activities; financing and accounts payable management; planning and preparation with respect to 25 U.S. Code 280E; tax preparation and/or coordination; monthly, quarterly and/or annual reporting of financial, marketing, patient, capital project and new development matters; business plans and planning; insurance planning and procurement; and distribution of payments and reports to ATLAS's creditors and vendors as appropriate;
- xvn. government relations matters, as appropriate and necessary, including legislative initiatives, regulatory changes, referenda and/or other actions with the potential to impact the Program, the license(s) of ATLAS, the patient base of ATLAS and/or the business operations of ATLAS in general, all based on historical experience;
- xvm. the provision, implementation and/or maintenance, as appropriate, necessary and applicable, of other products and services:
  - (a) accounting set up and/or bookkeeping (with attention to 26 U.S. Code §280E);
  - (b) patient intake and orientation process (including new patient packets) in accordance with current standards, best practices and intellectual property;
  - (c) continuous education for the benefit of stakeholders, including without limitation proactive newsletters, e-blasts and website postings;
  - (d) events, seminars and workshops;
  - (e) maintenance and updating of a patient information and education center;

- (f) ongoing medical studies, trials and/or research in participation with other professional individuals and entities for the benefit of ATLAS and its patients, as appropriate;
- (g) educational sessions for community health care providers;
- (h) security systems, policies and procedures specific to medical marijuana dispensary operation, including safety and security plans;
- (i) insurance procurement;
- (j) business plan(s) and operations plan(s), as appropriate and necessary, relating not just to current dispensary facility needs, but with respect to future expansion and/or diversification activities;
- (k) standard operating and procedures manual(s) specific to the non-cultivation phases of ATLAS's operations;
- (l) employee working environment plan(s);
- (m) substance abuse prevention plan(s) with respect to efforts to combat substance abuse in the relevant jurisdiction( s);
- (n) development of a community benefits plan to the extent applicable;
- (o) development of a delivery system and/or transportation plan in coordination with DOH to the extent applicable, appropriate and necessary;
- (p) development of ancillary products and revenue sources including without limitation the implementation of a program with respect to quality control testing and alternative dosage form products, and project management oversight and education with respect thereto, featuring unique attributes such as clean room attributes and otherwise as applicable so as to ensure a balanced retail platform meeting current and ongoing development of patient expectations, products and best practices from a retail perspective in compliance with Rhode Island law and coordinated with DOH;

xix. the review and updating of all of the foregoing, as appropriate and necessary, in accordance with the continuing emergence of new and best practices and products and intellectual property of Consultant, and including that which relates to the planning and execution of expansion activities.

Any and all of the above-described Consultant Services to be provided by Consultant at



ATLAS's request will comply with applicable Rhode Island law, shall be rendered for the consideration provided for in this Agreement, and will be provided at no additional cost or fees to ATLAS unless otherwise provided herein or unless ATLAS agrees in advance and in writing to such additional fees or costs. Except as is otherwise specifically provided for herein or in the Financing Documents or as agreed to by the Parties otherwise, ATLAS shall maintain exclusive control and possession of, and shall be solely responsible for final decision-making regarding, all aspects of its business, including, but not limited to, security, dispensing, inventory controls, point of sale systems, labeling, patient intake protocols, education, staffing, training and the like.

### **C. Financing.**

As indicated in the Recitals to this Agreement, and with respect to the foregoing items and matters listed in this Section 1.2 and the items and matters listed in Section 1.1, the Parties agree that as part of the services provided hereunder, Consultant will make an initial loan of up to One Million (\$1,000,000.00) Dollars to ATLAS, and may make additional loans in the future if so needed, on market terms or terms more favorable than market terms in this and similar industries, all pursuant to terms and conditions set forth in the Financing Documents attached hereto as Exhibit C, and all based on ATLAS's budgeting needs for the successful licensing, completion, launching, running and growth of its compassion center operations. Any such budget, including the timing of loan advances, shall be agreed to in writing by both ATLAS and Consultant.

### **D. Expenditures.**

The Parties agree that, to the extent that the Consultant incurs additional costs from third party vendors, licensors or Subcontractors that are not otherwise contemplated in the budget in order to provide the above contemplated services, such costs shall be passed onto ATLAS and shall be due and payable within thirty (30) days of invoicing. Consultant shall be authorized to make any such expenditure as long as it is consistent with and provided for in the annual Budget (as such term is defined in Section 2.2).

**1.2 Exclusivity.** Nothing in this Agreement or any SOW executed in connection therewith shall grant any exclusive rights to ATLAS with respect to the Consultant Services nor shall this Agreement or any SOW executed in connection therewith prevent Consultant or its Subcontractors from providing the Consultant Services to any other person or entity.

## **2. COMPENSATION AND CHARITABLE ACTIVITIES.**

**2.1 Compensation.** In consideration of the services described in Section I.1 and Section 1.2, and subject to the provisions hereof, ATLAS shall compensate Consultant in the manner as described in Exhibit A and Exhibit B, respectively, attached hereto, in addition to any additional compensation agreed to by the Parties in any SOW to be executed between the Parties in the future.

**2.2. Grace Period.** ATLAS shall be provided with a grace period ("Grace Period")

from Consultant on the payment of compensation in connection with the services provided in Section 1.1 and LI until such time as ATLAS has a positive cash flow; provided, however, such Grace Period shall not exceed twenty-four (24) months from the Effective Date. During such Grace Period, deferred compensation shall accrue at the same interest rate as charged in the Financing Documents, however, no late fees or penalties will accrue. At such time as revenues are available, ATLAS must commence making payments and failure to do so will constitute an Event of Default under this Agreement and the Financing Documents. Upon execution of this Agreement, ATLAS shall work with the Consultant to create a budget for the development and operation of the Dispensary Facilities (the "Budget") and the Parties shall use their reasonably best efforts to agree to the creation and adoption of a Budget, which also shall provide for a timetable and schedule of payment for past due amounts due and owing under this Agreement. The Consultant's prior written consent will be required for the adoption of any future Budgets or any amendments, modifications or deviations from such Budget.

**2.3 Charitable Activity Arrangements.** The principals of Consultant have been active with many domestic and overseas charities, and a goal of the Parties is to be active with charities, non-profits and/or projects relating to the State of Rhode Island.

### **3. COMPLIANCE WITH LAW.**

**3.1 Services and Operations Shall Comply with Permits.** Consultant's performance of the Consultant Services shall comply with applicable Rhode Island statutory and regulatory provisions, including but not limited to DOH Regulations. Notwithstanding anything to the contrary contained herein, at all times ATLAS shall oversee, direct and otherwise control the delivery of the Consultant Services as required by applicable laws and permits.

**3.2 Regulatory Matters.** The Parties hereto agree that the compensation described herein is consistent with norms of reasonable compensation and fair market value, taking into account:

- (a) comparable pricing in markets (i.e. states and/or regions) hosting a similar industry;
- (b) related risk factors with respect to the applicable market, including but not limited to the lack of a mature market and the potential for changes through legislation, regulations, referenda or otherwise;
- (c) related risk factors with respect to ATLAS such as potential liabilities;
- (d) the need for capital, and the estimated amount thereof;
- (e) the uniqueness and fledgling status of the industry and/or Program in Rhode Island;
- (f) the uniqueness and standards of the services being provided;



- (g) the provision by vendor of items other than services, including without limitation equipment and/or funding;
- (h) the prioritization of vendor payments vis-a-vis provisions in favor of the fiscal health and operational viability of the compassion center;
- (i) the presence, strength and/or weakness of the compassion center's current operations, cash flow positions and/or other assets;
- (j) the maturity or growth stage of the compassion center;
- (k) the nature of the security in place to secure payments that will become due and owing to vendor, including without limitation the presence (or absence) of personal guarantees, corporate guarantees and meaningful collateral;
- (m) the ability of the vendor arrangement to be modified in the event of unique and/or unforeseen circumstances that could threaten the viability of the compassion center's business operations; and/or
- (n) limited information available in writing, and other pertinent factors.

**3.3 Certain Amendments.** In the event that the viability of ATLAS's business operations is threatened due to an average price change over the course of a time frame of at least six (6) months with respect to a ATLAS good that constitutes the majority of ATLAS retail sales revenue, and such price change is driven by changes in consumer preferences, market competition or otherwise, then the Parties shall cooperate with each other in good faith to amend the remuneration agreements provided for in Exhibits A and B, in light of and with consideration given to the percentage average price change, the viability of the threat to the business operations and fixed arrangements with Subcontractors or other parties that may be in place with no modification possibilities. In any event, any such potential amendment shall continue to assure the continuing viability of ATLAS's business operations but in no event shall remuneration to Consultant, as described in Exhibit A and Exhibit B as of the Effective Date and attached hereto, be reduced by greater than five (5) percent in the aggregate throughout the term of this Agreement

In the event that one or more "Triggering Events", as set forth in Section 3.4 below, require modifications to the foregoing financial matters in order to reasonably assure the continuing viability of ATLAS's business operations and ongoing compliance with all applicable requirements governing the activities of ATLAS and the services being provided by Consultant, the Parties shall cooperate with each other in good faith to amend the foregoing financial matters consistent with the standards and procedures set forth in this Section 3.3 and in Section 3.4: provided, however, nothing herein shall require Consultant to lend additional moneys to ATLAS without the Consultant's prior written acknowledgment and consent.



**3.4 Effect of Laws and Regulations on Ongoing Operations.** In the event of the occurrence of any of the Triggering Events (as such term is defined herein below) described in this Section 3.4, either Party may give to the other notice of request to amend this Agreement ("Notice Amendment") in order to: (i) accommodate the terms and intent of this Agreement to the greatest extent possible consistent with the requirements of pertinent laws and regulations, and (ii) achieve the least burdensome alternative for the Parties, which brings this Agreement into compliance with pertinent laws and regulations; provided, however, that the Parties shall work together in good faith at all times to preserve the viability of ATLAS, and to avoid Consultant from experiencing a material and adverse financial deviation, in the aggregate, from that which is contemplated in this Agreement and other agreements between Consultant and ATLAS. The "Triggering Events" are:

- a. a provision of pertinent State laws or regulations is adopted and implemented subsequent to the execution of this Agreement which would invalidate the terms of this Agreement;
- b. a provision of pertinent State laws or regulations is adopted and implemented subsequent to the execution of this Agreement which would cause one or both of the Parties to be in violation of such pertinent laws or regulations; or
- c. a provision of this Agreement is ruled by a court or other tribunal of competent jurisdiction to be in violation of pertinent laws or regulations.

#### **4. CONFIDENTIALITY.**

**4.1 Definition.** For purposes of this Agreement, "Confidential Information" shall mean all confidential and/or proprietary information and materials regarding the business or affairs of Consultant, or the manner in which Consultant Services are carried out, or relating to pricing of Consultant Services, or relating to the services provided under this Agreement, that is: (i) disclosed or provided by Consultant to or for the benefit of ATLAS in writing, orally or otherwise; (ii) obtained by ATLAS from a third party or other source by virtue of or relating to Consultant's or ATLAS's position under this Agreement; (iii) developed by Consultant pursuant to this Agreement; or (iv) observed by ATLAS during the course of Consultant's performance of the Consultant Services.

Not in limitation of the foregoing, it is expressly agreed that "Confidential Information" shall include but is not limited to (i) any and all agreements between ATLAS and Consultant, including without limitation this Agreement, financing agreements, debt instruments and licensing agreements, (ii) any and all agreements between ATLAS and any of Consultant's principals, officers, agents, representatives, members, partners or Subcontractors, (iii) any and all agreements between Consultant and any of ATLAS's principals, officers, agents, representatives, members or partners, (iv) any and all agreements between Consultant and third parties or sources by virtue of or relating to Consultant's position under this Agreement, (v) any and all technical data, trade secrets or know-

how, research, marketing, product plans, products, services, partners, vendors, suppliers, subcontractors and patients (including, but not limited to, prospective partners, vendors, suppliers, subcontractors and patients upon whom Consultant called or with whom Consultant became acquainted during the term of this Agreement), patient lists and information, markets, software, developments, inventions, processes, formulas, technology, methodologies, techniques, plans, policies and procedures, business strategies, operations and other manuals, designs, drawings, engineering, hardware configuration information, marketing, projections, budget information, finances or other business information disclosed by Consultant to ATLAS, either directly or indirectly in writing, orally, by drawings, observation or otherwise, and (vi) the Dispensary IP.

**4.2 Exclusions.** Confidential Information does not include information that: (i) was already in the possession of ATLAS before Consultant's or its principals', members' or Subcontractors' disclosure to ATLAS and as can be established by ATLAS through clear and convincing evidence; (ii) is independently developed by ATLAS without reference to Consultant's Confidential Information except with respect to those matters described in any licensing agreements between the Parties, those matters described above in this Agreement including without limitation those matters in Sections 1.1 and 1.2 of this Agreement, and/or pricing relating thereto; (iii) is, as of the Effective Date, or subsequently becomes, a matter of public knowledge generally other than by a breach of this Agreement by ATLAS; or (iv) is obtained by ATLAS from a third party under no obligation not to disclose the same.

**4.3 Obligations.** ATLAS agrees to (a) maintain all Confidential Information that it receives in safekeeping and in confidence; (b) not disclose such Confidential Information to any third parties; (c) treat all Confidential Information with the same degree of care with which it treats and protects its own confidential information that it does not wish to disclose to third parties and, in any event, with more than reasonable care; and (d) limit access to the Confidential Information to only those directors, officers, employees, other personnel, advisors and representatives (collectively, "Representatives") who have a need to know such for the purpose for which such Confidential Information was provided or disclosed (it being understood that such Representatives shall be informed by ATLAS of the confidential nature of such information and shall be directed to, and agree to, treat such information confidentially and to comply with the requirements of this Section 4).

ATLAS shall require all Representatives to execute a confidentiality agreement ("Representative Confidentiality Agreement") in such form provided by Consultant and which achieves the intentions of the Parties with respect to confidentiality as contemplated in this Section 4, ATLAS shall keep all signed copies of each executed Representative Confidentiality Agreement on file in its corporate headquarters, and shall make such copies available to Consultant for copying, review and audit upon reasonable request.

In the event that ATLAS, its Representatives or anyone else to whom it has supplied the Confidential Information or any of the facts or information referred to therein or herein are requested or required (by oral questions, interrogatories, requests for information or document subpoena, civil



investigative demand, law, regulation, any formal or informal investigation by any government or governmental agency, authority or otherwise) to disclose (a) any Confidential Information or any of the facts or information referred to therein or herein, (b) any information relating to ATLAS's business arrangement with Consultant (or any of Consultant's principals, officers, agents, representatives, members or partners), or (c) such person's opinion, judgment, view or recommendation concerning Consultant as developed from the Confidential Information, ATLAS agrees to (i) determine whether such requests are duly authorized and proper, (ii) immediately notify Consultant of the existence, terms and circumstances surrounding such a request, (iii) consult with Consultant on the advisability of taking legally available steps to resist or narrow such request, including without limitation determining to seek judicial review of such governmental requests or orders before complying, and (iv) if disclosure of such information is required, furnish only that portion of the Confidential Information, which, in the opinion of Consultant's counsel and ATLAS's counsel, ATLAS is legally compelled to disclose and to cooperate with any action by Consultant to obtain an appropriate protective order or other reliable assurance that confidential treatment will be accorded the Confidential Information.

#### **5. LICENSE TO USE CONFIDENTIAL INFORMATION.**

Consultant hereby grants to ATLAS a limited, non-exclusive, non-transferable license to use its Confidential Information for the purposes contemplated in this Agreement, subject to the rights of Subcontractors with respect to Confidential Information owned by them. Notwithstanding anything to the contrary contained herein, if Confidential Information is derived from and belongs to a Subcontractor, then the Parties will use their reasonable efforts to come to terms for a licensing agreement for such materials. The license may be revoked in a manner consistent with the terms and conditions of this Agreement (as same may be amended from time to time).

The license granted herein is for access to and internal use of the Confidential Information, as the Confidential Information may be reflected in written and/or oral statements, reports, materials or otherwise pursuant to this Agreement (any and all such written and oral statements, reports, materials and other disclosure mediums are collectively referred to herein as "Materials").

In addition to the restrictions on Confidential Information set forth above and elsewhere in this Agreement, this limited license is provided subject to the terms and provisions of this paragraph, and the following restrictions and prohibitions on use of such Confidential Information and Materials: except in the performance of ATLAS's obligations under this Agreement, ATLAS shall not: (a) copy, print, republish, display, distribute, transmit, sell, rent, lease, loan or otherwise make available to any third party in any form or by any means all or any portion of the Confidential Information or Materials; (b) use the Confidential Information or Materials to develop, or as a component of, any information, document, system, process, similar resource (in any media now existing or hereafter developed); (c) create compilations or derivative works of, or any modifications of or improvements to, any Confidential Information or Materials; (d) use any Confidential Information or Materials in any manner that may infringe any copyright, intellectual property right, proprietary right or property right of Consultant or any third party(ies); or (e) remove, change or obscure any copyright notice or other proprietary notice or terms of use contained in the Confidential



Information or Materials. The foregoing limited license shall be in addition to the licenses granted under the Dispensary Matters License Agreement.

6. **OWNERSHIP.**

As between ATLAS and Consultant, notwithstanding anything to the contrary contained herein, all Materials, Confidential Information, Dispensary IP, Distribution IP and information that are received, generated, improved, refined, modified, expanded, reduced to practice or derived by Consultant or ATLAS, or that are provided to ATLAS by Consultant, as part of or in connection with the performance of the Consultant Services, whether or not Confidential Information, shall be, are and shall remain the sole property of Consultant subject to Subcontractor or third-party subcontractor or licensor or manufacturer rights, if any, and ATLAS will not have any rights to encumber, disclose, distribute, license, sell, assign, transfer or use such property other than as expressly set forth in this Agreement without the prior written consent of Consultant or such Subcontractor or third-party subcontractor(s) or licensor(s) or manufacturer(s), if any.

Notwithstanding the foregoing or anything to the contrary contained herein, with respect to any of Consultant's Materials, Confidential Information, Dispensary IP or Distribution IP modified, improved, refined, expanded, reduced to practice or customized by Consultant or ATLAS, such shall be, are and shall remain the sole property of Consultant subject to Subcontractor or third-party subcontractor or manufacturer rights, if any, and ATLAS will not have any rights to encumber, disclose, distribute, sell, transfer, assign or use such property other than as expressly set forth in this Agreement without the express prior written consent of Consultant or such Subcontractor or third-party subcontractor(s) or manufacturer(s), if any.

Notwithstanding anything to the contrary contained herein, any Materials generated by Consultant for ATLAS under a mutually agreed on arrangement in a separate writing between the Parties, and not constituting a deliverable by Consultant to ATLAS under this Agreement or relating to those matters described in Sections I. I and I.I, shall upon agreement of the Parties be deemed either (i) work for hire and the property of ATLAS upon payment in full to Consultant of all fees, costs and expenses as required in such outside written arrangement executed by each of the Parties, and subject to Subcontractor or third-party subcontractor or manufacturer rights, if any, or (ii) joint property of ATLAS and Consultant, which each Party shall be allowed to use, as they deem advisable, as Confidential Information.

7. **EQUIPMENT.**

For purposes of this Agreement, "Equipment" shall mean any and all equipment provided by Consultant, as Consultant determines to be necessary and appropriate in consultation with ATLAS, for the benefit of and/or use by ATLAS at any of the Rhode Island Facilities, and any proceeds therefrom.

For purposes of this Agreement, "Collateral" includes the Equipment and related parts and accessories, and any and all additions and accessories to, substitutions for and proceeds (including without limitation insurance proceeds) and products of the foregoing.

For purposes of this Agreement, "Obligations" means all loans, debts, liabilities, obligations, covenants and duties, whether contractual or tortious, owed or owing by ATLAS to Consultant, including without limitation (i) the payment of all principal, interest and other charges due under or in connection with any promissory notes, loan agreements or other debt instruments or documents executed by ATLAS in favor of Consultant; (ii) all interest, fees, charges, attorneys' fees, court costs or expenses of whatever kind incident to collection of any Obligations and the enforcement and protection of the security interest created hereby; (iii) all future advances and interest thereon made by Consultant for taxes, levies, insurance and repairs to, or the maintenance of, the Collateral; (iv) all other monies heretofore or hereafter advanced by Consultant to or for the account of ATLAS; (v) all financial obligations of ATLAS owed to the Consultant under this Agreement, the Financing Documents or any other agreement or contract between the Parties; and (vi) all other present or future liabilities and indebtedness of ATLAS to Consultant of any nature whatsoever, and any extensions or renewals thereof.

Except as otherwise provided for herein, nothing shall require Consultant to provide any Equipment to Consultant; rather, Consultant, in providing the various Consultant Services to ATLAS, shall use its reasonable business judgment in ascertaining ATLAS's Equipment needs, all of which shall be detailed, as applicable, in any future SOW related to such equipment needs and/or leases.

8. **REPRESENTATIONS, WARRANTIES AND COVENANTS.**

In addition to its other representations, warranties and covenants contained herein, each of ATLAS and Consultant, as applicable as referenced below, hereby represents, warrants and covenants as follows:

a. **Power and Authority.** Each Party has the power and authority to enter into and perform this Agreement and any other document, instrument or agreement delivered in connection herewith, and ATLAS has the power and authority to incur the Obligations.

b. **Free of Encumbrances.** Except for the security interest granted hereby or in the Financing Documents, ATLAS will maintain the Collateral free and clear from any adverse lien,



security interest or encumbrance, and ATLAS will defend the Collateral against all claims and demands of all persons at any time claiming the same or any interest therein.

c. Accurate and Complete. All warranties, representations, statements and other information furnished to either Party by or on behalf of the other Party are and will be to the knowledge of such other Party when the same are made or furnished accurate and complete in all material respects.

d. Facilities, Compliance and Storage. ATLAS represents, warrants and covenants that (i) the Rhode Island Facilities are those commonly referred to as 329 JT Connell Road Newport nb

e. ; (ii) it shall conduct operations in a manner fully authorized, permitted and licensed by DOH; and (iii) the Collateral shall at all times remain at the Rhode Island Facilities, except as expressly permitted by Consultant in writing.

f. Financing Statements. At the request of Consultant, ATLAS will join with Consultant in executing one or more financing statements to secure interests in the Collateral pursuant to the Uniform Commercial Code in form satisfactory to Consultant and will pay the cost of filing the same in all public offices wherever filing is deemed by Consultant to be necessary or desirable.

g. Actions With Respect To Collateral. ATLAS will not sell, pledge, hypothecate, encumber, assign, or offer to sell or otherwise transfer the Collateral or any interest (including but not limited to any security interest) therein without the prior written consent of Consultant.

h. Insurance. ATLAS will maintain insurance at all times with respect to the Collateral, including without limitation all crops, against loss by fire (including so-called extended coverage), theft, and such other takings or casualties as Consultant may require in a sum not less than the replacement cost of the Collateral. All policies of such insurance shall be in such form as shall be satisfactory to Consultant, shall be made payable in case of loss to Consultant, shall provide that the same may not be altered or cancelled by the insurer except after thirty (30) days prior written notice to Consultant, and shall, together with such certificates as Consultant may from time to time request, be delivered to Consultant to be held as collateral security for the Obligations. If any proceeds under any insurance policies are paid to Consultant while any Obligations are outstanding, Consultant may, at its option, pay over such proceeds to ATLAS for the purpose of replacing the lost, damaged or destroyed Collateral or crops with respect to which such proceeds were paid.

i. Maintenance and Use of Collateral. ATLAS will keep the Collateral in good order and repair, and will not waste or destroy the Collateral or operate or use the Collateral in violation of any statute or ordinance or any of the terms and conditions hereof.

1. Taxes. ATLAS will pay promptly when due all taxes and assessments upon the Collateral.

j. Inspection and Examination. ATLAS will permit Consultant, through its authorized attorneys, accountants and representatives, to inspect and examine the Collateral at all reasonable times.



k. Perfect and Maintain Security Interest. ATLAS will, at all times and from time to time, at the request of Consultant, do, make, and execute and deliver all such additional and further acts, things, deeds, assurances and instruments as Consultant deems necessary or appropriate to more completely perfect or maintain perfected its security interest in the Collateral and/or to otherwise further vest in and assure to Consultant its rights hereunder and in or to the Collateral and the proceeds and products thereof.

l. Designation and Appointment of Consultant. ATLAS hereby irrevocably designates and appoints Consultant its true and lawful attorney with full power of substitution to execute, deliver, and record in the name of ATLAS all financing statements, continuation statements, title certificate lien applications and other documents deemed by Consultant to be necessary or advisable to perfect or better perfect, or to continue the perfection of the security interests granted hereunder, or to otherwise implement Consultant's rights hereunder.

m. Performance of Consultant Services. Consultant represents and warrants to ATLAS that the Consultant Services shall be performed in a good faith and workmanlike manner with the same degree of diligence and care that Consultant exercises with respect to its own businesses and affairs.

n. Efforts to Re-Perform. Consultant agrees to make reasonable efforts to re-perform, free of additional charge, any and all Consultant Services not in material compliance with this representation and warranty after receiving notice from ATLAS of such non-compliance.

o. Non-Solicitation. The Parties agree that during the term of this Agreement, neither Party shall solicit, induce, recruit or encourage any of the other Party's clients or employees to leave such other Party, or take away such clients or employees of the other Party, without the prior written consent of such other Party.

## 9. FORCE MAJEURE.

Notwithstanding anything to the contrary contained herein, the failure by Consultant or ATLAS to perform any of the terms and conditions of this Agreement resulting from force majeure shall not be considered a breach of this Agreement.

## 10. INDEMNIFICATION, REMEDIES, INSURANCE AND EVENTS OF DEFAULT.

### 10.1 Indemnification Obligations of ATLAS.

(a) ATLAS shall indemnify, defend and hold harmless Consultant and Consultant's directors, officers, members, managers, employees, agents, attorneys, Subcontractors and representatives harmless from and against any and all liabilities, damages, losses, costs, expenses,

actions, causes of action, suits, claims, demands, judgments or any other obligations of any nature (including, without limitation, reasonable attorneys' fees and expenses), not otherwise covered by insurance, directly or indirectly arising out of or caused by, (i) the ownership (to the extent owned by ATLAS at the relevant time), control, delivery, installation, storage, removal, return, surrender, possession, operation, maintenance, damage, destruction, repair, servicing, adjustment or use of any equipment, or any other physical or real property in possession of ATLAS; (ii) any accident or injury to person or property arising out of or in connection with any equipment, or any other physical or real property in possession of ATLAS, or any part thereof; (iii) ATLAS's business activities and/or operations in Rhode Island, (iv) Consultant's performance of Consultant Services in compliance with and pursuant to the provisions of this Agreement; (v) ATLAS's negligence or misconduct in its performance under this Agreement; or (vi) ATLAS's breach of any of its representations, warranties or covenants contained in this Agreement.

(b) The obligations of ATLAS under the Section 10.1(a) shall not apply to any such claims, suits, actions, damages, expenses, costs, fees or liabilities caused by Consultant's gross negligence, fraud or willful misconduct, in breaching its performance obligations under this Agreement and failing to cure or to attempt to cure such in the manner described in Section 19.1.

#### **10.2 Indemnification Obligations of Consultant.**

(a) Consultant shall indemnify, defend and hold harmless ATLAS and ATLAS's directors, officers, employees, attorneys, representatives and agents, from and against any and all third party claims, suits, actions, damages, expenses, costs, fees or liabilities not otherwise covered by insurance (including reasonable attorneys' fees and expenses) for any injury or damage caused by Consultant's gross negligence, or willful misconduct, in breaching its performance obligations under this Agreement and failing to cure or to attempt to cure such in the manner described in Section 19.1.

(b) The obligations of Consultant under this Section 10.2(a) shall not apply to any such claims, suits, actions, damages, expenses, costs, fees or liabilities caused by (i) ATLAS's gross negligence or misconduct under any law or regulation, or (ii) such other actions or matters as described in Section 10.1(a).

**10.3 Remedies.** The rights and obligations set forth and/or imposed by this Agreement are of a unique and special nature. Breach of any of such obligations would injure Consultant; such injury is likely to be difficult to measure; and monetary damages, even if ascertainable, are likely to be inadequate compensation for such injury. Therefore, the Parties acknowledge and agree that protection of Consultant's interests in this Agreement would require equitable relief, including without limitation specific performance and preliminary and permanent injunctive relief, in addition to any other remedy or remedies that Consultant may have at law or under this Agreement or any Financing Documents or any other instrument, license, or other agreement executed by the Parties in connection therewith (collectively the "Consultant Agreements"), including without limitation entitlement to special and consequential damages, acceleration of loans, imposition of federal or



state receiver, lost profits, reimbursement by ATLAS of the legal fees and expenses of Consultant prevailing in such suit, and payment to Consultant of any compensation or fee amounts outstanding and not yet paid to Consultant through the date of breach plus such amount(s) equal to unpaid compensation and other fees which would have been paid throughout the term of this Agreement and any contemplated extensions thereof to Consultant but for such breach by ATLAS and as if the Agreement was still in existence or being performed by the Parties.

**10.4 Insurance.** ATLAS agrees that it shall maintain insurance in accordance with the legal requirements for compassion centers and the provisions of this Agreement. ATLAS shall maintain such types and such levels of insurance, and in such forms, sufficient to cover liabilities and obligations under this Agreement and to the reasonable satisfaction of Consultant. In particular, ATLAS will maintain in full force and effect property and product liability/general liability insurance and such other insurance reasonably satisfactory to Consultant (if available) throughout and during the term of the Agreement in commercially reasonable amounts, which insurance shall be made payable in case of loss to Consultant as an additional insured, and shall provide that the same may not be altered or cancelled by the insurer except after thirty (30) days prior written notice to Consultant. ATLAS shall provide, on request by Consultant, evidence that such insurances are in force. All insurance required to be maintained under the terms of this Agreement shall be endorsed to provide that underwriters waive any rights of recourse including without limitation subrogation rights against the indemnified parties in relation to this Agreement.

**10.5 Events of Default.** The following, if not cured within thirty (30) days of written notice of the existence of such default, unless a longer cure period is provided for herein, shall constitute an "Event of Default": (a) failure by ATLAS to pay any amounts due and owing to the Consultant under this Agreement or any of the "Consultant Agreements", (b) if ATLAS attempts to terminate this Agreement or any Consultant Agreement prior to their respective term expiration, or attempts to seek to retain another service provider, consultant or vendor providing similar services and goods as to the Consultant Services, and/or (c) if ATLAS breaches any representation, warranty or covenant contained in this Agreement or any Consultant Agreement.

## **11. AUDIT RIGHTS OF CONSULTANT.**

**11.1 Audit Rights.** Consultant shall have the right, upon two (2) business days prior written notice and during normal business hours, to review and copy, at its sole expense, all books and records of ATLAS (the "Relevant Records"). Consultant shall have the further right to cause the Relevant Records to be audited by an independent certified public accounting firm selected by Consultant and reasonably satisfactory to ATLAS, no more than once each calendar year, which expenses shall be paid by ATLAS. Any audit sought by Consultant shall not be duplicative of another audit already being carried out by an independent certified public accounting firm, unless good cause for a second audit is demonstrated. Consultant shall request such audit in writing at least five (5) business days prior to the commencement of such audit. ATLAS agrees to cooperate with



the auditor and provide the auditor with prompt access to true copies of all Relevant Records. A written report of the auditor, which shall include without limitation a finding as to the amount of compensation owed to Consultant and actually paid or payable to Consultant pursuant to the terms of this Agreement (the "Audit Result") shall be provided to the Parties as soon as practicable, but in any event within thirty (30) days after completion of the audit.

**11.2 Disputes.** In the event that a dispute between Consultant and ATLAS relating to the Audit Result cannot be resolved by them within thirty (30) days after receipt by the Parties of the Audit Result, then, within forty-five (45) days of their receipt of such Audit Result, Consultant and ATLAS shall select an independent accounting firm (the "Accounting Firm") to decide the matter. The Accounting Firm's decision on any matter referred to it shall be final and binding on Consultant and ATLAS.

**11.3 Cost.** The reasonable fees of the auditor and, if applicable, the Accounting Firm, shall be borne by ATLAS.

## **12. BOARD APPOINTMENT RIGHTS.**

The parties hereto hereby agree that, during the term of this Agreement, the ATLAS board of directors shall consist of an odd number of no less than three (3) and no more than (7) members, and ATLAS board members shall be nominated for election to the board by Consultant such that: (a) if there are three (3) members, then one (1) of said members shall be nominated for election by Consultant; (b) if there are five (5) members, then two (2) of said members shall be nominated for election by Consultant; and (c) if there are seven (7) members, then three (3) of said members shall be nominated for election by Consultant.

## **13. CONSULTANT PUBLICATION.**

It is hereby specifically acknowledged, understood and agreed by ATLAS that it shall not cause the name of "Mobley Pain Management and Wellness Center" or any of its principals, directors, officers, members, attorneys, Subcontractors, investors or representatives, or any other owned or licensed branding thereof, to appear on any of ATLAS's software, domains, websites, promotional materials, press releases, advertising, emails, company disclosures or other communications without the prior written consent of Consultant. Consultant and ATLAS shall work cooperatively, in the event of ATLAS's consent, on any press release to be issued with respect to this Agreement or any of the arrangements or relationships contemplated and described herein. Nothing herein shall limit ATLAS's ability to provide such information requested by DOH officials or other duly authorized governmental officials; provided, however, if disclosure of such information is required, the Parties agree (i) to furnish only that portion of such information which, in the opinion of Consultant's counsel and ATLAS's counsel, ATLAS is legally compelled to disclose and (ii) to cooperate with each other to obtain an appropriate protective order or other reliable assurance that confidential treatment will be accorded to certain information requested by Consultant to the maximum extent permitted under Rhode Island law.

**14. RESTRICTED ACTIVITIES.**

Not in limitation of the other restrictive covenants set forth in this Agreement, the Parties hereby agree that, during the Term of this Agreement, ATLAS shall not pursue additional medical marijuana licenses from the State of Rhode Island without the prior written consent of Consultant, which consent shall not be unreasonably withheld.

**15. ATLAS CORPORATE MATTERS.**

In the event of statutory or regulatory changes, state or federal, which may enable ATLAS to change its corporate structure from that of a non-profit organization to a for-profit organization or other form of organization distinct from a not-for-profit, then any such election or action by ATLAS shall not affect the application of this Agreement, and the remuneration to Consultant described herein, to any such new or successor organization.

**16. EXPANSION OPPORTUNITIES.**

Subject to the provisions of Sections 14 and .L1, the Parties covenant and agree to discuss with each other the possibility of cooperating with respect to related business opportunities as such should arise in Rhode Island and other New England states, and in determining whether there is a basis for them to jointly pursue such opportunities; provided, however, nothing herein shall be construed to (a) obligate either Party to jointly pursue any potential business opportunity in the future, or (b) alter the provisions of Sections 14 and .L1.

**17. DELIVERY OF MARKET DATA, CUSTOMER DATABASE AND PRICING.**

Subject to full compliance with Rhode Island law with respect to confidential healthcare information, standards similar to those reflected in HIPAA and applicable confidentiality agreements, the Parties agree that all historical and current information pertinent to business operations and generated by ATLAS, including without limitation customer databases, which de-identify patients consistent with regulatory requirements, and pricing matters, may be used by Consultant to support and develop its vendor and general business activities.

**18. REAL ESTATE.**

The Parties agree that Consultant and/or a designee thereof will have a right of first refusal with respect to any opportunity presented to ATLAS to own real estate supportive of ATLAS's medical marijuana compassion center operations ("Compassion Center Operations Property"); provided, however, that nothing shall prevent Consultant from exercising any plans or efforts to purchase and own such real estate. If Consultant acquires the Compassion Center Operations Property, Consultant agrees to lease the Compassion Center Operations Property back to ATLAS on mutually agreeable terms not less favorable than market terms and conditions.



**19. TERM AND TERMINATION.**

**19.1 Term.** This Agreement shall commence on the Effective Date, and shall continue in full force and effect for a term of thirty (30) years, subject to earlier termination as follows:

- a. by the mutual written consent of both Parties;
- b. material breach by ATLAS of a material term or condition of this Agreement provided that ATLAS receives sixty (60) days' written notice (the "Default Notice") from Consultant clearly and specifically detailing and describing the concerns and nature of such material breach; provided, however, that such potential termination shall not take effect if (i) ATLAS has cured such material breach prior to the end of the 60-day period following receipt of the Default Notice or, if the material breach cannot reasonably be cured by the ATLAS within said 60-day period, within said 60-day period ATLAS has commenced and maintains actions and efforts to attempt to cure or address such material breach, or (ii) Consultant provides written notice altering the plans, status or timing of such potential termination; or
- c. in accordance with and pursuant to the provisions of Section 19.2.

**19.2 Termination** . Either Party may terminate this Agreement for cause upon written notice to the other Party in the event that such other Party shall:

- a. file, or have filed against it (which filing is not dismissed within 90 days), a petition to declare it insolvent or bankrupt, or make an assignment of substantially all of its assets for the benefit of its creditors; or
- b. be dissolved or liquidated except (i) as provided for in Section 15, (ii) in connection with the continuation or transitioning of the business operations and/or licenses pursuant to agreement of the Parties and applicable Rhode Island law, or (iii) in connection with the continuation, alteration or transitioning of the business operations and/or structure of Consultant to the extent not in violation of the provisions of this Agreement or applicable Rhode Island law; or
- c. suffer or permit the appointment of a receiver for its business or assets; or
- d. An Event of Default has occurred which has not been cured within the applicable cure period.

**19.3 Default/Remedies.** If the cure period to cure under any Event of Default notice that has been sent to ATLAS has elapsed and the specific breach or default has not been cured, the Consultant may declare an Event of Default to have occurred under this Agreement. Upon the



occurrence of an Event of Default, the Consultant may declare a default to have occurred under the Financing Documents and any Consultant Agreement as well and may proceed to enforce all of the rights and remedies afforded to the Consultant under this Agreement, the Financing Document, any Consultant Agreement, applicable law including, but not limited to, its rights under the Uniform Commercial Code as adopted by the State of Rhode Island.

**19.4 Compensation/Remedies upon Termination or Default.** Upon termination of this Agreement for any reason, or upon the occurrence of an Event of Default, and with respect to payment obligations arising specifically under this Agreement, ATLAS shall pay Consultant for all Consultant Services actually performed up to the effective date of such termination or Event of Default as applicable, as well as all financial obligations due under this Agreement from ATLAS to Consultant that may remain due and owing. Additionally, upon termination of the Agreement, or the occurrence of an Event of Default, all loans then outstanding to ATLAS shall automatically be deemed accelerated and due in full immediately. Further, all applicable default interest rates and late fees shall automatically be instituted and shall commence accruing until all financial obligations due and owing to the Consultant are repaid. Upon termination of this Agreement by ATLAS without cause, or upon termination by Consultant or upon the occurrence of an Event of Default, Consultant shall have all rights and remedies available to it at law and in equity, including without limitation specific performance; preliminary and permanent injunctive relief; entitlement to all damages, including without limitation, special and consequential damages, lost profits under this Agreement, reimbursement by ATLAS of legal fees and expenses of Consultant; payment to Consultant of any compensation or fee amounts outstanding and not yet paid to Consultant through the date of termination or Event of Default plus such amount(s) equal to unpaid compensation, remuneration and other fees which would have been paid throughout the term of this Agreement and any contemplated extensions thereof to Consultant but for such breach by ATLAS or such termination or such Event of Default and as if the Agreement was still in existence and being performed by the Parties; and such other rights and remedies entitled to Consultant under the provisions of this Agreement with respect to such breach by ATLAS, such termination or such Event of Default. Further, upon the occurrence of an Event of Default, Consultant may petition for the appointment of a federal or state receiver upon the affairs and operations of ATLAS.

**19.5 Return of Confidential and Other Information upon Termination.** Unless the Parties agree to terms for an ongoing license, upon termination of this Agreement, the Parties shall immediately return, delete or destroy (at each Party's direction) all copies of Materials, Confidential Information, intellectual property, and all other property belonging to the other Party disclosed or provided under this Agreement. Upon termination of this Agreement, each Party agrees to sign and deliver a termination certificate in compliance with the terms of this Agreement.

**20. NOTICES.** Except as otherwise provided in this Agreement, all notices provided under this Agreement: (i) shall be in writing, referencing this Agreement; (ii) shall be sent via electronic mail (delivery confirmation requested), certified US mail (return receipt requested), courier or facsimile, to such address as is designated by a Party in writing to the other Party; and (iii) shall be deemed to have been given five (5) calendar days from the date of postmark if sent via

certified US mail, or on the date of delivery confirmation if sent via email, courier or facsimile.

**21. MISCELLANEOUS.**

**21.1 Operating and Business Accounts.** ATLAS's operating and business accounts shall be established and maintained at reputable banking institutions.

**21.2 Assignment.** This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns, including without limitation any new companies and/or licenses as described in Section 15. Consultant may assign, sell or otherwise transfer this Agreement or the Financing Documents without the prior written consent of ATLAS.

**21.3 No Joint Venture; Independent Contractors.** This Agreement shall not constitute, create, give effect to or otherwise imply a teaming, partnership, joint venture, leader-follower or other joint employment arrangement or other formal business relationship between the Parties hereto, and Consultant shall not be deemed an agent, volunteer or employee of ATLAS. Further, nothing herein shall be construed as providing for the sharing of profits or losses arising out of the efforts of either or both Parties, except as may be specifically provided for herein.

Consultant shall not be liable to ATLAS for any of the costs, expenses, risks or liabilities arising out of ATLAS's efforts and/or activities in connection with (a) this Agreement or (b) any licenses or permits issued by the State of Rhode Island.

Consultant assumes sole and full responsibility for withholding any and all appropriate taxes in connection with fees earned by Consultant under this Agreement. Consultant will have no authority to enter into contracts that bind ATLAS or create obligations on the part of ATLAS without the prior written authorization of ATLAS. ATLAS will have no authority to enter into contracts that bind Consultant or create obligations on the part of Consultant without the prior written authorization of Consultant.

**21.4 No Rights Granted.** Unless expressly stated herein, nothing in this Agreement shall be construed as granting any license or other rights to or under any goodwill, trademark, patent, copyright, formulae or other intellectual property right of one Party to the other Party, nor shall this Agreement grant any rights in or to one Party's Confidential Information or Materials to the other Party, except the limited licenses set forth in Section 5.

**21.5 Announcements.** Except as otherwise expressly permitted herein, all press releases, advertising, promotions, announcements or other publications by any of the Parties concerning this Agreement or its subject matter or any matter ancillary hereto must be approved in writing by each Party prior to disclosure. Such approval may be withheld by either Party in its sole discretion.

**21.6 Amendments.** Any term of this Agreement may be amended, modified or waived only with the written consent of the Parties. This Agreement, including any exhibits hereto,



constitutes the sole agreement of the Parties and supersedes all oral negotiations and prior writings with respect to the subject matter hereof.

**21.7 Waiver.** The failure of either Party to enforce at any time any of the provisions or terms of this Agreement, or any rights in respect thereof, or the exercise of or failure to exercise by either Party any rights or any of its elections herein provided, shall in no way be considered to be a waiver of such provisions, terms, rights or elections or in any way to affect the validity of this Agreement or such Party's right to exercise such provisions, terms, rights or elections at any other time.

**21.8 Severability.** If any provision of this Agreement or the application thereof to any person or entity or circumstance shall, to any extent, be held illegal, invalid and/or unenforceable by a court of competent jurisdiction, then (a) the remainder of this Agreement or the application of such provision to persons or entities or circumstances other than those as to which it is illegal, invalid and/or unenforceable, as the case may be, shall not be affected, (b) each provision of this Agreement shall be legal, valid and enforceable to the extent permitted by law, and (c) the offending provision or application thereof shall be modified or stricken solely to the extent necessary to make it legal, valid and/or enforceable. The illegality, invalidity and/or unenforceability of any provision of this Agreement in any jurisdiction shall not affect the legality, validity and/or enforceability thereof in any other jurisdiction that is not affected by the court's declaration.

**21.9 Governing Law and Venue.** This Agreement and the performance of all obligations hereunder shall be governed by and construed in accordance with the laws of the State of Rhode Island without reference to its conflict of laws principles. Each of the Parties hereby submits to the exclusive jurisdiction of the courts of Rhode Island with respect to any dispute between the Parties pertaining to this Agreement.

**21.10 Attorneys' Fees.** If a Party brings any type of action or proceeding to enforce the terms hereof or declare any rights hereunder, the substantially prevailing Party in any action, proceeding or appeal thereon shall be entitled to reasonable attorneys' fees and costs. Such fees and costs may be awarded in the same proceeding or recovered in a separate proceeding. The term "substantially prevailing party" shall be a Party who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, award, judgment or abandonment by the other Party of its claim or defense.

**21.11 Survival.** In order that the Parties may fully exercise their rights and perform their obligations hereunder arising under this Agreement, any provisions of this Agreement that are required to insure such exercise or performance shall survive the termination of this Agreement, including without limitation those relating to insurance and indemnification. Not in limitation of the foregoing, the following sections shall survive termination or cancellation (for any reason whatsoever) of this Agreement: 4, 6, 7, 8, 10, 11, 13, 19.3, 19.4, 19.5, 20 and 21.



**21.12 Interpretation.** This Agreement is the product of negotiation between the Parties and shall not be interpreted for or against either Party whether or not such Party is the drafter.

**21.13 Headings.** All headings are for reference purposes only and shall not be considered in the construing of this Agreement.

**21.14 Counterparts.** This Agreement may be executed in one (1) or more counterparts, and by way of scanned email or facsimile transfer, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

(The remainder of this page is intentionally left blank)

**IN WITNESS WHEREOF** the Parties by their duly authorized signatures below have executed and delivered this Agreement as of the Effective Date.

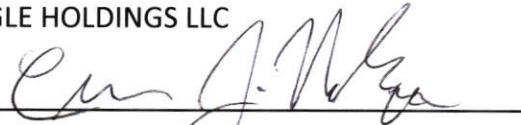
ATLAS ENTERPRISES INC

By: 

Name: Philip W. Garbarro

Title: President

EAGLE HOLDINGS LLC

By: 

Name: CHRIS S MCGOFF

Title: MEMBER



## **EXHIBIT A**

### **Compensation for Dispensary and Related Intellectual Property, Operations, Core Operations and Equipment Matters and Services.**

*In consideration of the services described in Sections 1.2 of the Agreement, including dispensary and related intellectual property, operations, core operations and equipment matters and services, ATLAS shall compensate Consultant in the manner described below (the "Net Comp"):*

*Years 1-30: 5.75% of "net sales" of flower-related products, and 9.75% of "net sales" of all other products including without limitation alternative dosage forms.*

*Years 31+: to be negotiated.*

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Napoleon (Nappy) Brito  
Operations Manager  
Atlas Enterprise  
December 2020

Based on information compiled from many sources and inquiries made with respect to facilities, markets and expertise relating to the regulated cannabis dispensary industry, including without limitation that which is provided for and described herein below, the compensation schedule set forth above approximates "fair market value" given the status of Consultant, the nature of Consultant's services, the status of ATLAS and the nature of its circumstances.

Consultant's founders and partners offer a sophisticated proprietary and comprehensive platform and program of services to address every aspect of operating a most advanced dispensary facility with four goals in mind: (1) to enable ATLAS to serve as a model facility that operates in full compliance with the law, and in advancing meaningful interaction with local government, local law enforcement and local community and neighborhood groups; (2) to establish and maintain the highest standards of professional operation, including without limitation the highest quality standards associated with the provision of a diverse and broad range of medicine to meet evolving industry standards and patient and medical community expectations including without limitation so-called "alternative dosage forms", trained and qualified management and staff, and the most advanced accounting, inventory control and security systems; (3) to improve the well-being of ATLAS's patients and the community in general, including without limitation that which relates to

and/or results from information and education, compassionate programs, and complementary and alternative services; and (4) to serve as an engine and catalyst for managers and employees to grow, advance and excel through the provision of oversight, expertise and guidance in all aspects of current dispensary and core operational services, including without limitation design, build-out, training and management tools.

Consultant achieves these goals by drawing on unique and real operating experience of more than 20 years in New England, Maryland, and Rhode Island. The Consultant acknowledges the particular economic and expertise challenges involved in establishing and running a model dispensary facility. In order to make its services available at a fair and reasonable cost, Consultant's pricing schedule recognizes the proprietary information, unique expertise and professional demands associated with medical cannabis dispensaries of the highest standards, Consultant's provision of favorable financing programs tailored towards ATLAS's dispensary facility, Consultant's provision of significant funding on favorable terms, and the following three components to be provided by Consultant and embedded within Section 1.2 of the Agreement entitled "Dispensary and Related Intellectual Property, Operations, Core Operations and Equipment Matters and Services":

i. Financing and/or Funding. Provision of significant financing and/or funding on favorable terms.

ii. Operations Services. Consultant's operations services encompass initial planning, designing, set-up, build-out and opening of a state-of-art dispensary and related key areas, including the provision of proprietary operations and security manuals and protocols relating thereto, sophisticated and automated commercial operations and systems, management and staff training, policies and procedures for transporting and receiving medicine, proprietary human resources services and materials, including initial hiring of management staff, proprietary educational and/or library materials, inventory control policies and programs, and patient management and point of sale systems.

iii. Management Services. Consultant's management services provide ongoing proprietary processes, methodologies, support and consultation to ATLAS for the following operations:

a. Public relations, including marketing plans, and applicable outreach as necessary to the medical, political, law enforcement and general communities.

b. Development of, and ongoing assistance for, a comprehensive website and social media programs.

c. Executive services in the areas of business strategy, operations, training programs, technology, and maintenance of confidential and detailed patient records in compliance with applicable patient confidentiality and security laws and protocols.



d. Provision, procurement, installation and/or maintenance of merchant services.

e. Financial and accounting services as appropriate.

f. Such other services as provided for in Section 1.2 of the Agreement, including but not limited to the development of ancillary products and revenue sources including without limitation the implementation of a program characterized by quality control testing and alternative dosage form products, and project management oversight and education with respect thereto, featuring unique attributes such as clean room attributes, evolving industry practices and standards and otherwise as applicable so as to ensure a balanced retail platform meeting the current and ongoing development of patient expectations, medical community expectations, governmental expectations, products, product efficacy and best practices from a retail perspective in compliance with Rhode Island law and coordinated with DOH.

g. Review and updating of all of the foregoing, as appropriate and necessary, in accordance with the continuing emergence of new and best practices and products and intellectual property of Consultant.

In addition to the foregoing, the compensation that would be due Consultant as described in the schedule set forth above is consistent with the norms of reasonable compensation and fair market value taking into account:

- (a) risk factors associated with the applicable market in the State of Rhode Island such as the novel nature of the Program, untested rules and regulations and laws, the unpredictable nature of patient demand, and the unpredictable nature of conventional medical and community acceptance; and
- (b) risk factors with respect to ATLAS such as carried liabilities, accrued payables, lack of complete facilities, operating history and financial performance and the like; and
- (c) the need for significant capital and resources and sophistication given, among other things, the projected size of the facilities expecting to exceed 30,000 square feet in 3 years, a projected patient base expected to exceed 4,000 in 3 years, and a dispensing and inventory control of close to 50,000 ounces of pharmaceutical grade medicine on an annualized basis within 3 years; and
- (d) the uniqueness of the industry and program in Rhode Island, including the requirement that ATLAS be a non-profit and vertically integrated; and
- (e) the uniqueness and standards of the services being provided by Consultant, which is at a level that reflects most current best practices and technology, is rarely observed outside of federally regulated industries and practices, and draws on diverse and real



operating experience ranging from similar jurisdictions and models in New England to different jurisdictions and models such as found in States such as California and Washington; and

- (f) the subordination by Consultant of compensation due it from ATLAS to the fiscal needs, fiscal health and operational viability of the non-profit ATLAS; and
  - (g) the lack of full operations, business maturation and/or assets with respect to ATLAS due to its status as a start-up nonprofit in the earliest stage of business growth cycle; and
  - (h) real industry experience with respect to designing, building, launching, running and expanding a regulated medical cannabis dispensary featuring non-profit, vertically integrated, best and unique practices, and strict regulatory characteristics; and
  - (i) the lack of security in place to secure payments that will become due and owing to Consultant, including without limitation the absence of personal guarantees, corporate guarantees and meaningful collateral; and
- G) the reality of unforeseen circumstances that could threaten the viability or strength of ATLAS's business operations, including without limitation the unpredictable nature of a potential increase in competition, legislative or regulatory changes, and referenda and/or other matters.

In consideration of the services and matters described in the foregoing, including without limitation the many factors surrounding ATLAS and its local jurisdiction in the State of Rhode Island, Consultant's provisions of equipment leasing and/or favorable financing, Consultant's provision of additional and significant funding on favorable terms, and Consultant prioritizing the viability and growth needs of ATLAS's operations over payment obligations due and owing from ATLAS to Consultant, and the services described in and to be rendered pursuant to Section 1.2 of the Agreement, and subject to the provisions of Section 2.2 of the Agreement, compensation to be paid to Consultant pursuant to the compensation model described above reflects fair market value given such and the uniqueness of Consultant and its services.

**CC Form 4 Annex E – Financial Transactions**

Atlas Enterprises has no financial transactions with any immediate family member(s) (whether directly or through an entity in which such family member(s) has an interest) of an officer, director, manager, or other person having managerial or operational control of Applicant/Licensee, on the other hand.

**CC Form 4 Annex F – Real Estate**

The real estate to be leased is located at:

29 JT Connell Memorial Rd., Building 1  
Newport, RI 02840



CC Form Annex G - Equipment

Quantity	Description	Unit Price	Ext Price
1	Tripp Lite 12U Locking Wall Mount Network Cabinet		
	1 Shelf		
	Cable Management		
1	APC Smart-UPS 750VA Rack Mount UPS with SmartConnect		
	2 U Rack-mountable		
	Surge protection/limited battery power		
1	Sophos XG 210 Network Security/Firewall Appliance - 6 Port - 1000Ba		
1	SSL Certificate - Secure Remote Access		
2	Ubiquiti 48-PoE Ethernet Switch - 48 Ports - Manageable - 2 Layer Sup		
1	5-pack of Ubiquiti In Wall Wireless-ac Access Points		
	2.40 Ghz band - up to 300Mbps throughput		
	5 Ghz band - up to 867 Mbps throughput		
	1 x Internal antenna		
	328.1 ft. Maximum Range		
	Wall Mountable		
	5.5" L x 3.41" W x 1" D. approx. 6/5 oz		
8	Dell Optiplex Desktop - Windows 10 Pro 64-bit		
	i5 processor, 16 GB memory, 256 GB SSD		
	1 x Ethernet port		
	2 x USB 2.0 ports		
	5 x USB 3.2 port Gen 1 Type A port		
	1 x USB 3.2 port Gen 2 Type C port		
	2 x DisplayPort video port (rear)		
	1 x Universal Audio Jack (side)		
	3 year Next Business Day hardware warranty		
	3 year "keep your hard drive"		
1	Dell Optiplex Laptop - Windows 10 Pro 64-bit		
	13.3 FHD (1920x1080). Anti Glare Non Touch		
	i7 processor, 16 GB memory, 256 SSD		
	Intel Dual Band Wireless		
	uSD Reader		
	1 x Ethernet port		
	2 x USB 3.2 port Gen 1 with PowerShare		
	1 x USB 3.2 port Gen 2 Type C port		
	1 x HDMI		

	1 x Universal Audio Jack (side)	
	3 year Next Business Day hardware warranty	
	3 year "keep your hard drive"	
5	Dell Chromebook 2 in 1	
	Intel Celeron Dual Core processor, 8GB memory, 32 eMMC Drive	
	2 x USB 3.1 port Gen 1	
	2 x USB Type C	
	Micro CD Memory Card Reader	
	1 x Universal Headphone Audio Jack. (side)	
	3 year hardware service with onsite	
	3 year accidental damage service	
20	APC Desktop UPS	
2	HP LaserJet Pro Printer Monochrome - 40 ppm Mono - 4800 x 600 dpi	
4	HP 58A (CF258A) Toner Cartridge - Black	
1	Cables and Connectors	
12	Point of Sale System - HP EliteOne All-in-One Touch Screen - Windows	
12	APG Vasario Cash Drawer	
12	APG Cash Drawer RJ-12/RJ-45 Transfer cable - 5 ft.	
12	Star Micronics TSP 143IIIU GRY US Direct Thermal Printer - Monochrome	
12	Zebra DS4600 Series for Retail - Cable Connectivity - 1D, 2D Imager BI	
2	Zebra GX420d Direct Thermal Printer - Monochrome - Desktop - Label	
2	Wasp WWS550i Freedom Cordless Barcode Scanner - Wireless Connection	
1	Wasp WaspProtect - 2 Year Extended Service - Service - 48 hour Main	
1	BioTrackTHC Installation	
12	BioTrackTHC Monthly Fee	
1	New Location Build Out	
1	Azure Cloud hosted activity directory server	
1	SPARE - Sophos XG 210 Network Security/Firewall Appliance	
1	SPARE - Ubiquiti 24-port Gigabit Managed Switch with PoE	
1	SPARE - Ubiquiti Indoor/Outdoor Wireless-ac Access Point	
1	SSL Certificate - Secure Remote Access Renewal	

## **CC Form 4 Annex H – Annual Compensation**

Please find the following document attached:

- Annual Compensation



Attached hereto as Annex H is a schedule of annual compensation as to:

All officers, directors, managers, and other persons having managerial or operational control of Applicant/Licensee; and The ten (10) other persons with the highest-level annual compensation.

NAME	TITLE	ANNUAL COMPENSATION
<b>Chris McGoff</b>	Shareholder - Atlas Enterprises Inc.	[REDACTED]
<b>Robert E. Flaherty</b>	Board Member - Atlas Enterprises Inc.	[REDACTED]
<b>John Shepard</b>	Board Member – Atlas Enterprises Inc.	[REDACTED]
<b>Philip W. Gasbarro, Esq</b>	Board Member - Atlas Enterprises Inc. President - Atlas Enterprises Inc.	[REDACTED]
<b>Napoleon Brito</b>	Chief Operations Officer and Security and Compliance Officer (Pending licensure)	[REDACTED]
<b>Andrea Nyland</b>	Atlas Enterprises Certified Public Accountant	[REDACTED]
<b>Michael Harlow</b>	Subject matter expert (SME) for tax and regulatory compliance	[REDACTED]
<b>Adam Dunn</b>	SME – Genetics	[REDACTED]
<b>Jan Carlos Byl</b>	SME - Cannabis Cultivation and Dispensary Operations	[REDACTED] gage [REDACTED]
<b>Joy Langley</b>	SME - Community Engagement and Public Engagement	[REDACTED]
TBD	General Manager – Atlas Enterprises	[REDACTED]
TBD	Director of Business Development – Atlas	[REDACTED]

	Enterprises	
TBD	Inventory Manager – Atlas Enterprises	██████
TBD	Patient Services Manager – Atlas Enterprises	██████
TBD	Security Manager - Atlas Enterprises	██████
TBD	Business Development Associate – Atlas Enterprises	██████
TBD	Inventory Associate - Atlas Enterprises	██████
TBD	Patient Services Associate – Atlas Enterprises	██████
TBD	Security Associate - Atlas Enterprises	██████
TBD	Budtender	██████

## **CC Exhibit B Compliance Plan**

Attach hereto as CC Exhibit B evidence of appointment of a Compliance Officer for the proposed Compassion Center including Applicant's legal and operational compliance plan in accordance with § 1.2(C)(4)(l) of the Regulations.

All SOPs, training, and compliance is included in the Hope Harvest Compassion Center Business Plan, Operation Manual, and Security and Safety Plan.

Atlas Enterprises (Hereafter "The Applicant") will appoint a Compliance Officer for the proposed Compassion Center. This role is responsible for ensuring cannabis cultivation/manufacturing facility operations remain compliant under Rhode Island state law. Qualified individuals will demonstrate several years' experience as a compliance leader in a highly-regulated industry, such as cannabis production, manufacturing, pharmaceuticals, alcohol beverage, biotechnology, etc. A demonstrated track record implementing and maintaining robust operational compliance including developing standard operating procedures and leading internal audits is required of the Chief Compliance Officer. The ideal candidate must have strong organizational skills, be able to work collaboratively to oversee multiple projects at once, and use analytical skills to solve complex problems under rigorous timelines.

THE APPLICANT will appoint Napoleon (Nappy) Brito as its Chief Compliance Officer. With a proven ability to lead personnel in law enforcement and the private sector, APPLICANT is confident in Mr. Brito's capabilities. He most recently transitioned to the cannabis industry assisting in the development of a vertically integrated Rhode Island medical cannabis facility, Summit Medical Compassion Center. In addition, he recently established the operation management of a Massachusetts organization with three cannabis adult use retail stores.

Mr. Brito has extensive experience in the establishment and operation of cannabis dispensaries. He has been the DIRECTOR OF OPERATIONS: GreenStar Herbals Inc developing policy, procedures, hiring and training staff for three adult use cannabis dispensaries. Before that Mr. Brito served in the capacity of GENERAL MANAGER & DIRECTOR OF SECURITY: Summit Medical Compassion Center including the management of 40 staff members, day to day operations and security.

Nappy Brito is a 20-year veteran of the Providence RI Police Department serving as COMMANDING OFFICER: Bureau of Criminal Identification (2001- 2007) in charge of 15 detectives and 2 clerks for the department that collects and documents crime scene forensic evidence. He also served as NARCOTICS INVESTIGATOR (1989-1992) and Undercover Investigator, integrally involved in hundreds of major felony drug arrests.

His distinguished career resulted in several awards including 20 Citations for Outstanding Police Work, 1988-2007, Newport Police Department Citation, 1990, Rhea Archibald Award for Policeman of the Year, 1988, and Chiefs Award for Outstanding Arrest 1988

Atlas Enterprises prides itself on professionalism while providing exceptional patient services including ensuring patient confidentiality. The Patient Services Department is responsible for educating and informing patients about the dispensary and issues impacting medical marijuana



patients and to ensure the dispensary is in strict compliance with all state and federal regulations with regard to patient registration and dispensary access. In addition, the patient services department is also responsible for receiving and resolving patient complaints and suggestions, ensuring the sufficient educational material on the medical uses of marijuana are available to patients, and to orient patients as to their legal rights and responsibilities.

### ***Patient Confidentiality***

HIPAA places strict privacy requirements on all health care providers. THE APPLICANT ensures these requirements are strictly implemented for protection of electronic patient health. To store required patient records, THE APPLICANT uses BioTrack THC software – an encrypted, secure electronic patient database that is strictly controlled and continually backed up.

Access to the patient database is carefully controlled by the Patient Services Manager and Sales Manager to ensure patient confidentiality at all times. All APPLICANT staff receive in-house training from the Patient Services Manager on privacy policy and procedures to ensure maintenance of patient confidentiality and proper handling of individual medical data in compliance with HIPAA.

Only authorized employees who have been trained on APPLICANT's privacy and recordkeeping policies and procedures have access to patient records based on specific authorization granted by the Patient Services and General Managers.

A patient record is established and maintained for each qualifying patient who obtains marijuana from the dispensary. All authorized employees are assigned unique ID numbers that are used as their electronic signatures. All entries made to the qualifying patient record is dated (date and time), signed electronically by the authorized employee making the entry and includes the unique employee ID number. A record is kept of all logins and records created or edited during that login time.

Any paper documents that require retention are stored in a locked cabinet with access limited to the Patient Services Manager. Any hard-copy information not stored must be shredded and disposed of in a secure receptacle.

### ***Recorded Patient Information***

A unique patient record is established during a qualified patient's first visit to APPLICANT. The record includes the following information:

- \* The qualifying patient's name.
- \* The qualifying patient's date of birth.
- \* The name of the qualified patient's designated caregiver, if applicable.
- \* The qualifying patient's registration identification number and expiration date.
- \* A listing of any patient education and support materials provided to the qualifying patient or patient's designated caregiver along with the date the information was received by the patient.
- \* A description of the patient education and support materials provided.

In addition, the patient record tracks all medical marijuana dispensed to the patient or designated caregiver, as well as any attempt to acquire medical marijuana that was unsuccessful. The entry

for failed attempts to acquire medical marijuana by the patient or designated caregiver includes the date, name and registration identification number of the individual who requested the medical marijuana, and APPLICANT's reason for refusing to provide it.

The patient database also tracks the amounts of all medical marijuana dispensed to ensure that patients purchase no more than two (2) ounces of dried medical marijuana within a thirty (30)-day period.

#### Department-required Point-of-Sale System

THE APPLICANT will contract with BioTrackTHC to develop an electronic verification database that will interface with the Department's point-of-sale system for real time updates (provided functionality of the Department system is sufficient), and reliably implement all mandated transaction information.

Each time a patient or designated caregiver visits THE APPLICANT, staff will use the Department's system to:

- \* Verify that a qualified patient or caregiver is registered;
- \* Verify at which dispensary a qualifying patient is registered; and
- \* Track the quantity and date of each medical marijuana sale.

#### ***Sales to out-of-state patients***

Rhode Island can now accept out of state medical marijuana patients and it is the intention of THE APPLICANT to serve out of state medical marijuana patients. Rhode Island currently has full reciprocity with each state within the United States. Please bring an up-to-date form of identification. This includes a Passport, State license, or State Issued Identification Card as well as your medical marijuana card. Expired forms of identification cannot be accepted, even if Medical Marijuana Patient card/document is valid and up-to-date. If you qualify for our discount programs (such as our senior and Veteran programs), please be prepared with qualifying identification.

#### ***Procedures limiting access to restricted areas***

It is critically important for the integrity of THE APPLICANT that access to restricted areas is limited. The protocols THE APPLICANT has created and will implement serve to protect our personnel, property, patients, and product. To that end, restricted access protocols are in place through our facility design, our signage requirements, our visibility & advertising restrictions, our prohibited statements, outdoor lighting requirements, and all protocols are enforced through our security equipment, plan, and SOPs. Below has been taken from our Operations Manual.

#### Facility Design

The APPLICANT facility comprises approximately 0 rentable square feet. 1,768 square feet has been allocated for dispensary services; 1,768 square feet has been allocated for patient services; and 1,768 square feet has been allocated for restricted access areas.

#### Signage Requirements

APPLICANT complies with RI law which requires that:

- \* A dispensary post a sign provided by the Department at its building entrance, in a conspicuous



place, which states:

- \* "Persons under the age of eighteen (18) are precluded from entering the premises unless they are a qualified patient and are in the presence of a parent or guardian;" and
- \* "Smoking, ingesting or consuming marijuana on the premises or in the vicinity of the dispensary is prohibited. Marijuana shall be used only by the qualifying patient in his or her home, the facility where he or she resides, or a medical facility when receiving medical care for a qualifying medical condition, if permitted by the medical facility."
- \* A dispensary post a sign provided by the Department that is either visible from the point of entry or the point of sale, which indicates the following:
  - \* The obligation of the qualified patient or caregiver to produce a valid registration card issued by the Department;
  - \* The obligation of the qualified patient or caregiver to produce a valid government issued photo identification document displaying proof of age that matches the name on the registration card;
  - \* The use of medical marijuana may impair a person's ability to drive a motor vehicle, aircraft, or motorboat, ride a bicycle, or operate heavy machinery; and
  - \* The sale and use of marijuana and the diversion of marijuana for non-medical purposes, including to a third party, is a crime in violation of District law.
- \* A dispensary post a sign provided by the Department at all areas of ingress and egress to limited access areas, which reads: "Access to this area is restricted to persons registered with the Department visibly displaying a registration identification card."
- \* A dispensary shall conspicuously post a sign in the area of the dispensary that is accessible to registered patients and caregiver, or make a booklet or other document readily available to the dispensary's registered patients and caregivers, containing the current retail prices of all items available for sale within the dispensary.

#### Visibility & Advertising Restrictions

THE APPLICANT complies with RI law which requires that:

- \* A dispensary NOT permit medical marijuana or paraphernalia to be visible from any public or other property not owned by the dispensary.
- \* Advertisements relating to the prices of medical marijuana NOT be displayed in the windows of the establishment.
- \* Advertisements relating to medical marijuana NOT be displayed on the exterior of any window, or on the exterior or interior of any door.
- \* No sign advertising medical marijuana on the exterior or visible from the exterior can be illuminated at any time.

#### Prohibited Statements

In accordance with state law, APPLICANT will:



\* Not use any picture or illustration that depicts a child or immature person, or objects (such as toys), suggestive of the presence of a child, and any statement, design, device, picture, or illustration designed to be especially appealing to children or immature persons.

\* Not put forth any statement that is known by the dispensary to be false or misleading with respect to advertised price charged to the qualified patient, ingredients of medical marijuana, source of manufacturer, or statements as to health benefits.

\* Not put forth a statement that encourages the use or purchase of medical marijuana without a registration identification card.

#### Outdoor Lighting Requirements

THE APPLICANT complies with RI law which requires a dispensary, for security purposes, to have sufficient lighting outside of the registered business each day between sunset and sunrise that adequately illuminates the facility and its immediate surrounding area, including storage areas, parking lots, entry areas such as the front façade, and any adjoining public sidewalk. Outdoor lighting must be hooded or oriented so as to deflect light away from adjacent properties.

#### Security Equipment: Preventing Access

As required by RI law in 1.2(C)(4)(I), THE APPLICANT has installed, maintains, and uses a professionally monitored alarm/intrusion detection system. This system is in use and monitored 24 hours each day.

THE APPLICANT uses the XR500 Series Access/Burglary/Fire 574-Zone Command Processor Panel. The XR500 is an integrated burglary, fire and access control system that can be configured for users to gain access and disarm the area using a single card reader. The XR500 system can restrict access by schedule, arming level, or other criteria.

The specific reason for access denial can be displayed on the keypad, stored in events, logged on a local printer, sent to the central station, and to DMP Advanced Reporting software. An anti-passback feature is also available. Any access control reader with a Wiegand output can be connected to the XR500 series panel. Card reader inputs can be attached to up to 16 different locations.

#### Affiliations with local patient and community organizations

THE APPLICANT has appreciated a collegial working relationship with **RIPAC Rhode Island Patient Advocacy Coalition** and we commit to making contributions to help with patient advocacy. In addition, we will support:

- **“The Kaydon Program** in conjunction with SUMMIT Medical Compassion Center which provided no cost cannabis products to juvenile cancer patients. This program was started by Napoleon (Nappy) Brito, Chief Compliance Officer for Hope Harvest
- **“ The Everett Program”** in conjunction with SUMMIT Medical Compassion Center, THE APPLICANT will join in providing free and low cost cannabis products to the terminally ill.

- **WEST Bay Food Bank:** THE APPLICANT commits to running a continuous nonperishable food drive in the retail space for monthly delivery.
- **Toys for TOTs US Marine Corps:** As a way to give back to the community, THE APPLICANT is committed to participating a seasonal toy drive where patients bring and unwrapped toy and receive discounts on their purchases.

In addition to participating with the aforementioned community organizations and patient groups, THE APPLICANT will launch **Reward and Charities Programs:**

**Belly Rewards:** A promotional loyalty card service

10% off 50 Points

Free Pre-roll 100 Points

Free 1/8<sup>th</sup> 250 Points

\$100 Credit 500 Points

Customer gets 5 points at each visit.

During **Food Drive** can earn an extra 15 points per donation (Limit 15 extra per day)

Offered 4-5 times per year for a month at a time.

**Senior Citizens Discount** – 10% off

**SSDI** – 10% off

**New Patient Orientation**

10% off Coupon:

**Welcome Letter**

\$25 Courtesy Coupon

**Refer a Friend** - Patient refers a new member and both get \$25 coupon

**Veterans**

\$25 Courtesy Coupon

**Birthday** – Free Edible

**4/20** – Free gram , shooter, goodie bag

**Anniversary Celebration** – Free pre-roll

There also will be a charity (name to come latter) which will provide free and discounted or donated medical marijuana to vulnerable patient populations.

*Revocation of ID for drug related offenses*



THE APPLICANT understands that when we invest in people, they'll give back to us which is why we offer generous compensation, professional development, and regular feedback on the quality of work on our team. THE APPLICANT has a zero tolerance policy for drug related offenses among our employees. The following has been taken from our Operations Manual:

### Human Resources

#### Employee Registration

The State of Rhode Island requires that all employees register with the Department upon satisfying qualifications and upon completing medical marijuana training and education (obtaining a certificate). All employees and agents of the dispensary are required to wear identification while working at ATLAS ENTERPRISES.

#### ***Applying For Registration***

The Human Resources Manager or General Manager will assist employees with completing the State of Rhode Island required registration.

#### ***ID Card Policy***

An employee may not work without their ID Card, this center's policy regarding Registration ID Cards is as follows:

- \* A badge and/or lanyard will be provided to each employee upon hiring. ID Cards must be worn and visible at all times when on the premises, or when not on the premises if performing dispensary tasks.
- \* ID Cards are not permitted to leave the premises (except for employees involved with off-site dispensary tasks).
- \* ID Cards have to be signed in and out with Security upon arrival and departure from the facility, including leaving the premises for breaks.
- \* When not in use, ID Cards will be kept in an access restricted area and can only be accessed by members of Security, the GM, or the HR Manager.
- \* Upon termination of employment, you must surrender your identification card to the HR Manager or GM at the completion of your last day. The HR Manager or GM will submit the card to the Department.

#### Changing Information On An ID Card

If your name or address changes, the changes must be submitted the Department within 10 working days after the change takes place. Immediately inform Human Resources or your General Manager of any changes. They will submit the application for your updated Registration ID Card. Contact Human Resources or your General Manager for any associated change fees.

#### Lost ID Card Policy

If, while in your possession, you lose or misplace your Registration ID Card, immediately notify Human Resources or your General Manager.

- \* You may not access the dispensary or work until the new card has been created.
- \* You may be fined for the disruption to the workplace caused by your inability to work due to a



lost ID card.

### Employee Registration ID Cards

The State requires that all employees register with the Department. All employees and agents of the dispensary are required to wear an ID card as a badge on their person at all times when working at the dispensary. Security Department staff members are also required to have and wear an ID Card, and to ensure all employees are wearing theirs. It is a violation of APPLICANT policy to enter restricted access areas within the center without wearing your badge.

### ID Card Policy

Since an employee may not work without their ID Card, THE APPLICANT's policy regarding Registration ID Cards is as follows:

- \* A badge and/or lanyard will be provided to each dispensary employee upon hiring. ID Cards must be worn and visible at all times when on the premises, or when not on the premises if performing dispensary tasks.
- \* ID Cards are not permitted to leave the premises (except for employees involved with off-site dispensary tasks such as deliveries).
- \* ID Cards have to be signed in and out with Security personnel upon arrival and departure from the facility, including leaving the premises for breaks.
- \* When not in use, ID Cards will be kept in a locked box near the entrance to the facility and can only be accessed by members of Security, the GM, or the HR Manager.
- \* Upon termination of employment, employees must surrender their ID card to the HR Manager/ GM at the completion of their last day.

### Revocation of ID Cards

THE APPLICANT will revoke an employee's Registration ID Card if during the active registration period the employee:

- \* Willfully violates any provision specifically contained in the Department published rules and regulations relating to medical marijuana.
- \* Uses medical marijuana without having a qualifying patient Registration ID Card.
- \* Uses medical marijuana on the premises.
- \* Diverts, attempts to divert, or aids in the diversion of medical marijuana to anyone not authorized by the Department to possess medical marijuana.
- \* Has been convicted of a felony offense or any drug-related offense.
- \* Has provided false or misleading information on their application.

All of the above are grounds for immediate dismissal and may result in the Department imposing civil fines and sanctions.

### Employee Management System

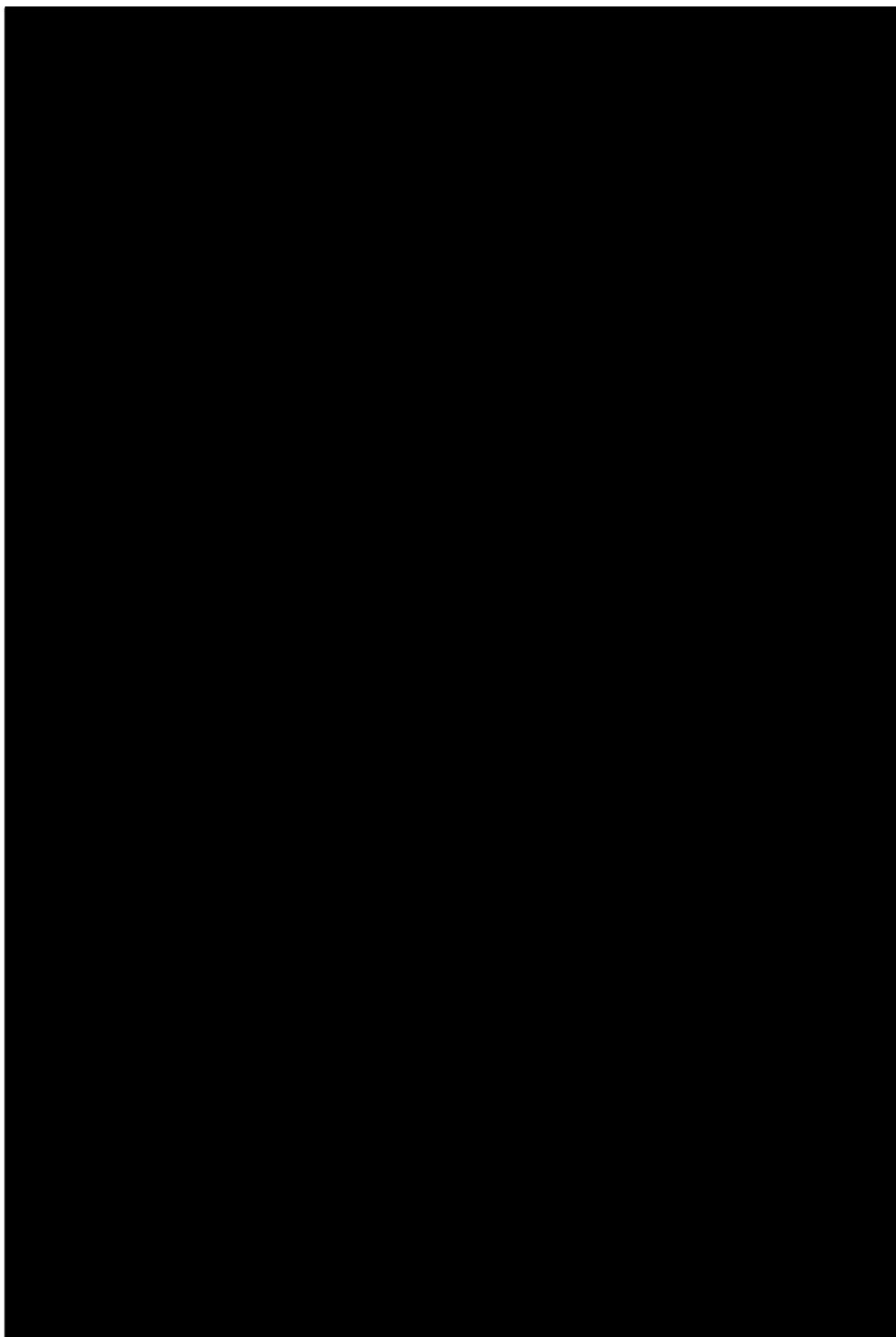
THE APPLICANT utilizes an employee management system developed by BioTrackTHC that is utilized along with the other systems described above. The employee database is used to store all employee information including hire date, employee ID number, date of birth and address as well as information regarding training and completion of required human resources documents.

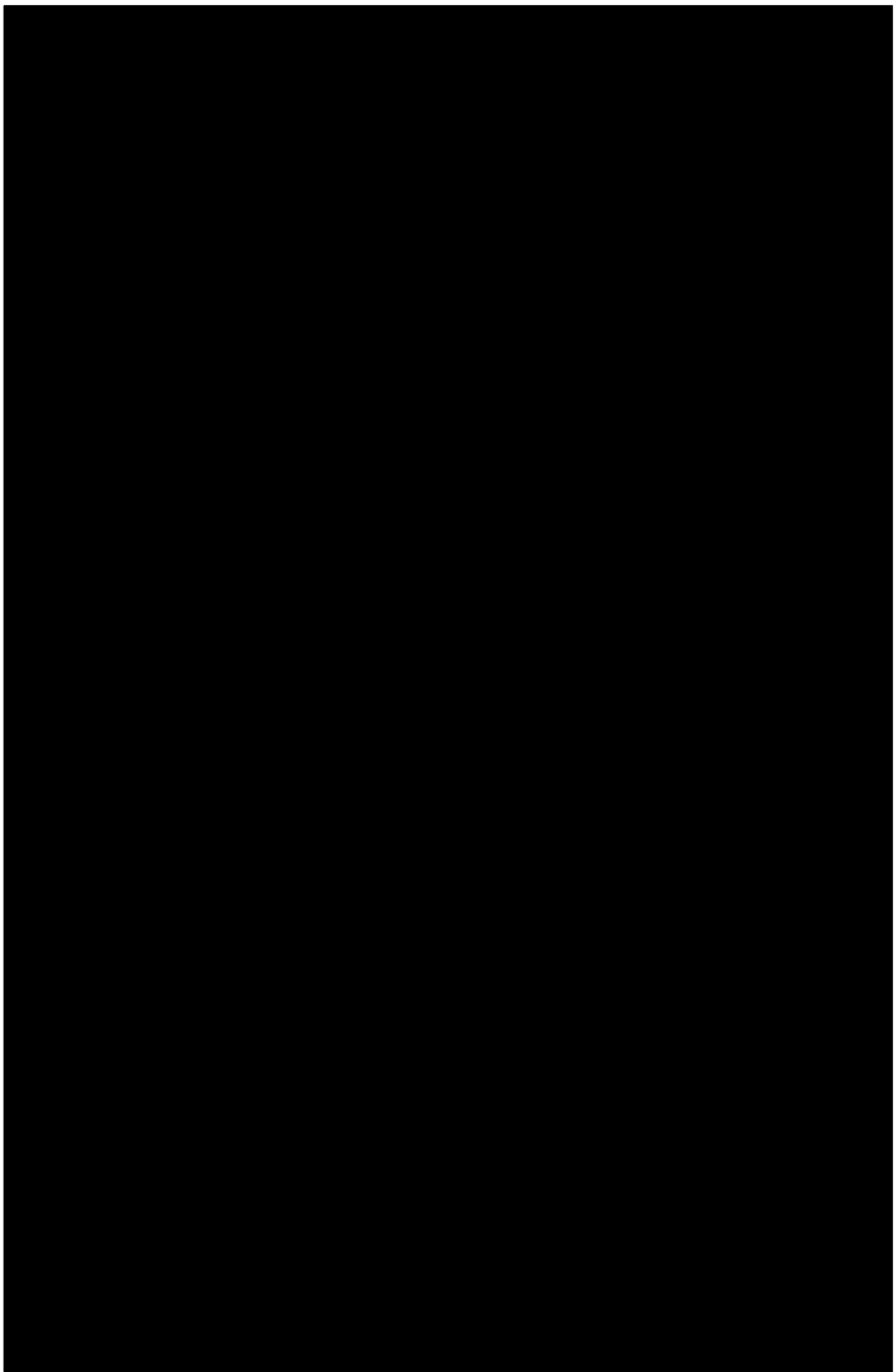
Record Retention

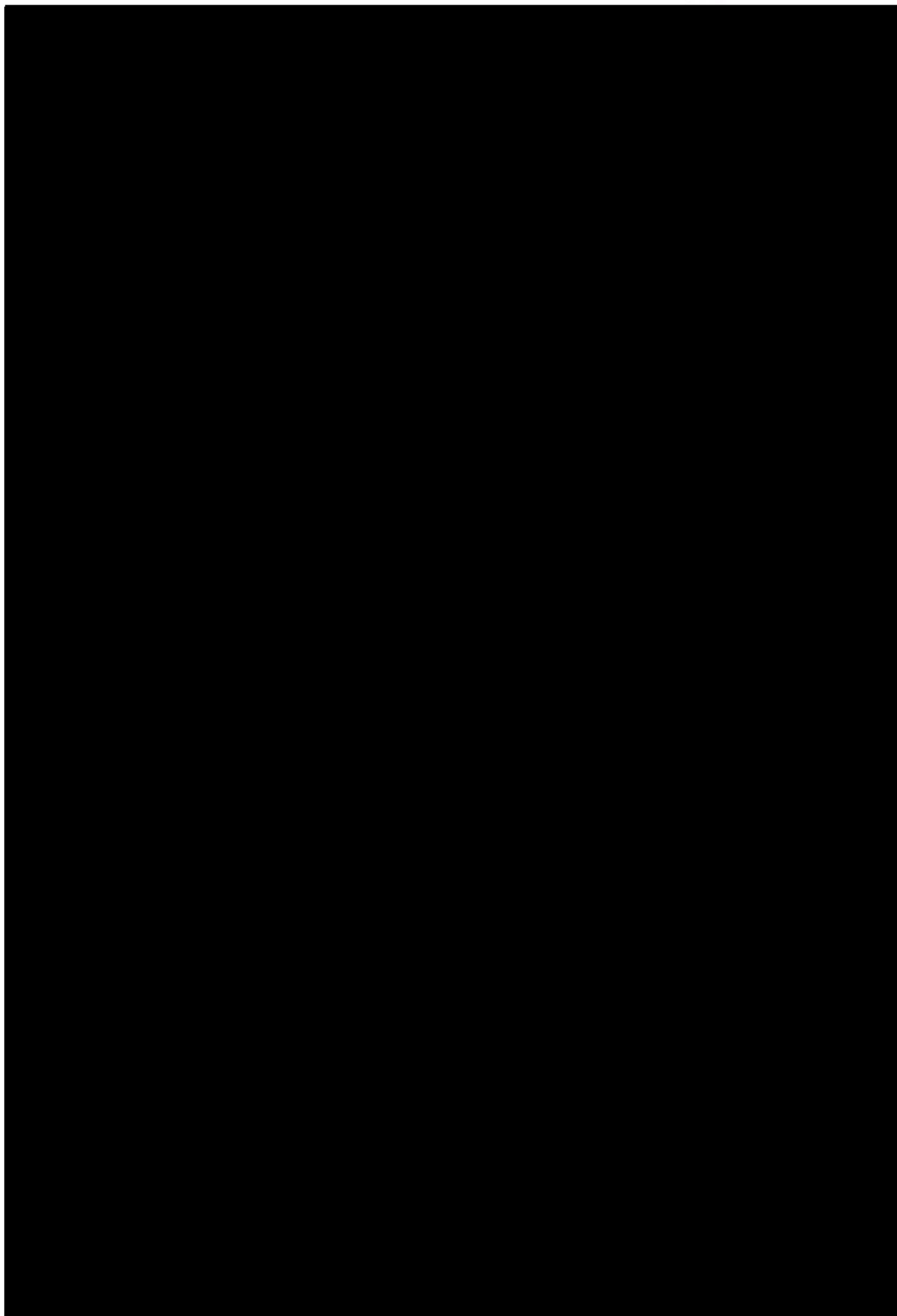
All records must be maintained by THE APPLICANT for a period of four years and must be made available to the RI Department of Business Regulation upon request. THE APPLICANT will send records to a secure records storage facility within the State. Records will be readily available to the Department as needed.

\_\_\_\_\_











## **CC Exhibit C – Compassion Care Business Plan**

Please find the following document attached:

- Business Plan





























































































### **CC Exhibit D – Security and Safety Plan**

The Security and Safety Plan can be found in its entirety within CC Exhibit E – Operations Manual as listed on the attached spreadsheet.





## **CC Exhibit E – Operations Manual**

Please find the Operations Manual attached



# **ATLAS Enterprises Inc. Compassion Center Operations Manual**

(Abridged)

## **Rhode Island Dispensary Application December 2020**

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NOTICE:

**The following pages reflect an abridged version of the comprehensive Atlas Enterprises INC. Compassion Center Operations Manuals. Given the proprietary nature of the intellectual property found in our operations and training materials, we have included sections that specifically demonstrate full compliance with all applicable rules.**

Complete copies of our comprehensive operations manuals are available for private viewing in hardcopy form at the Department's request.



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**COVID ADDENDUM**

**PRODUCT INFORMATION ADDENDUM**

**AECC COMPASSION AND DISCOUNT PROGRAM ADDENDUM**

# Atlas Enterprises INC. Compassion Center Plan of Operations

## Introduction

### Atlas Enterprises INC. Compassion Center Plan of Operation

This Plan of Operation will describe how AECC's business operations fulfill and comply with the statutory and regulatory requirements necessary for the continued operation of AECC dispensary facilities in the state of Rhode Island.

Sections contain SOPs and related content abridged from AECC's full and comprehensive Operations Manuals, covering the following critical functional areas:

- 
- Patient intake and identification checks
- 
- Patient education
- 
- Patient feedback and complaint handling
- 
- Point of sale tracking
- 
- Advertising
- Vehicle/foot traffic impact and mitigation of community impact
- 
- Packaging and labelling
- 
- Returns/refunds
- Product recalls
- 
- Security and Surveillance
- 
- Employee qualifications and training
- 
- Transportation of medical marijuana and medical marijuana products
- Storage of medical marijuana products
- Inventory management
- Recordkeeping
- Prevention of unlawful diversion of medical marijuana and medical marijuana products



**Atlas Enterprises INC. Compassion Center Operations**  
**Documentation**

At AECC, rather than having one comprehensive yet unwieldy Operations Manual, each core department (Security, Inventory, Sales, Patient Services) is equipped with a separate Operations Manual that is designed as a one-stop collection of all policies and procedures related to that department's operations. Having individual department manuals allows staff members to more easily reference operational documentation on an ongoing basis, as well as utilize the manual during the training process.

The Security department has an additional Security Management Operations Manual with restricted access for the Security Department Manager and members of upper management only. This is the only core department that has a separate location for department-specific operations documentation.

In addition to the individual department Operations Manuals, there is also the AECC Policy & Procedure (P&P) Manual. This manual lives in the General Manager's office. It details all company and management level operations, as well as operations documentation for ancillary departments such as Human Resources, Accounting, and Sales & Marketing.

AECC operations materials are considered confidential company property and may not be taken off the premises by staff members.

# Atlas Enterprises INC. Compassion Center Policy & Procedure (P&P) Manual (Abridged)

## Medical Marijuana Law & History

### Federal Law

(The following text comes from the NORML website.)

Possession, cultivation, or distribution of marijuana for any purpose is strictly illegal under federal law. Marijuana is currently classified as a Schedule I substance under the 1970 Controlled Substances Act, meaning that it meets all three of the following criteria:

- \* The drug or substance has a high potential for abuse.
- \* The drug or other substance has no currently accepted medical use in treatment in the United State.
- \* There is a lack of accepted safety for use of the drug or other substance under medical supervision.

Currently, only four people in the United States are authorized to possess marijuana. All are participants in the federal government's Compassionate Investigative New Drug (IND) program and are sent 300 pre- rolled marijuana cigarettes every month by the National Institute on Drug Abuse, ostensibly as part of a research program (although no research has ever been conducted on the participants). This program was closed in the early 1990's by President George H. Bush, but existing patients were grandfathered in. The four current participants are the only ones still alive.

The only other people authorized to possess marijuana under federal law are those who have had research studies approved by the National Institute on Drug Abuse (NIDA). Even then, the only legal source of marijuana for these studies is produced by NIDA at a research farm at the University of Mississippi. Privately cultivated marijuana may not be used in research under federal law under any circumstances.

NORML has detailed information regarding federal penalties on their website, which can be found

here: <http://norml.org/laws/item/federal-penalties-2>

Highlights from the link are as follows:

Possession of marijuana is punishable by up to one year in jail and a minimum fine of \$1,000 for a first conviction. For a second conviction, the penalties increase to a 15-day mandatory minimum sentence with a maximum of two years in prison and a fine of up to \$2,500.

Subsequent convictions carry a 90-day mandatory minimum sentence and a maximum of up to three years in prison and a fine of up to \$5,000.

Distribution of a small amount of marijuana, for no remuneration, is treated as possession. Manufacture or distribution of less than 50 plants or 50 kilograms of marijuana is punishable by up to five years in prison and a fine of up to \$250,000. For 50-99 plants or 50-99 kilograms the penalty increases to a possible 10 years in prison and a fine of up to \$500,000. Manufacture or distribution of 100-999 plants or 100-999 kilograms carries a penalty of 5 - 40 years in prison and a fine of up to \$2,000,000. For 1000 plants or 1000 kilograms or more, the penalty increases to 10 years - life in prison and a fine of up to \$4,000,000.

Distribution of greater than 5 grams of marijuana to a minor under the age of 21 doubles the possible penalties. Distribution within 1,000 feet of a school, playground, public housing or within 100 feet of a youth center, public pool or video arcade also doubles the possible penalties.

The sale of paraphernalia is punishable by up to three years in prison.

The sentence of death can be carried out on a defendant who has been found guilty of manufacturing, importing or distributing a controlled substance if the act was committed as part of a continuing criminal enterprise – but only if the defendant is (1) the principal administrator, organizer, or leader of the enterprise or is one of several such principal administrators, organizers, or leaders, and (2) the quantity of the controlled substance is 60,000 kilograms or more of a mixture or substance containing a detectable amount of marijuana, or 60,000 or more marijuana plants, or the if the enterprise received more than \$20 million in gross receipts during any 12-month period of its existence.

### **History of the Medical Marijuana Industry**

The legal medical marijuana industry began in California in 1996 when a referendum known as Proposition 215 was approved by 56% of California voters. Subsequently, the Compassionate Use Act of 1996 codified the rights of authorized patients to possess and cultivate the medicine under the California Health & Safety Code Sect. 11362.5.

Since 1996, additional states have followed California's lead, with medical marijuana use now legal in Alaska, Arizona, Colorado, Delaware, Hawaii, Maine, Michigan, Montana, Nevada, New Jersey, New Mexico, Oregon, Rhode Island, Vermont, Washington and the District of Columbia (DC).

## **Company Information**

### **Company Overview**

The objectives of AECC are to:

- \* Cultivate an environment of wellness, happiness and care.
- \* Develop and maintain a loyal patient following through a variety of superior quality medical marijuana preparations and individualized patient care.



\* Become a model platform for medical marijuana distribution and care, and an exemplary, charitable citizen and neighbor in the community.

### **Mission Statement**

It is our mission at AECC to provide the State's registered patients safe access to scientifically screened, consistent, medical-grade marijuana, and comprehensive, individualized patient counseling services - within strict compliance of the State's Medical Marijuana regulations

We are committed to ensuring that every patient who enters our center will experience a feeling of community, belonging and wellness.

Our success in fulfilling our vision is measured by quantitatively assessed patient satisfaction, team member excellence and happiness, the revitalization of our surrounding neighborhood, return on capital investment, and community support.

### **Core Values**

AECC core principles are:

- \* Highest-Quality Medical marijuana Preparations - we offer only safe, high-quality medicinal products subject to careful selection, processing and, where feasible, testing by an independent lab.
- \* Compassion - serving our patients professionally with sensitivity to their needs in a clean environment where they feel safe and secure.
- \* Responsiveness - in our dealings with our patients, employees, lenders and the community.
- \* Transparency - our financial data is regularly reviewed by an independent accounting firm.
- \* Community Service - conducting varied and ongoing outreach activities to serve the needs of patients and others in our community.
- \* Education - providing facts and information to help people understand the responsible and effective use of medical marijuana.
- \* Being a "Good Neighbor" - by working with the community, the city and police department as a responsible service provider.

### **Product and Service Philosophy**

Consistent with AECC's core values, our distribution is firmly grounded in a service, patient-care model. AECC will work diligently to deliver on its core value that calls for "highest-quality products" and individualized patient care. Following is a general outline of how AECC approaches product quality and service.

#### ***Strict Quality Control Guidelines***

Only scientifically screened medical marijuana emanating from superior genetics and processing will be available at AECC. Partnering with our affiliated cultivation center, AECC Cultivation, insures the outcome.



### ***Zero Tolerance on Medical Marijuana Performance Issues***

Any product thought to have a potential problem is removed from the shelf until it is reviewed at multiple levels and passes further inspection. Any medicine that does not meet our strict quality standards will be returned to its cultivation source or destroyed in accordance with the applicable Regulations.

### ***Individualized Treatment Plans***

Upon becoming a registered member at AECC, each member is issued a Patient Handbook, and also screened by a patient care expert to begin the IMMAC process. Patients are screened for conditions and essential life issues. The data is recorded, and the patients are then offered individual or groups counseling sessions and treatment plans based on their needs. All data is recorded throughout the member's tenure with AECC, allowing for effective health management including adherence to all prescription regimens outside of medical marijuana; and for a more effective IMMAC program moving forward. The IMMAC program is discussed more thoroughly, below.

### **Keys to Success**

Important keys to our success include:

- \* Positioning our dispensary as a responsible business in the community and developing close working relationships with civic, business, and government leaders and their staffs.
- \* Highly detailed planning and execution: staffing, training, detailed operational procedures, and infrastructure required to operate a quality medical marijuana dispensary is critical to our success.
- \* Financials, especially cash flow, must be well planned and managed, and kept to high standards commensurate with our service-oriented business model and visibility in the industry.

### **Atlas Enterprises INC. Compassion CenterProduct Line**

Pre-rolled marijuana cigarettes (joints)

Dried marijuana for smoking (flower)

Vaporizer capsules of marijuana distillate

Capsules (upon approval by the Department)

Lozenges (upon approval by the Department)

### **Atlas Enterprises INC. Compassion CenterServices**

AECC places a high emphasis on counseling and education in addition to safe and responsible provision of medical marijuana. AECC has prepared ample information (found in the Patient Handbook) to help patients understand their rights, the industry, and how to choose products appropriately and understand how to use them effectively.

Other than services directly related to the provision of medical marijuana and increased membership numbers, AECC also provides a wide range of other services designed to help patients succeed in facing their potentially debilitating conditions. Many programs and services

are available at no charge. The list includes workshops, support groups, classes and other programs as part of the Integrated Medical Marijuana and Counseling (IMMAC) Protocol.

### **IMMAC Protocol**

Patient and Caregiver education and counseling at AECC is a living, constant process, and much more than distributing informative literature on medical marijuana. Patient education at AECC is highly individualized, allowing each patient to realize the most benefits for their particular condition and life situation.

In addition to comprehensive literature, including the AECC Patient Handbook, patient-members, at their option, can partake in comprehensive workshops and individual or group counseling sessions designed to address the needs of their individual treatment plans (ITPs).

### **Sale & Purchase of Medical Marijuana by Dispensaries**

AECC complies with state law with regard to the sale and purchase of medical marijuana. AECC will:

- \* Never receive or purchase medical marijuana from a source or person other than a cultivation center registered in The State of Rhode Island.
- \* Never offer for sale, sell, or solicit an order for medical marijuana in person except within the registered premises.

The above does not preclude a dispensary from providing (1) educational information regarding medical marijuana to a physician or (2) necessary information to qualifying patients over the telephone or on-line including the availability at the dispensary of particular types of medical marijuana recommended by the qualifying patient's physician.

### **Compensation or Gifts to Physicians**

In accordance with Rhode Island law, AECC (including any director, officer, member, incorporator, agent, or employee) will never provide financial compensation, an office, or anything of value to a physician who recommends the use of medical marijuana.

### **Organization**

AECC has a comprehensive staffing plan in place to guide recruitment, hiring, training and managing its employees. Highlights of the plan feature:

- \* Precise definition of responsibilities
- \* Clearly understood chains of authority
- \* Well-paid, well-qualified, well-trained personnel
- \* Professional recruiting practices
- \* Thorough training of new hires



Individual job descriptions have been developed for each position in AECC's organization. The purpose is to ensure that all personnel are clear about their role and responsibilities, and to understand how their position contributes to the safe, efficient operation of the center.

The following chart shows how the center's current management structure is organized.

### ***Management and Oversight***

Executive Director/General Manager: The General Manager ("GM") oversees the day-to-day operations of our facility, managing the core department managers (Security, Sales, Patient Services, Inventory) and in addition, managing all strategies and tasks related to facilities, accounting, sales and marketing, and public relations. He or she has financial responsibility for the P&L and is accountable to the corporate officers.

The General Manager will provide leadership to all departments throughout the facility, and he/she must keep tight control of the senior management-approved budget. This staff member is ultimately responsible for overall building appearance, cleanliness, comfort, functionality, safety and security.

### ***Sales Department***

The Sales Department is responsible for outstanding patient service by providing medicine, product knowledge, and absolute accuracy in the sales process. It is also each Sales Associate's (or budtender) responsibility to ensure medicine is sold only to current registered patients carrying a valid Registration ID Card and that all sales are accurately and comprehensively tracked in the POS system. In addition, the sales department is responsible for educating patients about available forms of medicine, counseling patients on the most appropriate type of medicine for their symptoms and medicating circumstances and referring patient to other AECC services.

### ***Patient Services Department***

The Patient Services Department is responsible for educating and informing patients about the dispensary and issues impacting medical marijuana patients and to ensure the dispensary is in strict compliance with all state and federal regulations with regard to patient registration and dispensary access. In addition, the patient services department is also responsible for receiving and resolving patient complaints and suggestions, ensuring the sufficient educational material on the medical uses of marijuana are available to patients, and to orient patients as to their legal rights and responsibilities.

## **Facility Information**

### ***Facility Overview***

The AECC facility comprises approximately 0 rentable square feet. 1,768 square feet has been allocated for dispensary services; 1,768 square feet have been allocated for patient services; and 1,768 square feet has been allocated for restricted access areas. The site and facility designs include industry-leading medical marijuana distribution and security protocols, such as:

- \* Use of green building materials for facility build-out.
- \* Limited access areas used for processing, storage and security monitoring.

- \* Next-generation security equipment and protocols, including biometric locks and eight (8) high- resolution, Internet protocol cameras streaming encrypted video feeds to the Web for real-time access by AECC and local law enforcement.

- \* Code-compliant parking for dispensary employees

- \* Air-filtration system to treat, recapture and exhaust emissions for odor control.

Pursuant to RI Law, the dispensary is not located in a residential-use area as defined in the Zoning Regulations and is not located within 300 feet of the property line of a preschool, primary or secondary school, or recreation center.

### ***Hours of Operation***

AECC is open five (5) days a week from the hours of 11:00 a.m. to 7:00 p.m. Deliveries of medicine from registered cultivation centers to the dispensary are only permitted during the dispensary's operating hours.

Delivery dates and times will change frequently for added security. In addition, all deliveries made by cultivation centers to AECC should be made in unmarked delivery vehicles that have been properly registered with the department.

Only registered directors, officers, members, incorporators, agents, managers, employees, patients, vendors, authorized visitors and government or law enforcement officials will be permitted on the registered premises. All medical marijuana located on the premises will be kept in separate, secured areas of the facility. During business hours, a limited supply of marijuana will be made available to sales associates to sell to patients at the sales counter, while the majority of inventory will be kept in the designated separate, secure area.

The separate, secured areas are secured through the use of biometric locks and secure keypads. Access to these secure areas is heavily monitored, including through the use of a live, encrypted video stream accessible by local law enforcement via the Internet. Access will be prohibited during hours when the facility is closed.

### ***Dispensary Access***

AECC refuses to sell medical marijuana to any person who fails to produce both a valid Registration ID Card issued by the Department AND a valid government issued photo identification document displaying proof of age that matches the name on the Registration ID Card.

### ***Visitor Policy***

- \* There will be no unannounced visitors allowed at any time in the building.

- \* There are no unscheduled deliveries of any kind allowed at the building. Employees must inform the General Manager in writing of anticipated date(s) for delivery. The exception to the rule is Fed Ex and UPS for parts deliveries.

- \* Visitors are only permitted in the building between the hours of 11:00am and 7:00pm.

- \* Vendor visits must be scheduled and cleared with the General Manager at least 2 days prior to the visit. Provide the vendor name, employee ID (if applicable), and the anticipated time of the visit.



- \* Employees are not allowed to bring any friend, family member, vendor or associate into the facility unannounced.
- \* Should an employee wish to bring a visitor, a written request must be submitted to the General Manager with a minimum of five days' notice.
- \* In case of emergency repairs, exceptions will be made; please call and email the General Manager with the reason, the company, and the name of the repairperson.
- \* Should locally law enforcement or the RI Department of Business Regulation make an unannounced visit, immediately call the General Manager to announce the arrival and check badges at the front door prior to allowing officers into the reception area.

### ***Patient Confidentiality***

HIPAA places strict privacy requirements on all health care providers. AECC ensures these requirements are strictly implemented for protection of electronic patient health. To store required patient records, AECC uses Bio Track THC software – an encrypted, secure electronic patient database that is strictly controlled and continually backed up.

Access to the patient database is carefully controlled by the Patient Services Manager and Sales Manager to ensure patient confidentiality at all times. All AECC staff receive in-house training from the Patient Services Manager on privacy policy and procedures to ensure maintenance of patient confidentiality and proper handling of individual medical data in compliance with HIPAA.

Only authorized employees who have been trained on AECC's privacy and recordkeeping policies and procedures have access to patient records based on specific authorization granted by the Patient Services and General Managers.

A patient record is established and maintained for each qualifying patient who obtains marijuana from the dispensary. All authorized employees are assigned unique ID numbers that are used as their electronic signatures. All entries made to the qualifying patient record is dated (date and time), signed electronically by the authorized employee making the entry and includes the unique employee ID number. A record is kept of all logins and records created or edited during that login time.

Any paper documents that require retention are stored in a locked cabinet with access limited to the Patient Services Manager. Any hard-copy information not stored must be shredded and disposed of in a secure receptacle.

### ***Recorded Patient Information***

A unique patient record is established during a qualified patient's first visit to AECC. The record includes the following information:

- \* The qualifying patient's name.
- \* The qualifying patient's date of birth.
- \* The name of the qualified patient's designated caregiver, if applicable.
- \* The qualifying patient's registration identification number and expiration date.

- \* A listing of any patient education and support materials provided to the qualifying patient or patient's designated caregiver along with the date the information was received by the patient.

- \* A description of the patient education and support materials provided.

In addition, the patient record tracks all medical marijuana dispensed to the patient or designated caregiver, as well as any attempt to acquire medical marijuana that was unsuccessful. The entry for failed attempts to acquire medical marijuana by the patient or designated caregiver includes the date, name and registration identification number of the individual who requested the medical marijuana, and AECC's reason for refusing to provide it. This system is designed to prevent sale of medical marijuana to qualifying patients who intend to transport AECC products out of the state.

The patient database also tracks the amounts of all medical marijuana dispensed to ensure that patients purchase no more than two (2) ounces of dried medical marijuana within a thirty (30)-day period.

#### ***Department-required Point-of-Sale System***

AECC will contract with BioTrackTHC to develop an electronic verification database that will interface with the Department's point-of-sale system for real time updates (provided functionality of the Department system is sufficient), and reliably implement all mandated transaction information.

Each time a patient or designated caregiver visits AECC, staff will use the Department's system to:

- \* Verify that a qualified patient or caregiver is registered.
- \* Verify at which dispensary a qualifying patient is registered; and
- \* Track the quantity and date of each medical marijuana sale.

#### ***Employee Management System***

AECC utilizes an employee management system developed by BioTrackTHC that is utilized along with the other systems described above. The employee database is used to store all employee information including hire date, employee ID number, date of birth and address as well as information regarding training and completion of required human resources documents.

#### ***Record Retention***

All records must be maintained by AECC for a period of four years and must be made available to the RI Department of Business Regulation upon request. AECC will send records to a secure records storage facility within the State. Records will be readily available to the Department as needed.

### **Product Safety**

#### **"Highly Susceptible Population"**

Best Practices in Food and Food Operations Regulations emphasize the special oversight of food operators who serve residents that may have higher health risks than the general population.

These at-risk residents are often referred to as part of a "highly susceptible population," and are



defined, generally, as those who are immuno-compromised, aged, very young, or living in a group residential setting. AECC understands and accepts its duty to these residents. AECC welcomes Health Department inspections and oversight to help ensure the safety and health of the State's patients.

### **Food Safety**

Despite not offering edible medical marijuana products at this time, this facility is responsible for the content and quality of any edible food product produced or sold. The State of Rhode Island requires that any facility that prepares, sells, or dispenses marijuana-infused edible food products must obtain approval from the RI Department of Business Regulation prior to production of any edible medical marijuana product.

AECC will only work with cultivation centers that are in full compliance with RI food safety requirements.

### **Person in Charge (PIC) and Certified Food Protection Manager**

In accordance with best practices for Food and Food Operations Regulations, a Person in Charge (PIC) and Certified Food Protection Manager is required in the dispensary. The Inventory Manager will be trained and certified to fulfill this role.

The Inventory Manager must complete any required coursework and achieve such certification before starting work for AECC. This ensures that the best practices of Food and Food Operations Regulations will be met by AECC.

### **General Cleanliness & Sanitation Policy**

As with any product meant for human consumption, cleanliness and sanitation are important. Given that many of our patients have compromised immune systems, it is all the more critical to make sure medicine is produced, handled, transported, and stored in a manner that ensures quality and safety.

AECC has strict internal guidelines to ensure the quality and safety of the products. The guidelines are as follows:

- \* Medical marijuana in the process of production, preparation, manufacture, packing, storage, sale, distribution, or transportation is protected from flies, dust, dirt, and all other contamination.
- \* Refuse or waste products incident to the manufacture, preparation, packing, selling, distributing, or transportation of medical marijuana are removed from the building at least once every 24 hours or more often as necessary to maintain a clean condition.
- \* All trucks, trays, buckets, other receptacles, platforms, racks, tables, shelves, knives, saws, cleavers, other utensils, or the machinery used in handling or processing marijuana products must be cleaned daily.
- \* All edible food products must be securely covered.
- \* A handwashing sink will be easily accessible to employees.
- \* All employees must clean their hands and exposed arms:

- \* Before preparing marijuana, including working with food, equipment, and utensils

### **Handwashing**

Employees must keep their hands and exposed portions of their arms clean if and whenever they are working with medicine or ingestible food items.

Hand & Arm Cleaning Procedure – Employees must clean their hands and exposed portions of their arms with handwashing soap by vigorously rubbing together the surfaces of their lathered hands and arms for at least twenty (20) seconds and thoroughly rinsing with clean water.

Employees must pay particular attention to the areas beneath the fingernails and between the fingers.

Hand Sanitizer – A hand sanitizer and a chemical hand sanitizing solution used as a hand dip has been sourced by this facility according to requirements set forth in RI state health regulations.

Hand sanitizer should only be applied to hands that have been cleaned according to the “Cleaning Procedure” above.

Handwashing Frequency – Employees must clean their hands and exposed portions of their arms immediately before engaging in food preparation including working with exposed food, clean equipment and utensils, and unwrapped single-service and single-use articles. Employees must ALSO clean their hands in the following instances:

- \* After touching bare human body parts other than clean hands and clean, exposed portions of arms.
- \* After using the toilet room.
- \* After caring for or handling service or aquatic animals (if applicable).
- \* After coughing, sneezing, using a handkerchief or disposable tissue, using tobacco, eating, or drinking out of a potentially contaminated container.
- \* After handling soiled equipment or utensils.
- \* Immediately before engaging in food preparation including working with exposed food, clean utensils, and unwrapped single-service and single-use articles in the food preparation area.
- \* During food preparation, as often as necessary to remove soil and contamination and to prevent cross-contamination when changing tasks.
- \* When switching between working with raw food and working with ready-to-eat food; and
- \* After engaging in other activities that contaminate the hands such as handling waste containing fecal matter, body fluids, or body discharges.

Handwashing Location – Employees must clean their hands in a handwashing lavatory or approved automatic handwashing facility, not in a sink used for food preparation or in a service sink or a curbed cleaning facility used for the disposal of mop water and similar liquid waste.



## **Hygiene**

Fingernail Maintenance – employees must keep their fingernails trimmed, filed, and maintained so the edges and surfaces are cleanable and not rough. Unless wearing intact gloves in good repair, an employee may not wear fingernail polish or artificial fingernails when working with exposed food.

Jewelry – While preparing food, food employees may not wear jewelry on their arms and hands. This restriction does not apply to a plain ring such as a wedding band.

Outer Clothing – Food employees shall wear clean outer clothing to prevent contamination of food, equipment, utensils, linens, and single-service and single-use articles. When moving from a raw food operation to a ready-to-eat food operation, food employees shall wear clean outer covering over clothing or change to clean clothing if clothing is soiled.

Eating & Drinking – Except as specified below, an employee must eat, drink, or use any form of tobacco only in designated areas where the contamination of exposed food; clean equipment, utensils, and linens; unwrapped single-service and single-use articles; or other items needing protection cannot result.

An employee working with medicine or food may drink from a closed beverage container if the container is handled to prevent contamination of:

- \* The employee's hands.
- \* The container; and
- \* Exposed food; clean equipment, utensils, and linens; and unwrapped single-service and single-use articles.

Mouth & Nose – Food employees experiencing persistent sneezing, coughing, or a runny nose that causes discharges from the eyes, nose, or mouth shall not work with exposed food; clean equipment, utensils, and linens; or unwrapped single-service or single-use articles.

Hair Restraints – Employees working with food must wear hair restraints such as hats, hair coverings or nets, beard restraints, and clothing that covers body hair, that are designed and worn to effectively keep their hair from contacting exposed food; clean equipment, utensils, and linens; and unwrapped single-service and single-use articles.

The wearing of hair restraints does not apply to food employees such as counter staff who only serve beverages and wrapped or packaged foods, hostesses, and wait staff if they present a minimal risk of contaminating exposed food; clean equipment, utensils, and linens; and unwrapped single-service and single-use articles.

## **Facilities**

### **Facility Design**

The AECC facility comprises approximately 0 sq rentable square feet. 1,768 square feet has been allocated for dispensary services; 1768 square feet has been allocated for patient services; and 1,768square feet has been allocated for restricted access areas. The site and facility designs include industry- leading medical marijuana distribution and security protocols, such as:

- \* Use of green building materials for facility build-out.
- \* Limited access areas used for processing, storage and security monitoring.
- \* Next-generation security equipment and protocols, including biometric locks and eight (8) high- resolution, Internet protocol cameras streaming encrypted video feeds to the Web for real-time access by AECC and local law enforcement.
- \* A secure building with limited signage to meet Department standards.
- \* Code-compliant parking for dispensary employees (parking lease to be negotiated with parking management company one short block north of facility at corner of North Capital Street and P Street).
- \* Air-filtration system to treat, recapture and exhaust emissions for odor control.

As required by RI Law, the dispensary is not located in a residential-use state as defined in the Zoning Regulations and is not located within 300 feet of the property line of a preschool, primary or secondary school, or recreation center.

### **Signage Requirements**

AECC complies with RI law which requires that:

- \* A dispensary posts a sign provided by the Department at its building entrance, in a conspicuous place, which states:
  - \* “Persons under the age of eighteen (18) are precluded from entering the premises unless they are a qualified patient and are in the presence of a parent or guardian;” and
  - \* “Smoking, ingesting or consuming marijuana on the premises or in the vicinity of the dispensary is prohibited. Marijuana shall be used only by the qualifying patient in his or her home, the facility where he or she resides, or a medical facility when receiving medical care for a qualifying medical condition, if permitted by the medical facility.”
- \* A dispensary posts a sign provided by the Department that is either visible from the point of entry or the point of sale, which indicates the following:
  - \* The obligation of the qualified patient or caregiver to produce a valid registration card issued by the Department.
  - \* The obligation of the qualified patient or caregiver to produce a valid government issued photo identification document displaying proof of age that matches the name on the registration card.
  - \* The use of medical marijuana may impair a person’s ability to drive a motor vehicle, aircraft, or motorboat, ride a bicycle, or operate heavy machinery; and
  - \* The sale and use of marijuana and the diversion of marijuana for non-medical purposes, including to a third party, is a crime in violation of District law.
- \* A dispensary posts a sign provided by the Department at all areas of ingress and egress to limited access areas, which reads: “Access to this area is restricted to persons registered with the Department visibly displaying a registration identification card.”



\* A dispensary shall conspicuously post a sign in the area of the dispensary that is accessible to registered patients and caregiver or make a booklet or other document readily available to the dispensary's registered patients and caregivers, containing the current retail prices of all items available for sale within the dispensary.

### **Visibility & Advertising Restrictions**

AECC complies with RI law which requires that:

\* A dispensary NOT permit medical marijuana or paraphernalia to be visible from any public or other property not owned by the dispensary.

\* Advertisements relating to the prices of medical marijuana NOT be displayed in the windows of the establishment.

\* Advertisements relating to medical marijuana NOT be displayed on the exterior of any window, or on the exterior or interior of any door.

\* No sign advertising medical marijuana on the exterior or visible from the exterior can be illuminated at any time.

### **Prohibited Statements**

In accordance with state law, AECC will:

\* Not use any picture or illustration that depicts a child or immature person, or objects (such as toys), suggestive of the presence of a child, and any statement, design, device, picture, or illustration designed to be especially appealing to children or immature persons.

\* Not put forth any statement that is known by the dispensary to be false or misleading with respect to advertised price charged to the qualified patient, ingredients of medical marijuana, source of manufacturer, or statements as to health benefits.

\* Not put forth a statement that encourages the use or purchase of medical marijuana without a registration identification card.

### **Outdoor Lighting Requirements**

AECC complies with RI law which requires a dispensary, for security purposes, to have sufficient lighting outside of the registered business each day between sunset and sunrise that adequately illuminates the facility and its immediate surrounding area, including storage areas, parking lots, entry areas such as the front façade, and any adjoining public sidewalk. Outdoor lighting must be hooded or oriented so as to deflect light away from adjacent properties.

### **Security Equipment: Preventing Access**

As required by RI law in Section 5610, AECC has installed, maintains, and uses a professionally monitored alarm/intrusion detection system. This system is in use and monitored 24 hours each day.

AECC uses the DSC Series Access/Burglary/Fire 574-Zone Command Processor Panel. The DSC is an integrated burglary, fire and access control system that can be configured for users to

gain access and disarm the area using a single card reader. The DSC system can restrict access by schedule, arming level, or other criteria.

The specific reason for access denial can be displayed on the keypad, stored in events, logged on a local printer, sent to the central station, and to DMP Advanced Reporting software. An anti-pass back feature is also available. Any access control reader with a Wiegand output can be connected to the XR500 series panel. Card reader inputs can be attached to up to 16 different locations.

AECC has installed four (3) alarm control keypads (LCD touchpad terminals) at the following locations:

- \* One (1) - Secured Front Reception/Waiting Area (Armed Area 1)
- \* One (1) – Dispensary Area (Armed Area 2)
- \* One (1) – Patient Services Area (Armed Area 3)
- \* One (1) – Staging Room Area (Armed Area 4)

In addition, AECC has installed a total of six (3) full-featured Card Reader Access Control Devices with HID Proximity and Integrated Pin Pad at the following locations to control access to areas of the facility:

- \* One (1) - Secured Front Reception/Waiting Door Entrance (Armed Area 1)
- \* One (1) - Dispensary Room Door Entrance (Armed Area 2)
- \* One (1) – Patient Services Area Interior

### **Security Equipment: Closed--Circuit Video Surveillance (CCTV)**

AECC has installed high-quality security cameras throughout the dispensary (refer to the Security Floor Plan in the Security Management Operations Manual for exact locations).

#### ***Camera Information***

Interior Cameras: 360-degree, Internet-protocol, high-resolution, with encrypted video feed accessible at any time by local law enforcement via the Internet.

AECC has installed a total of five (11) cameras in the interior of the facility. The cameras that are used are tamper-proof, ultra-compact, and equipped to offer high-resolution video recording (2048 x 1536 IP 3 Megapixel). Each camera comes equipped with a built-in 4GB Micro SD Card for digital recording at the camera with two-way audio. The 360° all-around view can capture an entire room; the panorama function and a quad view will show images from four different angles simultaneously.

When ceiling-mounted, the hemispheric camera displays the image area of the entire room. The 360- degree image in the hemisphere cameras is convex, particularly near the image borders. These image sections are corrected for the viewer by the integrated distortion correction software, allowing a view of the scene from the usual perspective. The virtual PTZ/Zoom feature allows users to enlarge or move image sections within the hemisphere, just like a PTZ/Zoom camera. This is achieved without moving parts and allows one to view any area in the room (when ceiling-mounted; 180 degrees when wall- mounted). While a traditional analog system



would require four cameras, one hemispheric camera allows users to see four directions simultaneously on the monitor in a quad view. The preset North position can be moved to any direction in the image; the camera generates the other three directions (East, South, West) automatically and stores them as separate views.

Exterior Cameras: Dual-lens, Internet-protocol, with encrypted video feed accessible at any time by local law enforcement via the Internet.

AECC has installed a total of four (10) cameras on the exterior of the facility. The cameras that are used are ultra-rugged, tamper-proof, and equipped to offer two separate high-resolution image sensors for day/night video recording (2048 x 1536 IP 3 Megapixel). Each camera comes equipped with a built-in 4GB Micro SD Card for digital recording at the camera with two-way audio. The cameras offer a 180° view and are weatherproof from -30° to +60° C (-22° to +140° F) without the need for heating. The dual

lens IP camera offers digital continuous zoom, pan and tilt and is integrated with a two-way audio microphone, speaker and PIR motion detector.

See Figures 1-5 below for additional camera information.

### ***Video Storage***

#### **Disadvantages of The Centralized DVR/PC Standard Solution**

Usually, cameras only supply the images while the processing and recording is done later on a central PC or Digital Video Recorder that is using video management software. This traditional centralized structure is unsuitable for high- resolution video systems, since it requires not only high network bandwidth, but also needs enormous PC processing power to support several cameras. These PC/DVR systems typically have high failure rates because the PCs are consistently running, overheating and recording therefore putting considerable strain on the PC/DVR because they are expected to process dozens of high- resolution live cameras 24/7.

#### **The Decentralized Concept**

Unlike other systems, the decentralized IP concept incorporates a digital memory (SD card) for long-term recording in every camera. The PC is now used only for viewing, not for analysis or recording. As a result, the cameras can record events even without PC/DVR and digitally record videos with sound for archiving purposes.

The system is monitored on multiple screens (at least one 19-inch or greater call-up monitor), within the secured security viewing area. In addition, the security viewing area includes a video printer capable of immediately producing a clear still photo from any video camera image. The video surveillance system uses pan, tilt and zoom cameras located both inside and outside the facility. Security personnel monitor all video feed from before opening until all persons have left the premises. Remote viewing is available for security and safety personnel as well as senior management at any time through an Internet login system. In addition, Force Security monitors the video feed 24 hours a day.

### ***Video Recording***

The video surveillance system has the capability to record, archive, and playback video feed for a minimum of one hundred (120) days. The decentralized IP concept incorporates a digital

memory (SD card) for long-term recording in every camera. The PC is now used only for viewing, not for analysis or recording.

As a result, the cameras can record events even without PC/DVR and digitally record videos with sound for archiving purposes. All recorded video is date and time stamped. Additionally, the system allows for the production of a videodisc directly from the DVR unit; the video on the disc is viewable on a Windows PC and will include any required software needed to view the video.

The electronic recording system must ensure that the resolution for all recorded images is at least D1 and the frame rate will be at least three frames per second during alarm and/or motion-based recording. Specifically, the following cameras are used to meet this requirement:

Indoor: Q24M IP High Resolutions Hemispheric: 3.1 Megapixels (2048 x 1536) 30FPS Pan Tilt Zoom Camera

Outdoor: M12 IP High Resolutions Dual Lens Day Night Megapixels Camera (Color: 2048 x 1536 (3Mega), Black/White: 1280 x 960) 30FPS Pan Tilt Zoom Camera

AECC must retain all recordings for a minimum of six (6) months. The electronic recording system hub and all recordings are stored in a locked, tamper-proof compartment within the security viewing area. This is a limited access area with access restricted only to authorized employees. Biometric locks are

used to secure the security viewing area requiring all authorized employees to verify their fingerprint in order to gain access.

AECC will turn over any applicable recording to local law enforcement or the Department upon their request.

#### ***Video Monitoring***

The CCTV system is monitored on multiple screens (minimum of 12 inches), with one 19-inch or greater call-up monitor. The monitor must be connected to the recording system at all times.

#### ***CCTV Equipment Maintenance***

In order to ensure that our facility is secured and effectively monitored at all times, AECC is committed to maintaining an electronic recording system that is in good working order at all times. Any manager, employee, or agent who has been authorized to oversee the functioning of the video recording system is required to report any malfunctioning of the system to the GM and Security Manager immediately.

In addition, Security Concepts will inspect the security system once a year to ensure that all components function correctly. The inspection consists of a system/communications test, system reset, check of all devices and equipment for proper operations, adjustment or replacement, including cleaning of all lenses, equipment, or devices, replacement of any system batteries, if needed, and verification and updating of all subscriber information.

#### ***Monitoring Low Light Areas***

All cameras installed outdoors and in interior areas with low light will be day/night cameras. Specifically, AECC has installed M12 IP High-Resolution Day/Night Megapixel Cameras on the



building exterior. All cameras are calibrated and focused to maximize the quality of the recorded image.

The tamper-resistant, weatherproof, outdoor dual lens, day/night IP camera with two-way audio has two separate high-resolution image sensors that will provide superior color for the day and extremely light-sensitive black/white sensors for the night with no moving parts. The cameras feature:

- \* Two separate image sensors for day and night-time operation
- \* High-resolution video recording in color: 2048 x 1536 (3 Mega), Black/White: 1280 x 960 (Mega)
- \* Permanently fixed lenses at factory for extremely simple installation
- \* Robust, low-maintenance and with concealed cable duct
- \* Weatherproof from -30° to +60°C (-22° to +140°F), without need for heating (IP65)
- \* Digital continuous zoom, pan and tilt
- \* Integrated two-way audio microphone, speaker and PIR motion detector

In addition to the exterior cameras, hooded exterior lighting has been installed near video surveillance devices to ensure proper illumination for the identification of people, vehicles and license plates within 40 feet of the building. Sufficient exterior lighting also serves as a deterrent for robbery and burglary.

## **Injury & Illness Prevention Program (IIPP)**

### **Safety & Health Policy**

AECC is committed to maintaining a safe and healthful working environment. To achieve this goal, the Company has implemented the following Injury and Illness Prevention Program.

### **Program Objectives**

Our goal in designing this program is to prevent injuries, illnesses and accidents in the workplace. The primary purpose of the program is to ensure the safety and health of AECC's employees and provide a safe, healthful environment.

### **Company Housekeeping Policy**

Good housekeeping is an integral part of any effective safety program. Keeping work areas clean reduces the chance of accidents and injuries. Well-organized work areas also increase the ability of employees to perform their jobs efficiently. Each employee is responsible for keeping their work area neat and orderly. Housekeeping is included in the Operational Audit and Clean-Up Checklist.

## **Responsibility for Safety & Health**

All employees are responsible for working safely and maintaining a safe, healthful work environment.

## **Program Administration**

The program is administered by the AECC Facilities Department. The Facilities Department is responsible for the overall implementation and maintenance of AECC's Injury & Illness Prevention Program. Their duties include:

- \* Providing training materials to ensure that managers are trained on workplace safety and are familiar with the safety and health hazards which employees under their immediate direction may be exposed, as well as applicable Company safety rules and policies.
- \* Providing materials for managers to train employees.
- \* Providing the tools necessary to inspect, identify and evaluate workplace hazards on a continuing basis.
- \* Developing methods to prevent workplace hazards Correcting workplace hazards in a timely and effective manner.
- \* Enforcing SOPs whereby AECC employees report any personal health condition that could pose a threat to customers or compromise the cleanliness or quality of the medical marijuana products the employee/agent might handle.

## **Management Responsibility**

Managers are responsible for the safety of the employees under their immediate direction.

AECC will periodically distribute safety training materials. It is the responsibility of all managers to read and understand this material. When indicated, managers are also responsible to train their employees on the subject matter.

## **Hazard Assessment Control**

### ***Identification of Workplace Hazards***

Periodic Dispensary Safety Checklists will be completed.

- \* Clean-Up checklists will be completed twice a year (at a minimum).
- \* The Operational Audit requires the inspection for unsafe or hazardous conditions.

### ***New Matters***

The General Manager will arrange for inspection and investigation whenever the AECC is made aware of a new or previously unrecognized hazard.

### ***Employee Reporting of Hazards***

Employees are required to immediately report any unsafe condition or hazard they discover in the workplace to their manager, the General Manager, or the Security Manager. No employee will be disciplined or terminated for reporting workplace hazards or unsafe conditions.



The General Manager will investigate all complaints received and ensure all hazardous conditions are corrected.

#### ***Documentation of Inspection***

Clean-Up Checklists must be retained by each store for at least three years. Keep a file labeled "Clean-Up Checklists" in your Operations file cabinet.

#### **Monitoring and Correcting Identified Safety and Health Concerns**

##### ***Newly Discovered Safety & Health Concerns***

If a hazard is identified through Operational Audits or Clean-Up Checklists, the dispensary must ensure the hazardous situation has been corrected.

##### ***Hazards Which May Be Harmful***

It is the intent of AECC to immediately eliminate any hazard. When a serious hazard exists which the center cannot correct immediately without endangering employees and/or property, all exposed

#### **Human Resources**

##### **Employee Registration**

The State of Rhode Island requires that all employees register with the Department upon satisfying qualifications and upon completing medical marijuana training and education (obtaining a certificate). All employees and agents of the dispensary are required to wear identification while working at AECC.

##### ***Applying for Registration***

The Human Resources Manager or General Manager will assist employees with completing the State of Rhode Island required registration.

##### ***ID Card Policy***

An employee may not work without their ID Card, this center's policy regarding Registration ID Cards is as follows:

- \* A badge and/or lanyard will be provided to each employee upon hiring. ID Cards must be worn and visible at all times when on the premises, or when not on the premises if performing dispensary tasks.
- \* ID Cards are not permitted to leave the premises (except for employees involved with off-site dispensary tasks).
- \* ID Cards have to be signed in and out with Security upon arrival and departure from the facility, including leaving the premises for breaks.
- \* When not in use, ID Cards will be kept in an access restricted area and can only be accessed by members of Security, the GM, or the HR Manager.
- \* Upon termination of employment, you must surrender your identification card to the HR Manager or GM at the completion of your last day. The HR Manager or GM will submit the card to the Department.

### ***Changing Information on An ID Card***

If your name or address changes, the changes must be submitted the Department within 10 working days after the change takes place. Immediately inform Human Resources or your General Manager of any changes. They will submit the application for your updated Registration ID Card. Contact Human Resources or your General Manager for any associated change fees.

### ***Lost ID Card Policy***

If, while in your possession, you lose or misplace your Registration ID Card, immediately notify Human Resources or your General Manager.

- \* You may not access the dispensary or work until the new card has been created.
- \* You may be fined for the disruption to the workplace caused by your inability to work due to a lost ID card.

## **Recruitment & Hiring**

### ***Maintaining Security in Hiring***

AECC utilizes state of the art security equipment and procedures. However, the greatest threat of diversion remains within the staff. The General Manager will conduct all final employee candidate interviews to ensure only professional and trustworthy individuals are hired.

In addition to the criminal background check required by the RI Department of Business Regulation for all employees, employee candidates must also complete comprehensive dispensary training and fulfill performance testing requirements. Staffing the dispensary with the right people provides AECC the greatest opportunity to prevent theft and diversion.

### ***Employee Candidate Profile***

AECC's recruiting efforts should be primarily directed at candidates with these qualifications:

- \* Health-related educational/professional backgrounds
- \* At least twenty-one (21) years of age
- \* Interest and aptitude for the healing arts
- \* Spotless criminal records

### ***Probationary Period***

Qualified candidates are hired on a three-month probationary status. During this period, they participate in a rigorous training process, and are evaluated for suitability in a restricted-access medical environment.

## **Employee Handbook**

The AECC Employee Handbook provides information to guide employees' behavior and relationships with AECC. The Employee Handbook, which is furnished to all employees upon being hired, addresses:

Section 1: The Way We Work

Section 2: Your Pay and Progress



Section 3: Time Away from Work and Other Benefits

Section 4: On the Job (covers various aspects of conduct policy and procedures) Section 5: Safety in the Workplace (includes OSHA training where applicable)

### **Training Overview**

Training is an investment that provides an incredible return on your training dollars. Well-trained employees can save money and make money for the dispensary, while poorly trained employees can cost the dispensary money in countless ways. When employees are well-trained:

- \* They are better equipped to produce exceptional products for patients.
- \* They are less likely to make mistakes.
- \* Their fellow employees enjoy working with them, which can positively impact employee retention.
- \* They feel more confident on the job. Confident employees are able to work smarter and faster, increasing productivity levels.
- \* Labor dollars are better spent on competent employees because their productivity levels are higher than low-performing employees. You may need fewer high-performing employees than you would low-performing employees, which means lower labor costs.

### **Training Program Design**

AECC training consists of leader-led, on-the-job training programs. They are designed to guide skilled Trainers (usually departmental management) step by step through delivering training while accommodating the ongoing needs of the dispensary.

- \* The program consists mainly of demonstrations by and discussions with the Trainers, as well as on-the-job shadowing and practice. There is some study time where the Trainee is left alone.
- \* Basic knowledge is tested using “quizzes,” and more comprehensive knowledge and skills are tested with a “Final Performance Test” at the completion of training. Performance testing is conducted so that Trainers and upper management can ensure that the Trainee is ready to be a fully functioning employee once training has wrapped.
- \* Each training module or program is detailed in that program’s Leader’s Guide. Every program has a Leader’s Guide and a companion Trainee Workbook.

### **Leader’s Guides**

Definition of “Leader’s Guide.” Each training module in the overall curriculum has a corresponding Leader’s Guide to help train associates to become high-performing members of their department team. The Leader’s Guide contains instructions on how to train (in general) and how specifically to train in the designated subject area. It contains important tools to be used in the training process. It is not meant to be an operational reference; it is solely meant to guide training.

Intended User. Every Trainer should have their own copy of a Leader's Guide to mark up, highlight, and make their own. They will use this same copy ongoing for all Trainees unless an updated version is released. If that happens, the copy would be replaced with a newer version.

HR Copy. One master copy of each Leader's Guide should reside in the Human Resources office for reference.

Tab Organization. Tabbed dividers have been utilized to make it easy to find the information you need. The tabs are as follows, and are explained in depth below:

- \* How to Train
- \* Learning Objectives & Facilitator Scripts
- \* Quizzes
- \* Final Performance Test

### ***Trainee Workbook***

- \* Each Trainee has their own Trainee Workbook that allows them to jot down notes and reminders, write down specific information discussed in each day's Recap, etc.
- \* The Trainee Workbook acts as an accompaniment to the Leader's Guide, used as a tool for the Trainee.
- \* A copy of the Final Performance Test is included in the Trainee Workbook as a reference. Each Trainee should know for what they will be held accountable.

### ***Operations Tools***

- \* Each department has its own Operations Manual that is intended to be a one-stop collection for all policies and procedures related to that department. Operations Manuals are considered confidential company property and may not be taken off the premises.
- \* The Operations Manuals and any supplemental operational references are tools that are most critical in the training process. The Leader's Guide instructs the Trainer to utilize specific sections of these materials throughout the training.
- \* The Operations Manual and supplemental operational references should also be used as a reference ongoing as employees work in their various roles.
- \* An "Updates" appendix will be included in the manual to collect new policies and procedures as they are released until a new version of the manual is published. In addition, instructions for how to update the manual are provided as the first page in each department's Operations Manual.
- \* The Department Head is responsible for keeping a copy of the most up-to-date manual available to employees for ongoing reference.

### ***Job Aids***

There are a number of operational "job aids" that live in each dispensary Department that are referenced and utilized during training, such as daily checklists, packaging charts, weight charts, etc.



## **All Employee Training**

Every employee of the dispensary goes through certain training modules. In addition to those modules, employees also complete the training for their respective department (Sales, Patient Services, Inventory, Security).

Below is a description of each training module that is required to be completed by every employee, regardless of department.

### ***Legal Training***

The Legal training module is led by General Counsel, who will provide thorough and rigorous training of the legal obligations of licensed medical marijuana dispensaries, including the rules and regulations of the dispensary, effective interaction with law enforcement, and patient and staff rights and responsibilities. The training will also cover Federal laws related to marijuana - sentencing guidelines, the Raich litigation trilogy (the Supreme Court decision that validated the federal government's use of the Commerce Clause to reach local, intra-state medical marijuana programs), and especially those laws related to medical marijuana. In addition, sexual harassment training will be provided.

### ***Safety & Security Training***

The Safety & Security training module is led by Security Concepts. It includes acceptable currency identification practices and counterfeit detection, lock and alarm procedures, perimeter and entrance control, internal theft, robbery deterrence and prevention, robbery response techniques, detection of counterfeit ID documents, raid preparedness, conflict resolution techniques and diversion detection techniques.

### ***Medical Marijuana Risks & Benefits Training***

The Medical Marijuana Risks & Benefits training module is conducted through the use of the PowerPoint presentation entitled "Marijuana: Benefits and Risks" as part of every employee's Orientation training. Topics discussed are:

- \* What is marijuana?
- \* Brief history of medical marijuana as a medicine
- \* Recent medical developments
- \* Marijuana and mental health
- \* Marijuana and pregnancy
- \* Common marijuana myths

AECC has also utilized, with permissions, additional information, such as marijuana use patterns and the detection of dependence and developing a system for ongoing review and improvement of patient education. This information is included in our various training programs, operations manuals, and patient materials as applicable.

## **Performance Management**

### **Introduction to Coaching**

Managers become coaches when they use feedback on an ongoing basis to reinforce positive behavior or counsel employees to correct actions that do not go along with the organization's vision or mission. Management is often one-way; coaching must be two-way with the coach and the team constantly giving and receiving feedback.

In virtually every organization the level of performance provided by the staff will form the familiar bell-shaped curve. At one end of the curve there will be a small number of people whose performance is outstanding or distinguished. At the other end will be another small number whose performance and attitude are unacceptable.

In the middle will be the great majority of employees who will fall between the two extremes of distinguished and unacceptable. They are the good solid performers of your business. The employees who perform somewhere in the middle form the backbone of your business. And yet the great majority of these employees are ignored and unseen because your attention is being spent on those who do not perform competently, consistently and at a fully acceptable level.

The skilled supervisor makes sure that your solid performers discover there are positive consequences for maintaining good attendance records, doing jobs well and all of the other routine things that often go unnoticed. This is vital because your greatest opportunity for increasing overall organizational performance lies with your solid and consistent performers. And the best way to spur performance improvement is to make sure that you provide a positive consequence – recognition – whenever it happens.

Conversely, recognition of poor performance or attitude should also be pointed out and confronted in the spirit of change and resolution.

A coach achieves this by communicating timely, effectively and honestly to all employees despite where they fall on the bell curve. Don't wait two weeks to tell someone about something they did today.

Good Performers: Be specific, direct and honest. Saying, "You're a great person" isn't as powerful as, "You helped that upset staff member by staying calm yourself."

Poor Performers: Be specific, direct and honest. "You're not meeting your processing quota" isn't as specific and direct as, "The last time we talked I went over exactly what expectations we have for you and everybody else in regard to processing. It's \_\_ projects an hour, \_\_ projects a day. You're still a long way away from these numbers. Can you help me understand the problem?"

### **Introduction to Counseling**

Counseling is a skill used to correct or prevent performance deficiencies and behavioral problems. It is designed to help an employee examine conditions, attitudes, feelings, perceptions and behavior patterns that may be a deficiency hindering effective on-the-job performance and/or causing problems for the employee.

**Counseling Report (Sample Form)**

**Counseling Report**

Employee Name \_\_\_\_\_

Job Title \_\_\_\_\_

Date of counseling session \_\_\_\_\_

State reason for counseling \_\_\_\_\_

Actions for Improvement

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

4. \_\_\_\_\_

Date to follow-up effect of counseling and actions for improvement \_\_\_\_\_

Employee Signature\* \_\_\_\_\_

\_\_\_\_\_

Date

Date \_\_\_\_\_

Man-

ager Signature

HR

Representative

Date

*\*Employee's signature indicates receipt, not agreement with actions taken.*



### **Disciplinary Warning Notice (Sample Form)**

This form is to be used for a written reprimand – generally if there is a serious violation of policy, repeated minor violations of policies, and so forth. A written reprimand can alternatively take a memo format, provided on the subsequent page.

### **Disciplinary Warning Notice**

Employee \_\_\_\_\_ Date \_\_\_\_\_  
Department \_\_\_\_\_ Position \_\_\_\_\_

#### **Type of Notice Issued**

*(Depending on the nature of the offense, the Company may bypass any of these steps at its discretion)*

\_\_\_\_\_ Written warning \_\_\_\_\_ Final written warning  
\_\_\_\_\_ Suspension From \_\_\_\_\_ to \_\_\_\_\_

Date of offense/incident/behavior \_\_\_\_\_

Description of offense/performance issue

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#### **To Employee: Please read carefully before signing below**

You are being issued this warning notice to bring to your attention the severity of this situation. THIS WARNING SHOULD NOT BE TAKEN LIGHTLY, and any further violations of company rules will result in additional action being taken, up to and including termination of employment. If you have any questions regarding this matter, please discuss then with your manager.

_____	Em-	_____	ployee Signature*
Date			
_____	Man-	_____	ager Signature
Date			
_____	HR	_____	Representative
Date			

\*Employee's signature indicates receipt, not agreement with actions taken.



### **Disciplinary Warning Memo (Sample Form)**

This memo template may be used for a written reprimand – generally if there is a serious violation of policy, repeated minor violations of policies, and so forth. A written reprimand can alternatively take a warning notice format, provided on the prior page.

# Memo

**To:** Employee  
**From:** Manager  
**CC:** Personnel file & HR  
**Date:** 11/12/11  
**Re:** Written Reprimand

The purpose of this memorandum is to discuss the issues discussed at our meeting of **date**, attended by \_\_\_\_\_

, to discuss your performance issues. On January 8, 2011, you missed a key company deadline by failing to turn in your portion of Project X. Your supervisor met with you at that time and informed you that your performance was unacceptable and that you needed to meet all future deadlines. You agreed. Last week, you failed to timely complete your portion of the new software rollout, which resulted in your department not meeting another key company deadline.

You are required to meet all company deadlines. If you will have a problem meeting a deadline, you need to inform your supervisor well in advance so that your supervisor can assist you in meeting the deadline or provide additional resources.

If you miss any further deadlines, this will be grounds for further disciplinary action, up to and including termination from employment.

_____	Em-	_____
Date		Employee Signature*
_____	Man-	_____
Date		Manager Signature
_____	HR	_____
Date		HR Representative

*\*Employee's signature indicates receipt, not agreement with actions taken.*

## **Required RI Department of Business Regulation Reporting**

### **Recordkeeping**

In accordance with RI law, AECC keeps and maintains on the premises true, complete, and current books and records which include invoices that adequately and fully reflect all purchases and sales of medical marijuana made to and by the dispensary.

Records include and distinctly show the following information:

- \* The quantity, form, and price of medical marijuana and paraphernalia purchased from a cultivation center in each purchase.
- \* The date and time of delivery of each purchase from a cultivation center.
- \* The date and time of each sale to a qualified patient or caregiver.
- \* The quantity, form, and price of medical marijuana distributed or dispensed to the qualified patient or caregiver.
- \* The consideration given by the qualified patient or caregiver for the medical marijuana.
- \* The name, address, and card number of the qualified patient or caregiver of the medical marijuana.
- \* The name, initials, or employee identification number of the person who dispensed or sold the medical marijuana; and
- \* The quantity of medical marijuana still available for sale at the dispensary.

All invoices and delivery slips are systematically and automatically filed and electronically maintained for a period of four (4) years from date of delivery and show a true, accurate, legible, and complete statement of terms and conditions on which each purchase was made.

### **Bi--Annual Reporting**

AECC must and will submit to the RI Department of Business Regulation on or before the 30th of July and January a statement showing the following information in a form prescribed by the Department:

- \* The quantity and price of medical marijuana distributed or dispensed to qualified patients and caregivers during the preceding six (6) months.
- \* The dispensary's total expenditures for distributing or dispensing medical marijuana during the preceding six (6) months.
- \* The dispensary's total amount of receipts for the sale of medical marijuana.
- \* The quantity of paraphernalia sold by the dispensary during the preceding six (6) months.
- \* The dispensary's gross revenue based upon its medical marijuana and paraphernalia sales during the preceding six (6) months.

- \* The amount of sales tax reported by the dispensary to the Office of Tax and Revenue (OTR) during the preceding six (6) months.
- \* The amount of medical marijuana that was destroyed or disposed of during the preceding six (6) months.
- \* Certification from local law enforcement that the medical marijuana was relinquished for destruction or disposal.
- \* The quantity of medical marijuana still available for sale at the dispensary on the date the report is filed with the Department.
- \* The name, address, home telephone number, and date of birth of each current employee; and
- \* An affidavit executed by an individual registrant, partner of an applicant partnership, or the appropriate officer of an applicant corporation, attesting to the truth of the submitted report.

AECC makes all of the books and records referred to above, including original and duplicate invoices, available for inspection by the Department or its designated agent and the Office of Tax and Revenue (OTR), during the dispensary's hours of operation.

AECC understands that knowingly making a false statement on a submitted report constitutes grounds on which the Department may deny the renewal of the registration, or subsequently revoke the registration, when the renewal of the registration is based wholly or in part on the contents of the false statement.

These books and records will be maintained for a period of 4 years after the last transaction recorded in the books and records.

## **Reporting Marijuana Theft & Destroying and Disposing of Marijuana**

### **Process for Reporting Theft of Marijuana and Products**

For any suspicion of theft, first follow security procedures to make sure that there are no intruders in the building; the facility must be secured. If you are in danger, either remove yourself from the building or lock yourself in a LAA (Limited Access Area) and dial 911 and tell local law enforcement the time, address, your name, employee ID and the situation. Do not attempt to search the building by yourself.

For non-threatening situations, within 24 hours of the suspected theft employees may do one of two procedures:

- \* Call 911 (least preferred).
- \* Call the non-emergency number for local law enforcement and see if they are able to take your police report over the phone.
- \* File a police report in person at the nearest city or state police station.
- \* Complete Police Report, take completed form, and make copies for Security Incident Log, Cultivation Log, General Manager, Security Manager and a copy for your personal records.



- \* Scan the Police Report as a JPG, GIF or PDF file to upload into the BioTrackTHC software system.
- \* Document all products in BioTrack software, make notes of the product, and remove it from Inventory using the theft code.
- \* For all prepackaged products including raw flowers and concentrates, scan each label and update software accordingly. Include a copy of the scanned police report in JPG, GIF or PDF format in the file fields connected to each entry.
- \* For raw bulk concentrates and flowers, weigh products to determine how much product is missing and update BioTrackTHC software as above (a) section.
- \* Print four copies of records in BioTrackTHC and BioTrack THC for Security Incident Log and the General Manager and your personnel file.
- \* The General Manager and/or Security Manager will initiate an investigation and follow up with local law enforcement and work to see if there is a security breach, possible employee theft or other to improve processes already defined or for employee disciplinary actions by AECC.

#### **Process for Destruction & Disposal of Unused Marijuana and Products**

For purposes of this section, “unused or surplus medical marijuana” encompasses any product which is in possession by the AECC facility, which includes:

- \* Any marijuana that has spoiled or is unusable for medical purposes (damaged, deteriorated, misbranded, or adulterated).
- \* Any marijuana possessed by a dispensary in excess of the amount needed to supply all of the dispensary’s qualified patients for a one (1) month period (outdated); and
- \* Any marijuana that has or appears to have been tampered with.

The Department, in its discretion, may allow a dispensary to possess a surplus of medical marijuana for a period of time, if it is shown that there is likelihood that additional qualifying patients or caregivers will register with the dispensary.

The Inventory Manager will collect all products and weigh and follow these procedures.

- \* For all prepackaged containers of any raw flower, concentrates (oil, butter, hash):
- \* Take each package and use the scanner to connect to BioTrack THC software.
- \* Once each item is scanned into the inventory system, document whether the inventory is surplus or expired and being destroyed.
- \* Print Report of all inventories of pre-packaged products that are being destroyed.
- \* Pack each container in transport bins.
- \* For any products that have not been prepackaged, weigh them on the scale, scan barcodes and verify that weight in software matches that of the actual weight.
- \* If weight does not match, check software for reconciliation as this may be due to evaporation.

For items that have significant unbalances, please document and follow the process for



reporting theft.

- \* Enter into BioTrack THC software system that inventory is being destroyed due to appropriate reason: expiration, surplus or revocation.

- \* Print BioTrackTHC report for unpackaged raw flower and concentrates that are being destroyed.

- \* Package up raw flower and concentrates. Print labels from BioTrackTHC software and place on containers.

- \* Put these products into the transport bin.

- \* Weigh travel containers separately and indicate in notes section of BioTrackTHC software the weight of the storage container, so the total weight will balance. Document in software notes that these are waste byproducts.

- \* Weigh materials: Type or write legibly on local law enforcement Destruction form the weight, variety product and date of destruction and attach the BioTrackTHC reports for the destroyed inventory with a paper clip on local law enforcement form.

## **Closure Plan**

### **Introduction**

This closure plan describes in detail the processes for AECC employees to take in the following situations:

- \* Facility Closure or Shutdown: AECC closure (facility shutdown) procedures for:

- \* Fire

- \* Natural Disasters (snow, flood, hurricane, earthquake)

- \* Business Closure (full facility closure of business)

- \* Registration Renewal Denial by the RI Department of Business Regulation

- \* License Revocation

- \* Temporary Surrender of Registration: (License) and Safekeeping in the event of fire, natural disasters, construction, remodeling or actual business closure.

- \* Suspension or Revocation: Suspension or Revocation of Registration by Chief of Police.

### **Process for Shutting Down of Facility for Registration Renewal Denial, License Revocation or Closure of Business**

Note: All products may be able to be sold to another dispensary or cultivation center.

First, obtain approval from RI Department of Business Regulation for sale and transport to other dispensaries and/or cultivation centers. Submit a written request to the RI Department of Business Regulation and state the reason AECC wishes to sell its product, along with possible recipient dispensaries or cultivation centers.

The RI Department of Business Regulation, if approved, will notify local law enforcement in addition to AECC.

- \* If denied, please follow the process for Destruction and Disposal of Unused Marijuana and Products.

- \* If approved, please follow these steps:

- \* Inventory Manager will print an inventory listing of all available products.

- \* Inventory Manager will inform dispensary of current inventory.

- \* Orders will be placed by Inventory Manager and provided to inventory staff for packing of products, following appropriate ordering and inventory control processes prior to transport.

- \* Inventory staff will package product for delivery in sealed containers that meet all labeling requirements.

- \* Call MPD to arrange for transport.

#### **Process for Shutting Down Atlas Enterprises INC. Compassion Center Facility in the Event of a Fire or Natural Disaster**

This process and plan will be activated in the event of a fire or natural disasters such as floods, blizzards, hurricanes and earthquakes. It is important for employees to understand that safety is the number-one priority for AECC, and that no employee should enter the premises if there is a remote possibility of danger to any employee. In extreme cases, due to flooding or earthquakes, Rhode Island law enforcement and/or building inspectors may have to issue authorization to enter premises for the sake of safety.

AECC will follow the orders of local authorities resulting from a natural disaster including evacuation and/or shutdown of the facility.

After a natural disaster, AECC will proceed based on information from local authorities:

- \* At the discretion of management and the Security Manager (provided there are no reports issued by RI or local law enforcement about dangers to the general public), a designated employee may enter the building to verify power.

- \* Checks for gas leaks by smell will be conducted and, if necessary, the gas main will be turned off or the local gas company called to do so.

- \* Once power is restored, damage to edible products that require refrigeration will be determined.

If necessary, product will be disposed following required disposal procedures.

- \* All alarms, cameras and recording devices will be verified and tested to make sure that they are working.

- \* Any problems with security-related equipment or lack of alarms will be reported immediately to local law enforcement and to AECC management.



### **Process for Shutting Down Atlas Enterprises INC. Compassion Center Facility for Closure of Business**

These procedures are to be taken into account for AECC under the following conditions:

- \* Temporary closure of facility due to fire or natural disaster, and the facility must be repaired.
- \* Remodeling or repairs to improve the quality of the facility for upgrades.
- \* License revocation or permanent suspension.
- \* Closing of business.

The four steps to this process are as follows:

1. Coordinate with registered dispensaries and cultivation centers to liquidate all products, byproducts and concentrates if permitted by the RI Department of Business Regulation. The remaining steps to be followed are defined in the Process for Shutting Down of Facility for Registration Renewal Denial, License Revocation or Closure of Business.
2. Procedures for Temporary Surrender of Registration with the RI Department of Business Regulation will be followed (this process will lead to the full surrender of the license).
3. After liquidation has been performed in Step 1, for any unsold product, the Process for Destruction and Disposal of Unused Marijuana and Products will be followed.
4. Any HVAC, humidity controls and timed electric control panels will be shut down.

Management may inform employees to package equipment or perform inventory on any or all equipment, but the decision will be at management's discretion at that time.

### **Temporary Surrender of Registration**

These following procedures should be followed in cases where AECC's management decides to close the facility temporarily or permanently due to recovery from a fire or natural disaster; business reasons such as new construction, remodeling or upgrades, selling the business or full business closure.

In any of these circumstances, if AECC cannot be open or function as a dispensary, AECC must formally surrender its registration and license with the RI Department of Business Regulation. Management would then inform the staff employees of impending surrender and the following procedures would take place:

- \* Preparations for closure of business would occur according to the Process for Shutting Down AECC Facility for Registration Renewal Denial, License Revocation or Closure of Business.
- \* In the case of fire or natural disaster, the procedures in The Process for Shutting Down AECC Facility in the Event of Fire or Natural Disaster would be followed:
- \* License Surrender. AECC management, under the direction of legal counsel, would surrender its registration to the RI Department of Business Regulation for safekeeping within three calendar days of discontinuing its operations.

\* AECC would be given the opportunity to re-open post-construction or clean up the facility within one hundred twenty days.

\* If AECC chooses to cease business under the current registration, the company will notify the department and the business will close. In the event of full closure, the process defined in the section, Process for Shutting Down AECC Facility for Closure of Business should be referred to.

#### ***What happens next?***

The Department shall hold the registration for one hundred twenty days or until AECC resumes business (in the case of temporary closure) or the registration is transferred to a new owner—whichever occurs first. If AECC does not initiate proceedings to resume operations or to transfer the registration within one hundred twenty days, the Department shall deem the registration abandoned and cancel the registration.

The RI Department of Business Regulation may extend the period of safekeeping beyond one hundred twenty days only for good cause such as fire, flood or another natural disaster; the rebuilding or reconstructing of facilities or to complete the sale of the establishment; and only if the extension is not likely to adversely affect the State's ability to serve the needs of all registered, qualifying patients.

## **Accounting**

### **Accounts Payable and Cash Disbursements**

#### **Policy**

Proper internal control will be followed to ensure that only valid and authorized payables are recorded and paid. Accounting procedures will be implemented to ensure the accuracy of amounts, coding of general ledger accounts and appropriate timing of payments.

#### **Purpose**

To explain the procedures for documenting, recording and issuing payments for accounts payable transactions.

#### **Scope**

This procedure applies to all purchases including COD amounts and reimbursement of travel and expense reports.

#### ***Documenting Accounts Payable***

The following documents will be forwarded to accounts payable for temporary filing and subsequent matching to form an accounts payable voucher package:

- \* Purchase Order with purchase requisition if applicable
- \* Packing Slip with receiving report if applicable
- \* Vendor invoice



Once the accounts payable department has all of the above documents, the following steps will be performed to ensure proper authorization, validity of purchase, receipt of purchased items or services and accuracy of amounts.

- \* The vendor invoice will be stapled on top of the packing slip and receiving report followed by the purchase order and requisition.
- \* The purchase order should be evaluated for proper authorization and the nature of the purchase and pricing as shown on the invoice reviewed for validity.
- \* The quantities shown shipped or delivered on the invoice will be compared to the packing slip and/or receiving reports. Any discrepancies must be followed-up and resolved prior to commencing with the voucher process.
- \* Calculations on the invoice will be recomputed such as quantities received multiplied by unit price and totals.

#### ***Recording***

- \* Once the accounts payable voucher package has been properly assembled and reviewed, the voucher package will then be coded in red pencil on the front of the invoice with the vendor number and the general ledger accounts with corresponding amounts.
- \* The voucher package will then be batched with other voucher packages and entered into the computerized accounts payable system on Thursday of each week and posted to the accounts payable ledger. Voucher Register reports and accounts payable aging reports will then be printed and filed in respective journal folders.
- \* The voucher package will then be temporarily filed alphabetically by vendor name in the unpaid invoice files to await payment.

#### ***Payment of Accounts Payable***

- \* On Thursday of every other week, accounts payable invoices will be selected for payment according to their terms for payment. Accounts payable should normally be paid within seven days of their payment term unless otherwise determined by the Chief Financial Officer.

Any debit balances (amounts owed to the company) should be applied to credit amounts when determining payment.

- \* A check edit list will be printed and reviewed by the COO, upon approval, checks will be then be printed for the accounts payable invoices to be paid.
- \* After the checks are printed, they will be matched to the voucher package and submitted to the COO for signing. Upon return of the checks to accounts payable, the 3-part checks will be separated and processed as follows:
  - \* Original - Mailed to the vendor along with any necessary payment stubs.
  - \* 1st copy (yellow) - Attached to the voucher package and filed alphabetically in the paid vendor files.
  - \* 2nd copy (pink) - Filed sequentially in check register folders.

### ***Manual Checks and Cod Payments***

- \* All manual checks and COD payments are to originate and authorized through preparation of a Check Request form (Refer to SOP for Check Requests).
- \* Upon receipt of the purchase with the check, the following steps are to be followed:
- \* The copy of the vendor invoice is to be immediately stamped "PAID."
- \* The receiving department will inspect and verify the quantity of the items received as compared to the purchase order and/or check request, packing slip and the vendor invoice. Any discrepancies should be immediately followed-up.



























































































# Sales Department Operations Manual (Abridged)

The Sales Department is responsible for outstanding patient service by providing medicine, product knowledge, and absolute accuracy in the sales process. It is also each Sales Associate's responsibility to ensure medicine is sold only to current registered patients carrying a valid Registration ID Card and that all sales are accurately and comprehensively tracked in the POS system. In addition, the sales department is responsible for educating patients about available forms of medicine, counseling patients on the most appropriate type of medicine for their symptoms and medicating circumstances and referring patient to other AECC services.

The Sales Department Operations Manual contains detailed policies and procedures related to the fulfillment of the above responsibilities.

## **Company Information**

### **Company Overview**

The objectives of AECC are to:

- \* Cultivate an environment of wellness, happiness and care.
- \* Develop and maintain a loyal patient following through a variety of superior quality medical marijuana preparations and individualized patient care.
- \* Become a model platform for medical marijuana distribution and care, and an exemplary, charitable citizen and neighbor in the community.

### **Mission Statement**

It is our mission at AECC to provide the State's registered patients safe access to scientifically screened, consistent, medical-grade marijuana, and comprehensive, individualized patient counseling services - within strict compliance of the State of Rhode Island's Medical Marijuana Regulations.

We are committed to ensuring that every patient who enters our center will experience a feeling of community, belonging and wellness.

Our success in fulfilling our vision is measured by quantitatively assessed patient satisfaction, team member excellence and happiness, the revitalization of our surrounding neighborhood, return on capital investment, and community support.

### **Core Values**

AECC core principles are:

- \* Highest-Quality Medical marijuana Preparations - we offer only safe, high-quality medicinal products subject to careful selection, processing and, where feasible, testing by an independent lab.
- \* Compassion - serving our patients professionally with sensitivity to their needs in a clean environment where they feel safe and secure.
- \* Responsiveness - in our dealings with our patients, employees, lenders and the community.
- \* Transparency - our financial data is regularly reviewed by an independent accounting firm.
- \* Community Service - conducting varied and ongoing outreach activities to serve the needs of patients and others in our community.
- \* Education - providing facts and information to help people understand the responsible and effective use of medical marijuana.
- \* Being a “Good Neighbor” - by working with the community, the city and police department as a responsible service provider.

### **Keys to Success**

Important keys to our success include:

- \* Positioning our dispensary as a responsible business in the community and developing close working relationships with civic, business, and government leaders and their staff.
- \* Highly detailed planning and execution: staffing, training, detailed operational procedures, and infrastructure required to operate a quality medical marijuana dispensary is critical to our success.
- \* Financials, especially cash flow, must be well planned and managed, and kept to high standards commensurate with our service-oriented business model and visibility in the industry.

## **Department Overview**

### **Role of the Sales Department**

The role of the Sales Department is to provide outstanding patient service by providing medicine, product knowledge, and absolute accuracy in the sales process. Every patient should walk out of the dispensary saying, “That was GREAT. I can’t wait to go back again.” It is each Sales Associate’s responsibility to deliver a calm, unhurried, fully informative experience to every patient, utilizing the “5 Steps of a Sale” every time.

Sales Associate shifts tend to be long and staff members are on their feet for most of the day. However, the opportunity to engage with and serve patients can be a deeply rewarding experience.

### **The Importance of Service**

Medical marijuana dispensaries are different than other retail industries in the sense that it requires a high degree of sensitivity to individual patient needs.



A few ways in which we as an organization ensure this sensitivity and care are:

- \* Patients Are More Important than Staff Conversations. If a patient approaches you in the dispensary, all employee conversations stop IMMEDIATELY, and the patient's needs are attended to. This ensures patients feel absolutely cared for and never like they are "interrupting" a staff member.
- \* Kindness, Warmth, & Focus. Ensure all patients get treated with kindness, warmth, and focused attention.
- \* Actively Listening. Listen to patients very carefully so that you can determine their individual needs.
- \* Knowledge of the Medicine. Have extensive knowledge of the medicine and constantly further that knowledge through personal study and research.
- \* Separate Work & Personal Life. Maintain separation of your personal and work lives so that you are calm and focused for patients.
- \* Respect Everyone. Treat fellow staff members with the same respect and compassion with which you treat patients.

### **Continuous Improvement**

There are a number of skills within the Sales Department that are fairly straightforward, such as how to log in to the POS system. Once learned, these basic skills need no further development. Yet, working at the dispensary, there are additional, important skills that should be continuously developed and improved over time. Sales Associates must continuously deepen their product knowledge and knowledge of the industry as a whole, as well as continuously improving their ability to genuinely and effectively offer exceptional care to every patient.

### **Hours of Operation**

AECC is open five (5) days a week from the hours of 11:00 a.m. to 7:00 p.m.

Only registered directors, officers, members, incorporators, agents, managers, employees, patients, vendors, authorized visitors and government or law enforcement officials will be permitted on the registered premises.

Secure areas are secured through the use of biometric locks and secure keypads. Access to these secure areas is heavily monitored, including through the use of a live, encrypted video stream accessible by local law enforcement via the Internet.

### **Breaks & Lunches**

The Sales Department adheres to the break policies as set forth in the dispensary Employee Handbook. The Sales Department Manager on Duty determines and executes the daily break schedule according to company policy and the specific needs of both the departments and employees. The Manager on Duty communicates the break schedule each morning at the Sales Opening Meeting.

Going on break and returning from break punctually is imperative, as being even 5 minutes tardy may create problems. If one person returns late, the next person in turn begins their break late. This creates a “domino effect”, promoting dissatisfaction between other co-workers and patients. To ensure proper break time management, the following rules must be adhered to:

- \* Manager on Duty assigns both lunch and break times.
- \* Each Sales Associate is responsible for starting and ending their breaks/lunches on time: it is each staff member’s PERSONAL responsibility.
- \* Only 1 minute of leeway on break and lunch start/end times is permitted – NO MORE! This means being clocked in/out within 1-minute of scheduled time.
- \* “Returning from break” means Sales Associates are clocked in and are physically back at their workstations within 1 minute of scheduled break end time.

### **Sales Floor Layout**

The Sales Floor is comprised of individual POS workstations. Each Sales Associate is assigned to only one station at a time. Workstation assignments vary from shift-to-shift, but generally remain the same within a shift.

Each workstation is comprised of a POS screen and cash register. Should they become available, a small freezer for edibles and a set of shelves for non-refrigerated edibles and supply storage will be available at each workstation. All workstations are numbered.

In addition to the individual POS stations, there are glass display cases. Depending on the number of display cases, some workstations may share a display case between them. Each display case displays only one (1) sample of every product available, with few exceptions. Generally speaking, the display contents are not sold to patients, but again, there are exceptions made on a case-by-case basis. Discuss details with a member of Sales Management. All display cases are numbered

In addition, there are large inventory cabinets on the Sales Floor that hold bins of flowers and concentrates. These are the cabinets that Sales Associates will go to pull packages of bud and concentrates for each sales transaction. These cabinets are not assigned to one particular workstation. If you cannot find what you’re looking for in the cabinet closest to your workstation, check the other cabinets before asking Inventory for an item check. All inventory cabinets are numbered

Each Sales Floor workstation should be kept clean, organized, and stocked, with each Sales Associate expeditiously maintaining each station between patients or before calling another patient over for assistance. When a transaction is complete, any displayed inventory sold to the patient must be replaced or put-on request to the Inventory Manager before assisting the next patient.

Restock non-merchandise, such as bags, pens, and receipt paper, as needed to ensure patients have no waiting time.

The display case should always be:

- \* Free of debris.



- \* Displaying sample tags legibly.
- \* Neatly arranged.
- \* Medicine displayed in proper order of pricing and reflective of current inventory status.
- \* Fully stocked with available edibles.

### **Workstation Relief Protocol**

When working the Sales Floor, Sales Associates are assigned to a specific workstation. When the associate must leave their station or the Sales Floor, they must be “relieved” so that their duties and station assignment can be temporarily filled.

Any absence from the Sales Floor must be communicated to the Manager on Duty. Once approved, the Sales Associate may step away from their workstation. This rule applies to everyone (i.e., each position must communicate with the next level up in the chain of command).

### **Sales Opening Meetings**

Shortly before opening each morning, the Sales Department staff will meet to check in regarding the day. Examples of what might be covered are as follows:

- \* News, findings, or research relevant to the medical marijuana industry.
- \* New medicine, information and/or personal experiences with those medicines.
- \* Product knowledge sharing or pop quizzes.
- \* Policy and procedural changes.
- \* Break schedule for the day.
- \* Provide positive feedback to each other to start the day out right.

### **BioTrackTHC Software**

AECC has contracted with BioTrackTHC and uses their fully integrated Point of Sale (POS), Inventory Control and Patient Management System. BioTrack THC (POS and Patient Database) software has been precisely designed to serve Department-approved medical marijuana dispensaries.

The BioTrackTHC software allows the tracking of individual patient purchases. All purchases must be tracked to alert staff when purchasing limits have been met. If a staff member attempts to authorize a sale over of the purchasing limit, the POS system will not allow the transaction to take place. AECC maintains strict inventory controls to ensure stocking levels at the dispensary are commensurate with patients’ needs and within the limits established by RI law.

## **Sales Floor Policies**

### **Aesthetics, Cleanliness, & Organization**

Sales Associates are responsible for ensuring the Sales Floor and Display Cases always reflect our standards for excellence with regard to cleanliness, organization, and overall aesthetics.

Some examples of what this means:

- \* Counter surfaces are wiped clean and are free of debris.
- \* Signage is neat and legible (signage is wiped clean if applicable).
- \* Materials and supplies are stocked to prevent the need for frequent trips away from the Sales Floor.
- \* Coordinate with the MOD for any activity that requires you step away from the desk.

### **Purchasing Limits**

Patients/caregivers are permitted to visit the dispensary no more than two times per day. Per RI law, AECC limits patients' access to marijuana to no more than two (2) ounces of dried medical marijuana either at one (1) time or within a thirty (30) day period. AECC dispenses medical marijuana only to patients who have registered AECC as their specific provider with the Department.

The BioTrackTHC software allows AECC to manage its transactions and track inventory using barcode technology. The patient database and POS functionality of the software allows the tracking of individual patient purchases. All purchases must be tracked to alert staff when purchasing limits have been met. If a staff member attempts to authorize a sale over of the purchasing limit, the POS system will not allow the transaction to take place. AECC maintains strict inventory controls to ensure stocking levels at the dispensary are commensurate with patients' needs and within the limits established by RI law.

### **Accountability for Medical Marijuana Inventory**

RI law requires that all medical marijuana be accounted for at all times. Therefore, it is very important that each Sales Associate is extremely accurate and consistently accountable in all inventory- related tasks. If Sales Associates encounter a product that is unsellable, such as broken edibles, mold, incorrectly labeled products, etc., the Manager on Duty MUST be informed IMMEDIATELY. He/she will return the product to the Inventory Department so that it can be accounted for in the BioTrackTHC system, and the immediate removal of the product from the station will be documented in POS the system.

There is a detailed and strict process for disposing of medical marijuana products that cannot be sold to patients, regardless of the product type, product condition, or product amount. Everything must be documented and disposed of through local law enforcement.

The Inventory and Security Departments are responsible for properly disposing of medicine; however, it is critical that all Sales Associates understand this policy and do their part to ensure all medicine is carefully tracked. If any medicine of any quantity goes missing, it must and will be investigated.

### **Patient Confidentiality**

HIPAA places strict privacy requirements on all health care providers. AECC ensures these requirements are strictly implemented for protection of electronic patient health. To store



required patient records, AECC uses BioTrack THC software – an encrypted, secure electronic patient database that is strictly controlled and continually backed up.

Access to the patient database is carefully controlled by the Patient Services Manager and Sales Manager to ensure patient confidentiality at all times. All AECC staff receives in-house training from the Patient Services Manager on privacy policy and procedures to ensure maintenance of patient confidentiality and proper handling of individual medical data in compliance with HIPAA.

Only authorized employees who have been trained on AECC's privacy and recordkeeping policies and procedures have access to patient records based on specific authorization granted by the Patient Services and General Managers.

A patient record is established and maintained for each qualifying patient who obtains marijuana from the dispensary. All authorized employees are assigned unique ID numbers that are used as their electronic signatures. All entries made to the qualifying patient record is dated (date and time), signed electronically by the authorized employee making the entry and includes the unique employee ID number. A record is kept of all logins and records created or edited during that login time.

Any paper documents that require retention are stored in a locked cabinet with access limited to the Patient Services Manager. Any hard-copy information not stored must be shredded and disposed of in a secure receptacle.

### **Recorded Patient Information**

A unique patient record is established during a qualified patient's first visit to AECC. The record includes the following information

- \* The qualifying patient's name.
- \* The qualifying patient's date of birth.
- \* The name of the qualified patient's designated caregiver, if applicable.
- \* The qualifying patient's registration identification number and expiration date.
- \* A listing of any patient education and support materials provided to the qualifying patient or patient's designated caregiver, along with the date the information was received by the patient.
- \* A description of the patient education and support materials provided.

In addition, the patient record tracks all medical marijuana dispensed to the patient or designated caregiver, as well as any attempt to acquire medical marijuana that was unsuccessful. The entry for failed attempts to acquire medical marijuana by the patient or designated caregiver includes the date, name and registration identification number of the individual who requested the medical marijuana, and AECC's reason for refusing to provide it.

The patient database also tracks the amounts of all medical marijuana dispensed to ensure that patients purchase no more than two (2) ounces of dried medical marijuana within a thirty (30)-day period.

### **Point--of--Sale System**

AECC will contract with BioTrackTHC to develop an electronic verification database that will interface with the Department's point-of-sale system for real time updates (provided functionality of the Department system is sufficient), and reliably implement all mandated transaction information.

Each time a patient or designated caregiver visits AECC, staff will use the Department's system to:

- \* Verify that a qualified patient or caregiver is registered.
- \* Verify at which dispensary a qualifying patient is registered; and
- \* Track the quantity and date of each medical marijuana sale.

### **Record Retention**

All records must be maintained by AECC for a period of five years and must be made available to the RI Department of Business Regulation upon request. AECC will send records to a secure records storage facility within the State. Records will be readily available to the Department as needed.

### **See & Smell Samples**

In accordance with RI law, all medicine must remain in the packaging provided by the cultivation center and must not be opened or tampered with prior to sale. If a package is opened or the packaging or label is damaged in any way, it may not be sold to patients.

Most patients prefer to smell and visually inspect medicine before committing to purchase. For visual inspection and smelling purposes, the Inventory Department provides the Sales Floor with a "see/smell sample" of each strain of medicine so that Sales Associates are better able to provide exceptional service to our patients.

Any medicine that has been designated as a sample must be clearly labeled "Sample" and must also include the date it was removed from its original packaging. This ensures that any samples we are showing are sufficiently fresh. Samples should be pulled from inventory and disposed of properly after 1 week.

Samples must always be accounted for in the BioTrackTHC Inventory System.

Each morning the Inventory Department will pull any samples that are past their 1-week expiration date, update the inventory system, and properly dispose of them according to state law. The Inventory Department will also prepare, label, and add any samples needed on the Sales Floor to ensure there is one fresh sample for every available strain.

If you cannot locate a See & Smell Sample for a desired product, or the sample is not fresh, notify Inventory for a replacement.



## **Required Signage, Advertising Restrictions, & Prohibited Statements**

There are a number of signage requirements and advertising restrictions set forth by state law. AECC complies fully with all regulations.

### ***Signage Requirements***

Signage requirements relevant to the Sales Department are as follows:

- \* A dispensary posts a sign provided by the Department that is either visible from the point of entry or the point of sale, which indicates the following:
- \* The obligation of the qualified patient or caregiver to produce a valid registration card issued by the Department.
- \* The obligation of the qualified patient or caregiver to produce a valid government issued photo identification document displaying proof of age that matches the name on the registration card.
- \* The use of medical marijuana may impair a person's ability to drive a motor vehicle, aircraft, or motorboat, ride a bicycle, or operate heavy machinery; and
- \* The sale and use of marijuana and the diversion of marijuana for non-medical purposes, including to a third party, is a crime in violation of state law.
- \* A dispensary posts a sign provided by the Department at all areas of ingress and egress to limited access areas, which reads: "Access to this area is restricted to persons registered with the Department visibly displaying a registration identification card."
- \* A dispensary shall conspicuously post a sign in the area of the dispensary that is accessible to registered patients and caregiver or make a booklet or other document readily available to the dispensary's registered patients and caregivers, containing the current retail prices of all items available for sale within the dispensary.

Sales Associates should be aware of required signage and ensure it is always visible to patients and is not damaged in any way. It should also meet AECC's standards for visual presentation. If signage is damaged or doesn't meet State requirements or AECC standards, notify your department manager or the General Manager.

### ***Advertising Restrictions***

- \* Medical marijuana or paraphernalia may not be visible from any property not owned by the dispensary.
- \* Advertisements relating to the prices of medical marijuana may not be displayed in the windows of the establishment.
- \* Advertisements relating to medical marijuana may not be displayed on the exterior of any window, or on the exterior or interior of any door.
- \* No sign advertising medical marijuana on the exterior (or visible from the exterior) can be illuminated at any time.

### ***Prohibited Statements***

In accordance with state law, AECC will:

- \* Not use any picture or illustration that depicts a child or immature person, or objects (such as toys), suggestive of the presence of a child, and any statement, design, device, picture, or illustration designed to be especially appealing to children or immature persons.
- \* Not put forth any statement that is known by the dispensary to be false or misleading with respect to advertised price charged to the qualified patient, ingredients of medical marijuana, source of manufacturer, or statements as to health benefits.
- \* Not put forth a statement that encourages the use or purchase of medical marijuana without a registration identification card.

### **Patients Breaking the Rules**

One of the roles of the Patient Services MOD is to talk with patients when they break any rules to ensure that first, they understand the rule, and second, that they return to giving their full cooperation. Refer all patients to the MOD.

### **Unruly Patients**

Company policy is that no form of loud or offensive speech is permitted on our premises, especially if it is aggressive or threatening. Each member of the Patient Services management team, in tandem with the Security team, will be on the front lines of dealing with such patients from time to time. All department managers have been instructed that if they are faced with an unruly or abusive patient, they should contact the Patient Services MOD and Security.

### **Out of Stock Items**

If we are ever out of stock on an item, we will do all that we can to meet the patient's needs.

- \* First, try to find a suitable product alternative if the item a patient has requested is out of stock.
- \* If the patient is not interested in an alternative product, check with the Manager on Duty or the Inventory Manager for possible solutions.

### **Pre--Sales**

We cannot do pre-sales, meaning that patients are not permitted to pre-pay for items that are not in stock. If a patient requests a pre-sale, tell them that as dispensary policy delineates, we cannot do pre-sales because we cannot anticipate when or if a product will be in stock. If the patient wants more information, notify the Manager on Duty.

### **Line Priority for Disabled Patients**

As a further commitment to the wellbeing of our patients, we provide line priority for disabled patients. Security or Patient Services will extend an invitation for prioritized service to disabled patients (wheelchairs, canes, amputees, etc.). If a patient accepts the invitation, they are escorted to the Sales Floor, generally near a workstation closest to the entrance.

Security or Patient Services will then alert the Sales Associate(s) working at those stations that a priority patient is waiting. If your workstation is notified that a priority patient is waiting, once



the transaction is completed with your current patient, do not call another patient over from the line. Instead, call over the priority patient.

Always remain aware of priority patients entering the dispensary or on the Sales Floor.

### **Reserving Medicine**

Employees may not “reserve” medicine or set aside products for anyone, including other staff members (if they are registered patients). This is to ensure proper and accurate inventory management, as well as avoiding the appearance of favoritism among co-workers.

### **Tapping Out**

“Tapping out” is a wrestling term. It means the wrestler has been on the mat for a while, is exhausted, and needs a break, so a teammate comes in as relief. It’s akin to passing the baton in a relay race. Sales Associates may tap out for the following reasons:

- \* Lingering Patient Syndrome (assisting the same patient for 30 minutes)
- \* Personal necessity if reasonably justified (bathroom, drink of water, to call a babysitter)
- \* Scheduled breaks
- \* Conflict with a patient

Typically, the teammate that will relieve a Sales Associate is an Assistant Manager or the Manager on Duty, who will expedite the sale. To “tap out,” follow these steps:

- \* Very politely say to the patient, “I’m sorry, you’ll have to excuse me. I’m going to have [enter name here] finish you up.” Offer a polite excuse such as, “I need to go on my break at this time,” or “I have a call I must attend to.” Do NOT give any other reason. None is needed. However, never let the patient feel that they are at fault.
- \* Put away any medications that are out of their storage area.
- \* In private, let the relieving employee know where you are in the transaction and why you need to “tap out”.

### **Inter--Departmental Interactions & Overall Communication**

Effective and efficient communication is critical for the dispensary to run smoothly. Here are a few things to keep in mind regarding inter-departmental interactions and overall communication within the dispensary:

- \* Be knowledgeable about the overall patient experience at the dispensary, not just what happens at the sales counter. Understand what the patient experience is when dealing with Security, Patient Services, Reception, etc.
- \* Get to know the Inventory Department staff especially because you will be interacting with them frequently throughout each day.
- \* Constantly and effectively communicate with your Manager on Duty about break times, special- needs patients, priority patients (i.e., people who are in significant pain), till drops, discount approvals, etc. It’s better to over-communicate than under-communicate.

\* The Sales Opening Meeting or “Morning Meeting” has been instituted to ensure consistent dissemination (and review) of dispensary policies and procedures, new product knowledge, etc.

### **Product Knowledge**

An integral part of providing exceptional patient care is having extensive knowledge of the medicine and products available at the dispensary. There is a base of product knowledge that all Sales staff members must possess before completion of their initial training. That basic knowledge is what is contained in the Product Knowledge Guide, a separate spiral bound manual that lives on the Sales Floor and is used as an addendum to this Operations Manual.

Sales Associates must continue expanding their knowledge of the Marijuana product and the industry as a whole. After the first 8 shifts (2 weeks) at the dispensary, in addition to basic product knowledge, associates should also know the most popular products requested by patients, the more common strains found at the dispensary, and the differences in each of the concentrates. Beyond that, Sales Associates also will need to attend a mandatory once-a-month Product Information Class, as well as completing Product Knowledge Reviews every 90 days with the Sales Management Team and Inventory Management Team.

It is also important to increase product knowledge based on the current offerings at the dispensary on any given day. For instance, there will be times when an item may be available that has a particularly high CBD with a low THC. This would be important to know because some patients may be looking for something less psychoactive, but that still kills pain.

### **Product Safety**

See the Product Safety section of this document for details about operational procedures and policies for Product and Food Safety, and General Cleanliness Procedures.

### **Laboratory Testing of Medical Marijuana**

#### **Atlas Enterprises INC. Compassion Center Laboratory Analysis Program**

AECC is committed to ensuring that only the highest-quality medicine is made available to patients. To meet this commitment, AECC intends to work with registered cultivation centers to ensure that their product has undergone sufficient quality control measures including laboratory testing. AECC will ensure that all medicine accepted for resale to patients has undergone laboratory analysis for potency evaluation and safety screening.

AECC has determined that prior to any sale of medicine, the following tests must be performed by a registered cultivation center, or an independent laboratory should State regulations change in the future to allow such facilities:

#### ***Potency and Cannabinoid Profile***

True profiling emphasizes potency and cannabinoid identification. The marijuana plant contains fifteen different identified cannabinoids. Cannabinoids are one class of chemical compounds that produce physiological and behavioral effects. The principle active cannabinoids include:



\* Tetrahydrocannabinol acid (THCA) - The most prevalent cannabinoid produced in marijuana plants. It is having numerous medicinal qualities, including anti-inflammatory, anti-spasmodic and anti-cancer properties. However, most heating methods commonly used for ingesting marijuana destroy the THCA (and most other acid forms of the cannabinoids).

\* Tetrahydrocannabinol (THC) - The primary psychoactive component that eases pain and is neuroprotective. It forms when THCA is heated through combustion or vaporization, or by heating raw flowers for infusion into alternative dosage products.

\* Cannabidiol (CBD) - Effective in relieving anxiety, inflammation, and nausea, but is not particularly psychoactive. Studies have shown that higher CBD-to-THC ratios result in less intense undesirable psychoactive effects. Currently there are five known high-CBD strains certified by both Sensi® Seeds and Project CBD Association and are considered low to non-euphoric.

\* Cannabinol (CBN) - The primary byproduct of THC. High levels indicate that marijuana is old and has not been properly stored.

Most marijuana testing laboratories analyze only three cannabinoids: (THC), cannabidiol (CBD) and cannabinol (CBN). Educated dispensaries and cultivation centers will measure all 15 important cannabinoids, starting with the above and adding many others. For example, the cannabinoid THCV is under study to treat type II diabetes, metabolic disorders and epilepsy. THCA and CBDA both have potential for use in analgesia and for treatment of prostate carcinoma.

## **Packaging & Labeling**

### **All labeling must abide by RI regulations:**

#### **1.5.1 Authority and Applicability**

A. These retail-ready medical marijuana product packaging and labeling requirements for compassion centers and licensed cultivators are promulgated pursuant to R.I. Gen. Laws §§ 21-28.6-12(f)(11) and 21-28.6-16(g).

B. Compassion centers and licensed cultivators shall have ninety (90) calendar days from the effective date of these regulations to comply with these requirements.

C. The compassion center is responsible for ensuring all medical marijuana products are retail-ready prior to sale to a qualifying patient, registered primary caregiver or authorized purchaser.

#### **1.5.2 General Packaging Requirements**

A. All retail-ready medical marijuana products must be in compliant packaging upon entering the compassion center retail sale space.

B. In addition to any other requirements pursuant to § 1.5 of this Part, any package containing retail-ready medical marijuana product must:

1. Be opaque, of a neutral color, and light resistant;
  - a. Neutral colors include but are not limited to: black, white, gray, beige, brown, and tan. Neutral colors do not include primary and secondary colors (such as red, orange, yellow, green, blue, or purple) or any variant of primary or secondary colors.
2. Fully enclose the product;
3. Protect the product from contamination;
4. Not impart any toxic or deleterious substance to the medical marijuana product;
5. Be Child Resistant as defined in § 1.1 of this Part; and
6. Be able to be resealed in a Child Resistant manner unless the package contains a single-serving medical marijuana edible or ingestible pursuant to § 1.5.2(D) and (E) of this Part respectively.

C. Exit Package

1. Except for medical marijuana edibles and ingestibles, upon DBR approval, any other retail-ready medical marijuana product placed into a container that is not child-resistant shall be placed into a child-resistant Exit Package at the point of sale.
2. The Exit Package is not required to be labeled pursuant to § 1.5 of this Part if the package(s) within the Exit Package containing the retail-ready medical marijuana product comply with all labeling requirements pursuant to § 1.5 of this Part.

D. Additional Packaging Requirements for Retail-Ready Medical Marijuana Edibles

1. A single serving unit shall not exceed ten (10) milligrams (“mgs”) of active THC.
2. A single serving unit, if sold individually, shall be placed into a child-resistant container that may or may not be resealable.
3. Multiple single serving units may be placed together into a single child resistant and resealable package, so long as the active THC per package does not exceed one hundred (100) mgs.



4. Multiple packages may be bundled and sold together so long as the:
  - a. Total amount of THC per serving unit does not exceed ten (10) mgs;
  - b. Total amount of THC per package does not exceed one hundred (100) mgs; and
  - c. Total amount of THC per bundled package does not exceed the maximum amount a patient can possess pursuant to the Act and the equivalency table in § 1.14 of this Part.
5. For Medical Marijuana Edibles in liquid form packaged as a single serving unit, the container may be sealed using a metal crown cork style bottle cap.
6. For Medical Marijuana Edibles in liquid form containing multiple serving units, the container must have a resealing cap or closure which maintains child resistance compliance.
7. Medical Marijuana Edibles in liquid form containing multiple serving units must include a measuring device such as a measuring cap, cup or dropper with the package containing the medical marijuana product. Hash marks on the package do not qualify as a measuring device.

E. Additional Packaging Requirements for Medical Marijuana Ingestibles

1. A single serving unit, if sold individually, of a Medical Marijuana Ingestible must be placed into a child-resistant container that may or may not be resealable.
2. Multiple single serving units may be placed together into a single child resistant and resealable package.
3. Multiple packages may be bundled and sold together so long as the total amount of THC per bundled package does not exceed the maximum amount a patient can possess pursuant to the Act and the equivalency table in § 1.14 of this Part.
4. For Medical Marijuana Ingestibles in liquid form packaged as a single serving unit, the container may be sealed using a metal crown cork style bottle cap.
5. For Medical Marijuana Ingestibles in liquid form with multiple serving units, the container must have a resealing cap or closure.
6. Medical Marijuana Ingestibles in liquid form with multiple serving units must include within the package:

- a. A measuring device such as a measuring cap, cup or dropper that is capable of dispensing a ten (10) mg serving unit;
- b. Hash marks on the package do not qualify as a measuring device.

**F. Additional Packaging Requirements for Retail-Ready Medical Concentrates**

- 1 Cartridges and any other devices, as determined by DBR, shall receive a consumer testing certificate which is subject to DBR review.
- 2. Electronic vaporization devices must have internal or external temperature controls to prevent combustion and have a heating element made of inert material.
- 3. The total THC per package shall not exceed 500 mgs.

**1.5.3 General Labeling Requirements**

A. Each package containing retail-ready medical marijuana products must be labeled with all required information pursuant to § 1.5 of this Part before being sold to a registered patient, registered primary caregiver or authorized purchaser.

B. Labeling text must be:

- 1. No smaller than size 6 font, unless otherwise specified.
- 2. In Times New Roman, Calibri, Arial, Helvetica or any other font determined by DBR to be easily read.
- 3. In black or white, unless otherwise specified.
- 4. Clearly written or printed in the English language.
  - a. In addition to the required English label, licensees may include an additional, accurate foreign language translation on the label that otherwise complies with these rules.

C. All required information must be unobstructed and conspicuous. Multiple labels may be affixed to the package, provided that none of the information required is obstructed.

D. Required information may be stated in a peel-back accordion, expandable, or extendable style so long as the label can be easily identified by a consumer as containing important information.

E. All packages containing retail-ready medical marijuana products must be clearly labeled with the following information:

1. The business(es) or tradename(s) and license number(s) of the licensee(s) who produced the product;
2. The business or tradename and license number of the compassion center selling the product;
3. The unique identifier generated by the Medical Marijuana Program Tracking System;
4. Total THC and Total CBD as provided by a licensed cannabis testing laboratory;
  - a. Upon request, a compassion center must disclose the name of the licensed cannabis testing lab that conducted the tests and provide the results of all required tests for any medical marijuana or medical marijuana product.
5. A DBR-selected universal warning symbol must appear on the front or most predominantly displayed area of the package, no smaller than one (1) inch by one (1) inch;
  - a. Vape cartridges sold containing medical marijuana product must include the DBR-approved symbol in a manner that is clear and conspicuous;
6. If applicable, the recommended expiration date, or “use by” date;
7. Poison Control Contact Information “American Association of Poison Control Center (800) 222-1222”; and
8. For smokable and vappable products, the net weight of the medical marijuana product prior to its placement in the package, using a standard of measure compatible with the tracking system.

F. Additional Labeling Requirements for Retail-Ready Medical Marijuana Infused Products:

1. Total contents of THC and CBD must be stated per serving unit in milligrams (mgs), and in font larger than size 6, bolded, underlined and in red, so as to stand from surrounding text to the consumer;
2. Total contents of THC and CBD must be stated per package, in milligrams (mgs), in font larger than size 6, bolded, underlined and in red, so as to stand out from surrounding text to the consumer;
3. The serving size; and



4. The number of servings per package.

G. The following information may be placed on an insert but must accompany each retail-ready medical marijuana product sold:

1. A complete list of all nonorganic pesticides, herbicides, and fertilizers that were used in the cultivation and production of the medical marijuana product;
2. For medical marijuana infused products, the net weight of the medical marijuana or medical marijuana product prior to its placement in a package, using a standard of measure compatible with the tracking system;
3. For medical marijuana products consisting in whole or in part of marijuana flower or marijuana trim, the date of the harvest batch;
4. For marijuana products including concentrates and marijuana infused products that were manufactured, the date on which the manufacturing batch was created;
5. For processed medical marijuana products, the processing technique or solvent(s) used to produce the product;
6. For processed medical marijuana products, a list of all chemicals, diluents, additives, ingredients and/or excipients used to produce the medical marijuana product or that were added to the medical marijuana product;
7. For medical marijuana infused products, a list of all ingredients used to manufacture the marijuana infused product, including identification of any major allergens contained in the product in accordance with the Food Allergen Labeling and Consumer Protection Act of 2004, 21 U.S.C. § 343 (2010), specifically milk, eggs, fish, crustacean shellfish, tree nuts, peanuts, wheat and soybeans;
8. For medical marijuana edibles and ingestibles, a nutritional fact panel in accordance with 21 C.F.R. Part 101, incorporated above at § 1.1.7(B) of this Part;
9. For medical marijuana topicals, a list of all ingredients in descending order of predominance by weight or volume as applicable; and
10. For medical marijuana topicals, the amount recommended for use at any one time.

#### **1.5.4 Imprinting of the Universal Symbol**

A. As directed by DBR, unless deemed impracticable by DBR, each single standardized serving unit of a medical marijuana infused product shall be marked, stamped or otherwise imprinted with a DBR-selected universal symbol directly on at least one side of



the medical marijuana infused product in a manner to cause the universal symbol to be distinguishable and easily recognizable. The universal symbol marking shall:

1. Be centered either horizontally or vertically on each standardized serving of marijuana; and
2. If only imprinted on one-side, the imprinted side must be the front or most predominantly displayed area of medical marijuana infused product; and
3. If centered horizontally on a serving, the height and width of the universal symbol shall be of a size that is at least 25% of the serving's width, but not less than  $\frac{1}{4}$  inch by  $\frac{1}{4}$  inch; or
4. If centered vertically on a serving, the height and width of the universal symbol shall be of a size that is at least twenty-five percent (25%) of the serving's height, but not less than  $\frac{1}{4}$  inch by  $\frac{1}{4}$  inch.

B. Unless determined by DBR to be impractical, the following categories of marijuana infused product are considered to be per se practicable to mark with the universal symbol:

1. Chocolate;
2. Soft confections;
3. Hard confections or lozenges;
4. Consolidated baked goods (e.g. cookie, brownie, cupcake, granola bar); and
5. Pressed pills and capsules.

### **1.5.5 Prohibitions**

A. Medical marijuana products shall not:

1. Be in the shape of a human, animal, fruit, cartoon character, or any other shape that is especially attractive to children as determined by DBR;
2. Imitate or have a resemblance to any existing branded consumer products, including foods and beverages that do not contain marijuana;
3. Be in the shape of a marijuana plant or leaf; and
4. Cause a reasonable consumer confusion as to whether the medical marijuana product is a trademarked product.

B. All logos or graphics are prohibited unless prior to use are approved by DBR.

1. The logo or graphic submitted to DBR for approval:
  - a. Must not be larger than the required universal symbol;
  - b. Can be colored; and
  - c. Must only be used for the purpose of identifying the compassion center selling and/or the cultivator(s) producing the product.
2. The logo or graphic submitted to DBR for approval must not:
  - a. Reasonably appear to target individuals under the age of twenty-one (21), including but not limited to, the use of animal characters, toys, cartoon characters or similar images.
  - b. Imitate or have a resemblance to any existing branded consumer products, including foods and beverages that do not contain marijuana.
  - c. Include images of children or minors.
  - d. Include images of a marijuana plant, marijuana leaf or marijuana product or any person using or consuming the product.
  - e. Include words, a design or brand that resembles a product that is commonly associated with children or minors or marketed to children or minors.
  - f. Include symbols or celebrities that are commonly used to market products to minors.
  - g. Include the word or make any reference to “candy” or “candies”.
  - h. Include any false or misleading statements, including any statements regarding health or physical benefits to the consumer.
  - i. Include any seal, flag, crest, coat of arms, or other insignia that could reasonably mislead any reasonably prudent person to believe that the product has been endorsed or manufactured by the State of Rhode Island or any agency or municipality thereof.
  - j. Cause a reasonable consumer confusion as to whether the medical marijuana or medical marijuana product is a trademarked product.
  - k. Violate any state or federal trademark law or regulation.

#### **1.5.6 Warnings**

A. Warnings on all retail-ready medical marijuana products must:

1. Be in the English language;
2. Be in Times New Roman, Calibri, Arial, Helvetica or any other font that can be easily read;
3. Be in text no smaller than size 8 font and bolded;
4. Not be covered or obscured; and
5. Be displayed in a bright yellow box as to stand out from other labeling requirements, unless otherwise stated.

B. The following warnings must be displayed on all medical marijuana products, when applicable;

1. "Warning: For Medical use ONLY. This product contains marijuana. Store in a securely locked cabinet away from children."
2. "Warning: It is unlawful to transport this product outside of Rhode Island."
3. "Warning: For medical use by a registered patient only. Not for resale."
4. For medical marijuana products intended to be smoked or vaporized:
  - a. "Warning: Smoking and Vaping is hazardous to your health."
  - b. "Warning; Vaping can expose you to toxic chemicals that may lead to death".
5. For all medical marijuana infused products, it must state in slightly larger or bolded font as to stand out from surrounding text, with priority placement,
  - a. "Effects of this product may be delayed by 3 or more hours."
6. For all topical products, it must state:
  - a. "For Topical Application – Do Not Eat or Smoke."

C. In addition to the warnings above, rotating warnings must accompany all retail-ready medical marijuana products at the point of sale.

D. Rotating warnings shall:

1. Be in the English language;



2. Be in Times New Roman, Calibri, Arial, Helvetica or any other font that can be easily read;
3. Be in text no smaller than size 10 font and bolded; and
4. Not cover or obscure any required information pursuant to § 1.5 of this Part.
5. Accompany all retail-ready medical marijuana products at the point of sale based on a rotating schedule as determined by DBR.

E. The rotating warnings are:

1. "Warning: Marijuana has intoxicating effects and may be habit forming and addictive."
2. "Warning: Do not operate a vehicle or machinery under the influence of marijuana."
3. "Warning: Marijuana should not be used by women that are pregnant or breastfeeding."
4. "Warning: Early and frequent cannabis use has been associated with the onset of psychosis."

F. Compassion Centers shall post any additional warnings at the point of sale as determined by DBR.

### **Pre--Packaging**

The BioTrackTHC system records each item purchased on every order. Once medical marijuana is received into the dispensary inventory from the cultivation center, the package ID and associated batch number remain with that unit of inventory and are printed on the packaging label affixed to the selling unit distributed to the patient. In addition to required content, all packaging will indicate analytical laboratory test results and sativa/indica ratios.

Per Department regulations, AECC expects that medical marijuana received from registered cultivation centers will be pre-packaged in sealed containers that cannot be opened without obvious damage to the packaging in the following sellable units: one ounce, .125 ounce and 1 gram.

Additionally, all edible products (should they become available) received from registered cultivation centers are expected to be delivered in an airtight, tamper-evident, opaque, food-grade plastic pouch. Liquid products are expected to be packaged in sealed bottles based on grams and milligrams; solid concentrates will also be weighed and packaged by gram.

Prior to acceptance of an order, AECC must inspect all products received by registered cultivation centers to ensure packaging meets all requirements. Any product determined to be



improperly packaged will be refused (or if already received, returned to the cultivation center); documentation indicating return of the product will be maintained within BioTrackTHC.

### **Packaging & Labeling at Time of Sale**

Once purchased by a patient, all packaged medical marijuana products will be placed in an additional sealed container (opaque sealed bag) for transport.

This packaging will be affixed with an additional label that contains:

- \* The dispensing date the medical marijuana was transferred to the qualifying patient or caregiver; and
- \* The qualifying patient's name and registration ID number.

### **Product Labels**

The BioTrackTHC software has a configurable label program enabling AECC to provide and print information directly from the software (see Figure 1 below). Therefore, a wide variety of elements can be printed from inventory listings including all information that is required by state law - Section 5607 of the Rules. AECC ensures that all medical marijuana products received from a cultivation center include the following information on the labels, which are legible and firmly affixed to the package:

- \* The name of the cultivation center where the medical marijuana was produced.
- \* The quantity of medical marijuana contained within the package.
- \* The cannabinoid profile of medical marijuana contained within, including THC level.
- \* Any ingredients other than marijuana contained within, listed from the most abundant to least abundant. If the product is ingestible, potential food allergies (milk, eggs, fish, shellfish, nuts, wheat, and soybeans) will also be identified.
- \* A statement that the product is for medical use and not for resale or transfer to another person.
- \* A warning that reads: "This package contains marijuana. The marijuana is intended for medical use solely by the patient to whom it is sold. Any re-sale or re-distribution of the medical marijuana to a third person is prohibited."
- \* The following verbatim warning: "There may be health risks associated with the ingestion or use of this product. Please consult your physician if you have any questions or concerns."
- \* A list of all chemical additives, including but not limited to inorganic and organic pesticides, herbicides and fertilizers used in cultivation/production.

In addition to the label generated by the cultivation center, AECC will affix an additional label to individual medical marijuana purchases that contains the following information:

- \* The name of the dispensary where the medical marijuana was dispensed.
- \* The name of the patient's recommending physician.
- \* The dispensing date that the medical marijuana was transferred to the qualified patient or caregiver; and

\* The qualifying patient's name and registration card number.

The labels used at AECC Cultivation will not contain any false or misleading statements and/or designs, nor will they contain any seal, crest, flag, or other insignia likely to mislead patients to believe that the State government has endorsed the product.

In addition, labels attached to a medical marijuana container will not be altered or destroyed once affixed to the container.

Product labeling for alternative dosage products will include the same information as flowers and concentrates, with the addition of two (2) new categories:

\* Dosage: Since edible products cannot be titrated like raw flowerbeds or solid concentrates and patients may experience adverse effects from using too large a dose, proper dosage labeling is essential. state law does not clearly define this requirement; however, AECC has developed its own rigorous dosage standards to appear on all Alternative Dosage Product (ADP) labels.

\* Expiration Date: Any edible or potable product has a shelf life that must be placed on the label to inform the customer of a "best used-by date."

Figure 1: BioTrackTHC Label Printing Options



**BioTrackTHC**  
111 S Central Ave  
Phoenix, AZ 85004  
(480)888-5512  
BioTrackTHC.com

Lic# m9837465

MMJ Origin DISP# mj8767

**Customer Identification # RX-029183**

"ARIZONA DEPARTMENT OF HEALTH SERVICES' WARNING: Marijuana use can be addictive and can impair an individual's ability to drive a motor vehicle or operate heavy machinery. Marijuana smoke contains carcinogens and can lead to an increased risk for cancer, tachycardia, hypertension, heart attack, and lung infection. KEEP OUT OF REACH OF CHILDREN"

**AK-47**

Batch 6069107703659390

Harvest Date: 03/22/2013

Useable Weight: 14.000 g

Additives: Plant Pesticide ,

Miracle Grow , Bloom bat

Guano, Organic Worm castings

## The Steps of a Sale

### Step 1: Patient Admittance

Upon arrival, patients must show their Registration ID Card and government-issued photo ID first to Security to gain admittance, then Reception in order to be entered in the BioTrackTHC cue. If a patient has not checked in at Reception, they will not be in the system cue, and therefore may not enter the sales floor to purchase medicine until they have checked in with Reception.



Patients will wait in line in the line cue until the next Sales Associate is ready to assist them. Be sure you're logged into the system before you call the next patient over. Patients exit the dispensary at the same door they entered.

## **Step 2: Greeting**

As a patient approaches your station at the counter:

- \* Smile make eye contact, and with great warmth and friendliness, greet them by saying something like, "Hi! Welcome to AECC. How are you doing today?"
- \* When the patient responds, LISTEN. Be engaged. Sales Associates have one opportunity to make a first impression and this is it! Each staff patient's personal demeanor, smile, tone and level of voice, the personal touches added to any patient interaction, all make a huge difference in the experience a patient has when they approach the counter.
- \* If known, use the patient's first name to greet them. Learn the first names of regulars. Never use the last name, to ensure patient confidentiality.
- \* Simple handshakes are allowed but discouraged. If a patient extends their hand, if comfortable, Sales Associates may return the handshake, although this is not required. Any physical contact other than a handshake should be avoided, even if the patient happens to be a close friend or family member.
- \* Ensure that greetings are equally warm and friendly with all patients to prevent a negative perception of "favoritism" by other patients.
- \* Before, during, or even after greeting the patient, be aware of any nonverbal cues the patient gives that will help determine their needs. A few examples of nonverbal cues are:
  - \* Patient has cash already out (probably in a hurry).
  - \* Patient is a return customer (most likely already know what they want).
  - \* Patient has their new patient paperwork in hand (new patient). This type of patient will usually need more guidance either about the dispensary's offerings and policies, general product knowledge, or both.

Once you've greeted the patient, ask the patient for their State of Rhode Island Department-issued Registration ID Card and swipe it into the POS to bring up the patient's database record.

## **Step 3: Selection**

1. In the "Selection" stage, associates should determine what the patient WANTS (type of medicine), NEEDS (quantity), and can AFFORD (price). Use "primer phrases" to begin the selection process. For example:

- \* "Have you been here before?"
- \* "Do you know what you're looking for today?"
- \* "Are you looking for anything in particular today?"

#### **Step 4: Purchase**

##### **2. If the patient KNOWS WHAT THEY WANT:**

\* “How much would you like (quantity)?” Check to see that the item is in stock. If the quantity requested is not available at your workstation or in the inventory cabinet closest to you, check the other workstations or cabinets.

\* “Is there anything else I can get for you today?”

\* If the patient would like something else, go back to the beginning of the “Selection” stage. If nothing else is needed, move to the “Purchase” stage.

##### **3. If the patient DOESN'T know what they want:**

\* Find out what type of marijuana they are looking for (smokable, edible, concentrate, etc.)

\* “Do you know what you like? Do you know what you are looking for?” or, “Do you know what works for you?” or, “What has worked for you in the past?”

\* If the patient can tell you what has worked in the past, ask them what grade they prefer (i.e., their budget): low-grade, mid-grade, high-grade, top-shelf. If needed, communicate the pricing for each, pointing them to the color-coded dots.

\* If the patient doesn't understand the product, inform them about the difference between indica vs. sativa, particularly in terms of how the specific products are used. Sales Associates may add flavor or smell to this query.

\* If a patient knows their general preference but not what they want specifically, Sales Associates may offer the patient options. Mentioning what stock is on sale, showing them top shelf items in the category of their preference, letting them inspect the “see & smell samples” and ask questions; accordingly, these are all helpful sales procedures. Typically, patients will ask for recommendations. Sales Associates may choose up to 3 different products to show the patient at any given time.

\* Once a choice is made, determine quantity and the grade (low, mid, high). Explain that the grading system determines the price scale but does NOT always reflect potency or quality.

#### **Phones**

Answering the phones is primarily the responsibility of the Receptionist, who ideally will answer the phone by the second ring but always within 3 rings. That said it is important that all staff members understand phone protocol, provided below.

#### **How to Answer the Phone**

When answering the company phone, the following must be provided to the caller every time:

\* Greeting. Greet the caller (e.g., “Good morning/afternoon/evening”) with a smile, enthusiasm, and genuine care.



\* Identification. Identify our business, using our full name (e.g., "This is Hope Harvest Compassion Center," never simply the short-form name). Also identify yourself by name so that the patient knows how to address you.

\* Inquiry. Ask how you might assist the caller (e.g., "How may I help you?" or "How may I assist you today?").

When all three components are put together, answering the phone will sound something like this: "Good morning! Thank you for calling Hope Harvest Compassion Center, this is [your name], how may I assist you today?"

### **Announcing Phone Calls for Staff Members**

When a caller wants to speak with a staff member, follow this procedure:

\* Identify the caller (e.g., "May I tell him/her who's calling?") and politely ask them to hold.

\* Place the caller on hold.

\* Announce the call to the recipient via the telephone intercom system. (Reference the Intercom Extension List located at your workstation). For example, "John, you have a phone call on line 3."

\* If you cannot reach the recipient via the telephone intercom, you may notify the recipient that there is a call over the radio (but only if you cannot reach them via intercom). However, never announce the identity of the caller, simply that there is a call.

\* If the call's recipient is unavailable or unreachable, take a message. Messages for the Director/CEO or Senior Management should be immediately emailed to them directly, or if they have an Assistant, to their Assistant immediately. The email should include whether the message is time sensitive or urgent. Other staff may receive their messages as they arrive or become available.



# Patient Services Department Operations Manual (Abridged)

## **Introduction**

The Patient Services Department is responsible for educating and informing patients about the dispensary and issues impacting medical marijuana patients and to ensure the dispensary is in strict compliance with all state and federal regulations with regard to patient registration and dispensary access. In addition, the patient services department is also responsible for receiving and resolving patient complaints and suggestions, ensuring the sufficient educational material on the medical uses of marijuana are available to patients, and to orient patients as to their legal rights and responsibilities.

The Patient Services Department Operations Manual contains detailed policies and procedures related to the fulfillment of the above responsibilities.

## **Company Information**

### **Company Overview**

The objectives of AECC are to:

- \* Cultivate an environment of wellness, happiness and care.
- \* Develop and maintain a loyal patient following through a variety of superior quality medical marijuana preparations and individualized patient care.
- \* Become a model platform for medical marijuana distribution and care, and an exemplary, charitable citizen and neighbor in the community.

### **Mission Statement**

It is our mission at AECC to provide the State's registered patients safe access to scientifically screened, consistent, medical-grade marijuana, and comprehensive, individualized patient counseling services - within strict compliance of the State's Medical Marijuana Regulations.

We are committed to ensuring that every patient who enters our center will experience a feeling of community, belonging and wellness.

Our success in fulfilling our vision is measured by quantitatively assessed patient satisfaction, team member excellence and happiness, the revitalization of our surrounding neighborhood, return on capital investment, and community support.

### **Core Values**

AECC core principles are:

- \* Highest-Quality Medical marijuana Preparations - we offer only safe, high-quality medicinal products subject to careful selection, processing and, where feasible, testing by an independent lab.
- \* Compassion - serving our patients professionally with sensitivity to their needs in a clean environment where they feel safe and secure.
- \* Responsiveness - in our dealings with our patients, employees, lenders and the community.
- \* Transparency - our financial data is regularly reviewed by an independent accounting firm.
- \* Community Service - conducting varied and ongoing outreach activities to serve the needs of patients and others in our community.
- \* Education - providing facts and information to help people understand the responsible and effective use of medical marijuana.
- \* Being a “Good Neighbor” - by working with the community, the city and police department as a responsible service provider.

### **Keys to Success**

Important keys to our success include:

- \* Positioning our dispensary as a responsible business in the community and developing close working relationships with civic, business, and government leaders and their staffs.
- \* Highly detailed planning and execution: staffing, training, detailed operational procedures, and infrastructure required to operate a quality medical marijuana dispensary is critical to our success.
- \* Financials, especially cash flow, must be well planned and managed, and kept to high standards commensurate with our service-oriented business model and visibility in the industry.

## **Department Overview**

### **Role of the Patient Services Department**

The overarching purpose of the Patient Services department is to act as an ambassador for patients and the dispensary, to educate and inform patients about the dispensary and activism within the marijuana community, and to ensure the dispensary is in strict compliance with all city, county, state, and federal regulations with regard to patient registration and dispensary access.

### **The Importance of Service**

Medical marijuana dispensaries have a unique specialized service relationship with their patients. We differ from other retail industries in the sense that, in addition to moving through sales in an efficient manner, it also requires increased sensitivity to individual patient needs. The methods utilized by the team at this dispensary to ensure this level of sensitivity and care, are:



\* Patients Are More Important than Staff Conversations. When a patient approaches, all staff conversations must stop IMMEDIATELY, and the patient's needs attended to immediately. This ensures that patients feel absolutely cared for and never feel they are "interrupting" a staff member.

\* Kindness, Warmth, & Focus. Ensure that every patient is treated with kindness, warmth, and focused attention.

\* Actively Listening. Listen to patients very carefully in order to carefully determine their individual needs.

\* Knowledge of the Medicine. Have extensive knowledge of medical marijuana laws and legal/license requirements, patient limits, local and state regulations, etc., and constantly further that knowledge through personal study and research so that you can confidently guide patients through their experience at the dispensary.

\* Separate Work & Personal Life. Maintain a separation of their personal and work lives so that they are calm and focused for patients.

\* Treat fellow staff with the same respect with which you treat patients.

### **Continuous Learning**

There are a number of skills within the Patient Services Department that are fairly straightforward, such as checking in an existing patient into the patient database. Once learned, these basic skills need minimal or no further development. Yet, working in this dispensary, there are additional, important skills that should be continuously developed and improved over time. Patient Services Associates must continuously deepen their knowledge of laws and regulations, as well as patients' rights, regarding the marijuana industry locally, statewide, and federally. In addition, associates will continuously grow their ability to effectively interact with all types of patients and all kinds of situations in a way that makes patients feel cared for and taken care of.

### **Department Structure**

The Patient Services Department is comprised of four main "stations:"

1. Reception
2. New Patient Orientation
3. Healing services
4. Patient Activist Resource Center (PARC)

When scheduled in the Patient Services department, Associates will primarily be assigned to work either Reception or New Patient Orientation and may switch between those stations throughout a shift when directed by their supervisor. All Patient Services Associates should be able to perform all job functions of both stations.

In addition to Reception and New Patient Orientation, all Associates are required to perform a limited number of tasks pertaining to Healing services and the Patient Activist Resource Center. There are other tasks associated with these two stations that are considered advanced skills and

will be trained to individual Patient Services Associates as deemed appropriate by the Patient Services Department Manager. Specifics are provided below.

Aside from the four main stations in the Patient Services Department, there is also one official Manager on Duty (MOD) scheduled at all times. Only Patient Services management personnel may fill this role. The MOD is the go-to person for the department and is the only person who is authorized to answer the radio call for "Patient Services." The MOD, when scheduled in that role, is responsible for overseeing all of the department tasks and staff members during the shift. This person is also the main contact for patient questions and/or complaints, as well as visitor and media inquiries.

A Patient Services Associate working in Reception is primarily responsible for the following:

- \* Greet & check in patients as they enter the building, providing excellent patient care, full compliance, and database accuracy. (This is the most routine task of the Receptionist).
- \* Answer the phones, receive and transfer calls to staff, and adhere to company policies regarding what can and cannot be shared over the phone.
- \* Maintain the aesthetics of the Reception area, ensuring a clean, organized, and well-stocked environment. Also ensure the overall aesthetic meets our standard of excellence (flowers, etc.)
- \* Manage/maintain the literature at the Literature Display Rack as needed. This means stocking, straightening, and ensuring that only approved literature is on display.
- \* Disseminate information to patients about services, activist opportunities, special events (ticket sales), special circumstances (e.g., a camera crew on the dispensary floor), etc.

## **Patient Services Policies**

### **Aesthetics, Cleanliness, & Organization**

Patient Services Associates are responsible for ensuring the Reception desk, lobby, Patient Services office, and retail lobby always reflect our standards for excellence with regard to cleanliness, organization, and overall aesthetics.

Some examples of what this means:

- \* Counter surfaces are wiped clean and are free of debris.
- \* Signage and calls for activism are neatly and legibly posted at the desk (signage is wiped clean if applicable).
- \* "Fresh flowers" are alive and healthy. If flowers get old and unhealthy, dump the flowers into the kitchen trash, rinse the vase with water (no soap), and leave the rinsed vase on the kitchen counter.
- \* Materials and supplies are stocked to prevent the need for frequent trips away from Reception.
- \* Patient Services Associates must coordinate their activities to ensure that the Reception desk is staffed at all times during business hours. Coordinate with the MOD for any activity that requires you step away from the desk.



### **Stepping Away from Reception**

The Reception Desk is to be covered at all times. If Reception needs to step away momentarily (e.g., restroom break, access the break room, get a drink of water, etc.), another Patient Services Associate will cover Reception until the associate returns. If a new patient arrives during this time, the Reception Associate must immediately return to the Reception Desk so that the new patient can be assisted.

### **Purchasing Limits**

Patients/caregivers are permitted to visit the dispensary no more than two times per day. Per RI law, AECC limits patients' access to marijuana to no more than two (2) ounces of dried medical marijuana either at one (1) time or within a thirty (30) day period. AECC dispenses medical marijuana only to patients who have registered AECC as their specific provider with the Department.

The BioTrackTHC software allows AECC to manage its transactions and track inventory using barcode technology. The patient database and POS functionality of the software allows the tracking of individual patient purchases. All purchases must be tracked to alert staff when purchasing limits have been met. If a staff member attempts to authorize a sale over of the purchasing limit, the POS system will not allow the transaction to take place. AECC maintains strict inventory controls to ensure stocking levels at the dispensary are commensurate with patients' needs and within the limits established by RI law.

### **Visitor Policy**

- \* There will be no unannounced visitors allowed at any time in the building.
- \* There are no unscheduled deliveries of any kind allowed at the building. Employees must inform the General Manager in writing of anticipated date(s) for delivery. The exception to the rule is Fed Ex and UPS for parts deliveries.
- \* Visitors are only permitted in the building between the hours of 11:00am and 7:00pm.
- \* Vendor visits must be scheduled and cleared with the General Manager at least 2 days prior to the visit. Provide the vendor name, employee ID (if applicable), and the anticipated time of the visit.
- \* Employees are not allowed to bring any friend, family member, vendor or associate into the facility unannounced.
- \* Should an employee wish to bring a visitor, a written request must be submitted to the General Manager with a minimum of five days' notice.
- \* In case of emergency repairs, exceptions will be made; please call and email the General Manager with the reason, the company, and the name of the repairperson.
- \* Should locally law enforcement or the RI Department of Business Regulation make an unannounced visit, immediately call the General Manager to announce the arrival and check badges at the front door prior to allowing officers into the reception area.

### **Patient Confidentiality**

HIPAA places strict privacy requirements on all health care providers. AECC ensures these requirements are strictly implemented for protection of electronic patient health. To store required patient records, AECC uses BioTrack Thorofare – an encrypted, secure electronic patient database that is strictly controlled and continually backed up.

Access to the patient database is carefully controlled by the Patient Services Manager and Sales Manager to ensure patient confidentiality at all times. All AECC staff members receive in-house training from the Patient Services Manager on privacy policy and procedures to ensure maintenance of patient confidentiality and proper handling of individual medical data in compliance with HIPAA.

Only authorized employees who have been trained on AECC's privacy and recordkeeping policies and procedures have access to patient records based on specific authorization granted by the Patient Services and General Managers.

A patient record is established and maintained for each qualifying patient who obtains marijuana from the dispensary. All authorized employees are assigned unique ID numbers that are used as their electronic signatures. All entries made to the qualifying patient record is dated (date and time), signed electronically by the authorized employee making the entry and includes the unique employee ID number. A record is kept of all logins and records created or edited during that login time.

Any paper documents that require retention are stored in a locked cabinet with access limited to the Patient Services Manager. Any hard-copy information not stored must be shredded and disposed of in a secure receptacle.

### **Recorded Patient Information**

A unique patient record is established during a qualified patient's first visit to AECC. The record includes the following information:

- \* The qualifying patient's name.
- \* The qualifying patient's date of birth.
- \* The name of the qualified patient's designated caregiver, if applicable.
- \* The qualifying patient's registration identification number and expiration date.
- \* A listing of any patient education and support materials provided to the qualifying patient or patient's designated caregiver, along with the date the information was received by the patient.
- \* A description of the patient education and support materials provided.

In addition, the patient record tracks all medical marijuana dispensed to the patient or designated caregiver, as well as any attempt to acquire medical marijuana that was unsuccessful. The entry for failed attempts to acquire medical marijuana by the patient or designated caregiver includes the date, name and registration identification number of the individual who requested the medical marijuana, and AECC's reason for refusing to provide it.



The patient database also tracks the amounts of all medical marijuana dispensed to ensure that patients purchase no more than two (2) ounces of dried medical marijuana within a thirty (30)-day period.

#### **Department--required Point--of--Sale System**

AECC will contract with BioTrackTHC to develop an electronic verification database that will interface with the Department's point-of-sale system for real time updates (provided functionality of the Department system is sufficient), and reliably implement all mandated transaction information.

Each time a patient or designated caregiver visits AECC, staff will use the Department's system to:

- \* Verify that a qualified patient or caregiver is registered.
- \* Verify at which dispensary a qualifying patient is registered; and
- \* Track the quantity and date of each medical marijuana sale.

#### **Record Retention**

All records must be maintained by AECC for a period of four years and must be made available to the RI Department of Business Regulation upon request. AECC will send records to a secure records storage facility within RI. Records will be readily available to the Department as needed.

#### **Signage Requirements**

AECC complies with RI law, which requires that:

- \* A dispensary posts a sign provided by the Department at its building entrance, in a conspicuous place, which states:
  - \* "Persons under the age of eighteen (18) are precluded from entering the premises unless they are a qualified patient and are in the presence of a parent or guardian;" and
  - \* "Smoking, ingesting or consuming marijuana on the premises or in the vicinity of the dispensary is prohibited. Marijuana shall be used only by the qualifying patient in his or her home, the facility where he or she resides, or a medical facility when receiving medical care for a qualifying medical condition, if permitted by the medical facility."
- \* A dispensary posts a sign provided by the Department that is either visible from the point of entry or the point of sale, which indicates the following:
  - \* The obligation of the qualified patient or caregiver to produce a valid registration card issued by the Department.
  - \* The obligation of the qualified patient or caregiver to produce a valid government issued photo identification document displaying proof of age that matches the name on the registration card.
  - \* The use of medical marijuana may impair a person's ability to drive a motor vehicle, aircraft, or motorboat, ride a bicycle, or operate heavy machinery; and

- \* The sale and use of marijuana and the diversion of marijuana for non-medical purposes, including to a third party, is a crime in violation of state law.
- \* A dispensary posts a sign provided by the Department at all areas of ingress and egress to limited access areas, which reads: "Access to this area is restricted to persons registered with the Department visibly displaying a registration identification card."
- \* A dispensary shall conspicuously post a sign in the area of the dispensary that is accessible to registered patients and caregiver or make a booklet or other document readily available to the dispensary's registered patients and caregivers, containing the current retail prices of all items available for sale within the dispensary.

### **Visibility & Advertising Restrictions**

AECC complies with RI law, which requires that:

A. Advertising Prohibitions (R.I. Gen. Laws §§ 21-28.6-6(g)(8), 21-28.6-12(f)(1)(viii) and 21-28.6-16(b))

1. A licensee may not advertise in a manner which is observed by or targets the general public. All advertising must be restricted to a registered patient audience.
2. In the course of promoting a licensee's brand, medical marijuana or medical marijuana products, a licensee may not advertise or cause any advertising or agent to advertise in a manner that:
  - a. Is attractive to persons under twenty-one (21) years of age;
  - b. Promotes non-medical use;
  - c. Promotes activity that is illegal under Rhode Island law;
  - d. Is contrary to or in direct violation of state or federal consumer protections; or
  - e. Otherwise presents a significant risk to public health and safety.
3. Any advertising by or on behalf of a licensee shall not:
  - a. Contain statements that are deceptive, false or misleading;
  - b. Display images or representations of marijuana plants, marijuana or marijuana products;
  - c. Display the consumption, use or transfer of marijuana or marijuana products;

- d. Include claims related to potency (beyond listing of cannabinoid content);
  - e. Include any prices or the term “sale,” “discount,” “coupon,” “special” or similar terms;
  - f. Depict activities or persons in conditions under the influence of marijuana, including but not limited to operating a motorized vehicle, boat or machinery, or persons who are pregnant or breastfeeding;
  - g. Contain any content that can reasonably be considered to target individuals under the age of twenty-one (21), including but not limited to images of persons under twenty-one (21) years of age, cartoons, toys or similar images and items typically marketed towards persons under twenty-one (21) years of age or references to products that are commonly associated with persons under twenty-one (21) years of age or marketed to persons under twenty-one (21) years of age;
  - h. Contain any imitation of candy advertising;
  - i. Include the term “candy” or “candies”;
  - j. Encourage the transportation of marijuana or marijuana products across state lines or otherwise encourage illegal activity;
  - k. Assert that marijuana or marijuana products are safe because they are regulated by DBR or have been tested by a testing facility or otherwise make claims that any government agency endorses or supports marijuana;
  - l. Make claims that marijuana has curative or therapeutic effects;
  - m. Contain any health or physical benefit claims, including but not limited to health or physical benefit claims on labels or packaging; or
  - n. Contain material that encourages excessive or rapid consumption.
4. No licensee or agent of a licensee may:
- a. Make any deceptive, false or misleading assertions or statements on any informational material, any sign or any document provided to a patient, registered caregiver or authorized purchaser;
  - b. Distribute handbills in public areas or on publicly owned property;
  - c. Advertise within the prohibited distance of one thousand (1,000) feet (or such greater distance if prescribed by the municipality in which the



advertising is located) of the property line of an existing public or private school;

d. Advertise on television, radio, or print media;

e. Advertise in any manner that is viewable or can otherwise be perceived in a public space, including but not limited to billboards, bus wraps, benches, adopt a highway signs, or any format that may be viewable from roads or walkways;

f. Engage in advertising via marketing directed towards location-based devices or electronic devices, including but not limited to cellular phones, unless the marketing is a mobile device application targeted to a registered patient audience and not a public audience, and that is installed on the device by the owner of the device who is a registered patient and includes a permanent and easy opt-out feature;

g. Engage in any form of advertising which promotes application or enrollment into the program or the services of the practitioner or any other party which facilitates patient registration; or

h. Permit use of the licensee's trademarks, brands, names, locations or other distinguishing characteristics for third-party use on advertising in a manner that does not comply with § 1.10 of this Part or any other statute, rule or regulation.

5. In the event a third party has used a licensee's brand, trademark, brand name, location or other distinguishing characteristics in an advertisement that does not comply with § 1.10 of this Part or any other statute, rule or regulation, the licensee must immediately notify DBR and issue a cease-and-desist notice to such third party.

#### B. Digital, Electronic and Web-based Advertising

1. In addition to complying with the advertisement criteria and prohibitions outlined above, a licensee advertising on a digital, electronic or web-based platform must:

a. Utilize appropriate measures to ensure that individuals visiting the platform are over twenty-one (21) years of age and are authorized to use and/or purchase listed products. If appropriate measures to ensure that individuals visiting the platform are over twenty-one (21) years of age are not available, the licensee shall not advertise on such a platform.



- b. Not utilize unsolicited pop-up or banner advertising on the platform other than on age-restricted websites for people twenty-one (21) years of age and over who consent to view marijuana-related material.

#### C. Required Statements on all Advertising

1. A licensee must include the following statements on all advertising regardless of the medium:

- a. "For use only by qualified patients"; and
- b. The license number of the licensee.

#### D. Objectionable and Non-Conforming Advertising

1. DBR reserves the right to take action, including the use of enforcement measures, against any licensee who fails to comply with the advertising provisions of this Part, including, without limitation, specifying a period of time by which the licensee shall cease the non-compliant advertising and remove any advertising still being published or displayed.

- \* A dispensary NOT permit medical marijuana or paraphernalia to be visible from any property not owned by the dispensary.
- \* Advertisements relating to the prices of medical marijuana NOT be displayed in the windows of the establishment.
- \* Advertisements relating to medical marijuana NOT be displayed on the exterior of any window, or on the exterior or interior of any door.
- \* No sign advertising medical marijuana on the exterior (or visible from the exterior) can be illuminated at any time.

#### **Prohibited Statements**

In accordance with RI law, AECC will:

- \* Not use any picture or illustration that depicts a child or immature person, or objects (such as toys), suggestive of the presence of a child, and any statement, design, device, picture, or illustration designed to be especially appealing to children or immature persons.
- \* Not put forth any statement that is known by the dispensary to be false or misleading with respect to advertised price charged to the qualified patient, ingredients of medical marijuana, source of manufacturer, or statements as to health benefits.
- \* Not put forth a statement that encourages the use or purchase of medical marijuana without a registration identification card.

### **Outdoor Lighting Requirements**

AECC complies with RI law which requires a dispensary, for security purposes, to have sufficient lighting outside of the registered business each day between sunrise and sunset that adequately illuminates the facility and its immediate surrounding area, including storage areas, parking lots, entry areas such as the front façade, and any adjoining public sidewalk. Outdoor lighting must be hooded or oriented so as to deflect light away from adjacent properties.

### **Patients Breaking the Rules**

One of the roles of the Patient Services MOD is to talk with patients when they break any rules to ensure that first, they understand the rule, and second, that they return to giving their full cooperation. Refer all patients to the MOD.

### **Unruly Patients**

Company policy is that no form of loud or offensive speech is permitted on our premises, especially if it is aggressive or threatening. Each member of the Patient Services management team, in tandem with the Security team, will be on the front lines of dealing with such patients from time to time. All department managers have been instructed that if they are faced with an unruly or abusive patient, they should contact the Patient Services MOD and Security.

## **Laboratory Testing of Medical Marijuana**

### **Atlas Enterprises INC. Compassion Center Laboratory Analysis Program**

AECC is committed to ensuring that only the highest-quality medicine is made available to patients. To meet this commitment, AECC intends to work with registered cultivation centers to ensure that their product has undergone sufficient quality control measures including laboratory testing. AECC will ensure that all medicine accepted for resale to patients has undergone laboratory analysis for potency evaluation and safety screening.

AECC has determined that prior to any sale of medicine, the following tests must be performed by a registered cultivation center, or an independent laboratory should RI regulations change in the future to allow such facilities:

#### ***Potency and Cannabinoid Profile***

True profiling emphasizes potency and cannabinoid identification. The marijuana plant contains fifteen different identified cannabinoids. Cannabinoids are one class of chemical compounds that produce physiological and behavioral effects. The principle active cannabinoids include:

- \* Tetrahydrocannabinol acid (THCA) - The most prevalent cannabinoid produced in marijuana plants. It is having numerous medicinal qualities, including anti-inflammatory, anti-spasmodic and anti-cancer properties. However, most heating methods commonly used for ingesting marijuana destroy the THCA (and most other acid forms of the cannabinoids).

- \* Tetrahydrocannabinol (THC) - The primary psychoactive component that eases pain and is neuroprotective. It forms when THCA is heated through combustion or vaporization, or by heating raw flowers for infusion into alternative dosage products.



\* Cannabidiol (CBD) - Effective in relieving anxiety, inflammation, and nausea, but is not particularly psychoactive. Studies have shown that higher CBD-to-THC ratios result in less intense undesirable psychoactive effects. Currently there are five known high-CBD strains certified by both Sensi® Seeds and Project CBD Association and are considered low to non-euphoric.

\* Cannabinol (CBN) - The primary byproduct of THC. High levels indicate that marijuana is old and has not been properly stored.

Most marijuana testing laboratories analyze only three cannabinoids: (THC), cannabidiol (CBD) and cannabinol (CBN). Educated dispensaries and cultivation centers will measure all 15 important cannabinoids, starting with the above and adding many others. For example, the cannabinoid THCV is under study to treat type II diabetes, metabolic disorders and epilepsy. THCA and CBDA both have potential for use in analgesia and for treatment of prostate carcinoma.

## **Reception**

### **Accessing the Dispensary**

In accordance with RI law, AECC refuses to sell medical marijuana to any person who fails to produce both a valid Registration ID Card issued by the Department AND a valid government issued photo identification document displaying proof of age that matches the name on the Registration ID Card.

All new and existing patients must present two forms of identification every time they enter the dispensary:

\* Valid, unexpired Patient or Caregiver Registration ID Card, issued by the State of Rhode Island RI Department of Business Regulation, with AECC identified as the patient's authorized dispensary.

\* Valid, unexpired government-issued photo ID document displaying proof of age that matches the name on the Registration ID Card. This will generally be a RI-issued Driver's License or DMV-issued ID card. If neither of those are available, another form of photo ID may be accepted, but only with approval of the Patient Services Manager and only if the ID has been issued by a government agency and contains a photo, date of birth and an expiration date.

There can be NO exceptions made regarding the requirements for entry.

### **Returning Patients Check--In**

To gain access to the dispensary, upon entry all returning patients/caregivers show their State of Rhode Island Department- issued Registration ID Card and a government-issued photo ID.

The Receptionist then verifies the patient's database record information paying close attention to the Notes field and, if everything is in order, admits the patient and checks them in to the system.

All new patients must go through New Patient Orientation. There are no exceptions. If New Patient Orientation is busy, the patient will need to wait until the office is available.

### ***How to Check in a Patient***

When checking in returning patients, be sure to include the following:

1. Greet the patient warmly (e.g., “Hello! Welcome back!” or “Hi, how are you doing today?”)
2. Ask for the patient’s RI Department-issued Registration ID Card and government-issued photo ID. (Frequently returning patients will most likely automatically hand you their documentation.) Be sure that “AECC” is identified on the card as the patient’s authorized dispensary.
3. Update the patient’s record as needed and check the patient in to the BioTrackTHC Patient Database.

### **New Patient Orientation**

When a new patient comes into the dispensary for the first time, they are led through the following process:

#### **Step 1: Greeting**

New patients are greeted by a Patient Services Associate, who explains to them that before they can access the dispensary services, they will need to be registered. The new patient is brought into the Patient Services office and offered a seat.

Remember that the primary job of a Patient Services Associate, no matter what role you’re fulfilling in any given moment, is to make each patient feel welcome and part of something special. Whenever possible, when a new patient is announced and you are working in the Patient Services office, greet the patient at the main entrance, extending the following:

- \* A smile and a handshake
- \* A verbal “welcome” to AECC
- \* Politeness, attentiveness, and courtesy
- \* Eye contact when talking and especially when listening

If Patient Services isn’t available when the patient enters the dispensary, Security and/or the Receptionist will ask them to have a seat on one of the designated chairs and wait for someone to help them.

#### **Step 2: Ask for Required Documentation**

The Patient Services Associate asks the patient for their government-issued photo ID card (with the patient’s age) and Department-issued Patient or Caregiver Registration ID Card. If they do not have a Registration ID Card, or if their ID Card does not have AECC listed as their authorized dispensary, give them a brief overview of the process for updating or acquiring a Registration ID Card from the State of Rhode Island RI Department of Business Regulation. Let the patient know he or she will need to receive a new Registration ID Card before accessing the dispensary’s services.

Instruct the patient to visit the RI Department of Business Regulation website for detailed information. The web address is <https://dbr.ri.gov/divisions/medicalmarijuana/>



Be sure to thank the patient for coming in and let them know you look forward to serving them once they've received their Registration ID Card.

### **Step 3: Explanation of Registration Process**

The Patient Services Associate explains to the new patient the registration process and very briefly explains what is included in the welcome package. That explanation goes something like this:

- \* Registration Form: By signing this piece of paper you become a patient of the dispensary so we can do business together. You are also agreeing to abide by the rules of the dispensary.
- \* Patient Registration Form: Instruct the patient to complete, sign, and date the Patient Registration Form.
- \* Caregiver Registration Form (if applicable): Caregivers fill out the Caregiver Registration Form instead of the Patient Registration Form. This form is identical to the Patient Registration Form, but it has space for both the caregiver and patient information. The requirements are identical to the Patient Registration Form.
- \* Dispensary Rules: Explain that the rules are common sense guidelines to help us be good ambassadors of the medical marijuana movement. Take a moment to point out the following rules on the Dispensary Rules sheet for extra emphasis:
  - \* No diversion of medicine (giving away, reselling, etc.). Doing so will result in suspension of services and reporting the patient to the State of Rhode Island RI Department of Business Regulation.
  - \* No cell phone use inside the dispensary or on the grounds (including texting, calling, email, etc.). Place it on vibrate. If your phone accidentally rings, silence it, and put it away again.
  - \* No weapons in the dispensary. If you have a weapon, inform security when checking in. They will hold the weapon for you until you leave the dispensary.
- \* Ask the patient to read the rules carefully so you can answer any questions.
- \* Mission Statement: This is our promise to you and all of our patients.
- \* Welcome Letter: This is a welcome letter from the president of the company that explains what we are all about.
- \* Laboratory Testing Program: This provides information about our Laboratory Testing Program, which we will explain at length during the dispensary tour.
- \* Patient Survey: Ask the patient to complete the Survey on the back of the Patient Registration form to help us make internal improvements.

### **Step 4: Enter Patient Information into Database**

While the patient reviews/completes the package, the Patient Services Associate enters the patient's information into the BioTrackTHC patient database, referencing the patient's Registration ID Card.

### **Step 5: Conduct New Patient Orientation Tour**

Ask the patient if they have any questions so far and then let them know you will be taking them on a tour of the dispensary. Complete the dispensary tour while explaining the purchasing process and our expectations from them. Refer to the New Patient Orientation Tour Checklist.

### **Step 6: Conclude New Patient Orientation**

After the tour is completed, ask the patient if they have any additional questions, thank them, welcome them again, and let them know they may now utilize the dispensary facilities and purchase medicine if they so choose. Remind them that the next time they come into the dispensary; they will simply check in with Reception.

## **Patient Education & Services**

### **Patient Handbook**

Each patient and caregiver who registers at AECC will receive a copy of our Patient Handbook. The contents of the Handbook will be reviewed in detail with every patient during the patient orientation, which will occur after they are verified as a qualified patient. The Patient Handbook contains a wide variety of topics that aim to:

- \* Educate patients about AECC, including dispensary rules and regulations to abide by, local laws, and dispensary services and facilities.
- \* Give them basic knowledge of medicinal strains, methods of administering medical marijuana, research studies on health effects and the laboratory testing program; and
- \* Provide resources for additional study.

AECC staff members are committed to providing patients accurate information on the health effects of medical marijuana. AECC is committed to monitoring medical marijuana research to ensure that patients have the most accurate information related to the health effects of medical marijuana, and that the content contained in the Patient Handbook is accurate and up to date.

### **Lending Library**

AECC maintains a well-stocked lending library with up-to-date books and DVDs describing the science and medicine of marijuana.

There are multiple reference copies of the publication, "Marijuana as Medicine? The Science Beyond the Controversy," by Alison Mack and Janet Joy, published in 2000 by the Institute of Medicine (IOM). AECC will ensure there are always enough copies on hand to fulfill the needs of new and existing patients. The Patient Handbook informs patients that this publication is available to them.

### **Published Materials**

AECC also provides educational materials from Americans for Safe Access (ASA). ASA has compiled a number of educational booklets covering a range of medical conditions and the



efficacy of medical marijuana in treating these conditions. Each booklet contains the following sections:

- \* Why Marijuana is Legal to Recommend
- \* Overview of the Scientific Research on Medical Marijuana
- \* Research on Marijuana and specific condition addressed by booklet
- \* Comparison of Medications: Efficacy and Side-Effects
- \* Testimonials of Patients and Doctors
- \* History of Marijuana as Medicine
- \* Scientific and Legal References

These booklets are concise summaries for the administration of, and current research on, the application of medical marijuana in treating associated conditions. They contain clinical as well as anecdotal evidence on the efficacy of medical marijuana treatments and include citations of relevant research materials for further reading. These booklets are available to all patients free of charge.

Booklets will be available for these specific conditions:

- \* Gastrointestinal Disorders and Medical Marijuana
- \* Chronic Pain and Medical Marijuana
- \* Multiple Sclerosis and Medical Marijuana
- \* Cancer and Medical Marijuana
- \* Arthritis and Medical Marijuana
- \* Movement Disorders and Medical Marijuana
- \* Aging and Medical Marijuana
- \* HIV/AIDS and Medical Marijuana

#### **Atlas Enterprises INC. Compassion Center Services**

AECC places a high emphasis on counseling and education in addition to safe and responsible provision of medical marijuana. AECC has prepared ample information (found in the Patient Handbook) to help patients understand their rights, the industry, and how to choose products appropriately and understand how to use them effectively.

Other than services directly related to the provision of medical marijuana and increased membership numbers, AECC also provides a wide range of other services designed to help patients succeed in facing their potentially debilitating conditions. Many programs and services are available at no charge. The list includes workshops, support groups, classes and other programs as part of the Integrated Medical Marijuana and Counseling (IMMAC) Protocol.

## **IMMAC Protocol**

Patient and Caregiver education and counseling at AECC is a living, constant process, and much more than distributing informative literature on medical marijuana. Patient education at AECC is highly individualized, allowing each patient to realize the most benefits for their particular condition and life situation.

## **Supportive & Healing Services**

In addition to providing medical marijuana products, AECC offers a variety of services and classes designed to help patients heal and maintain a healthy lifestyle. Our patients suffer from a wide range of conditions, including, but not limited to, cancer, anorexia, AIDS, and glaucoma. Yet all patients desire alternative approaches to their healing, pain management and wellness. Educational materials and classes are provided that are designed to support patients in their quest for optimal health and wellness. AECC's patient services are offered free to patients—no fees are ever charged. Nor is there any obligation to purchase medical marijuana to qualify for these services.

AECC's workshops, support groups, classes and other programs include, as described below:

- \* Chiropractic
- \* Yoga
- \* Natural Healing
- \* Cooking Classes
- \* Nutrition Classes
- \* Art and Music Therapy
- \* Additional Substance Abuse and Mental Health Counseling
- \* Resource Services (referrals for a wide variety of essential life, social and economic services)

### ***Chiropractic Therapy***

Chiropractic therapy has been shown to minimize patient discomfort and improve vitality through adjustments to the patient's joints that increase range of motion and improve nervous system function. This therapy is commonly used to address sports-related injuries, headaches, back problems, and other conditions causing chronic muscle and joint pain.

### ***Yoga***

Yoga has resulted in improved health outcomes for its practitioners for thousands of years. By integrating mental, spiritual, and physical disciplines, patients who perform yoga at various levels often report feeling stronger and more flexible, suffering from fewer acute illnesses and generally being more relaxed.

### ***Natural Healing***

The practice of natural healing helps patients return to and maintain a natural internal balance. Through careful and comprehensive assessment of the patient's habits and overall health (via such means as pulse monitoring, visual assessment, in-depth questioning about individual bodily



habits), the natural healing practitioner develops a plan for changes to the patient's diet and lifestyle and guides the patient through regular supportive communication as he/she implements the plan and regains balance.

### ***Nutrition Classes***

Proper nutrition is critical to patients' overall health and wellness. A range of classes and information will be provided to ensure that patients are aware of and are satisfying their daily nutritional requirements based on their individual circumstances, are able to accurately interpret nutritional information and are prepared to make healthful choices about the quality of the foods they consume.

### ***Art and Music Therapies***

Art and music therapies help patients to channel detrimental emotional stress by providing access to new forms of self-expression such as drawing, sculpting, painting, singing and playing instruments. Patients often find their participation in these activities results in relaxation, decreased stress caused by negative emotions, and improvement in their overall mental health.

### ***Resource Services***

Patients often require a range of services aimed at ensuring their most basic needs are met as they pursue treatment. Through relationships with community partners, patients will have access to food banks, clothing programs, transportation supports, housing assistance, utility assistance, document retrieval support (e.g., birth certificate, Social Security card, State I.D.) and support in accessing public benefits.

### **Patient Activist Resource Center**

AECC encourages patients to participate in activities to promote safe access to medical marijuana and facilitates patient involvement in this process by providing an area within the dispensary where patients can use online forms and paper templates to write letters and make phone calls to educate key audiences about medical marijuana policy. AECC also incentivizes participation by providing patients who volunteer an hour or more of their time with a free gift, receipt of which is tracked in each patient's record and monitored in accordance with patient purchasing limits.

### **Compassion Program**

We believe strongly in an individual's right to personal health empowerment through access and knowledge. To support this mission, AECC will provide access to medicine and alternative healing services for disabled, terminally ill and fixed/low-income patients, regardless of financial status. We will also provide educational materials designed to help members better understand how to meet their needs to support their quest for optimal health.

Our clientele suffers from a wide range of conditions, including cancer, AIDS, glaucoma, and PTSD. Yet all share a common desire to be proactive in their healing process, health, and pain management through alternative means. We wish to help them however we can.

In order to be considered for the program, patients must be a registered patient in good standing and complete a Compassion Program registration form. This form will help AECC staff

determine whether the patient qualifies for the program and to what extent they require assistance. Patients will be required to show documentation of their financial status before being approved.

All Compassion Program members will be required to adhere to the AECC's Membership Agreement and Code of Conduct. Membership in the program will be renewed every six months.

## **Managing Healing Services**

### **Intake Forms**

As a requirement for utilizing any of our Healing Services, patients must first fill out an Intake Form on or before their first appointment. This is a one-time only requirement.

As part of the Patient Services Opening Duties, the database record of each patient who is scheduled for an appointment that day is checked to determine whether they have already filled out an Intake Form.

If a patient has not yet filled out a form, a note should be added to the "Notes" field of their database record so that the Receptionist can give them a form to fill out when they arrive. The patient gives the completed form to the Healer, not the Receptionist.

Blank Intake Forms are in the Reception cabinet drawer directly under the Patient Services printer.

### **Healing Services Appointments**

Healing Services appointments can be made with the Receptionist. Each healing service has varying scheduling limitations.

1. Click on the Healing Services tab.
2. Click on the Find an Appointment button.
3. Select the service the patient is interested in.
4. Enter the appropriate search criteria and click on the Search button.
5. Review the results with the patient.
6. Click on "Book Service Provider" link next to desired appointment or click Add to Waitlist.
7. If booking an appointment:
  - Select the desired appointment block.
  - Pull up the patient's record.
  - Confirm the details of the appointment with the Patient and Click the Book Appointment button.
8. If adding a patient to the waitlist:
  - Pull up the patient's record.
  - Click on their name in the resulting list.



## **Patient Services Secondary Duties**

### **Summary of Secondary Duties**

When Patient Services Associates aren't checking in returning patients, registering new patients, or conducting tours for new patients, there are a number of secondary duties that are performed.

#### ***Maintain the Patient Services Office***

Maintain the Patient Services Office & Information, including general cleanliness and organization, Inbox management, the Patient Registration Binder, the Filing Cabinet, etc.

- \* **Inbox:** Place in the inbox all completed Patient Registration Forms that have already been entered into the patient database. At the end of the night, these forms are moved to the "Patient Registration Binder. There is a Red Folder in the inbox that is used to hold photocopies of Medical Recommendation Forms for Pending Verifications.
- \* **Patient Registration Binder:** When the Patient Registration Binder fills up, all Patient Registration Forms are removed and given to upper management for permanent storage. To ensure legal compliance, these forms are never thrown away.
- \* **Filing Cabinet:** The Patient Services office filing cabinet contains a "Lost & Found" folder and a folder for each Healing Service (one for Yoga, one for Acupuncture, etc.)
- \* **Lost & Found:** If a patient leaves an ID card, call the patient, update their patient database entry, and place the card in the secure Lost & Found folder. When the patient returns, the Receptionist will see the note in their patient record.

#### ***Maintain the Reception Area and Dispensary Floor***

Maintain the Reception area and dispensary floor by straightening/arranging the carpets and line dividers, picking up litter, arranging anything that's out of place, and keeping the overall feel and visual experience of the dispensary in line with the organization's standards for excellence.

#### ***Assist Priority Service Patients***

Assist Priority Service Patients as needed, including ensuring priority placement in the Reception and sales lines.

#### ***Prepare Patient Packages***

Prepare Patient Packages, including the following:

- \* Highlight the required fields in the Patient Registration Form.
- \* Print the survey on the back of the registration form (to save paper).
- \* Collate the Patient Registration Form with the Patient Package and Laboratory Analysis sheet.





# Inventory Department Operations Manual (Abridged)

## **Introduction**

The Inventory Department is responsible for four main functions within the dispensary:

- \* Inventory and Cash Control
- \* Purchasing and Receiving Medicine and Non-Medicinal Products
- \* Quality Control
- \* Inventory and Sales Reporting

The Inventory Department Operations Manual contains detailed policies and procedures related to the fulfillment of the above responsibilities.

## **Department Overview**

### **Role of the Inventory Department**

The Inventory Department is responsible for four main functions within the dispensary:

- \* Inventory and Cash Control
- \* Purchasing and Receiving Medicine and Non-Medicinal Products
- \* Quality Control
- \* Inventory and Sales Reporting

### ***Inventory and Cash Control***

The Inventory Department is responsible for the storing, tracking, counting, and safekeeping of cash, medicine, and other dispensary products. All medicine is stored within the Inventory Department until it is sold to our patients. All cash is also stored within, and managed by, the Inventory Department.

Every morning before the dispensary opens, the Inventory Department determines which medicines and products and how much of each should be available at the Sales Counter. Those amounts are then sent out to the Sales Counter. Cash drawers are assigned to sales registers and are counted and reconciled at various points throughout the day.

The Inventory Department is also responsible for investigating and reporting all mysterious loss or disappearances and ensuring mysterious loss and/or disappearance is kept at or below normal retail industry standards. All loss and/or disappearance must be reported to the Security Manager to determine whether an Incident Report is required based on Department requirements and RI law.

Purchasing and Receiving Medicine and Non-medicinal Products

The Inventory Department is responsible for deciding which products the dispensary should purchase from cultivation centers, then ordering, verifying, and receiving those orders. Product selection requires extensive knowledge of marijuana strains, quality indicators, and specific patient and dispensary needs.

### ***Quality Control***

The Inventory Department is responsible for the content and quality of all products sold or dispensed by the dispensary and will inspect all medicine upon receipt through storage and ultimately sale or disposal.

The department must be rigorous when enforcing quality control standards to ensure medicine that does not meet quality standard is not provided to patients.

### ***Inventory and Sales Reporting***

The Inventory Department is responsible for all inventory and sales related recordkeeping and Department-required reporting. Refer to the Reporting Requirements section for details.

### **Inventory Oversight**

AECC has designated the Inventory Manager to provide oversight of the inventory control system. The Inventory Manager supervises the inventory staff to ensure that all daily tasks are completed accurately. The Inventory Manager is responsible for the conducting inventory counts and is responsible for the physical movement of inventory and cash, as well as the tracking and recording of that movement. AECC will also implement a secure chain of custody system, whereby anytime medicine is transferred from one staff person to another, the medicine must be weighed, and each party to the transfer must sign off on the weight. Strict documentation that details each transfer point of medicine from ordering and receiving to sale or disposal will be kept.

The Inventory Manager will conduct and document an audit of the dispensary's inventory once every thirty (30) calendar days, in compliance with generally accepted accounting principles. If any material reduction in the amount of medical marijuana in the dispensary's inventory occurs, AECC will determine where the loss has occurred, then take and document corrective action. If the reduction in the amount of medical marijuana in the dispensary's inventory is due to suspected criminal activity by an employee, AECC will report the employee to local law enforcement within twenty-four (24) hours of becoming aware of the theft or loss.

### **Typical Day in Inventory**

A typical day in the Inventory Department begins hours before the dispensary opens. The main pre-opening tasks of the Inventory staff are:

- \* Build the board based on instructions from the Inventory Manager (see the section titled, "How to Build the Board")
- \* Ensure all display shelves are accurately and neatly labeled, creating new labels and Sale! labels as needed.
- \* Reconcile the previous day's cash tills and prepare new tills for the upcoming day.



All of the above must be done quickly and efficiently in order to get the product on the Sales Floor in time for the Sales staff to set up the Sales Counter prior to the dispensary open time. The Inventory staff must be hyper-aware of the “ticking clock” and extremely focused to avoid mistakes in order to get everything done in time.

During the dispensary’s open hours, the Inventory staff spends their time doing the following:

- \* Responding to radio calls from the Sales Department to fulfill patient requests
- \* Counting tills as they come back from the Sales Counter
- \* Securing tills of Sales staff on break
- \* Making change for the cash tills
- \* Restocking items that have been high sellers (preferably restocking them before they are requested by the Sales Floor)

Once the dispensary is closed, the Inventory staff ensures that all product and cash is securely stored in the proper locations.

### **The Importance of Service**

Medical marijuana dispensaries are different than other retail industries in the sense that it requires a high degree of sensitivity to individual patient needs.

A few ways in which we as an organization ensure this sensitivity and care are:

- \* Patients Are More Important than Staff Conversations. If a patient approaches you in the dispensary, all employee conversations stop IMMEDIATELY, and the patient’s needs are attended to. This ensures patients feel absolutely cared for and never like they are “interrupting” a staff member.
- \* Kindness, Warmth, & Focus. Ensure all patients get treated with kindness, warmth, and focused attention.
- \* Actively Listening. Listen to patients very carefully so that you can determine their individual needs.
- \* Knowledge of the Medicine. Have extensive knowledge of the medicine and constantly further that knowledge through personal study and research.
- \* Separate Work & Personal Life. Maintain separation of your personal and work lives so that you are calm and focused for patients.
- \* Treat fellow staff members with the same respect and compassion with which you treat patients.

### **Continuous Improvement**

There are a number of tasks within the Inventory Department that are fairly straightforward. For instance, making change, printing labels, restocking bins on the inventory cabinet racks, etc. There are other tasks that are not as straightforward. Inventory Associates must continuously

work on these skills throughout their employment in the Inventory Department. The skills that Inventory Associates must continue to develop and focus on improving over time are:

- \* Getting faster at counting bills
- \* Accurately reconciling tills
- \* Quickly responding to Sales Floor item calls
- \* Absolute accuracy in data entry and reconciliation tasks (inventory control)
- \* Carefully accounting for and minimizing all shrinkages

### **Inventory Department Admin**

#### ***Hours & Scheduling***

The Inventory Department is open every day that the dispensary is open, however the busiest days are after a heavy delivery day and prior to heavy sales days. Generally speaking, Thursday is busy in anticipation of heavy Friday sales, and Friday is busy in preparation for heavy weekend sales.

The Inventory Department opens before the dispensary opens. The department closes after the dispensary closes, but not until all Sales POS stations have been closed out for the day and all cash tills have been delivered to the Inventory Department.

#### ***Breaks & Lunches***

The Inventory Department adheres to the break policies as set forth in the Company Employee Handbook.

The Inventory Department Manager on Duty will determine and execute the daily break schedule according to policy and the needs of the department and employees. The Manager on Duty will communicate the break schedule each morning at the Inventory Opening Meeting.

#### ***Inventory Opening Meetings***

Upon arrival each morning, the Inventory Department staff will check in with the Manager on Duty to get an idea of what the day will look like, what the priorities are, etc. Examples of what might be covered are as follows:

- \* General summary for the day
- \* Discussion of medicine that's just come in
- \* Trivia on the medicine
- \* Status of supplies
- \* Policy and procedural changes
- \* Break schedule for the day
- \* Provide positive feedback to each other to start the day out right



## **Product Safety**

See the Product Safety section of this document for details about operational procedures and policies for Product and Food Safety, Handwashing and General Cleanliness Procedures.

## **Laboratory Testing of Medical Marijuana**

### **Atlas Enterprises INC. Compassion Center Laboratory Analysis Program**

AECC is committed to ensuring that only the highest-quality medicine is made available to patients. To meet this commitment, AECC intends to work with registered cultivation centers to ensure that their product has undergone sufficient quality control measures including laboratory testing. AECC will ensure that all medicine accepted for resale to patients has undergone laboratory analysis for potency evaluation and safety screening.

AECC has determined that prior to any sale of medicine, the following tests must be performed by a registered cultivation center, or an independent laboratory should State regulations change in the future to allow such facilities:

#### ***Potency and Cannabinoid Profile***

True profiling emphasizes potency and cannabinoid identification. The marijuana plant contains fifteen different identified cannabinoids. Cannabinoids are one class of chemical compounds that produce physiological and behavioral effects. The principle active cannabinoids include:

- \* Tetrahydrocannabinol acid (THCA) - The most prevalent cannabinoid produced in marijuana plants. It is having numerous medicinal qualities, including anti-inflammatory, anti-spasmodic and anti-cancer properties. However, most heating methods commonly used for ingesting marijuana destroy the THCA (and most other acid forms of the cannabinoids).
- \* Tetrahydrocannabinol (THC) - The primary psychoactive component that eases pain and is neuroprotective. It forms when THCA is heated through combustion or vaporization, or by heating raw flowers for infusion into alternative dosage products.
- \* Cannabidiol (CBD) - Effective in relieving anxiety, inflammation, and nausea, but is not particularly psychoactive. Studies have shown that higher CBD-to-THC ratios result in less intense undesirable psychoactive effects. Currently there are five known high-CBD strains certified by both Sensi® Seeds and Project CBD Association and are considered low to non-euphoric.
- \* Cannabinol (CBN) - The primary byproduct of THC. High levels indicate that marijuana is old and has not been properly stored.

Most marijuana testing laboratories analyze only three cannabinoids: (THC), cannabidiol (CBD) and cannabinol (CBN). Educated dispensaries and cultivation centers will measure all 15 important cannabinoids, starting with the above and adding many others. For example, the cannabinoid THCV is under study to treat type II diabetes, metabolic disorders and epilepsy. THCA and CBDA both have potential for use in analgesia and for treatment of prostate carcinoma.

### ***Mold Testing***

Marijuana samples frequently contain mold and fungus, although rarely in concentrations high enough to render the medicine unsafe. However, molds can cause disease and mold allergies are a serious concern to any patient, especially to HIV/AIDS and cancer patients, and other patients with compromised immune systems. Understanding which levels are considered harmful is critical.

Tests for mold and fungi are recommended in the analysis of flowers and any concentrates to detect the presence of mold, fungus and their byproducts. Using industry standards and established guidelines, registered cultivation centers must ensure that medical marijuana does not contain mold, fungi, or mycotoxins at levels that are considered unsafe for consumption. Testing at this level will prevent the exposure of seriously ill patients to dangerous levels of molds, fungi and byproducts.

### ***Pesticide Testing***

Tests must be performed to measure the presence of hundreds of pesticides. Exposure to pesticides can cause patients with serious medical conditions significant harm and can counteract existing pharmaceutical medicine treatments. Testing for pesticides is the best way to regulate the use of toxic chemicals and provide patients with a safe, clean product. To fully test pesticides with any level of detection, laboratories have switched to high-performance liquid chromatography/mass spectroscopy or HPLC/MS.

AECC will require that all medicine received from cultivation centers be labeled with a list of all chemical additives, including but not limited to non-organic and organic pesticides, herbicides and fertilizers that were used in the cultivation and production of the medical marijuana. AECC will determine if the chemical additives used for cultivation are considered unsafe for consumption.

### **Publishing Test Results**

Patients are able to access the testing results of the medicine in three ways:

- \* Labels in the display cases
- \* Labels on products
- \* Book of complete test results

Labels include percentages for THC and CBD and are posted in the medicine display cases, as well as fixed to the product (as required by RI law). A book containing complete spectrometry reports for each product is available at the service counter for those patients who desire more detailed analytical results.

## **Packaging & Labeling**

### **Packaging**

The BioTrackTHC system records each item purchased on every order. Once medical marijuana is received into the dispensary inventory from the cultivation center, the package ID and associated batch number remain with that unit of inventory and are printed on the packaging



label affixed to the selling unit distributed to the patient. In addition to required content, all packaging will indicate analytical laboratory test results and sativa/indica ratios.

Per Department regulations, AECC expects that medical marijuana received from registered cultivation centers will be pre-packaged in sealed containers that cannot be opened without obvious damage to the packaging in the following sellable units: one ounce, .125 ounce and 1 gram.

Additionally, all edible products received from registered cultivation centers are expected to be delivered in an airtight, tamper-evident, opaque, food-grade plastic pouch. Liquid products are expected to be packaged in sealed bottles based on grams and milligrams; solid concentrates will also be weighed and packaged by gram.

Prior to acceptance of an order, AECC must inspect all products received by registered cultivation centers to ensure packaging meets all requirements. Any product determined to be improperly packaged will be refused (or if already received, returned to the cultivation center); documentation indicating return of the product will be maintained within GramTracker™.

Once purchased by a patient, all packaged medical marijuana products will be placed in an additional sealed container (opaque sealed bag) for transport. This packaging will be affixed with an additional label that contains:

- \* The dispensing date the medical marijuana was transferred to the qualifying patient or caregiver; and
- \* The qualifying patient's name and registration ID number.

### **Product Labels**

The BioTrackTHC software has a configurable label program enabling AECC to provide and print information directly from the software (see example below). Therefore, a wide variety of elements can be printed from inventory listings including all information that is required by state law - Section 5607 of the Rules. AECC ensures that all medical marijuana products received from a cultivation center include the following information on the labels, which are legible and firmly affixed to the package:

- \* The name of the cultivation center where the medical marijuana was produced.
- \* The quantity of medical marijuana contained within the package.
- \* The cannabinoid profile of medical marijuana contained within, including THC level.
- \* Any ingredients other than marijuana contained within, listed from the most abundant to least abundant. If the product is ingestible, potential food allergies (milk, eggs, fish, shellfish, nuts, wheat, and soybeans) will also be identified.
- \* A statement that the product is for medical use and not for resale or transfer to another person.
- \* A warning that reads: "This package contains marijuana. The marijuana is intended for medical use solely by the patient to whom it is sold. Any re-sale or re-distribution of the medical marijuana to a third person is prohibited."

\* The following verbatim warning: "There may be health risks associated with the ingestion or use of this product. Please consult your physician if you have any questions or concerns."

\* A list of all chemical additives, including but not limited to inorganic and organic pesticides, herbicides and fertilizers used in cultivation/production.

In addition to the label generated by the cultivation center, AECC will affix an additional label to individual medical marijuana purchases that contains the following information:

\* The name of the dispensary where the medical marijuana was dispensed.

\* The name of the patient's recommending physician.

\* The dispensing date that the medical marijuana was transferred to the qualified patient or caregiver; and

\* The qualifying patient's name and registration card number.

The labels used at AECC Cultivation will not contain any false or misleading statements and/or designs, nor will they contain any seal, crest, flag, or other insignia likely to mislead patients to believe that the State government has endorsed the product.

In addition, labels attached to a medical marijuana container will not be altered or destroyed once affixed to the container.

Product labeling for alternative dosage products will include the same information as flowers and concentrates, with the addition of two (2) new categories:

\* Dosage: Since edible products cannot be titrated like raw flowerbeds or solid concentrates and patients may experience adverse effects from using too large a dose, proper dosage labeling is essential. state law does not clearly define this requirement; however, AECC has developed its own rigorous dosage standards to appear on all Alternative Dosage Product (ADP) labels.

\* Expiration Date: Any edible or potable product has a shelf life that must be placed on the label to inform the customer of a "best used-by date."



Example: BioTrackTHC Label Printing Options



BioTrackTHC  
111 S Central Ave  
Phoenix, AZ 85004  
(480)888-5512  
BioTrackTHC.com

AK-47  
Batch 6069107703659390  
Harvest Date: 03/22/2013  
Useable Weight: 14.000 g  
Additives: Plant Pesticide ,  
Miracle Grow , Bloom bat  
Guano, Organic Worm castings

Lic# m9837465

MMJ Origin DISP# mj8767

Customer Identification # RX-029183

"ARIZONA DEPARTMENT OF HEALTH SERVICES' WARNING: Marijuana use can be addictive and can impair an individual's ability to drive a motor vehicle or operate heavy machinery. Marijuana smoke contains carcinogens and can lead to an increased risk for cancer, tachycardia, hypertension, heart attack, and lung infection. KEEP OUT OF REACH OF CHILDREN"

## Tracking & Documenting Medical Marijuana Transactions

### Description of Inventory System

Through its development of inventory software and policies and procedures, AECC is able to ensure compliance with requirements set forth by RI and the Department. Our inventory policies and procedures include information regarding acquiring marijuana from registered cultivation centers, tracking and packaging as described below.

Using an electronic database, AECC maintains intake records of all medical marijuana received from cultivation centers. AECC will contract with BioTrackTHC and will use their fully integrated Point of Sale (POS), Inventory Control and Patient Management System. As described below, BioTrack THC (POS and Patient Database) software has been precisely designed to serve Department-approved medical marijuana dispensaries.

Sample screen captures are provided at the end of this chapter.

### Inventory System – BioTrackTHC

AECC has developed inventory procedures, as set forth in this Operations Manual, which ensure maintenance of an adequate supply of medicine for AECC patients. AECC's inventory system,

BioTrackTHC documents:

- \* Each day's beginning inventory
- \* Acquisitions
- \* Sales
- \* Disposal of unusable marijuana
- \* Ending inventory (daily, monthly, etc.)

### **Acquiring Marijuana from Cultivation Centers**

The Inventory Manager is responsible for identifying which items should be made available for purchase at the Sales Counter each day and then, based on that decision, instructing Inventory staff to physically pull, add and restock those items. The Inventory Manager's decision is based on analyzing three types of information:

- \* Actual sales
- \* Targeted sales mix
- \* Current inventory levels of back stock products

When products are needed, the Inventory Manager, using the BioTrackTHC software, creates a purchase order that is transmitted to the appropriate registered cultivation center. Purchase orders include the product vendor batch ID, ingredients, chemical additives, weight and other required fields. The batch ID will follow the medical marijuana until purchase by the patient and will always tie back to the seed/plant source of the product.

The inventory system tracks all marijuana acquisitions from a registered cultivation center. Upon acquisition, inventory staff inputs the following required information into BioTrackTHC:

- \* Description of the marijuana acquired, including the amount, strain and batch number.
- \* The name and registration ID number of the cultivation center providing the medical marijuana.
- \* Name and unique employee registration ID number of the dispensary employee receiving the medical marijuana on behalf of the dispensary.
- \* Product type (i.e., edibles, topical, concentrates).
- \* Date of acquisition.
- \* Purchase price.
- \* Analytical laboratory test results.
- \* Sativa/Indica ratios.

### **Edible Food Product Procurement**

AECC may soon offer qualified patients a selection of edible products. Upon receipt of edible food products from a registered cultivation center, inventory staff inputs the following information into the inventory-tracking system:

- \* A description of the edible food products received, including total weight of each edible food product.
- \* Total estimated amount and batch number of medical marijuanas infused in the edible food products.
- \* The number of milligrams of active THC and CBD in the product (information regarding the dosage will also be included).



- \* The name and registration number of the cultivation center providing the edible food products to the receiving dispensary and the name and unique ID number of the dispensary employee receiving the edible food products on behalf of the dispensary.
- \* The date the edible food products were provided to the dispensary.
- \* An expiration dates.

### **Tracking and Reporting**

Robust inventory reports in BioTrackTHC show current inventory levels at the dispensary. Each product has a unique transaction history that shows every sale and addition/removal from inventory, as well as a date/time stamp and the user ID of the dispensary employee who executed the transaction. Customizable entries designate reasons for inventory adjustments. Only users with Administrator access levels assigned to them are able to view inventory reports. Sales and inventory reports can be generated and customized based on a wide variety of data fields. All purchase transactions are tied to individual patient records.

See the “Reporting Requirements” section for more detail.

### **Quantity Limits per Patient/Caregiver**

Patients are permitted to visit the dispensary no more than two times per day. Per RI law, AECC Care limits patients’ access to marijuana to no more than two (2) ounces of dried medical marijuana either at one (1) time or within a thirty (30) day period. AECC dispenses medical marijuana only to patients who have registered AECC as their specific provider with the Department.

The BioTrackTHC software allows AECC to manage its transactions and track inventory using barcode technology. The patient database and POS functionality of the software allows the tracking of individual patient purchases. All purchases must be tracked to alert staff when purchasing limits have been met. If a staff member attempts to authorize a sale over of the purchasing limit, the POS system will not allow the transaction to take place. AECC maintains strict inventory controls to ensure stocking levels at the dispensary are commensurate with patients’ needs and within the limits established by RI law.

## **Supplying Product to the Sales Floor**

### **Overview**

The basic definition of “building the board” is identifying which items should be made available for purchase on the Sales Counter (i.e., “the board”) each day, and then physically pulling, adding, and restocking those items based on that decision. It is a complex task and is one of the most important decisions the dispensary makes each day. The Inventory Manager’s analysis is based on analyzing three types of information:

- \* Actual sales
- \* Targeted sales mix
- \* Current inventory levels of back stock product

Those three types of information are analyzed in the context of many factors, including but not limited to, day of the week, holidays, weather, other products that are also available on the board (don't want to compete with ourselves), etc.

Based on his/her analysis, the IM will then specifically determine:

- \* What to pull off the Sales Counter
- \* Which items should be put on sale (to sell through as quickly as possible)
- \* Which new items should be added

### **Deciding What Goes on the Board**

- \* Print the Bar Add Sheets and place them on the clipboard. Take the clipboard with you to Control.
- \* Set up the Sales racks (metro shelving) in the middle of Control so that you can look at the bins on each rack simultaneously and so that all back-stock bins on Control shelving can also be easily inspected. Each Sales rack should have the same item bins in the same place on the rack so that it's easy to quickly inspect the same item across all racks.
- \* First, the IM will determine what to pull off of the board and put an "X" through those items on the Bar Add Sheets.
- \* Next, the IM will determine which existing items should be placed on sale and write the names of those items down on the Bar Add Sheets with the sale price next to it.
- \* Finally, the IM will determine which items from back stock should be added to the board and write the names of those items down on the Bar Add Sheets below the "On Sale" handwritten list along with the unit sizes that are being put on the board (grams, eighths, ounces). (The Inventory staff will add quantities of each item as they restock.)

### **See & Smell Samples**

In accordance with RI law, all medicine must remain in the packaging provided by the cultivation center and must not be opened or tampered with prior to sale. If a package is opened or the packaging or label is damaged in any way, it may not be sold to patients.

Most patients prefer to smell and visually inspect medicine before committing to purchase. For visual inspection and smelling purposes, the Inventory Department provides the Sales Floor with a "see/smell sample" of each strain of medicine so that Sales Associates are better able to provide exceptional service to our patients.

Any medicine that has been designated as a sample must be clearly labeled "Sample" and must also include the date it was removed from its original packaging. This ensures that any samples we are showing are sufficiently fresh. Samples should be pulled from inventory and disposed of properly after 1 week.

Samples must be documented properly in the BioTrackTHC Inventory System.



It is the responsibility of the Inventory Department each morning to pull any samples that are past their 1-week expiration date, update the inventory system, and properly dispose of them according to state law.

It is also the responsibility of the Inventory Department each morning to prepare, label, and add any samples needed on the Sales Floor to ensure there is one fresh sample for every available strain.

### **Responding to Sales Floor Item Calls**

Throughout the day, Inventory will receive radio calls and requests from the Sales Floor with inventory item requests. The most important thing to remember is that no matter how small the request, every request is about taking care of our patients. Therefore, responding to every request is absolutely critical.

The procedure is as follows:

1. The Sales Floor will contact Inventory via radio in one of the following manners:
  - \* “Inventory, come back”
  - \* “[Specific Inventory staff member name], come back,”
  - \* “Item Check”
2. When an Inventory staff member hears the call, they should respond by saying, “Inventory, copy.”
3. Listen for the item number and possible partial description.
4. Respond by saying, “Stand By” while checking to see if the item is in stock. Look up the item number in the POS and check the “On-hand Quantity.”
5. If the POS lists quantities in stock, look for the item and take it to the Sales staff member who requested it.

## **Cash Control**

### **Till Drops**

Each Sales Floor Workstation is assigned a cash drawer containing a cash till. The dispensary executes “Till Drops” twice every day, one mid-day and one at closing. Generally speaking, a “till drop” is defined as the following:

- \* The till is pulled from the Sales Workstation and an X Report for each register is generated at the time of the pull.
- \* All cash in the till is counted along with credit card receipts and other forms of payment and compared to the X report and credit card settlement report.
- \* The actual amounts are reconciled with the reported amounts and discrepancies are resolved.
- \* The till is balanced out back to the starting amount with the correct change mix (correct quantity of each bill and coin unit).

The mid-day drop is counted at any point before closing. The closing drop is counted the following morning while the board is being built. All counting is done at the cash count counter in Control.

### **Till Count Procedure**

1. The goal of counting a till is to remove any amount above the base starting amount of the till, while ensuring the correct units of change remain in the balanced till. The starting base for each till is \$168 in the following units:

?      Ones = 30 (\$30)

?      Fives = 16 (\$80)

?      Tens = 4 (\$40)

?      Change = \$18.00 in the following unopened rolls: 2 rolls pennies (\$1)

1 roll nickels (\$2) 1 roll dimes (\$5)

1 roll quarters (\$10)

2. Complete one (1) till at a time.

3. Remove any loose pieces of paper from the till (Count Slip & X-Outs)

### **How to Sort Money**

[BY MANAGER DELEGATION ONLY]

Sorting money occurs after all register tills for the entire day are counted, the till counts are recorded on the Daily Sheet, and the money has been verified. Money is sorted by bill and then stored in the appropriate Big Bills Storage or Small Bills Storage.

1. Take each drop envelope, one by one, and empty the bills into piles of each.

2. Change out all the ones for larger bills and change out any smaller bills for larger ones if possible.

3. Money should be sorted, and rubber banded as follows:

5's in stacks of 20

Makes \$100

Combine 10 packs for \$1000

10's in stacks of 20

Makes \$200

Combine 5 packs for \$1000

20's in stacks of 50

Makes \$1000

50's in stacks of 20

Makes \$1000

100's in stacks of 10

Makes \$1000

1000's in stacks of 5

Makes \$5000

4. Count any left-over cash not bundled and enter on a Count Sheet. Count the bundles of 1000's and enter on Count Sheet.

5. Add together large bill totals (20's, 50's and 100's only) and add to the Big Bills Control Sheet; do the same for small bills on the Small Bills Control Sheet.

6. Always remember to sign off and put reasons for adding/removing cash.

7. Re-sort any loose bills in the boxes and put into stacks.

8. Put the boxes away and lock up.

9. If your Bill Control Sheet is full, transfer the amount to a new sheet, and file the old sheet in Accounting.

## **Reporting Requirements**

### **Recordkeeping**

In accordance with RI law, AECC keeps and maintains on the premises true, complete, and current books and records which include invoices that adequately and fully reflect all purchases and sales of medical marijuana made to and by the dispensary.

Records include and distinctly show the following information:

- \* The quantity, form, and price of medical marijuana and paraphernalia purchased from a cultivation center in each purchase.
- \* The date and time of delivery of each purchase from a cultivation center.
- \* The date and time of each sale to a qualified patient or caregiver.
- \* The quantity, form, and price of medical marijuana distributed or dispensed to the qualified patient or caregiver.
- \* The consideration given by the qualified patient or caregiver for the medical marijuana.
- \* The name, address, and card number of the qualified patient or caregiver of the medical marijuana.



- \* The name, initials, or employee identification number of the person who dispensed or sold the medical marijuana; and
- \* The quantity of medical marijuana still available for sale at the dispensary.

All invoices and delivery slips are systematically and automatically filed and electronically maintained for a period of four (4) years from date of delivery and show a true, accurate, legible, and complete statement of terms and conditions on which each purchase was made.

### **Bi--Annual Reporting**

AECC must and will submit to the RI Department of Business Regulation on or before the 30th of July and January a statement showing the following information in a form prescribed by the Department:

- \* The quantity and price of medical marijuana distributed or dispensed to qualified patients and caregivers during the preceding six (6) months.
- \* The dispensary's total expenditures for distributing or dispensing medical marijuana during the preceding six (6) months.
- \* The dispensary's total amount of receipts for the sale of medical marijuana.
- \* The quantity of paraphernalia sold by the dispensary during the preceding six (6) months.
- \* The dispensary's gross revenue based upon its medical marijuana and paraphernalia sales during the preceding six (6) months.
- \* The amount of sales tax reported by the dispensary to the Office of Tax and Revenue (OTR) during the preceding six (6) months.
- \* The amount of medical marijuana that was destroyed or disposed of during the preceding six (6) months.
- \* Certification from local law enforcement that the medical marijuana was relinquished for destruction or disposal.
- \* The quantity of medical marijuana still available for sale at the dispensary on the date the report is filed with the Department.
- \* The name, address, home telephone number, and date of birth of each current employee; and
- \* An affidavit executed by an individual registrant, partner of an applicant partnership, or the appropriate officer of an applicant corporation, attesting to the truth of the submitted report.

AECC makes all of the books and records referred to above, including original and duplicate invoices, available for inspection by the Department or its designated agent and the Office of Tax and Revenue (OTR), during the dispensary's hours of operation.

AECC understands that knowingly making a false statement on a submitted report constitutes grounds on which the Department may deny the renewal of the registration, or subsequently revoke the registration, when the renewal of the registration is based wholly or in part on the contents of the false statement.



These books and records will be maintained for a period of 4 years after the last transaction recorded in the books and records.

## **Monthly Inventory Count**

The dispensary conducts a physical count of all inventory every month to ensure absolute accuracy and accountability. This is a huge undertaking, and therefore the entire Inventory Department is involved. On the morning of an inventory count, the Inventory Manager will bring breakfast in for the entire Inventory team to start the day off right and will then kick-off the day with a pre-inventory meeting. While inventory counts may be arduous and require absolute precision and concentration, it's a wonderful opportunity to come together each month as an entire team with a shared goal.

### **Advance Prep**

- \* The IM will schedule almost all staff members to participate (including an appropriate number of managers.)
- \* Notify Security which day they must arrive early.

### **Prep 1 Day before Inventory Count**

- \* Charge all scanners to Full Battery.
- \* Do all shake and by-product conversions if applicable
- \* Remove all damages, samples, and Quality Controls. Make sure that all other managers have given you their department's damaged and QC adjustment sheets.
- \* Organize each section in preparation for the count (see header "Sections to Remember" below).
- \* Print out count sheets for any items that are being recorded manually. All that needs to be on the sheet is the name, item number, the supposed on-hand quantity, and enough space to add several numbers from different inventory locations.
- \* Print out a copy of the Bar Add Sheets with a place for a checkmark so that the product in the Sales display cases can be accounted for (the number of checkmarks for an item corresponds with the number of display cases; if there are the same number of checkmarks as display cases, it means that item is accounted for).
- \* The IM will assign Inventory staff members to areas with which they are familiar. Managers must be assigned to any Inventory area requiring opening safes.
- \* If there are not enough scanners for every employee to have one, the IM will decide which sections the employees without scanners should work on (generally T-shirts, lighters, joint tubes
- \* these items are easier to accurately count by hand).

### **Sections to Remember**

- \* Food (if sold) – sales floor freezers, display boxes (where display case edibles are stored overnight), and back stock from the back freezers and Control
- \* Concentrate – tackle boxes, concentrate display boxes, and back stock in Control (don't forget the concentrate in line boxes)
- \* Flowers – The metal carts on the sales floor, display cases, and the back stock in Control
- \* T-shirts
- \* Lighters
- \* Disposal hold boxes (for local law enforcement)
- \* Paraphernalia
- \* Any other inventoried item!

### **Inventory Count Day**

1. Arrive early (exact time to be determined/communicated by Inventory Manager).
2. Eat breakfast (provided by IM) and participate in the pre-inventory meeting. During the meeting the IM will cover important information, for example:
  - \* All cell phones must be turned OFF.
  - \* There is to be no music playing or talking, unless inventory related.
  - \* It is critical that everyone is 100% focused on the task in front of him or her.
  - \* Assign each employee his/her inventory section.
  - \* Assign each employee a scanner or count sheet.
3. Count absolutely EVERYTHING! Make sure not to miss any items in any locations.
4. All manually recorded count sheets must be entered into the POS.
5. Bulks must be manually entered in the Inventory screen in the POS.
6. Once ALL items have been recorded on the screen, scroll through to look for large discrepancies to correct before putting the inventory through.
7. Select the box that says, "Set all items not counted to 0" and then click "Apply changes to inventory."
8. Run the Memo and print it.

### **Reporting Marijuana Theft/discrepancies & Destroying and Disposing of Marijuana**



### **Process for Reporting Theft of Marijuana and Products**

For any suspicion of theft or when a discrepancy is discovered, first follow security procedures to make sure that there are no intruders in the building; the facility must be secured. If you are in danger, either remove yourself from the building or lock yourself in a LAA (Limited Access Area) and dial 911; tell local law enforcement the time, address, your name, employee ID and the situation. Do not attempt to search the building by yourself.

For non-threatening situations, within 24 hours of the suspected theft employees may do one of two procedures:

- \* Call 911 (least preferred).
- \* Call the non-emergency number for local law enforcement and see if they are able to take your police report over the phone.
- \* File a police report in person at local law enforcement.
- \* Complete Police Report, take completed form, and make copies for Security Incident Log, Cultivation Log, General Manager, Security Manager and a copy for your personal records.
- \* Scan the Police Report as a JPG, GIF or PDF file to upload into the BioTrackTHC software system.
- \* Document all products in BioTrackTHC software, make notes of the product, and remove it from Inventory using the theft code.
- \* For all prepackaged products including raw flowers, ADPs, and concentrates, scan each label and update software accordingly. Include a copy of the scanned police report in JPG, GIF or PDF format in the file fields connected to each entry.
- \* For raw bulk concentrates and flowers, weigh products to determine how much product is missing and update BioTrackTHC software as above (a) section.
- \* Print four copies of records in BioTrackTHC and BioTrackTHC for Security Incident Log and the General Manager and your personnel file.
- \* The General Manager and/or Security Manager will initiate an investigation and follow up with local law enforcement and work to see if there is a security breach, possible employee theft or other to improve processes already defined or for employee disciplinary actions by AECC.

### **Process for Destruction & Disposal of Unused Marijuana and Products; quarantine and recall**

For purposes of this section, “unused or surplus medical marijuana” encompasses any harvested or unharvested marijuana, both processed and unprocessed, which is in possession by the AECC facility and “quarantine and recall” includes product which fails to meet all criteria for production or patient consumption in accordance with the Regulations and faulty products which have been sold or transferred to customers. These cases include:

- \* Any marijuana that has spoiled or is unusable for medical purposes.
- \* Any marijuana possessed by a dispensary in excess of the amount needed to supply all of the dispensary’s qualified patients for a one (1) month period; and

- \* Any marijuana that has or appears to have been tampered with.

The Department, in its discretion, may allow a dispensary to possess a surplus of medical marijuana for a period of time, if it is shown that there is likelihood that additional qualifying patients or caregivers will register with the dispensary.

The Inventory Manager will collect all products and weigh and follow these procedures.

- \* For all prepackaged containers of any raw flower, concentrates (oil, butter, hash):
- \* Take each package and use the scanner to connect to BioTrackTHC software.
- \* Once each item is scanned into the inventory system, document whether the inventory is surplus or expired and being destroyed.
- \* Print Report of all inventories of pre-packaged products that are being destroyed.
- \* Pack each container in transport bins.
- \* For any products that have not been prepackaged, weigh them on the scale, scan barcodes and verify that weight in software matches that of the actual weight.
- \* If weight does not match, check software for reconciliation as this may be due to evaporation.

For items that have significant unbalances, please document and follow the process for reporting theft.

- \* Enter into BioTrackTHC software system that inventory is being destroyed due to appropriate reason: expiration, surplus or revocation.

- \* Print BioTrack software report for unpackaged raw flower and concentrates that are being destroyed.

- \* Package up raw flower and concentrates. Print labels from BioTrack software and place on containers.

- \* Put these products into the transport bin.

- \* Weigh travel containers separately and indicate in notes section of BioTrackTHC software the weight of the storage container, so the total weight will balance. Document in software notes that these are waste byproducts.

- \* Weigh materials: Type or write legibly on local law enforcement Destruction form the weight, variety product and date of destruction and attach the BioTrackTHC reports for the destroyed inventory with a paper clip on local law enforcement form.

## **Delivery**

### **Delivery Policies & Compliance**

#### ***Confidentiality***

Employees are not allowed to speak to any person other than AECC staff about deliveries. Employees are not to share any information with friends or family members about delivering products, nor specific details regarding dates, amounts or types of products and any prices.



Failure to follow this policy will result in disciplinary actions and possible termination as it jeopardizes the safety of the AECC facility and staff, including the cultivation center driver.

#### ***Delivery Destinations***

In accordance with state law, cultivation centers are only permitted to sell and deliver medical marijuana to the specific registered premises of the dispensary where the medical marijuana is sold. Sales are not permitted to any other location other than registered dispensaries and may not be sold outside Rhode Island. Additionally, cultivation centers will not deliver medicine to any patient or their caregiver as prohibited by law.

#### ***Delivery Timeframes***

AECC shall only receive deliveries during those hours legally permitted by the State of Rhode Island.

If traffic or weather conditions are causing delays, driver will call the cultivation center and inform them of the delay. Cultivation center management will contact the dispensary and inform staff of any delays.

#### ***Required Driver Identification***

All cultivation center employees are required to wear on their person their Department-issued Registration ID Card when making deliveries. Failure to do so is a violation of RI law and company policy.

#### ***Transport Permits***

Prior to transporting any medicine to registered dispensaries, cultivation centers will obtain from the Department a transport permit to transport medicine within Rhode Island. A separate transport permit will be acquired for each vehicle designated by the cultivation center to deliver medical marijuana to a registered dispensary. The original transport permit is stored in a secure location at the cultivation center, with a copy of the permit stored in each respective vehicle.

Only employees registered with the Department and carrying a valid Registration ID Card are permitted to transport medical marijuana.

Upon demand by a local law enforcement officer or Department investigator, drivers must exhibit the transport permit provided by the Department.

#### ***Locked Transport Boxes***

Cultivation centers most likely will use locked transport boxes to deliver products between their facility and the dispensary. The cultivation center's GM and/or Inventory Manager will have a set of keys, and a separate set will be given to the dispensary Inventory Manager and/or GM. The cultivation center driver should not have a key or access to the locked transport box. The driver will deliver the product to the dispensary and the Inventory Manager at the dispensary will unlock it in view of the driver and remove all items.

This reduces liability for either party and circumvents any employee theft of individual products.

#### ***Cultivation Center Relationships***

Sales of medical marijuana between cultivation centers and dispensaries should not be permitted without an in-person meeting between the dispensary's Inventory Manager and the cultivation

center's Inventory Manager. The idea behind this policy is to build one-on-one relationships with the cultivation center and receive as much information as possible about strains and products so that the information can be passed on to the dispensary sales staff and ultimately patients.

The in-person meeting also serves a security purpose so that personnel from both companies have an opportunity to evaluate the level of security each is operating under. The cultivation center's Delivery Driver should meet key dispensary staff (Inventory Manager and GM preferably) in a face-to-face meeting once an agreement has been made that AECC will purchase medicine from the cultivation center.

#### ***Company Policies Re: Dispensary Deliveries***

- \* Times for delivery are not set up on a weekly timed schedule. For security reasons the days of the week and times are changed regularly to thwart any possibility of robbery.
- \* Delivery times are appointed according to employee schedules; dispensary needs and collaboration between the dispensary manager and the cultivation center's Inventory Manager.
- \* Deliveries of product are not announced on any company calendar nor should they be put into any online calendar for view by the general public.
- \* Deliveries at AECC are not permitted before 11 a.m. or after 7 p.m.
- \* Staffing must be adequate, and security must be in place at the dispensary during delivery, or else the cultivation center Delivery Driver will be forced not to make the delivery and will return back to the cultivation facility with the transport box.
- \* AECC will provide a safe and secure locked entrance for deliveries, to ensure safety for both dispensary and cultivation center employees. Doors must be lit and protected or else the delivery will not occur. Likewise, AECC guarantees to the cultivation center that a Security Associate will be present when cultivation center staff arrives. The Security Associate will assist the Delivery Driver to enter the building expeditiously to prevent theft or cause suspicion by the general public.
- \* AECC has a locked private room for the delivery and unpacking; no unpacking is permitted in view of the general public, patients or caregivers.

#### **Processing & Preparation for Delivery**

Orders are placed directly via the BioTrackTHC online software and routed to the cultivation center. (Please note the feature for ordering online is only available to those cultivation centers that use BioTrackTHC software. Hope Harvest LLC, our cultivation partner, uses this software). If the cultivation center uses BioTrackTHC AECC will have access to view current inventory available.

Each packaging invoice will contain the following information, which needs to be verified by both parties and signed off on each invoice copy:

1. Quantity of product by variety and form [form relating to raw flowerbeds, concentrates or a particular flavor on an alternative dosing product (i.e., edibles)].
2. Price per unit of each product.



3. Date of delivery and estimated time of delivery.
4. Product documentation on each variety shipped with laboratory testing results.
5. The name (which must be initialed) by the cultivation center's Inventory Manager (or other approved employee) who prepared and packaged the items being delivered.
6. The name of the dispensary, phone number, manager name and manager's private cell (in case of emergency) are listed on the invoice.

Each order must be double-checked at each stage for consistency and inventory control. Once the cultivation center verifies that the order is complete, the order is placed in the transport box. The Inventory Manager at the cultivation center will then lock the transport box for delivery to AECC.

### **Procedures for Delivery Driver**

#### ***Arrival at the Dispensary***


1. When the driver is approximately five (5) minutes away from the dispensary, the driver will telephone the dispensary manager or agent using a hands-free headset to inform dispensary of the impending arrival and to alert dispensary security team of the arrival.
2. At the moment of arrival, driver telephones the dispensary to inform them of arrival in parking lot. At that time, the dispensary security associate will exit the building into the lot to verify safety and direct the driver to a secured parking area.
3. Once the security associate has directed the driver to the dispensary parking area, he will give a "thumbs up" signal to indicate it is safe for the driver to exit the vehicle.
4. At this time, the driver will display his/her registration ID badge in plain view for verification to the dispensary security associate and/or staff.
5. Likewise, the driver will verify dispensary staff credentials, including registration badge IDs prior to removing the transport box from the vehicle.
6. If there are any unfamiliar faces, or credentials do not match, the driver will exit the premises.
7. After verification, the driver will remove the transport box from the vehicle and enter the dispensary.
8. Driver will call a designated member of the cultivation staff (Inventory Manager, Security or General Manager) and verify his/her safe arrival.
9. Once safely inside, the dispensary Inventory Manager (or GM) will unlock the transport box.
10. Driver will provide the manager (or authorized agent) any product documentation and have dispensary staff physically count the delivery and initial each line item on the invoice, then place their full signature at the bottom of the invoice to indicate receipt of merchandise.
11. All documentation will be placed back in the locked transport box to prevent document tampering. The dispensary agent is responsible for ensuring the transport box is securely locked.
12. Driver will take the transport box back to transport vehicle and return to the cultivation center.

### *Leaving the Dispensary*

1. Driver will call the cultivation center to inform staff of a completed delivery and that the driver is end route back to the cultivation center.
2. Driver verifies phone and GPS Tracking program are active for the return trip to the cultivation center.
3. At this time, the dispensary Security Associate will be notified by the dispensary Inventory Manager/GM to perform a security check in the parking lot prior to the driver leaving with the empty transport box.
4. Once the Security Associate gives all clear signal to the driver, the driver will exit the building with the Security Associate and place the transport box back into the delivery vehicle.
5. Once the driver is safely in a locked vehicle, he/she will telephone the cultivation center to inform them transport is ready to leave the dispensary.

Sample Transportation manifest:



Date:	07/21/2015 10:07 AM	Licensee's License #:	9960001	Barcode
Licensee's Name:	BioTrackTHC Producer 1	Vehicle ID #:		 3620764517750603
Licensee's Address:	3000 Pacific Ave SE Olympia, WA 98501	Vehicle Color / Make / Model / License Plate:		
		Transporter's Name:	Chewbacca	
Licensee's Phone:	8007974711	Transporter's Date of Birth:	01/01/1980	
Transporter ID:	TestLab 123	Transporter's Signature:		

Stop #1 of 1 (7 Items)

Destination Licensee Name:	BioTrackTHC ProducerProcessor 1	Approx. Departure Date/Time:	07/22/2015 10:36 AM
Destination License #:	9960003	Approx. Arrival Date/Time:	07/22/2015 12:36 PM
Destination Licensee Address:	3000 Pacific Ave SE Olympia, WA 98501		
Destination Licensee Phone:	8007974711		

Travel Route:

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Instructions: If the quantity received is less than the quantity shipped, check the box in the appropriate field below and indicate the actual quantity received.

Stop 1, Items 1-7 of 7

Manifest ID 3620764517750603

#	Batch / Lot ID	Item Description	Shipped	Received
1	9999 9999 6000 2095	Seed	15.00	<input type="checkbox"/>
2	9999 9999 6000 1643	Seed	5.00	<input type="checkbox"/>
3	9999 9999 6000 0405	Seed	11.00	<input type="checkbox"/>
4	9999 9999 6000 2144	Seed	9.00	<input type="checkbox"/>
5	9999 9999 6000 2143	Seed	15.00	<input type="checkbox"/>
6	9999 9999 6000 1116	Seed	16.00	<input type="checkbox"/>
7	9999 9999 6000 0881	Seed	2.00	<input type="checkbox"/>



# Product Knowledge Guide

## Importance of Product Knowledge

An integral part of providing exceptional patient care is having extensive knowledge of the medicine and products available at the dispensary. There is a base of product knowledge that all Associates should possess before completion of their initial training (and is a requirement for those in Sales and Purchasing). That basic knowledge is what is contained in this Product Knowledge Guide. In addition, Associates should continue expanding their knowledge of the Marijuana product and the industry as a while working at the dispensary.

## Sharing Product Knowledge with Patients

When you are able to confidently and accurately share product knowledge with patients, you allow them to make informed decisions for themselves about which products will be most useful to them.

That said, NEVER give misinformation or questionable product information to patients. If you do not know the answer to a question, ask a manager or senior associate. Both you and the patient will learn, and you will be able to answer the question the next time it is asked.

Also, never pretend to “know it all.” Genuinely share information with patients but avoid making patients feel that you know more than they do.

## Laboratory Testing of Medical Marijuana

### Atlas Enterprises INC. Compassion Center Laboratory Analysis Program

AECC is committed to ensuring that only the highest-quality medicine is made available to patients. To meet this commitment, AECC intends to work with registered cultivation centers to ensure that their product has undergone sufficient quality control measures including laboratory testing. AECC will ensure that all medicine accepted for resale to patients has undergone laboratory analysis for potency evaluation and safety screening.

AECC has determined that prior to any sale of medicine, the following tests must be performed by a registered cultivation center, or an independent laboratory should State regulations change in the future to allow such facilities:

### *Potency and Cannabinoid Profile*

True profiling emphasizes potency and cannabinoid identification. The marijuana plant contains fifteen different identified cannabinoids. Cannabinoids are one class of chemical compounds that produce physiological and behavioral effects. The principle active cannabinoids include:

\* Tetrahydrocannabinol acid (THCA) - The most prevalent cannabinoid produced in marijuana plants. It is having numerous medicinal qualities, including anti-inflammatory, anti-spasmodic and anti-cancer properties. However, most heating methods commonly used for ingesting marijuana destroy the THCA (and most other acid forms of the cannabinoids).



\* Tetrahydrocannabinol (THC) - The primary psychoactive component that eases pain and is neuroprotective. It forms when THCA is heated through combustion or vaporization, or by heating raw flowers for infusion into alternative dosage products.

\* Cannabidiol (CBD) - Effective in relieving anxiety, inflammation, and nausea, but is not particularly psychoactive. Studies have shown that higher CBD-to-THC ratios result in less intense undesirable psychoactive effects. Currently there are five known high-CBD strains certified by both Sensi® Seeds and Project CBD Association and are considered low to non-euphoric.

\* Cannabinol (CBN) - The primary byproduct of THC. High levels indicate that marijuana is old and has not been properly stored.

Most marijuana testing laboratories analyze only three cannabinoids: (THC), cannabidiol (CBD) and cannabinol (CBN). Educated dispensaries and cultivation centers will measure all 15 important cannabinoids, starting with the above and adding many others. For example, the cannabinoid THCV is under study to treat type II diabetes, metabolic disorders and epilepsy. THCA and CBDA both have potential for use in analgesia and for treatment of prostate carcinoma.

## **Product Safety**

See the Product Safety section of this document for details about operational procedures and policies for Product and Food Safety, and General Cleanliness Procedures.

## **Marijuana Strain Types & History**

### **Marijuana Overview**

Cannabis is the botanical name of a genus of annual flowering plants in the Cannabaceae family. There are over 150 species and 10 genera included in the Cannabaceae family. Besides cannabis, or marijuana, the hop plant (often used in the production of beer) is also part of the Cannabaceae family.

Some species of cannabis (indica and sativa) produce fairly large amounts of a chemical known as Tetrahydrocannabinol (a cannabinoid commonly called THC). Cannabis plants that are grown for their THC content are referred to as marijuana plants. Plants in the cannabis genus are commonly referred to as hemp plants, but the term hemp is more appropriately used to describe cannabis plants that are cultivated for commercial purposes (like clothing, fuel, plastic, food, paper, etc.) rather than THC content.

Medical marijuana comes in two basic types: sativa and indica. Each type has its own distinct set of characteristics. Medical marijuana types are available from pure sativa strains to pure indica strains and include every combination in between.



## **Cannabis Sativa**

### ***Cannabis Sativa Plants***

Sativa plants grow between the equator and the 50th parallel. They include both marijuana and hemp varieties. Most high-quality cannabis plants that marijuana growers are interested in come from the equator, between the 20th parallel North and South. Countries from this area that are noted for high-grade marijuana include Colombia, Jamaica, Nigeria, Congo, Thailand, and Sumatra. Populations of plants from most of these areas are quite uniform for several reasons. Cannabis is not native to these areas. It was imported to grow hemp crops and then it adapted over many generations, with human intervention. Each population originated from a small amount of fairly uniform seeds from the region between the 45th and 50th parallels. Then the populations evolved over hundreds of generations with the help of humans. This led to fairly uniform populations in climates that vary little from year to year.

Cannabis sativas grow into 5-15 feet tall, symmetrical, pine-shaped plants. The “internode” (the term to describe the space between the leaves on the stem) is longer on sativas than indicas. This helps to give sativas a taller structure. The lowest branches are the widest, spreading 1.5 to 3 feet. Because the branches grow opposite each other, plant diameters may reach 6 feet. They are slower growing and maturing plants with long, slender, finger-like leaves. The plants tend to be light green since they contain less chlorophyll.

Sativa buds are not as dense as indica buds. Some varieties grow buds along the entire branch, developing a thin, compact flower. Others grow long formations of very light buds.

The smoke from cannabis sativa is sweet, spicy, or fruity.

### ***Medicating Effect of Cannabis Sativa***

The cannabis sativa medicating effect is often characterized as uplifting, energetic, soaring, psychedelic, thoughtful, and spacey. The effects of a cannabis sativa are usually mostly cerebral. They tend to give a

feeling of optimism and wellbeing, as well as provide a good measure of pain relief for certain symptoms. Sativas are often a good choice for daytime medication.

### ***Key Characteristics of Cannabis Sativa***

- \* Length and structure of the buds:
- \* Long, slender, finger-like leaves
- \* Long, loosely structured; tend to have a higher leaf to calyx ratio
- \* Elongated internode distance
- \* Usually light green (lesser amounts of chlorophyll since they get plenty of light = closer to the equator)
- \* Smoke is sweet, spicy, or fruity
- \* Medicinal effect mostly cerebral, often characterized as uplifting, energetic, soaring, psychedelic, thoughtful, and spacey

- \* Tend to give feeling of optimism and wellbeing; provide a good measure of pain relief for certain symptoms
- \* Often a good choice for daytime medication

## **Cannabis Indica**

### ***Cannabis Indica Plants***

Indica plants originated around the 30th parallel in the Hindu Kush region of the Himalayan foothills. This includes the countries of Afghanistan, Pakistan, Tajikistan, Northern India, and Nepal. The weather there is quite variable from year to year. For this reason, the populations there have a varied gene pool and even within a particular population there is a high degree of heterogeneity, which results in plants of the same variety having quite a bit of variability. This helps the population survive. No matter what the weather during a particular year, some plants will survive and reproduce.

*Cannabis indica* is a short to moderate height plant, generally between 3 and 5 feet tall. They are bushy plants with compact branching and short internodes. They range in shape from a rounded bush to a pine-like shape with a wide base. The leaves are short, very wide, and a darker shade of green than most equatorial sativas because they contain larger amounts of chlorophyll. Sometimes there is webbing between the leaflets. At the 30th latitude, the plants don't receive as much light as plants at or near the equator. By increasing the amount of chlorophyll, the cells use light more efficiently.

Indica buds are dense and tight. They form several shapes depending on variety. All of them are chunky or blocky. Sometimes they form continuous clusters along the stem. They have intense smells ranging from acrid, skunky, or musky to equally pungent aromas. Indica smoke is often dense, lung-

expanding, and cough-inducing.

### ***Medicating Effect of Cannabis Indica***

The cannabis indica high is often heavy, body-oriented and lethargic, and the medicating effect is most often described as a pleasant body buzz. Indicas are great for relaxation and stress relief. Cannabis indicas are also usually effective for overall body pain relief, and often used in the treatment of insomnia.

### ***Key Characteristics of Cannabis Indica***

- \* Short, very wide, "fat-finger" leaves
- \* Short internode distance
- \* Usually darker green (higher amounts of chlorophyll since they don't get as much light as sativa plants)
- \* Short and dense bud structure (chunky or blocky)
- \* Intense and/or pungent aroma
- \* Smoke is often dense, lung-expanding, and cough-inducing
- \* Medicinal effect often body-oriented and lethargic, often described as a pleasant body buzz



\* Great for relaxation and stress relief; usually effective for overall body pain relief and often used in treatment of insomnia

## **Hybrids**

### ***Indica/Sativa Hybrids***

Indica/Sativa hybrids naturally tend toward the indica side of the family. They usually have controlled height. They don't grow very tall and after forcing flowering, their growth is limited. Their side branches are usually not prominent and they can be grown in a small space.

### ***Sativa/Indica Hybrids***

Sativa/Indica hybrids tend toward the sativa parentage. They are taller plants and will grow to double or triple their size if they are forced to flower when they are small. They are usually hard to grow in a sea of green, as the plants demand more space to spread out.

NOTE ABOUT HYBRIDS: With the many combinations and complex genetics of modern hybrids, it is impossible to generalize about the qualities of hybrids' smoke, high, or other characteristics. So many plants have been crossed and their progeny used for breeding, it is truly a mixed-up world out there. Also, it must be noted that one seed producing plant will actually produce a good variety of different phenotypes, with completely different gene composition. This means each seed could have a different plant structure, bud structure, smell, taste, medicinal value, etc.

## **Evaluating Marijuana\***

\*Courtesy of Jason King, "The Cannabible"

### **Evaluating Strains**

Something important to consider when judging a marijuana strain is that you are more likely judging the grower and growing conditions as well as the individual seed, rather than the strain itself. Remember, the relationship of seeds to one another is much like comparing siblings in your family. Even though two children have the same parents, the children are completely different. So, if you try a strain and are not impressed, this doesn't necessarily mean that the strain is unimpressive. It could just be a "weak sister." (Note: When clones are used, this is not the case, for clones have the same genetic makeup as the parent from which they were taken.)

Alternatively, you could be judging a novice grower's crop or even the product of a poorly ventilated grow-room, for example. Only after sampling several batches of the same strain done by different growers, and in different conditions, can you actually find similarities between them and attribute those similarities as strain traits.

### **Evaluating Plants**

When evaluating each plant to determine whether it is healthy or not, look for the following signs of sick/damaged plants:

- \* Heat damage
- \* Mold or mildew

- \* Bud rot
- \* Bugs/spider webs
- \* Smell of chemicals/not flushed



## COVID Addendum

This language appears on the website for the State of Rhode Island Department of Business Regulation: [https://dbr.ri.gov/documents/news/medical\\_marijuana/2020-1\\_BULLETIN\\_CC\\_Limited\\_Pickup\\_Procedures.pdf](https://dbr.ri.gov/documents/news/medical_marijuana/2020-1_BULLETIN_CC_Limited_Pickup_Procedures.pdf)

Subject to the foregoing, effective March 17, 2020, OCR will accept from a licensed compassion center a proposed plan for preorder curbside pickup of medical marijuana by qualified registered patients, caregivers and authorized purchasers in limited, designated and approved areas of the compassion center's parking lot premises, on a temporary basis during the COVID-19 public health emergency, subject to all terms and conditions in this Bulletin and any plan approval issued by OCR. Such preorder curbside pickup and delivery of medical marijuana shall be deemed "permitted sales" and "permitted compassion center activity" under the Regulations provided all such medical marijuana sales are in compliance with the plan approved by OCR, the Act, the Regulations and this Bulletin including the following:

- Prior to implementation, the compassion center's proposed curbside pickup plan has been approved by the Office of Cannabis Regulation. State of Rhode Island and Providence Plantations DEPARTMENT OF BUSINESS REGULATION 1511 Pontiac Avenue, Bldg. 68-1 Cranston, Rhode Island 02920 Page | 2 Tel: 401-462-9500 Fax: 401-462-9532 TTY: 711 Web Site: [www.dbr.ri.gov](http://www.dbr.ri.gov)
- Medical marijuana shall only be delivered to a valid qualifying patient cardholder, registered caregiver or authorized purchaser who has been issued a valid registration card by the Rhode Island Department of Health.
- The patient/caregiver/authorized purchaser must have visited the compassion center before this "pick-up" visit and must have all their information up to date in the compassion center's system.
- The patient/caregiver/authorized purchaser will call ahead/order online before they arrive for the pick-up.
- The compassion center will give the patient/caregiver/authorized purchaser a designated time for the pick-up.
- At the time of preorder, the compassion center will inform the patient/caregiver/authorized purchaser the total amount for purchase and the designated pick-up time. Purchases must be paid for in advance.
- At the time of preorder, the compassion center will inform the patient/caregiver/authorized purchaser of the limited, designated pickup areas and that they are required to pick-up their preorder in such designated area.
- At pickup, the compassion center representative person will verify the patient/caregiver/authorized purchaser registration card with a second form of identification.

- All purchases and curbside pickups shall be tracked properly in the track and trace system and records will be made available to the OCR upon request.
- Compassion centers may only conduct such curbside pickup and delivery between the hours of 8:00 am and 8:00 pm.
- The compassion center's plan shall include appropriate measures to avoid traffic congestion and lot overflow. The compassion center shall comply with local and law enforcement traffic regulation requirements.
- Before commencing preorder pickup and delivery hereunder, the compassion center must receive OCR approval of its plan and security protocols including pickup vehicle verification procedures and security camera locations and remote access systems.
- Delivery personnel may not accept tips or compensation of any kind from the registered patient, caregiver or authorized purchaser to whom they are delivering.
- Compassion centers may not charge a fee for preorder curbside pickups.
- Products available for preorder pickup must follow the same pricing structure as products sold to walk-in registrants at the compassion center's retail location.

# Cash Management

Associates that handle and store cash are responsible for the funds while under their control. Atlas Enterprises INC. Compassion Center(AECC) will limit the amount of cash in cash drawers by limiting the amount of cash in each cash drawer at the beginning of an associate's shift and by conducting frequent cash sweeps throughout the day. These measures are designed to reduce the risk of discrepancies and allow for frequent counting to occur.

Point of sale software will track each transaction and a record of all sales transaction will be stored and readily available. Any change made to the POS system must be reviewed and approved by the Chief Operating Officer, in advance of the change being made.

All cash will be secured in a safe and stored in a vault room. The safe will have a four (4) digit combination lock with a slot in which to drop in cash. Records of the date/time and the associates present when the cash storage vault is opened will be maintained via sign-in logs at the cash storage vault. At no time will the door of the cash storage vault be left open while the room is unattended. If the room is in use, then the outer door will be kept closed. The vault will only be open during the time required to remove/replace cash. Until further associates are identified, the only associates authorized to access the safe will be the Chief Executive Officer, Chief Operating Officer and Director of Security.

A record of the names of persons having access to the vault room will be maintained by the Director of Security. Access to the vault room is highly restricted and is safeguarded via the use of card key access. Cash will be counted at minimum three (3) times each day according to the following schedule:

- Prior to opening.
- At the end of a shift – each associate is required to reconcile his/her cash drawer at the end of his/her scheduled shift; and
- After the last sales transaction of the day has occurred.

In the event of a discrepancy, the Director of Security, Chief Executive Officer, and Chief Operating Officer will be notified, and an immediate internal audit will be conducted to determine where and when the discrepancy occurred. If it is determined that there is an error or inaccuracy in the reporting, then the cause will be investigated, and corrective action measures will immediately be put into place to avoid such error or inaccuracy in the future.

Cash will be transported from the HH facility to the bank of deposit by a third-party vendor. Pickups will occur frequently, or as requested by the Chief Executive Officer, Director of Security, or Chief Operating Officer. At no time will associates be transporting cash to/from the bank of deposit.





# Initial Strains Products and Pricing Guide

Name	Breed	Flowering time	Growth	Yield	Indica	Sativa	THC	CBG	CBG/THC Ratio Average	Effect	Medical	Comments
ACDC	Cannatonic X Ruderalis strain	56 days	Sativa leaning growth structure	0.75 grams per watt of HID lighting	25%	75%	0.5-1%	11-15%	20:1	Almost no physical/cerebral effect due to extremely low THC levels	Used to treat inflammation, sleep disorders and seizure control in children.	ACDC has a fresh pine scent and a rough drop star or ACDC has one of the highest CBG/THC ratios available at this time ideal for patients seeking relief without the psychoactive effects of THC.
MEDICINA CBD OG#4	OG Rango X Harlequin selected clone	56-63 days	OG growth structure, tall with long internodes	0.75 grams per watt of HID lighting	50%	50%	3-4%	3.2%	300	Mild physical effect, mild cerebral effect	seizure control, pain management, nausea control	MEDICINA CBD OG#4 has a deep pine/lemon scent and OG fuel flavor. MEDICINA CBD OG#4 keeps the positive attributes of the OG Rango with a high C10:0 GABA content. It is an ideal variety for patients needing some THC to manage their condition but are not accustomed to it's effects.
MEDICINA CBD OG#6	OG Rango X Harlequin selected clone	6-63 days	OG growth structure, tall with long internodes	0.75 grams per watt of HID lighting	50%	50%	7%	9%	1:20:1	Mild strength physical effect, mild cerebral effect	seizure control, pain management, appetite stimulant	MEDICINA CBD OG#6 has a deep pine/lemon scent and OG fuel flavor. MEDICINA CBD OG#6 keeps the positive attributes of the OG Rango with a high C10:0 GABA content. The almost 1:1 ratio allows the patient to enjoy the dosage of THC to treat their symptoms due to the "light" sedative effect of the CBG.
OG KUSH	Chemdawg X Urban legend	56-60 days	OG growth structure, tall with long internodes	0.75 grams per watt of HID lighting	50%	50%	18-22%	trace	N/A	strong physical effect, medium cerebral effect	OG is used by patients for pain management and is useful in most treatments associated with medical Cannabis use	OG Kush has a woody, pine, earthy flavor. Good OG has a long expanding effect when smoked. OG has a high tolerance threshold, useful for long term treatment.
AK47 FRI 2000	AK47 Original seedstock pin 2000	63 days	medium height, medium stretch during bloom	1 gram per watt of HID lighting used	25%	75%	18%	trace	N/A	medium physical effect, strong cerebral effect	AK47 FRI 2000 is used by patients for pain management, stress relief, insomnia relief and as an appetite stimulant.	AK47 FRI 2000 has a pungent garlic and onion scent and flavor which is extremely popular with patients. A high yielding and easy to grow clone.
TANGIERE	UNKNOWN	56 days	Short with minimal stretching in bloom	0.75 grams per watt of HID lighting	50%	50%	15-20%	trace	N/A	strong physical effect, medium cerebral effect	Tangierie is used by patients for pain management, stress relief and for insomnia relief.	Tangierie has a fruity tangierie aroma with hints of Mango and Pineapple. The physical effects are relaxing yet not overpowering. Tangierie has an excellent terpene profile for extraction.
COOKIES	Durban Poison X Granddaddy Purple X OG Kush	60 days	OG structure, tall with long internodes	0.75 grams per watt of HID lighting	50%	50%	18-22%	trace	N/A	very strong physical effect, very strong cerebral effect	GSC is used by patients for the treatment of anxiety, depression, pain relief, inflammation, Parkinson's Disease, PTSD, multiple sclerosis and anorexia.	Sweet and earthy flavor, the effects are full body relaxation without an extremely strong cerebral high. GSC is not for the fainthearted. GSC is especially useful in treating more extreme symptoms when other strains fail short.
BLUE DREAM	Blueberry X Super Silver Haze	60-70 days	Tall, with a lot of stretch during bloom period	1 gram per watt of HID lighting used	20%	80%	16-18%	trace	N/A	strong physical, strong cerebral	BLUE DREAM is used by patients for pain management, stress relief, insomnia relief and nausea suppression.	With a sweet berry aroma reminiscent of its Blueberry parent, Blue Dream delivers a swift symptom relief without heavy sedative effects. This makes Blue Dream a popular daytime medicine for patients treating pain, depression, nausea and other ailments requiring a high THC strain.
CITRUS X	California Orange X Skunk #1	60-63 days	Tall, with a lot of stretch during bloom period	0.75 grams per watt of HID lighting used	25%	75%	16-18%	trace	N/A	mild physical, strong cerebral	CITRUS X is used by patients for stress relief, nausea suppression, pain relief and as an appetite stimulant.	CITRUS X is bursting with citrus and sweet orange flavor, its extremely complex terpene and flavonoid characteristics make it an excellent strain for extraction.
CHERRY PIE	Granddaddy Purple X Durban Poison	56 days	Upright, with little stretch in bloom	0.75 grams per watt of HID lighting used	70%	30%	16-18%	trace	N/A	strong physical, strong cerebral	CHERRY PIE works well for the treatment of Nausea, stress, pain and depression.	CHERRY PIE has a sweet cherry, earthy smelling taste, CHERRY PIE has an uplifting, euphoric effect with a gentle relaxing base.
ALIEN OG KUSH	Tahoe OG X Alien Kush	60 days	medium height, medium stretch in bloom	1 gram per watt of HID lighting used	50%	50%	16-20%	trace	N/A	strong physical, strong cerebral	ALIEN OG KUSH is used by patients for the treatment of Glaucoma, insomnia, Depression, nausea, pain and stress.	ALIEN OG KUSH has a pine, earthy aroma with sweet undertones. A moderately high yielding from the OG group of strains. The effects are a good balance between uplifting and relaxing.
LARRY OG	Chemdawg X Urban legend	56-60 days	OG growth structure, tall with long internodes	0.75 grams per watt of HID lighting	50%	50%	18-22%	trace	N/A	very strong physical effect, very strong cerebral effect	LARRY OG is used by patients for pain management and is useful in most treatments associated with medical Cannabis use.	LARRY OG has a sweet, woody, pine, earthy flavor, LARRY OG has a long expanding effect when smoked. LARRY OG has a high tolerance threshold, useful for long term treatment, similar mode of effect to OG Kush with a sweet aroma.
CHEMBOWG	Urban legend background	63 days	medium height, medium stretch in bloom	1 gram per watt of HID lighting used	50%	50%	15-20%	trace	N/A	strong physical, medium cerebral	CHEMBOWG is used by patients in the treatment of chronic pain, inflammation, glaucoma, chemotherapy, insomnia, anxiety, PTSD, anxiety, depression, multiple sclerosis, HIV/AIDS, arthritis and muscle spasms.	CHEMBOWG offers a pungent, diesel like, dank smell with a similar flavor, just with a more muted to the mix.
AMNESIA HAZE	Strawberry X NUG X Silver Haze	70 days	extremely tall with excessive stretching in bloom	0.75 grams per watt of HID lighting used	10%	90%	16-20%	trace	N/A	zero physical effect, extremely strong cerebral effect	AMNESIA HAZE is used by patients to treat Glaucoma, depression, inflammation, migraines, and nausea.	AMNESIA HAZE provides an intense cerebral effect that often confuses inexperienced smokers. These white and frosty buds give off a slightly, woody, aroma with a damp, dank, musky flavor. Widely popular in Dutch coffee shops, Amnesia Haze has also become popular in California and Colorado dispensaries.
STARDAWG GUAVA CUT	Chemdawg N4 X Tins Dawg	63 days	medium height with medium stretch in bloom	0.75-1 gram per watt of HID lighting used	50%	50%	18-22%	trace	N/A	very strong physical effect, very strong cerebral effect	Used by patients for the treatment of Depression, anxiety, digestive issues, nausea, pain relief, insomnia, inflammation, multiple sclerosis, Parkinson's Disease.	STARDAWG GUAVA CUT has a pungent and dank fuel flavor and has an extremely strong effect both uplifting and relaxing. This clone has very high extraction potential, producing high extract yields with great terpene profiles.

## ATLAS ENTERPRISES INC. COMPASSION CENTER INITIAL PRODUCTS PRICING GUIDE

### Flower

25-50\$ per 1/8 oz  
50-100\$ per 1/4 oz  
200-400\$ per oz

### Edibles

10\$ per 100mg THC

### Pre-Roll Flower Joints (1G)

### Vaporizer Cartridges

.5g 30\$  
1g 60\$

### Concentrates

.5g 30\$  
1g 60\$

### Topicals

\$15 per 1G joint

10\$ per 100mg THC

## AECC COMPASSION AND DISCOUNT PROGRAM

AECC has appreciated a collegial working relationship with **RIPAC Rhode Island Patient Advocacy Coalition** and we commit to making contributions to help with patient advocacy. In addition, we will support:

- **The Kaydon Program** in conjunction with SUMMIT Medical Compassion Center which provided no cost cannabis products to juvenile cancer patients. This program was started by Napoleon (Nappy) Brito, Chief Compliance Officer for Hope Harvest
- **The Everett Program** in conjunction with SUMMIT Medical Compassion Center, AECC will join in providing free and low-cost cannabis products to the terminally ill.
- **WEST Bay Food Bank:** AECC commits to running a continuous nonperishable food drive in the retail space for monthly delivery.
- **Toys for TOTS US Marine Corps:** As a way to give back to the community, AECC is committed to participating a seasonal toy drive where patients bring and unwrapped toy and receive discounts on their purchases.

In addition to participating with the aforementioned community organizations and patient groups, AECC will launch Reward **and Charities Programs:**

**Belly Rewards:** A promotional loyalty card service

10% off	50 Points
Free Pre-roll	100 Points
Free 1/8 <sup>th</sup>	250 Points
\$100 Credit	500 Points

Customer gets 5 points at each visit.

During **Food Drive** can earn an extra 15 points per donation (Limit 15 extra per day)

Offered 4-5 times per year for a month at a time.

**Senior Citizens Discount** – 10% off

**SSDI** – 10% off

**New Patient Orientation**

10% off Coupon:

**Welcome Letter**

\$25 Courtesy Coupon

**Refer a Friend** - Patient refers a new member and both get \$25 coupon

**Veterans**

\$25 Courtesy Coupon

**Birthday** – Free Edible

**4/20** – Free gram, shooter, goodie bag

**Anniversary Celebration** – Free pre-roll

**There also will be a charity (name to come latter) which will provide free and discounted or donated medical marijuana to vulnerable patient populations**

**CC Exhibit F i - CC Premises Requirements Zoning**

Please see attached



## 29 J T CONNELL MEMORIAL RD

Location 29 J T CONNELL MEMORIAL RD

Map/Lot/Unit 09/ 372/ 11

Acct# R01393

Owner CARNEGIE JIM INC

Assessment \$1,124,000

PID 1392

Building Count 3

### Current Value

Assessment			
Valuation Year	Improvements	Land	Total
2018	\$663,700	\$460,300	\$1,124,000

### Owner of Record

Owner CARNEGIE JIM INC  
Co-Owner C/O DAVID K. CARNEGIE  
Address 98 HARGRAVES DRIVE  
PORTSMOUTH, RI 02871

Sale Price \$0  
Certificate  
Book & Page 334/ 107  
Sale Date 02/26/1985

### Ownership History

Ownership History				
Owner	Sale Price	Certificate	Book & Page	Sale Date
CARNEGIE JIM INC	\$0		334/ 107	02/26/1985

### Building Information

#### Building 1 : Section 1

Year Built: 1919  
Living Area: 3,536  
Replacement Cost: \$186,712  
Building Percent Good: 64  
Replacement Cost  
Less Depreciation: \$119,500

Building Attributes	
Field	Description
STYLE	Commercial
MODEL	Commercial

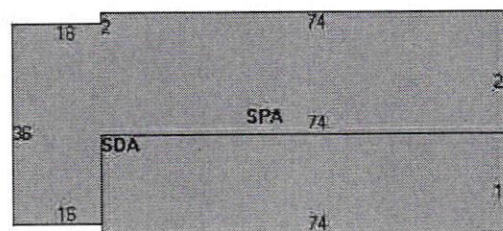
Grade	Average
Stories:	1
Occupancy	1
Exterior Wall 1	Wood Shingle
Exterior Wall 2	
Roof Structure	Gable/Hip
Roof Cover	Asph/F Gls/Cmp
Interior Wall 1	Minim/Masonry
Interior Wall 2	Drywall/Sheet
Interior Floor 1	Concr-Finished
Interior Floor 2	Carpet
Heating Fuel	Oil
Heating Type	Forced Air-Duc
AC Type	None
Bldg Use	LARGE BUS MDL-95
Total Rooms	
Total Bedrms	00
Total Baths	0
1st Floor Use:	333I
Heat/AC	NONE
Frame Type	WOOD FRAME
Baths/Plumbing	AVERAGE
Ceiling/Wall	CEIL & MIN WL
Rooms/Prtns	AVERAGE
Wall Height	10
% Comn Wall	0

## Building Photo



(<http://images.vgsi.com/photos/NewportRIPhotos/A00\01\66\80.jpg>)

## Building Layout

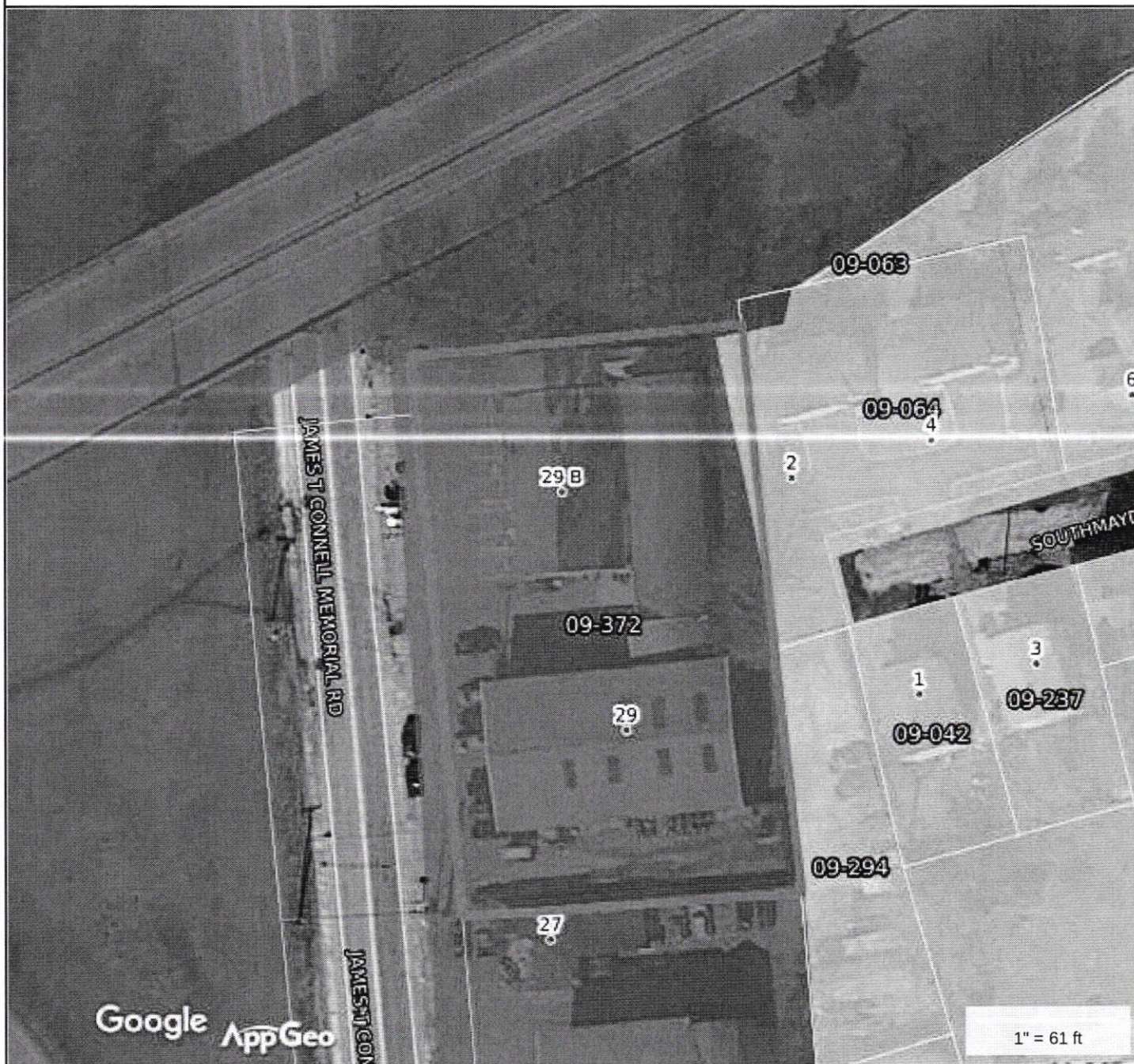


([http://images.vgsi.com/photos/NewportRIPhotos/Sketches/1392\\_1392.jpg](http://images.vgsi.com/photos/NewportRIPhotos/Sketches/1392_1392.jpg))

Building Sub-Areas (sq ft)			Legend
Code	Description	Gross Area	Living Area
SPA	Service Production Area	2,204	2,204
SDA	Store Display Area	1,332	1,332
		3,536	3,536



## CI Commercial-Industrial Zoning District



## Property Information

ID 09-372  
Location 29 J T CONNELL MEMORIAL RD  
Owner

MAP FOR REFERENCE ONLY  
NOT A LEGAL DOCUMENT

City of Newport, RI makes no claims and no warranties, expressed or implied, concerning the validity or accuracy of the GIS data presented on this map.

## Map Theme Legends

### Zoning Districts

	R-3
	R-10
	R-10A
	R-20
	R-40
	R-40A
	R-60
	R-120
	R-160
	LB
	WB
	GB
	CI
	TM
	OS
	REC

Refer to City Ordinance for detailed descriptions and regulations regarding each Zoning District: [Link to Zoning Ordinances](#)



## **CC Exhibit F ii – Evidence of Compliance**

Please find the following document attached:

- Proof of zoning certificate

## RE: Request for Zoning Certificate

---

From: gweston@cityofnewport.com <gweston@cityofnewport.com>  
To: Philip W. Gasbarro, Esq. <philip@gasbarroesq.com>  
CC: Pires, Stephanie <SPires@CityofNewport.com>  
Date: Monday, December 14th, 2020 at 3:21 PM

recieved

**From:** Philip W. Gasbarro, Esq. <philip@gasbarroesq.com>  
**Sent:** Friday, December 11, 2020 4:11 PM  
**To:** Weston, Guy <gweston@cityofnewport.com>  
**Cc:** Pires, Stephanie <SPires@CityofNewport.com>  
**Subject:** Fw: Request for Zoning Certificate

Attached is the payment being mailed to Stephanie for the Zoning Certificate. Thank you.

Sincerely,

Philip W. Gasbarro, Esq.

Licensed in RI & MA

Phone: (401) 419-1860

Fax: (401) 769-1333

Web: GasbarroEsq.com

Email: philip@gasbarroesq.com

Main Office: 70 Jefferson Blvd., Ste. 300 Warwick RI 02888

Satellite Office: 63 Eddie Dowling Hwy., Ste. 1-C, N. Smithfield RI 02896

Mailing Address: P.O. Box 472, Slatersville, RI 02876

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*Any disclosure, reproduction, distribution, reliance on, or other use of this message or any attachments by an individual or entity other than the intended recipient is prohibited.*

----- Original Message -----

On Friday, December 11th, 2020 at 3:03 PM, Philip W. Gasbarro, Esq. <philip@gasbarroesq.com> wrote:

See below.

Sincerely,

Philip W. Gasbarro, Esq.

Licensed in RI & MA

Phone: (401) 419-1860

Fax: (401) 769-1333

Web: GasbarroEsq.com

Email: philip@gasbarroesq.com

Main Office: 70 Jefferson Blvd., Ste. 300 Warwick RI 02888

Satellite Office: 63 Eddie Dowling Hwy., Ste. 1-C, N. Smithfield RI 02896

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----- Original Message -----

On Thursday, December 10th, 2020 at 2:25 PM, Philip W. Gasbarro, Esq. <philip@gasbarroesq.com> wrote:

Good Afternoon Mr. Weston,

On behalf of Atlas Enterprises Inc. (whose principal office is located at 70 Jefferson Blvd., Suite 300, Warwick RI 02888) I am requesting a zoning certificate for the property located at 29 J T Connell Memorial Road, Assessor Plat 9, Lot 372, stating that use of this location for a licensed medical marijuana dispensary is consistent with the existing zoning regulations. A money order in the amount of \$25 will be mailed to City of Newport, Attention Stephanie Pires, 43 Broadway, Newport RI 02840. Please let me know if you need any additional information to process this request, and please confirm receipt of my request. Thank you.

Sincerely,

Philip W. Gasbarro, Esq.

Licensed in RI & MA

Phone: (401) 419-1860

Fax: (401) 769-1333

Web: GasbarroEsq.com

Email: philip@gasbarroesq.com

Main Office: 70 Jefferson Blvd., Ste. 300 Warwick RI 02888

Satellite Office: 63 Eddie Dowling Hwy., Ste. 1-C, N. Smithfield RI 02896

Mailing Address: P.O. Box 472, Slatersville, RI 02876

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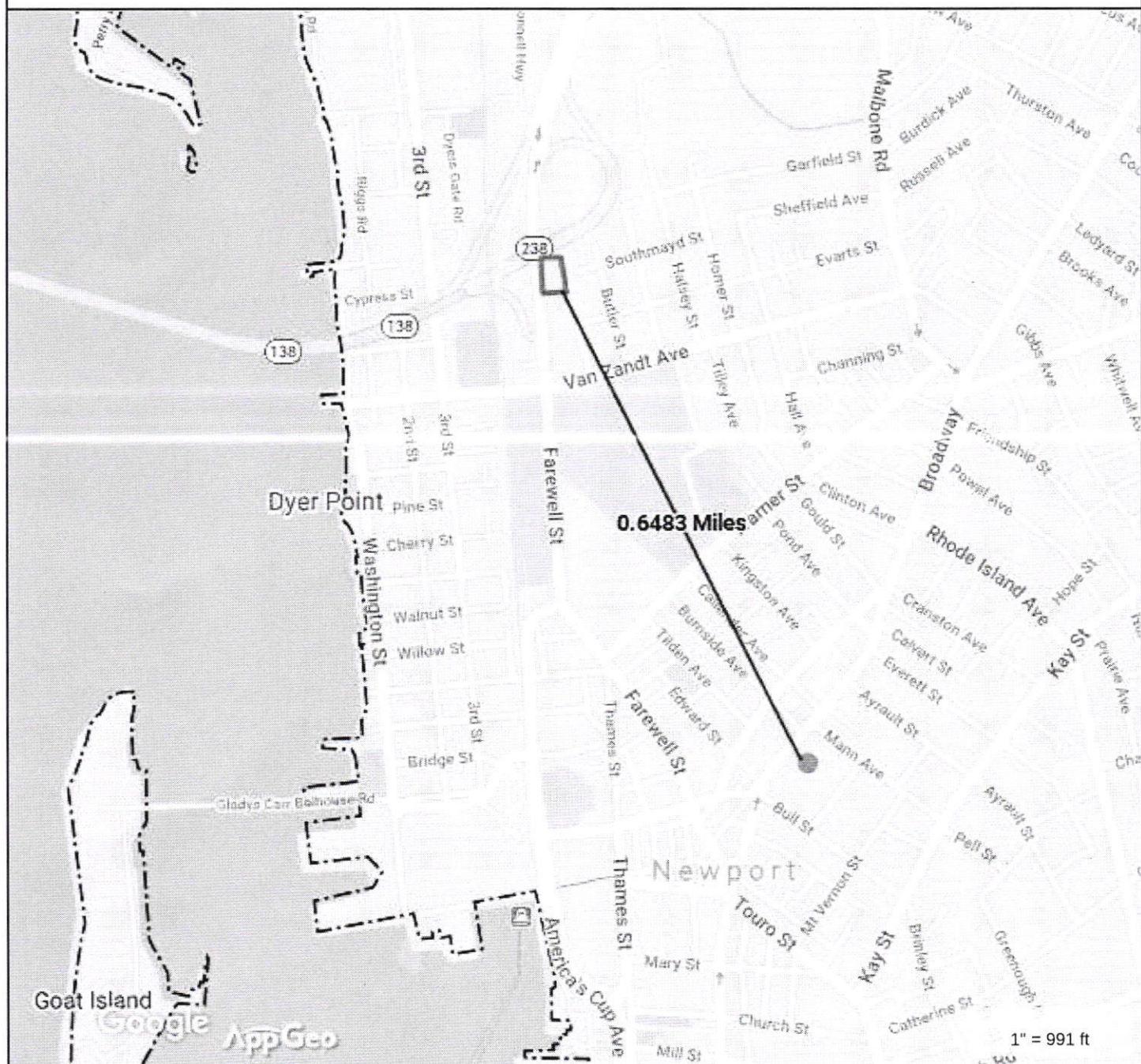




**CC Exhibit F iii – CC Premises Requirements Distance to school**

Please See attached

## Distance to Nearest School



## Property Information

ID 09-372  
Location 29 J T CONNELL MEMORIAL RD  
Owner

MAP FOR REFERENCE ONLY  
NOT A LEGAL DOCUMENT

City of Newport, RI makes no claims and no warranties, expressed or implied, concerning the validity or accuracy of the GIS data presented on this map.

Map Theme Legends

Schools

- PRIVATE
- PUBLIC
- SPECIAL NEEDS
- US GOVERNMENT



**CC Exhibit F iv – Draft Diagram**

Please See attached







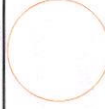




1001 ANDERSON  
WASHINGTON, DC 20005  
1800-541-5415

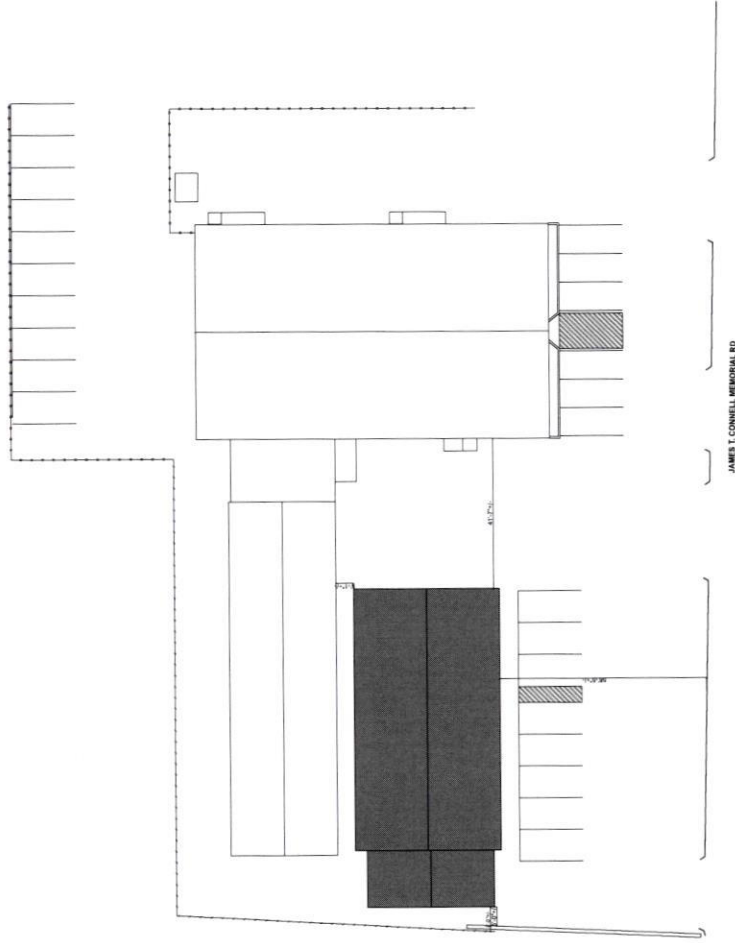
29 JT CONNELL HIGHWAY  
NEWPORT, RI 02840

REVISIONS: 12-11-2020



OVERALL  
EXISTING SITE  
PLAN

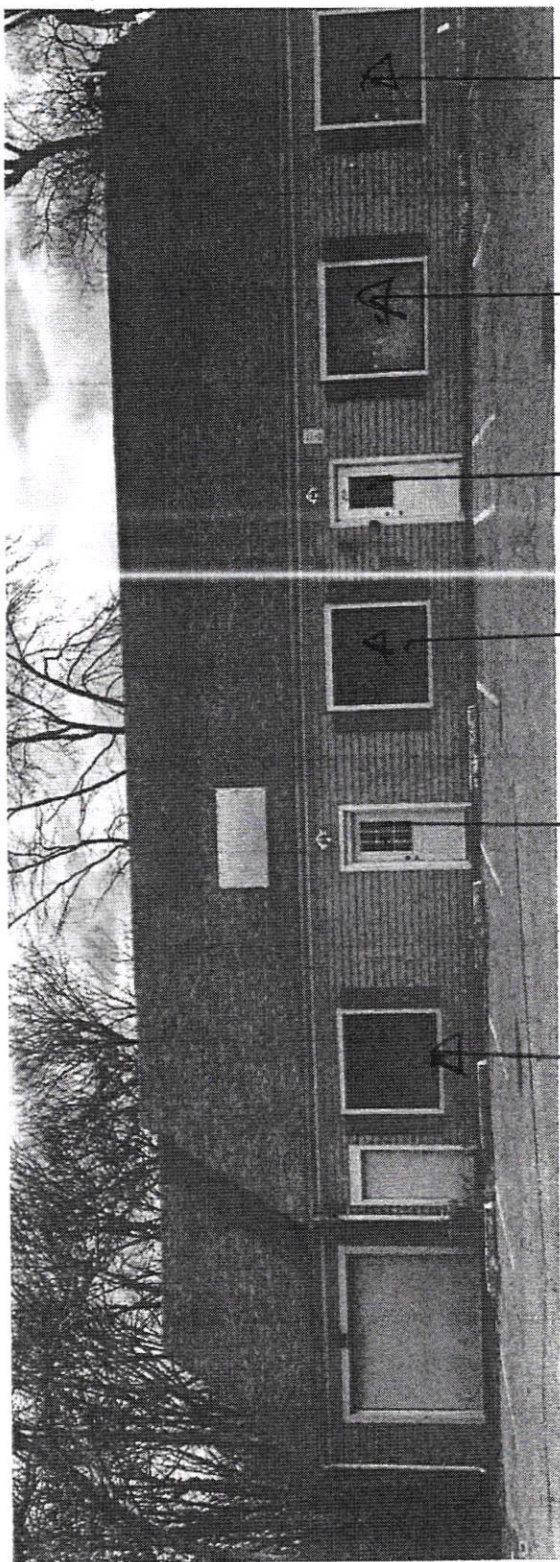
DATE: 12-11-2020  
NCA DC JOB NO.: 23024  
DRAWING NO.: A-113



OVERALL EXISTING SITE PLAN  
SCALE: 1/8" = 1'-0"

**CC Exhibit F v - CC Premises Requirements 3M Film**

Please see attached



A STREET VIEW - NORTH ELEVATION

3M WINDOW FILM



**Property Information**

ID 09-372  
Location 29 J T CONNELL MEMORIAL RD  
Owner



MAP FOR REFERENCE ONLY  
NOT A LEGAL DOCUMENT

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## **CC Exhibit F vi – Letter of intent Lease**

Please find the following documents attached:

- Letter of Intent – Lease

**LETTER OF INTENT  
TO ENTER LEASE AGREEMENT FOR REAL ESTATE**

December 12, 2020

Sublessee:  
Atlas Enterprises Inc.  
70 Jefferson Blvd., Ste. 300  
Warwick, RI 02888

Lessee:  
Hope Harvest, LLC  
29 J T Connell Memorial Road  
Newport, RI 02840

Lessor:  
Jim Carnegie, Inc.  
98 Hargraves Drive  
Portsmouth, RI 02871

Property:  
29 J T Connell Memorial Road  
Building 1  
Newport, RI 02840


This Letter of Intent is entered into this 12<sup>th</sup> day of December, 2020 by and between the above-stated Sublessee, Lessee, and the Lessor named above.


Whereas, Lessor and Lessee entered into that certain Lease Agreement with an effective date of October 1, 2020, as amended in the First Amendment to Lease Agreement dated November 2, 2020, and restated in the Amended and Restated First Amendment to Lease Agreement dated November 13, 2020; and

Whereas, Lessee and Sublessee have been in active negotiations for the lease of the Property identified above; and

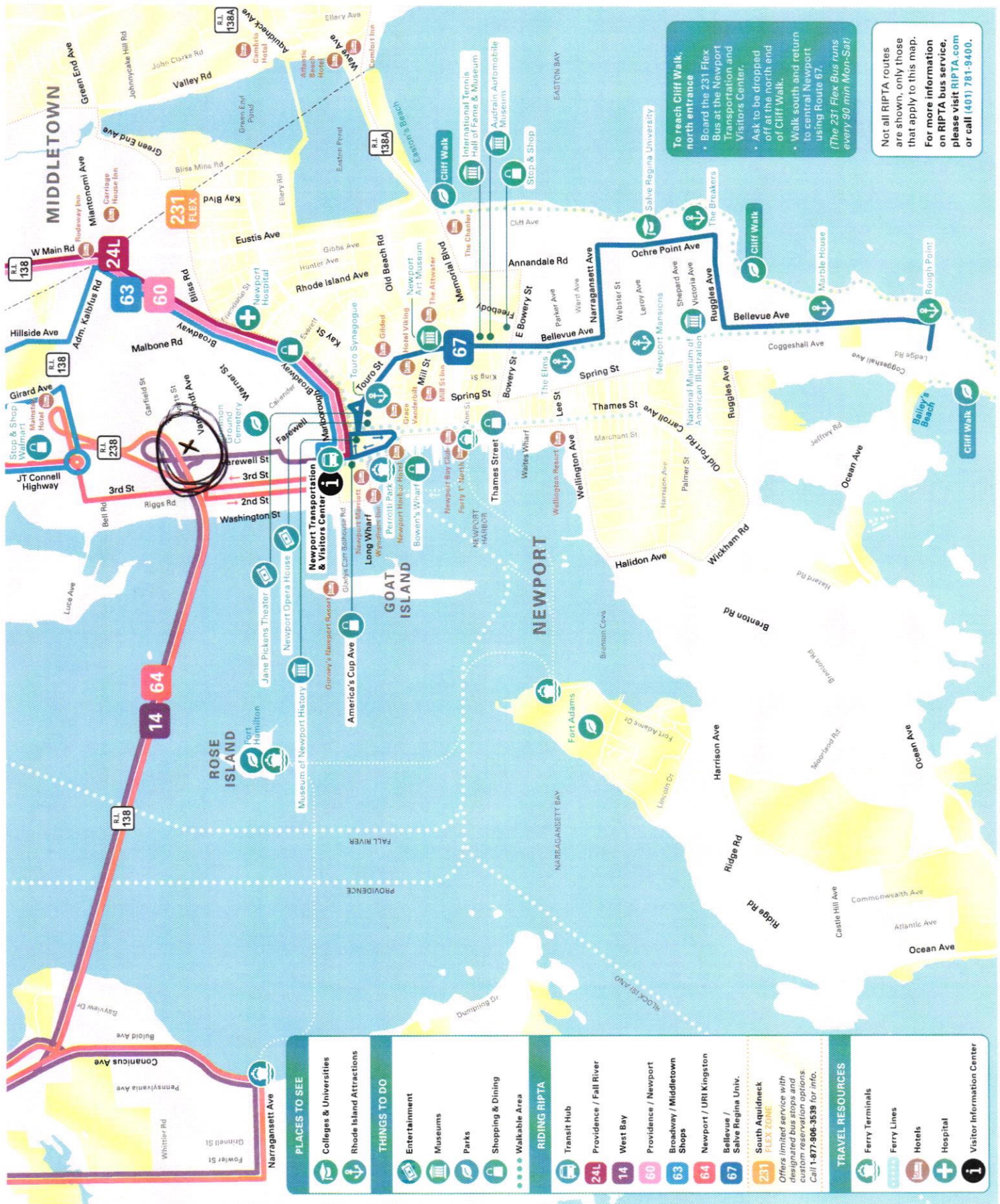
Now Therefore, the parties hereby agree to enter this Letter of Intent, and to secure for the Sublessee the use of the Property, subject to the execution of a sublease agreement and consent of the Lessor to the terms and conditions contained therein.

IN WITNESS WHEREOF, Lessee and Sublessee have each caused this Letter of Intent to be executed as of the date first above written.

  
Hope Harvest, LLC  
By: Shannon K. Senior  
member

  
Atlas Enterprises Inc.  
By: Philip W. Gasbano  
President





**To reach Cliff Walk, north entrance**

- Board the 231 Flex Bus at the Newport Transportation and Visitors Center.
- Ask to be dropped off at the north end of Cliff Walk.
- Walk south and return to central Newport using Route 67.

*(The 231 Flex Bus runs every 90 min Mon-Sat)*

Not all RIPTA routes are shown, only those that apply to this map. For more information on RIPTA bus service, please visit [RIPTA.com](http://RIPTA.com) or call (401) 781-9400.

#### PLACES TO SEE

- Colleges & Universities
- Rhode Island Attractions

#### THINGS TO DO

- Entertainment
- Museums
- Parks
- Shopping & Dining
- Walkable Area

#### RIDING RIPTA

- Transit Hub
- Providence / Fall River
- West Bay
- Providence / Newport
- Broadway / Middletown Shops
- Newport / URI Kingston
- Bellevue / Salve Regina Univ.

#### TRAVEL RESOURCES

- Ferry Terminals
- Ferry Lines
- Hotels
- Hospital
- Visitor Information Center



## WELCOME TO NEWPORT!

The Rhode Island Public Transit Authority (RIPTA) welcomes you on board our buses and trolleys. **Hop on and enjoy the ride!**

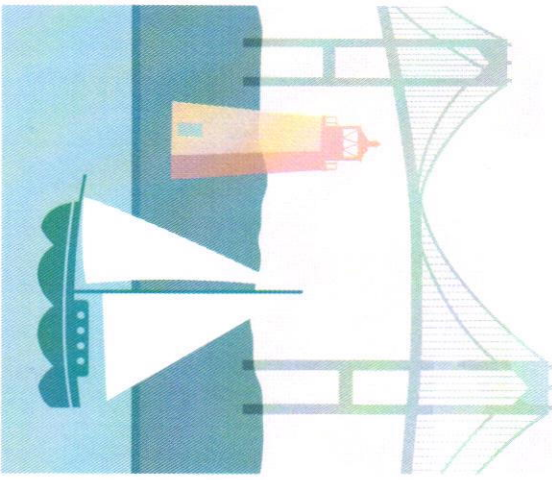
This map of Newport is designed to help you explore the city using RIPTA bus routes.

The map also shows some key points of interest and landmarks to help you get oriented.

Want to explore the state? You can board a bus at the Newport Transportation and Visitors Center and easily connect to other bus routes.

We serve almost every community in Rhode Island! Use this map to help you plan a trip, or try our easy-to-use trip planner on [RIPTA.com](http://RIPTA.com).

Our website also has schedules for each individual route and a description of RIPTA's family of services.



# NEWPORT

POCKET GUIDE to



## THINGS TO DO

Destination	Location	Bus #	Destination	Location	Bus #
<b>ENTERTAINMENT</b>					
The Jane Pickens Theater	49 Touro St	ALL	Bailey's Beach	Ocean Ave & Coggeshall Ave	67
Newport Opera House	19 Touro St	ALL	Common Ground Cemetery	Warner St & Callender Ave	60, 63
Newport Storm Brewery	293 JT Connell Hwy	63, 64	Easton's Beach	Memorial Blvd	Flex 231
<b>MUSEUMS</b>					
Audrain Automobile Museum	222 Bellevue Ave	67	Fort Adams	via ferry service at Perrotti Park	ALL
International Tennis Hall of Fame & Museum	194 Bellevue Ave	67	Fort Hamilton		
Museum of Newport History	127 Thames St	60, 63, 67	<b>SHOPPING &amp; DINING</b>		
National Museum of American Illustration	492 Bellevue Ave	67	America's Cup Avenue	Newport Harbor	ALL
Newport Art Museum	76 Bellevue Ave	67	Bowen's Wharf	Newport Harbor	60, 63, 67
			Broadway	Central Newport	60, 63, 67
			Thames Street	Newport Harbor	60, 63, 67
			Shaw's	71 East Main Rd, Middletown	60, 63
			Stop & Shop	250 Bellevue Ave	67
			Stop & Shop, Walmart	Newport Towne Ctr, 199 JT Connell Hwy	63, 64

## PLACES TO SEE

Destination	Location	Bus #
<b>COLLEGES &amp; UNIVERSITIES</b>		
CCRI	1 John H. Chafee Blvd	63, 64
Salve Regina University	100 Ochre Point Ave	67
<b>RHODE ISLAND ATTRACTIONS</b>		
Cliff Walk (Mansions)	Memorial Blvd to Ledge Rd	
To reach Cliff Walk:		
• Board the 231 Flex Bus at the Newport Transportation and Visitors Center.		
• Ask to be dropped off at the north end of Cliff Walk.		
• Walk south and return to central Newport using Route 67.		
(The 231 Flex Bus runs every 90 minutes Mon-Sat)		
<b>Newport Mansions</b>		
The Breakers	Bellevue Ave	67
The Elms	44 Ochre Point Ave	67
Marble House	367 Bellevue Ave	67
Rough Point	596 Bellevue Ave	67
Touro Synagogue	680 Bellevue Ave	67
	85 Touro St	67

## GREATER RHODE ISLAND

Block Island	via ferry service at Perrotti Park
Providence	RIPTA 60, 24L or via ferry service at Perrotti Park

## RIDING RIPTA

<b>TRANSIT HUB</b>	
Newport Transportation & Visitors Ctr	23 America's Cup Ave
	ALL

## TRAVEL RESOURCES

Destination	Location	Bus #
<b>FERRY</b>		
To: Block Island, Providence, & Fall River MA	Perrotti Park, 39 America's Cup Ave	ALL
To: Fort Adams, Fort Hamilton / Rose Island, Jamestown, & Ann St Pier (Seasonal)		ALL
<b>HEALTHCARE</b>		
Newport Hospital	11 Friendship St	60, 63
<b>HOTELS</b>		
Atlantic Beach Hotel	34 Wave Ave	Flex 231
The Attwater	22 Liberty	67
Cambria Hotel	240 Aquidneck Ave	Flex 231
Carriage House Inn	93 Miantonomi Ave	60, 63
The Chanler	117 Memorial Blvd	Flex 231
Comfort Inn	28 Aquidneck Ave	Flex 231
Forty 1 <sup>st</sup> North	359 Thames St	Flex 231
Gilded	23 Brinley St	67
Grace Vanderbilt	41 Mary St	67
Gurney's Newport Resort	1 Goat Island	ALL
Hotel Viking	1 Bellevue Ave	15 min walk
Mainstay Hotel	151 Adm. Kalbfus Rd	67
Mill St Inn	75 Mill St	63, 64
Newport Bay Club	337 Thames St	67
Newport Harbor Hotel	49 America's Cup Ave	Flex 231
Newport Marriott Hotel	25 America's Cup Ave	ALL
Rodeway Inn	31 W. Main Rd	ALL
Wellington Resort	551 Thames St	60, 63
Wyndham Long Wharf	5 Washington St	Flex 231
<b>VISITOR INFORMATION</b>		
Newport Transportation & Visitors Ctr	23 America's Cup Ave	ALL

## GET CONNECTED



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Follow Us on Twitter  
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CustomerRelations@RIPTA.com



RIPTA.com



401.781.9400



Download our app  
RIPTA.com/mobile-applications



RIPTA is fully compliant with the requirements of the Americans with Disabilities Act (ADA)

\* Popular destinations not shown on map