# 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 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, 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/**

Updated to 7/16/2020

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- 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@dbr.ri.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:

| ZONE | Geographic Boundaries | Number of New Licenses Available in the Zone |
|---|---|---|
| 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.

| FORM/Exhibit # | Name/Description | Included Yes | |
|---|---|---|---|
| **CC Form 1** | Application Information Sheet, Taxpayer Status, Notices and Affirmations executed by a duly authorized signatory of Applicant. | ☒ | Deleted: ☐ |
| **CC Form 2** | Disclosure of Owners and Other Interest Holders executed by a duly authorized signatory of Applicant | ☒ | Deleted: ☐ |
| | Attached Organizational chart | ☒ | Deleted: ☐ |
| | 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 | ☒ | Deleted: ☐ |
| **CC Form 3** | Interest Holder Certification Statement executed by a duly authorized signatory of Applicant. | ☒ | Deleted: ☐ |
| **CC Form 4** | Certification Regarding Nonprofit Status and Compliance executed by a duly authorized signatory of Applicant. | ☒ | Deleted: ☐ |
| | Attached Annex A – Nonprofit Documents | ☒ | Deleted: ☐ |
| | Attached Annex B – Management Companies | ☒ | Deleted: ☐ |
| | Attached Annex C – Vendors | ☒ | Deleted: ☐ |
| | Attached Annex D – Contracts | ☒ | Deleted: ☐ |
| | Attached Annex E – Related Party Transactions | ☒ | Deleted: ☐ |
| | Attached Annex F – Real Estate | ☒ | Deleted: ☐ |
| | Attached Annex G – Equipment | ☒ | Deleted: ☐ |
| | Attached Annex H – Annual Compensation | ☒ | Deleted: ☐ |
| **CC Form 5** | 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 | ☒ | Deleted: ☐ |

| | | |
|---|---|---|
| **Application Fee** | $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 | ☒ Deleted: ☐ |
| **CC Exhibit A** | 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 | ☒ Deleted: ☐ |
| **CC Exhibit 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 | ☒ Deleted: ☐ |
| **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 | ☒ Deleted: ☐ |
| **CC Exhibit D** | Applicant's Security and Safety Plan with all information and in compliance with § 1.2(C)(4)(d) of the Regulations | ☒ Deleted: ☐ |
| **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 | ☒ Deleted: ☐ |
| **CC Exhibit F** | 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 | ☒ Deleted: ☐ |
| **Submission of Required Electronic and Paper Copies of Entire Application** | | |
| **Version A – Paper** | Complete unredacted signed paper copy of the entire Application | ☒ Deleted: ☐ |
| **Version A - Electronic** | Complete electronic copy of the Version A paper application on a USB thumb drive | ☒ Deleted: ☐ |
| **Version B - Paper** | Complete paper copy of entire application redacted as instructed in Part 3 of this Application | ☒ Deleted: ☐ |
| **Version B – Electronic** | Complete electronic copy of entire application redacted as instructed in Part 3 of this Application on a USB thumb drive | ☒ Deleted: ☐ |
| **Version C – Paper** | Complete paper copy of entire application redacted as instructed in Part 3 of this Application | ☒ Deleted: ☐ |
| **Version C – Electronic** | Complete electronic copy of entire application redacted as instructed in Part 3 of this Application on a USB thumb drive | ☒ Deleted: ☐ |

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.

- Leave names of all Owners, Interest Holders and Key Persons visible in the Application.
- Redact any reference to patient, caregiver or authorized purchaser registration names, addresses, card numbers or cards.
- Redact any social security numbers and/or federal employer identification numbers
- Redact all dates of birth and home street addresses as to individual natural persons
- Redact any bank account numbers and bank account information on any check or other document that is submitted
- Redact all ownership percentages and dollar amounts, including in the Form 2, Form 4 and schedules/annexes attached thereto
- Redact all of CC Exhibit C, Applicant's Business Plan
- Redact all of CC Exhibit D, Applicant's Security and Safety Plan
- Redact any financial and proprietary information in CC Exhibit E, Applicant's Operations Manual
- 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.

- Redact Applicant's name and all names and addresses of all Owners, Interest Holders and Key Persons.
- Redact any reference to all names, addresses, registry identification card numbers of all patients, caregivers and authorized purchasers.
- Redact any social security numbers and/or federal employer identification numbers
- Redact all dates of birth and home street addresses as to individual natural persons
- 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

| | | |
|---|---|---|
| 1 | **COMPANY NAME**<br>**(legal name, and any d/b/a name(s), if applicable)** | Coastal Farms Wellness Center Inc |
| | **Application ZONE#**<br>**(note separate applications and application fees are required to apply to multiple zones)** | 4 |
| 2 | **BUSINESS STREET ADDRESS** | 66 Kingston Road |
| 3 | **CITY, STATE, ZIP** | Richmond, RI 02812 |
| 4 | **STREET ADDRESS OF PROPOSED LICENSED PREMISES FOR RETAIL SALES OF MEDICAL MARIJUANA** | 3116-3126 Post Road |
| 5 | **CITY, STATE, ZIP** | Warwick, RI 02886 |

Deleted:

| | | |
|---|---|---|
| 6 | **PLAT#/LOT# OF PROPOSED LICENSED PREMISES FOR RETAIL SALES OF MEDICAL MARIJUANA** | Plat 245/Lot 0289 |
| 7 | **SQUARE FOOTAGE OF PROPOSED FACILITY FOR RETAIL SALE OF MARIJUANA** | 10,100 square feet |
| 8 | **FEIN:** (Federal Employer Identification Number) | [redacted] |
| 9 | **TELEPHONE NUMBER** | **AREA CODE NUMBER EXTENSION** ( 401 ) 787 - 1822 Ext. |
| 10 | **FAX NUMBER (if not applicable, put "N/A")** | **AREA CODE NUMBER EXTENSION** ( ) N/A - Ext. |
| 11 | **TOLL FREE NUMBER (if not applicable, put "N/A")** | **AREA CODE NUMBER EXTENSION** ( ) N/A - Ext. |
| 12 | **COMPLIANCE OFFICER Identification and Contact Information** | **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.** |
| | **Name:** | J. Russell Jackson, Esq. |
| | **Title:** | Legal Counsel |

Deleted:

Deleted:

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Deleted: ____

Deleted: ____-_____

Deleted: Name

Deleted: Title

| | | |
|---|---|---|
| | **Mailing Address:** | 122 Touro Street, Newport, RI 02840 |
| | **Email Address:** | jrjackson@millerscott.com |
| | **Phone Number** | ( 401) 847 - 7500 Ext. <br> **AREA CODE NUMBER EXTENSION** |
| | **Fax Number (if not applicable, put "N/A")** | ( 401 ) 848 - 5854 Ext. <br> **AREA CODE NUMBER EXTENSION** |

## 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 #_____)

Coastal Farms Wellness Center Inc. [redacted]

Name of Taxpayer/Entity Number | Social Security or Federal Tax Identification

## 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:** Stephen J. Rohner **Print Title:** Director | **DATE:** 12/14/2020 |

Updated to 7/16/2020

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

**Name of Applicant/Licensee:** _____

**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 | Title | SSN/FEIN | DOB | App submitted? |
|---|---|---|---|---|
| Stephen Rohner | Director | [redacted] | | ☒Yes ☐No |
| **Address (residence if an individual)** | **City** | **State** | **ZIP** | **Phone Number** |
| [redacted] | | | | |
| **Business Associated with (Applicant, parent business or sub-entity)** | **Own. % Business Associated with** | | | **Effective Own. % in Applicant** |
| Coastal Farms, LLC | [redacted] | | | [redacted] |

| Name | Title | SSN/FEIN | DOB | App submitted? |
|---|---|---|---|---|
| Patrick Kilroy | [redacted] | | | |
| **Address (residence if an individual)** | **City** | **State** | **ZIP** | **Phone Number** |
| [redacted] | | | | |
| **Business Associated with (Applicant, parent business or sub-entity)** | **Own. % Business Associated with** | | | **Effective Own. % in Applicant** |
| Coastal Farms LLC | [redacted] | | | |

| Name | Title | SSN/FEIN | DOB | App submitted? |
|---|---|---|---|---|
| Craig Kilroy | Director | [redacted] | | ☒Yes ☐No |
| **Address (residence if an individual)** | **City** | **State** | **ZIP** | **Phone Number** |
| [redacted] | | | | |
| **Business Associated with (Applicant, parent business or sub-entity)** | **Own. % Business Associated with** | | | **Effective Own. % in Applicant** |
| Coastal Farm LLC | [redacted] | | | |

| Name | Title | SSN/FEIN | DOB | App submitted? |
|---|---|---|---|---|
| | | | | ☐Yes ☐No |
| **Address (residence if an individual)** | **City** | **State** | **ZIP** | **Phone Number** |
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| Business Associated with (Applicant, parent business or sub-entity) | Own. % Business Associated with | Effective Own. % in Applicant |
|---|---|---|
| Name | Title / SSN/FEIN / DOB / App submitted? ☐Yes ☐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? ☐Yes ☐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? ☐Yes ☐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 | Title / SSN/FEIN / DOB / App submitted? ☐Yes ☐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? ☐Yes ☐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? ☐Yes ☐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? ☐Yes ☐No | |

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| 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? ☐Yes ☐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? ☐Yes ☐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? ☐Yes ☐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.) | | | |

**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).**

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 | Title | SSN/FEIN | DOB | App submitted? ☐Yes ☐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? ☐Yes ☐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? ☐Yes ☐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? ☐Yes ☐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? ☐Yes ☐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? ☐Yes ☐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? ☐Yes ☐No |
| Address (residence if an individual) | City | State / ZIP | Phone Number ( ) | |
| Business Associated with (Applicant, parent business or sub-entity) | Role, interest, etc. | | | |

**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).**

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 | Title | SSN/FEIN | DOB | App submitted? ☐Yes ☐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? ☐Yes ☐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? ☐Yes ☐No |
| Address (residence if an individual) | City | State / ZIP | Phone Number ( ) | |

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| Business Associated with (Applicant, parent business or sub-entity) | Interest | | | | |
|---|---|---|---|---|---|
| Name | Title | | SSN/FEIN | DOB | App submitted? ☐Yes ☐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? ☐Yes ☐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? ☐Yes ☐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? ☐Yes ☐No |
| Address (residence if an individual) | City | State | ZIP | Phone Number ( ) | |
| Business Associated with (Applicant, parent business or sub-entity) | Interest | | | | |

**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.**

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 | Title | | SSN/FEIN | DOB | App submitted? ☐Yes ☐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? ☐Yes ☐No |
| Address (residence if an individual) | City | State | ZIP | Phone Number ( ) | |
| Business Associated with (Applicant, parent business or sub-entity) | Interest | | | | |

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| Name | Title | SSN/FEIN | DOB | App submitted? ☐Yes ☐No |
|---|---|---|---|---|
| Address (residence if an individual) | City | State / ZIP | Phone Number ( ) | |
| Business Associated with (Applicant, parent business or sub-entity) | Interest | | | |

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| Name | Title | SSN/FEIN | DOB | App submitted? ☐Yes ☐No |
|---|---|---|---|---|
| Address (residence if an individual) | City | State / ZIP | Phone Number ( ) | |
| Business Associated with (Applicant, parent business or sub-entity) | Interest | | | |

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| Name | Title | SSN/FEIN | DOB | App submitted? ☐Yes ☐No |
|---|---|---|---|---|
| Address (residence if an individual) | City | State / ZIP | Phone Number ( ) | |
| Business Associated with (Applicant, parent business or sub-entity) | Interest | | | |

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| Name | Title | SSN/FEIN | DOB | App submitted? ☐Yes ☐No |
|---|---|---|---|---|
| Address (residence if an individual) | City | State / ZIP | Phone Number ( ) | |
| Business Associated with (Applicant, parent business or sub-entity) | Interest | | | |

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| Name | Title | SSN/FEIN | DOB | App submitted? ☐Yes ☐No |
|---|---|---|---|---|
| Address (residence if an individual) | City | State / ZIP | Phone Number ( ) | |
| Business Associated with (Applicant, parent business or sub-entity) | Interest | | | |

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**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 |
|---|---|---|---|
| | | | |
| | | | |
| | | | |

**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.**

Updated to 7/16/2020

## 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

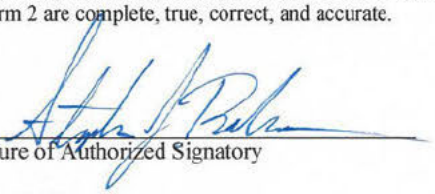
(iv) Hold interest(s) arising under shared management companies, management agreements, or other agreements that afford third-party management or operational control with respect to Applicant/Licensee, its operations, the proposed license, and/or the licensed facilities (any person or entity in the foregoing (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

Stephen J. Rohner
Printed Name

Print Title: Director

Print Name of Applicant/Licensee: Coastal Farms Wellness Center Inc.

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# 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:

| | | |
|---|---|---|
| 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. | Yes ☐ | No ☒ Deleted: ☐ |
| 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. | Yes ☐ | No ☒ Deleted: ☐ |
| 3. Is any Owner or Interest Holder employed by the State of Rhode Island? If "Yes" please describe below. | Yes ☐ | No ☒ Deleted: ☐ |

| | | |
|---|---|---|
| 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 ☒ | No ☐ Deleted: ☐ |
| Coastal Farms, LLC (RI Cultivation License CV 0068) has the same owners as Coastal Farms Wellness<br><br>Mammoth Health and Wellness Inc. We will merge our cultivation license into the Compassion Center license if so chosen. | | |
| 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 *et seq.);* | Yes ☒ | No ☐ Deleted: ☐ |
| 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 ☒ | No ☐ Deleted: ☐ |
| 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 ☒ | No ☐ Deleted: ☐ |
| 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 ☒ | No ☐ Deleted: ☐ |
| 6. Applicant acknowledges that Application Fees are non-refundable. | Yes ☒ | No ☐ Deleted: ☐ |
| 7. Applicant acknowledges that in filing an Application for a license, the following:<br>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 | Yes ☒ | No ☐ Deleted: ☐ |
| 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- | Yes ☒ | No ☐ Deleted: ☐ |

| | | |
|---|---|---|
| 35-1 *et seq.* | | |

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

Stephen J. Rohner
Printed Name
Print Title: Director
Print Name of Applicant/Licensee: Coastal Farms Wellness Center 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)[1] (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.

[1] "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

12/15/2020
Date

Stephen J. Rohner
Printed Name
Print Title: Director
Print Name of Applicant/Licensee: Coastal Farms Wellness Center 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.**

Updated to 7/16/2020

## 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 # |
|---|---|---|---|
| RI | Cultivator | Stephen J. Rohner | CV 0068 |
| RI | Cultivator | Patrick Kilroy | CV 0068 |
| RI | Cultivator | Craig Kilroy | CV 0068 |
| | | | |

Deleted:
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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

Stephen J. Rohner
Printed Name
Print Title: Director
Print Name of Applicant/Licensee: Coastal Farms Wellness Center Inc

Updated to 7/16/2020

# 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]**

Signature of Authorized Signatory

12/14/2020
Date

Stephen J. Rohner
Printed Name
Print Title: Director
Print Name of Applicant/Licensee: Coastal Farms Wellness Center Inc.

Updated to 7/16/2020

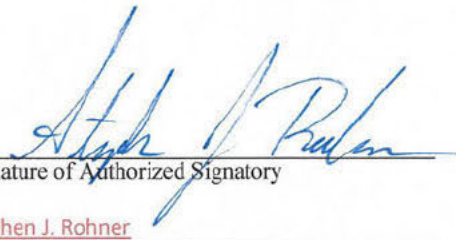
## CC Exhibit B – Compliance Plan

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.

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

12/15/2020
Date

Stephen J. Rohner
Printed Name
Print Title: Director
Print Name of Applicant/Licensee: Coastal Farms Wellness Center 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]**

12/14/2020
Signature of Authorized Signatory — Date

Stephen J. Rohner
Printed Name
Print Title: Director
Print Name of Applicant/Licensee: Coastal Farms Wellness Center 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

Stephen J. Rohner
Printed Name
Print Title: Director
Print Name of Applicant/Licensee: Coastal Farms Wellness Center 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

Stephen J. Rohner
Printed Name
Print Title: Director
Print Name of Applicant/Licensee: Coastal Farms Wellness Center 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** ☒ Deleted: ☐

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]**

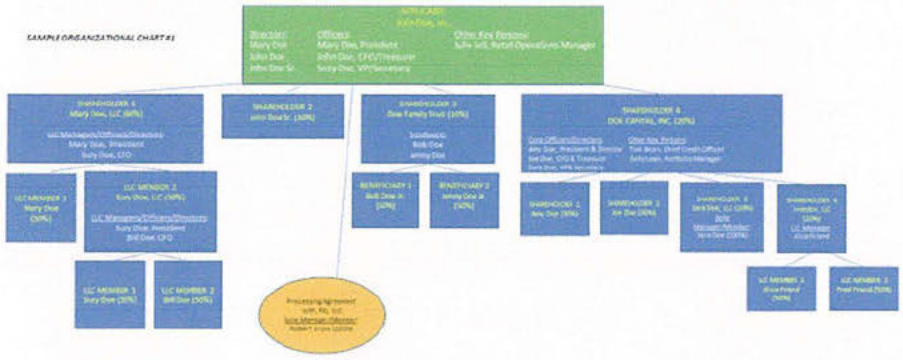
Signature of Authorized Signatory

12/14/2020
Date

Stephen J. Rohner
Printed Name
Print Title: Director
Print Name of Applicant/Licensee: Coastal Farms Wellness Center Inc

Updated to 7/16/2020

# Appendix A – CC Form 2 Organizational Chart Example



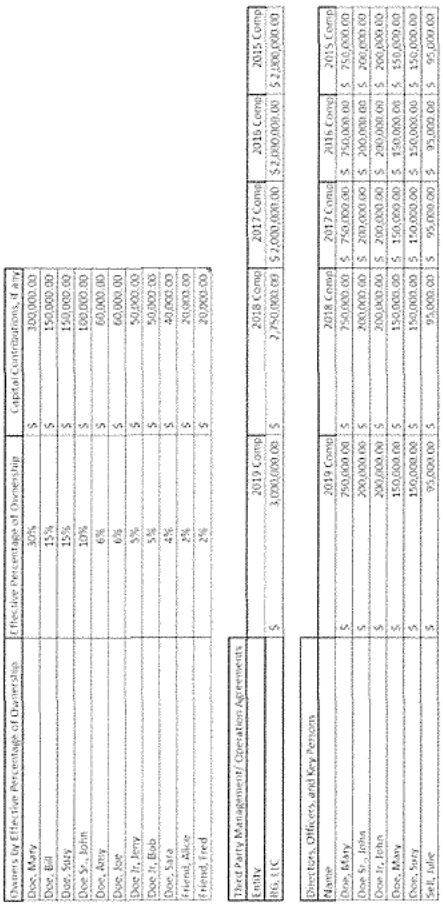
If any interest is held by a corporation, limited liability company, partnership, trust or other entity, continue to add boxes that delineate next level interest holders until the organization chart reflects all interests down to the individual person level.

*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 interestholders 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 |

| Third Party Management/ Operation Agreements | | | | | | |
|---|---|---|---|---|---|---|
| Entity | 2019 Comp | 2018 Comp | 2017 Comp | 2016 Comp | 2015 Comp |
| Rts, LLC | $ 3,000,000.00 | $ 2,750,000.00 | $ 2,000,000.00 | $ 2,000,000.00 | $ 2,000,000.00 |

| Directors, Officers, and Key Persons | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| 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 | $ | 280,000.00 | $ | 280,000.00 | $ | 280,000.00 | $ | 280,000.00 | $ | 280,000.00 |
| 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 |

# Form 1

Application Information Sheet, Taxpayer Status, Notices and Affirmations executed by a duly authorized signatory of Applicant.

COASTAL FARMS

RHODE ISLAND GROWN

# Form 2

Disclosure of Owners and Other Interest Holders executed by a duly authorized signatory of Applicant.

Organizational Chart.

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.

COASTAL FARMS

RHODE ISLAND GROWN

# Coastal Far[redacted]llness Center Organization Chart

[redacted]

COASTAL FARMS
RHODE ISLAND GROWN

**Board of Directors**

[redacted]

Coastal Farms
Management
Company

Coastal Farms
Wellness Center

# Form 4

# Annex A

Nonprofit Documents

COASTAL FARMS

RHODE ISLAND GROWN

Coastal Farms Wellenss Center is a nonprofit corporation established under the Rhode Island Nonprofit Corporation Act (Rhode Island General Laws Section 7-6-1 et. seq.).

The Coastal Farms Center shall satisfy the intentions of the Nonprofit Corporation Act by staying true to its stated mission. Our Articles of Incorporation are attached as an Exhibit hereto. Additionally, we have attached the Rhode Island Secretary of State Certificate of Good Standing as a Rhode Island non-profit corporation.

Coastal has adopted By-Laws which set forth that the affairs of the nonprofit corporation are managed by a Board of Directors, all of whom are residents of the State of Rhode Island. Members of the Board of Directors shall be uncompensated for their service to the Coastal Board. The By-laws and list of Coastal Board of Directors are attached as an Exhibit hereto.

Our Board of Directors shall provide strategic and financial oversight to the Coastal Compassion Center. The Board shall be responsible for contracting with financial and management professionals to ensure that the Compassion Center has financial sustainability. All compensation for Compassion Center Executive Management will be determined by the Board. The Board will provide the guidance and thought leadership to ensure that Coastal Compassion Center acts in accordance with its Mission and with the eleemosynary purposes of the Nonprofit Corporation Act. The Board shall act in good faith and in the best interest of the nonprofit corporation.

**State of Rhode Island**
**Office of the Secretary of State**

Fee: $35.00

Division Of Business Services
148 W. River Street
Providence RI 02904-2615
(401) 222-3040

## Non-Profit Corporation Articles of Incorporation

(Chapter 7-6-34 of the General Laws of Rhode Island, 1956, as amended)

### ARTICLE I

The name of the corporation is Coastal Farms Wellness Center, Inc.

### ARTICLE II

The period of its duration is X Perpetual ___

### ARTICLE III

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

TO CULTIVATE AND PROVIDE ORGANIC MEDICAL MARIJUANA TO PATIENTS AS A LICENSED COMPASSION CENTER UNDER THE RHODE ISLAND MEDICAL MARIJUANA PROGRAM PURSUANT TO RIGL SECTION 21-28.6, ET. SEQ., AS AMENDED, AND TO ENGAGE IN OTHER RELATED LAWFUL PURPOSES.

### ARTICLE IV

Provisions, if any, not inconsistent 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:

NONE.

### ARTICLE V

The street address (post office boxes are not acceptable) of the initial registered office of the corporation is:

No. and Street: 122 TOURO STREET
City or Town: NEWPORT State: RI Zip: 02840

The name of its initial registered agent at such address is J. RUSSELL JACKSON, ESQ.

### ARTICLE VI

The number of directors constituting the initial Board of Directors of the Corporation is 3 and the names and addresses of the persons who are to serve as the initial directors are:

| Title | Individual Name<br>First, Middle, Last, Suffix | Address<br>Address, City or Town, State, Zip Code, Country |
|---|---|---|
| DIRECTOR | PATRICK KILROY | [redacted] |

| | | |
|---|---|---|
| DIRECTOR | STEPHEN ROHNER | [redacted] |
| DIRECTOR | CRAIG KILROY | |

**ARTICLE VII**

The name and address of the incorporator is:

| Title | Individual Name<br>First, Middle, Last, Suffix | Address<br>Address, City or Town, State, Zip Code, Country |
|---|---|---|
| INCORPORATOR | J. RUSSELL JACKSON ESQ. | [redacted] |

**ARTICLE VIII**

Date when corporate existence is to begin
(not prior to, nor more than 30 days after, the filing of these Articles of Incorporation)

**Signed this 2 Day of December, 2020 at 4:13:59 PM by the incorporator(s).** *This electronic signature of the individual or individuals signing this instrument constitutes the affirmation or acknowledgement of the signatory, under penalties of perjury, that this instrument is that individual's act and deed or the act and deed of the corporation, and that the facts stated herein are true, as of the date of the electronic filing, in compliance with R.I. Gen. Laws § 7-6.*

**Enter signature(s) below.**
J. RUSSELL JACKSON

Form No. 200
Revised 09/07

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RI SOS Filing Number: 202078318410 Date: 12/2/2020 4:25:00 PM

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

I, NELLIE M. GORBEA, Secretary of State of the State of Rhode Island, hereby certify that this document, duly executed in accordance with the provisions of Title 7 of the General Laws of Rhode Island, as amended, has been filed in this office on this day:

December 02, 2020 04:25 PM

Nellie M. Gorbea
*Secretary of State*

*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:

**Coastal Farms Wellness Center, Inc.**

is a Rhode Island Non-Profit Corporation organized on **December 02, 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 11, 2020

Secretary of State

Certificate Number: 20120052020
Verify this Certificate at: http://business.sos.ri.gov/CorpWeb/Certificates/Verify.aspx
Processed by: aalbert

**State of Rhode Island**
**Office of the Secretary of State**

Fee: $150.00

Division Of Business Services
148 W. River Street
Providence RI 02904-2615
(401) 222-3040

# Limited Liability Company Articles of Organization

(Chapter 7-16-6 of the General Laws of Rhode Island, 1956, as amended)

## ARTICLE I

The name of the limited liability company is: Coastal Farms Management Company, LLC

## ARTICLE II

The street address (post office boxes are not acceptable) of the limited liability company's registered agent in Rhode Island is:

No. and Street: 122 TOURO STREET
City or Town: NEWPORT State: RI Zip: 02840

The name of the resident agent at such address is: J. RUSSELL JACKSON, ESQ.

## ARTICLE III

Under the terms of these Articles of Organization and any written operating agreement made or intended to be made, the limited liability company is intended to be treated for purposes of federal income taxation as:
*Check one box only*

X a partnership ___ a corporation ___ disregarded as an entity separate from its member

## ARTICLE IV

The address of its principal office of the limited liability company if it is determined at the time of organization:

No. and Street:
City or Town: State: Zip: Country:

## ARTICLE V

The limited liability company has the purpose of engaging in any lawful business, unless a more limited purpose is set forth in Article VI of these Articles of Organization.

The period of its duration is: X Perpetual ___

## ARTICLE VI

Additional provisions, if any, not inconsistent with law, which members elect to have set forth in these Articles of Organization, including, but not limited to, any limitation of the purposes or any other provision which may be included in an operating agreement:

## ARTICLE VII

The limited liabilty company is to be managed by its X Members or ___ Managers (check one)

**(If managed by Members, go to ARTICLE VIII)**

The name and address of each manager **(If LLC is managed by Members, DO NOT complete this section)**:

| Title | Individual Name<br>First, Middle, Last, Suffix | Address<br>Address, City or Town, State, Zip Code, Country |
|---|---|---|

**ARTICLE VIII**

The date these Articles of Organization are to become effective, not prior to, nor more than 90 days after the filing of these Articles of Organization.

Later Effective Date:

*This electronic signature of the individual or individuals signing this instrument constitutes the affirmation or acknowledgement of the signatory, under penalties of perjury, that this instrument is that individual's act and deed or the act and deed of the company, and that the facts stated herein are true, as of the date of the electronic filing, in compliance with R.I. Gen. Laws § 7-16.*

**Signed this 2 Day of December, 2020 at 4:27:59 PM by the Authorized Person.**

J. RUSSELL JACKSON

**Address of Authorized Signer:**
122 TOURO STREET, NEWPORT RI 02840

Form No. 400
Revised 09/07

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RI SOS Filing Number: 202078318410 Date: 12/2/2020 4:25:00 PM

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

I, NELLIE M. GORBEA, Secretary of State of the State of Rhode Island, hereby certify that this document, duly executed in accordance with the provisions of Title 7 of the General Laws of Rhode Island, as amended, has been filed in this office on this day:

December 02, 2020 04:25 PM

Nellie M. Gorbea
*Secretary of State*

[redacted]

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN 85-4253254. 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.

When you submitted your application for an EIN, you checked the box indicating you are a non-profit organization. Assigning an EIN does not grant tax-exempt status to non-profit organizations. Publication 557, Tax-Exempt Status for Your Organization, has details on the application process, as well as information on returns you may need to file. To apply for recognition of tax-exempt status under Internal Revenue Code Section 501(c)(3), organizations must complete a Form 1023-series application for recognition. All other entities should file Form 1024 if they want to request recognition under Section 501(a).

Nearly all organizations claiming tax-exempt status must file a Form 990-series annual information return (Form 990, 990-EZ, or 990-PF) or notice (Form 990-N) beginning with the year they legally form, even if they have not yet applied for or received recognition of tax-exempt status.

Unless a filing exception applies to you (search www.irs.gov for Annual Exempt Organization Return: Who Must File), you will lose your tax-exempt status if you fail to file a required return or notice for three consecutive years. We start calculating this three-year period from the tax year we assigned the EIN to you. If that first tax year isn't a full twelve months, you're still responsible for submitting a return for that year. If you didn't legally form in the same tax year in which you obtained your EIN, contact us at the phone number or address listed at the top of this letter.

For the most current information on your filing requirements and other important information, visit www.irs.gov/charities.

[redacted]

**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.

* Provide future officers of your organization with a copy of this notice.

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

If you have questions about your EIN, you can contact us at the phone number or address listed at the top of this notice. If you write, please tear off the stub at the bottom of this notice and include it with your letter. Thank you for your cooperation.

[redacted]

MILLER SCOTT HOLBROOK & JACKSON
*Attorneys and Counselors at Law*

122 Touro Street
Newport, RI 02840

*J. Russell Jackson, Esq.*
*jrjackson@millerscott.com*

*Tel: 401-847-7500*
*Fax: 401-848-5854*

# J. RUSSELL JACKSON
## *Professional Experience*

| | | |
|---|---|---|
| ***Law Practice:*** | ***Miller Scott Holbrook & Jackson*** | ***2018 - Present*** |
| | ***Jackson O'Neill, LLC*** | ***2010-2017*** |
| | ***Jackson Law, Ltd.*** | ***2000 – 2009*** |

- Engaged in the general practice of law, providing services to clients focusing in the areas of civil litigation, land use, planning & zoning, title examination, real estate conveyance, probate, personal injury, and municipal law.
- Handled thousands of real estate title examinations and transactions, including the identification and resolution of title defects.
- Real estate litigation in the areas of contract dispute, adverse possession, boundary disputes, easements, rights of way, and title clearing actions.
- Providing "Qualified Intermediary" services in IRS tax deferred exchanged of like kind property.
- Trial and litigation experience in the State and Federal Courts of Rhode Island.

***City of Newport – Newport, RI*** ***2007 - Present***
***Presiding Municipal Court Judge***

- Adjudication of alleged traffic and municipal code violations, including real property cases relating to zoning, historic district zoning and minimum housing offenses.
- Created the Municipal Court Diversion Program to connect repeat offenders with social service agencies providing mental health and substance abuse counseling services to reduce recidivism and improve the quality of life along the Newport Broadway corridor.
- Adopted a standard Review Calendar to monitor, manage and enforce the payment of fines.

***Town of Middletown – Middletown, RI*** ***2007 - 2016***
***Special Assistant Town Solicitor***

- Provided counsel to the Zoning Board of Review, Planning Board, Town Council and Staff, in relation to zoning, development and land use matters.
- Representation and litigation services provided to the Town of Middletown in various zoning and tax appeals before the Newport County Superior Court and the Supreme Court of Rhode Island.

***Ocean State Capitol Consulting, LLC*** ***2014 – Present***

- Providing clients with government relations and lobbying services with a special focus on matters relating to the Rhode Island Medical Marijuana Program.
- Worked with clients in support of the 2016 sweeping changes to "The Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act" R.I.G.L § 21-28.6-1, et seq. which allowed for licensed Medical Marijuana Cultivators in Rhode Island.

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*Tel: 401-847-7500*
*Fax: 401-848-5854*

***Progressive Insurance – Warwick, RI*** ***1995 - 2000***
***Casualty & Litigation Specialist***

- Responsible for the control, management and handling of an extensive claims inventory.
- Proficient in the investigation, interpretation and analysis of insurance policy contracts.
- Skilled and experienced in evaluating, negotiating and settling personal injury claims.
- Responsible for working with defense counsel in the handling of litigation and arbitration files.

***University of Rhode Island*** ***2002 - 2003***

**Adjunct Faculty**

- Instructor - Political Science 288 – The American Legal System

***National Business Institute*** ***2005***
***Instructor***

- C.L.E. Instructor – "Examining and Resolving Title Issues in Rhode Island."

*COMMUNITY INVOLVEMENT*

- State Representative-District 73-Newport & Middletown – 2005-2013
  - *House Committee on Finance, Vice Chairman*
  - *House Rules Committee*
  - *House Committee on Separation of Powers, Secretary*
  - *Chairman, Commission to Study Prohibiting the Use of Thimerosal in Immunizations*
  - *Chairman, Commission to Study Requirements for the Remediation of Naturally Occurring Arsenic in the Soil*
  - *Commission on Modernizing Probate Law & Procedure*
  - *Commission to Study Regionalizing Aquidneck Island School Systems*
  - *Commission to Study Coastal Homeowner's Insurance*
  - *House Oversight Commission to Monitor the Ramifications of the Fire Safety Code*
- City of Newport Planning Board 1998-2005, Chairman 2002-2005.
- City of Newport Charter Review Commission, 2000-2001.
- Newport Public Education Foundation, Board of Trustees/Special Advisor 2002-2005.
- Newport Health Care Corporation, Board of Governors, 2001- 2012.
- Newport School Department, Five-Year Strategic Plan Committee, 2000.
- Newport Little League, Sponsor, Coach & Past Board Member.
- Friends of Historic Emmanuel Church of Newport, Inc., Board of Trustees, 2002-2010.
- Emmanuel Church, Vestry, 2001-2005
- Martin Luther King Community Center, Board of Directors 2012-2014

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*jrjackson@millerscott.com*

*Tel: 401-847-7500*
*Fax: 401-848-5854*

## PROFESSIONAL MEMBERSHIPS, ASSOCIATIONS & AFFILIATIONS

- Licensed to Practice Law in the State and Federal Courts of Rhode Island
- Rhode Island Bar Association
- Newport County Bar Association
- Past Member of the Rhode Island Bar Association Title Standards and Practices Committee.
- Title Insurance Agent For: Chicago Title Insurance Company & Commonwealth Title

## EDUCATION

- Suffolk University Law School - 1997 Juris Doctor Degree
  - Deans List: 1994-95 & 1996-97
- University of Rhode Island – 1992 Graduate – Highest Distinction
  - BA Degrees in History & Political Science. English Minor.

## *REFERENCES*

Mark Comstock, Esq.
Chicago Title Insurance Company
Vice President & State Manager
One State Street – 6th Floor
Providence, RI 02908

Mr. Shawn J. Brown
Town Administrator
Town of Middletown
350 East Main Road
Middletown, RI 02842

Additional professional and/or personal references can be provided upon further request.

**Stephen J. Rohner**
[redacted] • (401)787-1822 • srohner@hotmail.com

## EXECUTIVE MANAGEMENT SUMMARY

A self-motivated leader with a proven track record in building great teams and aligning their efforts with the organizational goals. Work alongside CEO creating, communicating, and maintaining capital relationships. Provide positive, level-headed leadership in fast-paced, high-pressure, team-oriented environments.

## AREAS OF EXPERTISE

- Executive Management
- Risk Management
- Financial Modeling
- Investor Relations
- Strategic Planning
- Business Development
- Capital Markets
- Forecasting
- Fund Raising
- Start-up Development
- Communication Skills
- Analytical Skills

## EXPERIENCE

**Founder/President, January 2017 – Present**
*Coastal Farms, LLC – Richmond, RI ( Medical Marijuana Cultivator/Manufacture)*

Partnering with a local Entrepreneur, together we built and run a state of art medical marijuana greenhouse.

- Sourced land in a local municplality that ws zone for medical marijuana cultivation
- Devloped a 5 acre lot: Brought in electrical, water, drainage, road, parking, barriers, and protected wetlands
- Designed a state of the art greenhouse that meets all the state and local requirement
- Hired a construction team to build facility
- Hired Staff and run day to day operations

**Chief Financial Consultant, December 2015 – December 2016**
*Atlantic Produce, Inc. - West Kingston, RI (Company builds & operates hydroponic greenhouses)*

Partnered with the CEO on running daily operations along with developing and presenting the strategic business plan to investors for raising capital to expand the business.

- Acted as CFO on all financial responsibilities.
- Launched product into 20 stores.
- Created and implemented an inventory system to manage daily production units.
- Implemented a quality control system by establishing 3 levels of standards for product.
- Built 5-year financial models to show the forecasted growth of the business under different scenarios, presented results to potential investors.
- Created and managed detailed monthly budgets to align with forecasted projections.
- Managed daily account receivables and accounts payable using QuickBooks.
- Worked alongside Private Equity firms to stress-test financial assumptions.
- Raised $600,000 in debt financing.

**Chief Strategy Officer, July 2014 – December 2015**
*BENRUS, LLC - Providence, RI (Military Inspired Lifestyle Brand)*

Partnered with institutional leadership and external consultants to support execution on key initiatives. Successfully expanded the company's market cap and limited overhead by shifting strategy away from retail and focusing on wholesale and e-commerce.

- Led a team of 15 employees.
- Grew revenue more than $1,500,000 in first 18 months of operations.
- Created business plan, executive summary, investor decks, and pro-forma statements.
- Wrote financial models to stress test different sales scenarios and product categories.

- Worked closely with JP Morgan on adjusting key assumptions in financial model.
- Developed pricing strategy and rolled out to sales team.
- Analyzed ROI of digital strategy using google analytics, focusing marketing dollars on key demographics.
- Ran SWOT analysis for the three different revenue channels, which led to a focus on wholesale and e-commerce.
- Partnered with the CEO on investor road shows to raise capital by presenting business to institutional banks, hedge funds, private equity, family offices, and individual investors.
- Negotiated sponsorship agreements with the Buffalo Bills and Boston Celtics.
- Worked cross functionally to increase broad cohesion across departments.
- Partnered with the CEO in developing new business to ensure the growth & prosperity of the company.

**Proprietary Trader, September 2012 – June 2014**
*Quasar Trading, LLC - Hoboken, NJ*

Led a team of 8 proprietary traders in opening a remote office to minimize costs and maximize profits. Successfully negotiated a group rate for business partners which cut trading fees by 30%.

- Partner in a team with over $15 million under management.
- Managed a multi-million-dollar account with daily trading volume of over 100,000 shares.
- Managed an independent office: responsible for supervising trading strategies and maintaining efficient operations. Maintained a professional relationship with headquarters and the clearing firm to insure a positive working environment.
- Regularly scanned SEC filings to identify list of equities that provided greatest risk/reward trading opportunities daily by comparing different stocks within an industry that have a high probability of price movement based on specific news events.
- Designed successful trading platforms to meet the needs of specific trader's preferences. This includes designing charts, stock screeners, risk management tools, programming specific trading hotkeys, maximize proprietary news service software, and keeping accurate and relevant market data windows.

**Proprietary Trader, October 1996 – September 2012**
*Hold Brothers Capital, LLC - Hoboken, NJ*

Formed a partnership with a group of independent proprietary traders. Responsibilities included the oversight of the office infrastructure, managing daily meetings, and keeping up to date records of investments.

- Developed and implemented trading strategies that used pivot points, moving averages, and volume analysis to enter and exit trades resulting in an increase in year over year returns.
- Collaborated in daily data analysis to identify stocks that presented best trading opportunities for the desk.
- Trained new traders in short term trading strategies.
- Worked my way up from an assistant trader to an independent trader generating profit of $3,000,000
- Implemented various hedging strategies to manage risk in individual stocks and sectors
- Rose to top 10% of equity traders generating some of the firm's biggest trades.

## EDUCATION

University of Rhode Island
Bachelor of Science in Business Administration, *Management Information Systems Concentration*

library materials based on subject matter or standard library classification systems, mastering attention to fine detail.
- Aided students in locating and using research materials.
- Designed information storage and retrieval systems, and developed procedures for collecting, organizing, interpreting, and classifying information, becoming proficient in critical and creative thinking.
- Managed evening study hall duty, demonstrating management and leadership techniques.
- Helped organize and run Rhode Island Independent School Librarians annual conference.
- Performed clerical activities, such as answering phones, sorting mail, filing, typing, word processing, and photocopying and mailing out material.

**Coach** • *GIRLS ON THE RUN, Fairmont Dual Immersion Academy*
DENVER, CO • August 2009 to May 2010
- Promoted healthy lifestyles among at-risk girls ages 8-13.
- Coached and trained girls for a 5K run at end of program.
- Communicated efficiently to girls and parents who speak Spanish.
- Engaged girls in tough discussions about maturing into an adult woman, responsibility, goal-setting and independence.

## EDUCATION

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Washington, DC • July 2020

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NEWPORT, RI
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**Bachelor's of Arts** - English • *University Of Colorado At Boulder*
Boulder, CO • December 2010
Magna Cum Laude, Member of Phi Beta Kappa Honor Society

## LICENSURES

- State of Rhode Island, Advanced Practice Registered Nurse. License # APRN54141
- State of Rhode Island, Registered Nurse. License #RN54141

## CERTIFICATIONS

- BLS/CPR for the Healthcare Professional
- Pediatric Advanced Life Support
- Advanced Cardiac Life Support
- Basic IV Training, IV Solutions
- Functional Independence Measurement (FIM) Certification
- Certified Emergency Nurse

## AFFILIATIONS

- Member of the Emergency Nurses Association
- Member of American Nursing Association

# Craig Kilroy

E-mail: [redacted]


## Objectives

Helping guide the company and employees to a beneficial work environment that is fair, with clear cut expectations while providing support and consultation to all. Recognizing behavioral traits, recruit, and schedule to allow for the company to grow and succeed.

## Education

**Bachelor of Science Kinesiology** (2009)

- University of Rhode Island

## Experience

**Owner and General Manager** (2012 –Current)

Newport Waterfront Landing (30 Bowens Wharf, Newport RI (02840)

## Skills

- Human Resource Specialist
- Payroll Specialist
- Employee Recruitment
- Employee Training
- Scheduling
- Compliance and Safety
- Communication
- Critical Thinking
- Use of Ethical Approach
- Organization

# JOANNA HOLDER, RN, CEN, MSN, FNP-BC

[redacted]
joanna.lanz@gmail.com

## PROFESSIONAL SUMMARY

Empathetic Board-Certified Family Nurse Practitioner and Health and Wellness Professional focused on providing quality care and maintaining direct lines of communication with patients and healthcare team. Calm, understanding professional bringing over 6 years of experience in assessing, evaluating and treating acute and chronic medical conditions through physical examinations, diagnostics, clinical reasoning and and physical, mental and spiritual holistic health care delivery. Exceptional critical thinking decision-making and nursing leadership skills.

## SKILLS

BLS/CPR for the Healthcare Professional
Pediatric Advanced Life Support
Advanced Cardiac Life Support
Certified Emergency Nurse
Electronic Medical Record - EPIC
Intravenous (IV) Insertion and Maintenance
NASM Personal Trainer
Registered Yoga Instructor - 200 Hrs
Holistic Wellness
Creative thinking
Leadership
Managing

## LICENSES

- State of Rhode Island, Advanced Practice Registered Nurse. License # APRN54141
- State of Rhode Island, Registered Nurse. License #RN54141

## WORK HISTORY

**Aesthetics Nurse Practitioner** • *Radiant Esthetics MedSpa*
NEWPORT, RI • March 2019 to Current

- Performed consultations for patients before scheduling treatments.
- Administered treatments such Botox, Dysport and Restalyne filler to patients to enhance appearance
- Designed IV therapy treatments unique to each client's specialized concerns
- Developed individualized, therapeutic skin care program and post-treatment instructions.
- Handled busy schedules and stayed on top of key deadlines.
- Assisted manager with daily spa operations, including opening and closing procedures.

**Clinical Nurse II-Emergency Department** • *NEWPORT HOSPITAL*
NEWPORT, RI • April 2018 to Current

- Functioned as charge nurse and triage nurse, managing staff nurses during large influx of patients, assigning proper acuity triage priorities.
- Learned the essential skill of triaging patients and determining priority care based on physical, psychological and social needs.
- Further improved upon age-appropriate assessments from infant to geriatric.
- Collaborated with physicians to quickly assess patients and deliver appropriate treatment while managing rapidly changing conditions.
- Assisted in managing multiple trauma patients, sexual assault cases, cardiac arrests, code strokes, respiratory arrests and conscious sedations on both adult and pediatric populations.
- Gained experience managing adult and pediatric patients in psychiatric emergencies.
- Collaborated with law enforcement on criminal cases by quickly reporting injuries and collecting needed evidence.
- Assisted families in times of pain, shock and grief.
- Strengthened interpersonal communication skills to assist with collaborative and holistic care among allied health professions and providers.

**NASM Certified Personal Trainer & Yoga Instructor** • *Pulse Newport*
NEWPORT, RI • October 2016 to Current

- Cultivated positive relationships with participants by interacting with individuals during exercise and yoga classes
- Promoted safe and interactive environment for club clients and members.
- Designed and executed individual and small group exercise fitness programs and regimens.
- Created inspirational physical training initiatives to foster healthy lifestyle decisions.
- Monitored proper execution and form of clients and adjusted positions to improve results and safety.
- Maintained cleanliness of group fitness room, mirrors, floor and fitness equipment

**Clinical Nurse II-Medical/Surgical** • *NEWPORT HOSPITAL*
NEWPORT, RI • February 2017 to April 2018

- Honed my skills as a cardiac nurse by establishing competencies in telemetry and other types of cardiac monitoring.
- Gained adeptness at thorough yet efficient cardiac assessments especially in the setting of CHF, COPD and other chronic diseases.
- Improved management of prioritizing care among acutely ill patients.
- Continued to improve collaborative and holistic care approach in establishing various plans of care with various allied health professions and physicians.
- Along with another colleague, established a new committee to orient new nurses, particularly new graduates in

cardiac nursing care.
- Further improved upon leadership and preceptorship abilities working as Charge Nurse frequently and orienting new nurses.

**Clinical Nurse II-Vanderbilt Rehab Inpatient** • *Newport Hospital*
March 2016 to February 2017
- Became competent in acute rehabilitation nursing by working 32 hours a week nights and evening shifts alongside seasoned rehab nursing staff.
- Collaborated with Rehab staff such as physical therapy, occupational therapy, speech-language pathology, physiatry, internal medicine and neuropsychiatry to effectively, knowledgeably and compassionately treat patients in the rehab setting.
- Became efficient and capable at managing multiple patients and their respective plans of care in the acute inpatient hospital setting.
- Refined my leadership abilities while taking on role of Charge Nurse frequently, and educating new nurses (Clinical Nurse I) and CNAs on the floor in proper rehab nursing care, education, strategies and techniques.
- Spearheaded VRC's Nursing Week poster project for Nursing Week display by studying, evaluating and helping enact bedside nursing rounding and handoff.

**Registered Nurse** • *VILLAGE HOUSE NURSING HOME & REHABILITATION CENTER*
NEWPORT, RI • January 2015 to January 2016
- Mastered clinical skills as a holistic caregiver and patient advocate in a high patient to RN work environment.
- Coordinated and managed multiple patients simultaneously, mastering ability to work independently, safely and efficiently.
- Became adept as an interdisciplinary team member, learning to coordinate care, and communicate proficiently with family members.
- Learned to recognize and treat changing patient conditions, using evidenced-based practice techniques and critical clinical thinking.

**Librarian** • *ST. GEORGE'S SCHOOL*
NEWPORT, RI • September 2011 to April 2014
- Coded, classified, and cataloged books, publications, films, audiovisual aids, and other library materials based on subject matter or standard library classification systems, mastering attention to fine detail.
- Aided students in locating and using research materials.
- Designed information storage and retrieval systems, and developed procedures for collecting, organizing, interpreting, and classifying information, becoming proficient in critical and creative thinking.
- Managed evening study hall duty, demonstrating management and leadership techniques.
- Helped organize and run Rhode Island Independent School Librarians annual conference.
- Performed clerical activities, such as answering phones, sorting mail, filing, typing, word processing, and photocopying and mailing out material.

**Coach** • *GIRLS ON THE RUN, Fairmont Dual Immersion Academy*
DENVER, CO • August 2009 to May 2010
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- Functional Independence Measurement (FIM) Certification
- Certified Emergency Nurse

## AFFILIATIONS

- Member of the Emergency Nurses Association
- Member of American Nursing Association

# Chief Executive Officer

The Chief Executive Officer provides leadership for all aspects of the Compassion Center's operations with an emphasis on mission, long-term goals, growth, profit, and return on investment.

***Supervisory Responsibilities:***

- Oversees the ongoing operations of all divisions in the Compassion Center.
- Manages and directs the Compassion Center toward its primary goals and objectives and mission.
- Oversees employment decisions at the executive level of the company.
- Leads a team of executives and managers to consider major decisions
- Promotes communication and cooperation among divisions to create a spirit of unity in the organization.

***Duties/Responsibilities:***

- Works with the board of directors and other executives to establish short-term objectives and long-range goals, and related plans and policies.
- Presents regular reports on the status of the operations to the board of directors and to Compassion Center staff
- Oversees the organizations financial structure, ensuring adequate and sound funding for the mission and goals of the company.
- Reviews the financial results of all operations, comparing them with the center's objectives and taking appropriate measures to correct unsatisfactory performance and results.
- Ensures the center's compliance with all applicable laws, rules, regulations, and standards.
- Collaborates with other Compassion Centers
- Serves as the center's representative to the board of directors, employees, patient/ members, RI State government, and the general public.
- Performs other related duties to benefit the mission of the organization.

***Required Skills/Abilities:***

- Excellent managerial and financial skills and the ability to take leadership over any business operations area.
- Superlative communication skills, particularly the ability to communicate as a leader.

- Thorough understanding of management and financial practices in all areas and phases of business operations.

***Education and Experience:***

- Extensive professional experience in leadership roles.
- Education may vary; an advanced degree in business administration, finance, or law is preferred, but not required.

# Chief Operations Officer (COO)

The Chief Operations Officer (COO) is responsible for overseeing the ongoing operations This position will oversee the growth initiatives of our grower/processor locations and include the operationalizing and management of our compassion center. We are building a strong ethical and team-oriented culture at Coastal Farms and are looking for this position to help lead and implement this vision.

We are seeking a passionate, driven, detailed oriented and collaborative COO to provide strategic leadership, direction, and support to the company's operations. The COO will work directly with the Chief Executive Officer (CEO) and the senior leadership team to develop and implement goals and long-term company strategies as well as guide the company's operational strategy, overseeing the day-to-day operations with a high bar and vision for excellence. The ideal candidate has the ability to adapt to our business model and has demonstrated leadership experience, as he or she will be given significant responsibility over the operations of our business and to deliver a best-in-class and innovative cannabis experience. Previous cannabis experience is a plus but not required; however, all candidates should have some familiarity and comfortability with cannabis.

Responsibilities

· Develop and execute the operations strategy for Coastal Farms in areas of cultivation, manufacturing and, resulting in a best-in-class products and services, while establishing current and long-range objectives, plans, policies, goals, with executives, staff, and Coastal Board members

· Develop and cascade Coastal Compassion Center's organization strategy, mission, and vision throughout company and to all staff; implement appropriate processes and practices to align personnel with company goals

· Develop and directly support operations vice presidents and directors, act as liaison with the executive management team and operational leaders

· Drive performance measures for the operation across company; regularly communicate company strategy and changes while overseeing the proper execution of established operation procedures

· Oversee the company-wide operations of grower/processor, dispensaries, and related business services, and advise operational teams on development of strategies, supplier and sourcing relationships, logistics, and other function areas, on all mutual issues and in prioritization of needs

· Collaborate with compliance leader on quality and service standards, quality assurance processes, and compliance on all policies, standards, and values

· Marshall company-wide resources to the most productive uses while maximizing value for Ethos

· Implement strategies for optimal productivity in enterprise operations through operational excellence, process improvement, and consistent resolution of challenges, with attention to quality, staffing, inventory management, and financial control

· Establish process for labor optimization in operations while effectively managing overall variance to payroll budget

· Oversee all aspects of operations with an excellence in quality and customer-first mentality and an intense focus on company culture and ethics, products, customer service, growth, and brand standards

· Ensure Coastal Compassion Center's customer needs are met with effective solutions

· Continually assess with technology leader the tech roadmap and implementation and adjust based on customer and business needs

· In collaboration with the Chief Financial Officer, manage financial and business planning activities including oversight adherence to business policies, financial budgeting and reporting policies

# Chief Financial Officer

The Chief Financial Officer will direct and oversee the financial activities of the Compassion Center, providing both operational and programmatic support to the non-profit organization. direct the preparation of current financial reports and summaries, and create forecasts predicting future growth. The Chief Financial Officer serves as the chief financial spokesperson for the organization and reports directly to the Chief Executive Officer.

***Supervisory Responsibilities:***

- Oversees accounting staff, budget preparation, and audit functions
- Supervises the finance component of the operation
- Works with other department heads to monitor each department and make recommendations.

***Duties/Responsibilities:***

- Directs the preparation of all financial statements, including income statements, balance sheets, shareholder reports, tax returns, and governmental agency reports.
- Compares sales and profit projections to actual figures and budgeted expenses to actual expenses; makes or oversees any necessary adjustments to future projections and budgets.
- Reviews planning process and suggests improvements to current methods.
- Analyzes operations to identify areas in need of reorganization, downsizing, or elimination.
- Works with the Chief Executive Officer and other executives to coordinate planning and establish priorities for the planning process.
- Studies long-range economic trends and projects their impact on future growth.
- Identifies opportunities for expansion into new product areas.
- Oversees investment of funds and works with investment bankers to raise additional capital required for expansion.

***Required Skills/Abilities:***

- Excellent management and supervisory skills.
- Excellent analytical and organizational skills.
- Proficient in database and accounting computer application systems.
- Excellent written and verbal communication skills.

***Education and Experience:***

- Master's degree in business administration, Accounting, or Finance required.
- Certified Public Accountant designation preferred.
- Eight to ten years of experience in financial management required.

# Compliance Officer

The Compliance Officer will assist in implementing and auditing compliance programs and initiatives, conduct daily and periodic internal audits and inspections to ensure corporate initiatives and activities to abide by state and local cannabis and safe workplace regulations. Responsible for drafting and filing internal audit and incident reports for delivery to the Office of Cannabis Regulations.

The Compliance Officer will report to the CEO

***Duties and Responsibilities*** *including but are not limited to:*

- Conduct daily and periodic operational, inventory, security, sanitation, and safe workplace audits and spot checks in cannabis cultivation and product manufacture facility.

- Draft and file audit and incident reports for submission to the Director of Compliance.

- Report employee, agent, visitor, or vendor policy violations to managers and Director of Compliance

- Coordinate with state and local regulatory bodies for facilities inspections, equipment inspections, and scale calibrations.

- Provide first-level incident response and reporting.

- Understand state regulations pertaining to the cultivation and manufacture of Cannabis

- Assist in revision and development of operational and compliance production and manufacture SOPs.

- Coordinate with HR for required licensure and responsible vendor training for employees in the cultivation and manufacture facility.
- Ensure the correct use of safety devices and protective equipment as required and report any hazards, accidents or injuries as required by company policy

***Qualifications:***

Bachelor's degree or equivalent experience in the legal Adult Use or Medical cannabis cultivation or product manufacture; Prior experience in regulatory compliance, cultivation/extraction management, inventory auditing, loss prevention, risk management, or similar position; Analytical mindset and strong critical thinking skills; Familiarity with safe workplace standards in industrial settings; Ability to work in a fast-paced environment, manage high stress situations, and to be flexible and adaptable when a situation requires; Detail oriented with an eye for process streamlining; Excellent time management, organizational, and communication skills; Must be 21 years of age or older

***Preferred Experience:***

Prior experience in cannabis preferred
Familiarity with RI cannabis industry regulations preferred
Prior experience in a paralegal or legal administrative position

# Form 4
# Annex B

Management Companies

# *OPERATING AGREEMENT*
# *FOR*
# *COASTAL FARMS MANAGEMENT COMPANY, LLC*

*A Rhode Island Limited Liability Company*

THIS Operating Agreement is made this _____ day of December, 2020, between **Patrick Kilroy, Stephen Rohner and Craig Kilroy,** as Members (each a "Member" and collectively, the "Members") of **Coastal Farms, LLC** (the "Company"), who agree as follows:

## ARTICLE I
## ORGANIZATION

1.1 Formation. The Company has been organized as a Rhode Island Limited Liability company pursuant to the Rhode Island Limited Liability Company Act, Chapter 716 of the General Laws of Rhode Island, et. seq., as amended (the "Act"), by the filing of the Articles of Organization ("Articles") with the Secretary of State of the Rhode Island as required by the Act.

1.2 Name. The name of the Company is **Coastal Farms Management Company, LLC.** The Company may also conduct its business under one or more assumed names in accordance with the Act.

1.3 Purposes. The purposes of the Company are to provide operations management services and consulting to Coastal Farms Wellness Center, Inc. or any other Rhode Island approved and licensed Medical Marijuana Compassion Center, and all other licensed and permitted activities thereto, pursuant to and consistent with the provisions of The Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act, R.I.G.L. § 21-28.6-1, et. seq., and to engage in any activity for which limited liability companies may be formed under the Act. The Company shall have all the powers necessary or convenient to effect any purpose for which it is formed, including all powers granted by the Act.

1.4 Duration. The Company shall continue in existence perpetually for the duration of the Company or until the Company dissolves and its affairs are wound up in accordance with the Act or this Operating Agreement.

1.5 Resident Agent. The resident agent of the Company has been designated as **J. Russell Jackson, Esq., 122 Touro Street, Newport, RI 02840** in the initial Articles. The resident agent may be changed from time to time. Any such change shall be made in accordance with the Act. If the resident agent resigns, the Company shall promptly appoint a successor.

1.6 Principal Office. The principal office of the Company is at **66 Kingstown Road, Richmond RI 02851**, or such other place within or without the State of Rhode Island, as may be determined from time to time by the Members.

1.7 Authorized Person. The actions of **J. Russell Jackson, Esq.,** who executed the Articles of Organization of the Company as an Authorized Person, are hereby ratified.

## ARTICLE II
## BOOKS, RECORDS AND ACCOUNTING

2.1 Books and Records. The Company shall maintain complete and accurate books and records of the Company's business and affairs as required by the Act. Such books and records shall be kept at the Company's principal office, or that of their Registered Agent.

2.2 Fiscal Year: Accounting. Except as from time to time otherwise approved in writing by all of the Members, the Company's fiscal year shall be the calendar year. The particular accounting methods and principals to be followed by the Company shall be selected by the Members from time to time.

2.3 Tax Matters. The Company has been designated as a **Partnership** for federal and state tax purposes in the initial Articles of Organization with the Rhode Island Secretary of State and shall continue to be designated and operate as such. All other forms and filings necessary to effectuate the same shall be filed and/or submitted forthwith by the Managing Member.

2.4 Reports. The Members shall receive from the Company reports concerning the financial condition and results of operation of the Company and the Members' capital accounts. Such reports shall be provided at least annually, as soon as practicable after the end of each calendar year, and shall include a statement of each Member's share of profits and other items of income, gain, loss, deduction and credit.

2.5 Member's Accounts. The Company shall maintain separate capital accounts for each Member. Each Member's capital account shall reflect the Member's capital contributions and shall be:

(i) credited with all payments made to the Company by such Member on account of capital contributions (and as to any property other than cash or a promissory note of the contributing Member, the fair market value of such property, net of liabilities secured by such property and assumed by the Company or subject to which such contributed property is taken) and by such Member's allocable share of net profits;

(ii) charged with the amount of any distributions to such Member (and as to any distributions of property other than cash or a promissory note of a Member or the Company, by the fair market value of such property, net of liabilities secured by such property and assumed by such member or subject to which such distributed property is taken), and by such Member's allocable share of net losses; and,

(iii) otherwise appropriately adjusted to reflect transactions of the Company and the Members.

The capital accounts and adjustments thereto (including the determination of the amounts, character and timing thereof) are intended to comply with applicable Regulations promulgated under Section 704(b) of the Internal Revenue Code, and shall be interpreted and applied in a manner consistent with such Regulations.

## ARTICLE III
## CAPITAL CONTRIBUTIONS

3.1 Initial Commitments and Contributions. By executing this Operating Agreement, the Members agree to make the capital contributions set forth in Exhibit A. (Admission Agreement) attached hereto. Any additional Member (other than an assignee of a Membership interest who has been admitted as a Member) shall make the capital contribution set forth in this Operating Agreement. No interest shall accrue on any capital contribution and no Member shall have any right to withdraw or to be repaid any capital contribution except as provided in this Operating Agreement.

3.2 Additional Contributions. No additional capital contributions shall be required of any Member except under terms and conditions unanimously agreed to by the Members.

## ARTICLE IV
## ALLOCATIONS AND DISTRIBUTIONS

4.1 Allocations.

A. The terms "net profits" and "net losses" as used in this Operating Agreement shall mean the Company's taxable income or taxable loss for each fiscal year, determined in accordance with Section 703(a) of the Internal Revenue Code (but including in taxable income or taxable loss, for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Section 703(a)(1) of the Code), with the following adjustments:

(i) Any income of the Company except from federal income tax and not otherwise taken into account in computing "net profits" or "net losses" pursuant to this definition shall be added to such taxable income or loss;

(ii) Any expenditure of the Company described in Section 705(a)(2)(B) of the Code (or treated as expenditures described in Section 705(a)(2)(B) of the Code pursuant to Treasury Regulations Section 1.7041(b)(2)(iv)(i) and not otherwise taken into account in computing "net profits" or "net losses" pursuant to this definition shall be subtracted from such taxable income or loss; and,

(iii) If any Company Asset is disposed of or distributed to any Member, the excess of the gross fair market value of such asset on the date of disposition or distribution over either its adjusted basis in the event the asset was not contributed to the Company by a Member, or, if the asset was contributed to the Company by a Member its gross fair market value on the date of such contribution less any book depreciation as defined in Treasury Regulations Section 1.7041(b)(2)(iv)(g)(3), shall be taken into account as gain or loss from the disposition of such asset for purposes of computing "net profits" or "net losses".

[redacted]

additional net losses shall be allocated to Members according to their share of liabilities as determined under Treasury Regulations under Section 752 of the Code.

4.2 Distributions of Available Cash. Available cash with respect to each fiscal year shall be distributed at the discretion of the Members or Manager, at such times and in such amounts as the Members or Manager deems appropriate after satisfying all current Company obligations and establishing such cash reserves as the Members determine advisable in their sole discretion. Cash distributions not in redemption of a Membership interest or in liquidation of the Company shall be distributed in the following manner:

**Patrick Kilroy:**
**Stephen Rohner:**
**Craig Kilroy:**

[redacted]

## ARTICLE V
## DISPOSITION OF MEMBERSHIP INTEREST

5.1 General. Every sale, assignment, transfer, exchange, mortgage, pledge, grant, hypothecation or other disposition, including without limitation a gift or a transfer incident to a divorce (a "Transfer") of any Membership interest shall be made only in compliance with this Article V. No Membership interest shall be transferred if (a) the transfer would cause a termination of the Company under Section 708 of the Internal Revenue Code (unless the Company shall have first received an opinion from tax counsel to the Company that such termination would have no adverse tax impact on the Company or any Member); (b) the disposition would not comply with applicable state and federal securities laws and regulations; or (c) the assignee of the Membership interest fails to provide the Company with the information and agreements that the Members may require in connection with such a Transfer, including those required by Section 5.4 herein. Any attempted transfer of a Membership interest in violation of this Article V shall be void.

5.2 Prohibition on Transfers. Except for Transfers pursuant to Section 9.1 herein and a Transfer occurring at death, no Member shall suffer or permit any Transfer of all or any part of his, her or its interest of the Company without, in each instance, obtaining advance written approval from all of the other Members (a "Permitted Transfer"), which approval is wholly within the discretion of each such other Member. The Transfer of a Membership interest does not itself entitle the assignee to participate in the management and affairs of the Company or to become a Member. Such assignee is only entitled to receive, to the extent validly assigned, the distributions to which the assigning Member would otherwise be entitled.

5.3 Admission of Substitute Members. An assignee of a Membership interest shall be admitted as a substitute Member and shall be entitled to all the rights and powers of the assignor only if all of the nonassigning Members consent in writing. If admitted, the substitute Member has, to the extent assigned, all of the rights, powers, restrictions, and liabilities of a Member.

5.4 Obligations of Substitute Members or Assignees. A person shall not be admitted as a Member of the Company or become an assignee of an interest or other rights or powers of a Member until such person (or a representative authorized by such person in writing) executes the Operating Agreement or any other writing evidencing the intent of such person to become a Member or assignee and to be bound by all the provisions of this Operating Agreement.

(d) Determination that Indemnification is Proper. Any indemnification under sections 7.2(a) or 7.2(b) of this Operating Agreement (unless ordered by a court) shall be made by the Company only as authorized in the specific case (1) when it is determined that indemnification of the person is proper in the circumstances because the person has met the applicable standard of conduct set forth in sections 7.2(a) or 7.2(b) whichever is applicable, and (2) on an evaluation of the reasonableness of expenses and amounts paid in settlement. The determination and evaluation shall be made by independent legal counsel selected by the Members.

(e) Proportionate Indemnity. If a person is entitled to indemnification under sections 7.2(a) or 7.2(b) of this Operating Agreement for a portion of expenses, including attorney fees, judgments, penalties, fines and amounts paid in settlement, but not for the total amount, the Company shall indemnify the person for the portion of the expenses, judgments, penalties, fines, or amounts paid in settlement for which the person is entitled to be indemnified.

(f) Expense Advance. The Company may pay or reimburse the reasonable expenses incurred by a person referred to in section 7.2(a) or 7.2(b) of this Operating Agreement who is a party or threatened to be made a party to an action, suit, or proceeding in advance of final disposition of the proceeding if all of the following apply:

(1) The person furnishes the Company written affirmation of his, her or its good faith belief that he, she or it has met the applicable standard of conduct set forth in sections 7.2(a) or 7.2(b);

(2) The person furnishes the Company a written undertaking executed personally to repay the advance if it is ultimately determined that he, she or it did not meet the standard of conduct; and,

(3) A determination is made that the facts then known to those making the determination would not preclude indemnification under sections 7.2(a) or 7.2(b). The authorization of payment must be made in the manner specified in section 7.2(d). The undertaking shall be an unlimited general obligation of the person on whose behalf advances are made, but it need not be secured.

## ARTICLE VIII
## DISSOLUTION AND WINDING UP

8.1 Dissolution. The Company shall dissolve and its affairs shall be wound up on the first to occur of the following events: (a) at any time or on the happening of any event specified in the Articles or this Operating Agreement; (b) by the unanimous consent of all the Members; or (c) on the death, withdrawal, expulsion, bankruptcy, or dissolution of a Member or the occurrence of any other event that terminates the continued Membership of a Member in the Company unless within ninety (90) days all the remaining Members consent to continue the business of the Company and to the admission of one or more Members, if necessary.

8.2 Winding Up. On dissolution, the Company shall cease carrying on its business and affairs and shall begin to wind them up. The Company shall complete the winding up as soon as practicable. On the winding up of the Company, its assets shall be distributed first to creditors, to the extent permitted by law, in order to satisfy Company debts, liabilities, and obligations, and then to Members and former Members. Distributions to Members and former Members shall be made:

(i) First, to the Members, in amounts sufficient to reduce the Members' capital accounts to zero, in proportion to the positive balances in such capital accounts (after reflecting in such capital accounts all adjustments thereto necessitated by all other Company transactions).

[redacted]

The Company shall terminate when all property has been distributed among the Members. Upon such termination, the Manager shall execute and cause to be filed a certificate of dissolution of the Company and any and all other documents necessary in connection with the termination of the Company.

## ARTICLE IX
## MISCELLANEOUS PROVISIONS

9.1 Rhode Island Agreement. Each Member who is a nonresident of Rhode Island for purposes of Rhode Island Income Tax Laws and Regulations agrees to execute and deliver to the Company an agreement (the "Tax Agreement") in such form as the Company may request for purposes of complying with the provisions of Sections 71673(c)(2) of the Act. In the event any Member fails to execute and deliver the Tax Agreement, such Member shall pay to the Company, on demand, all amounts required to be paid by the Company pursuant to Section 71673(c)(3) of the Act, together with interest thereon from the date paid at the rate of eighteen percent (18%) per annum (the "Tax Payment"). Notwithstanding anything to the contrary contained herein, the Company shall have the right to offset the Tax Payment against all amounts to which such Member is otherwise entitled to receive under.

9.2 Terms. Nouns and pronouns will be deemed to refer to the masculine, feminine, neuter, singular, and plural, as the identity of the person or persons, firm or corporation may in the context require.

9.3 Article Headings. The article headings contained in this Operating Agreement have been inserted only as a matter of convenience and for reference and in no way shall be construed to define, limit, or describe the scope or intent of any provisions of this Operating Agreement.

9.4 Counterparts. This Operating Agreement may be executed in several counterparts, each of which will be deemed an original, but all of which will constitute one and the same.

9.5 Entire Agreement. This Operating Agreement constitutes the entire agreement among the parties and contains all of the agreements between the parties with respect to the subject matter. This Operating Agreement supersedes any and all other agreements, either oral or written, between the parties with respect to the subject matter.

9.6 Severability. The invalidity or unenforceability of any particular provision of this Operating Agreement shall not affect the other provisions, and this Operating Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

9.7 Amendment. This Operating Agreement may be amended at any time by a written agreement executed by all Members.

9.8 Notices. Any notice permitted or required under this Operating Agreement shall be conveyed to the party at the address reflected in this Operating Agreement (or to any address to which the Member has notified the Company as being his, her or its current address) and will be deemed to have been given when deposited in the United States mail, postage paid, or when delivered in person, by courier, or by facsimile transmission.

9.9 Binding Effect. Subject to the provisions of this Operating Agreement relating to transferability, this Operating Agreement shall be binding on and shall inure to the benefit of the parties and their respective distributees, heirs, successors, and assigns.

9.10 Other Business. Any member may engage in and possess interests in other business ventures of every kind and description, independently or with others. Neither the Company nor the other Member shall have any rights in or to such ventures or the income or profits therefrom.

9.11 Governing Law. This Operating Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Rhode Island.

The parties have executed this Operating Agreement on the dates set below their names, to be effective on the date listed on the first page of this Operating Agreement.

**MEMBERS:**

**Patrick Kilroy** — **Date** 12-14-2020

**Stephen Rohner** — **Date** 12/14/2020

**Craig Kilroy** — **Date** 12/14/2020

# EXHIBIT A

## COASTAL FARMS MANAGEMENT COMPANY, LLC

## ADMISSION AGREEMENT:

## OWNERSHIP INTEREST AND SCHEDULE OF ASSETS AND CONTRIBUTIONS TO CAPITAL

### MEMBERS

[redacted]

### OWNERSHIP INTEREST

[redacted]

### AGREED CONTRIBUTION

The capital contribution of the Members shall be:

[redacted]

## CERTIFICATION

The undersigned, being all of the members of **Coastal Farms Management Company, LLC,** a Rhode Island Limited Liability Company having its principal place of business at 66 Kingstown Road, Richmond, RI 02812, hereby certify that:

1) **Patrick Kilroy, Stephen Rohner and Craig Kilroy,** all of the City of Newport, County of Newport, State of Rhode Island, are the only members of **Coastal Farms Management Company, LLC;**

2) **Coastal Farms Management Company, LLC** shall be managed by a Managing Member, to wit, **Stephen Rohner,** consistent with this Operating Agreement, and pursuant to all the rights and obligations, as set forth in the Act;

3) Nothing in the Operating Agreement derogates or diminishes the authority cited herein;

4) **Coastal Farms Management Company, LLC** has elected to be treated as a Partnership for tax purposes;

5) The names and of the Members are set forth herein; and,

6) **Coastal Farms Management Company, LLC** was formally organized by submitting Articles of Organization, and established in the State of Rhode Island, as of the **2nd Day of December, 2020.** For accounting and operational purposes, the effective date of company operations shall be considered the date of organization.

**MEMBERS:**

**Patrick Kilroy** — **Date** 12-14-2020

**Stephen Rohner** — **Date** 12/14/2020

**Craig Kilroy** — **Date** 12/14/2020

# Form 4
# Annex D

Contracts

# Form 4

# Annex E

Related Party Transactions

COASTAL FARMS

RHODE ISLAND GROWN

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)1 (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.

Not applicable

1 "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.

# Form 4
# Annex F

Real Estate

COASTAL FARMS
RHODE ISLAND GROWN

# Form 4
# Annex F

Real Estate

COASTAL FARMS
RHODE ISLAND GROWN

Attached hereto as Annex F is a list of all real estate to be purchased or leased by Applicant/Licensee

Leased Property: 3116 Post Road, Warwick, RI

# Form 4
# Annex G

Equipment

COASTAL FARMS
RHODE ISLAND GROWN

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.

No equipment will be purchased or leased in the above amount.

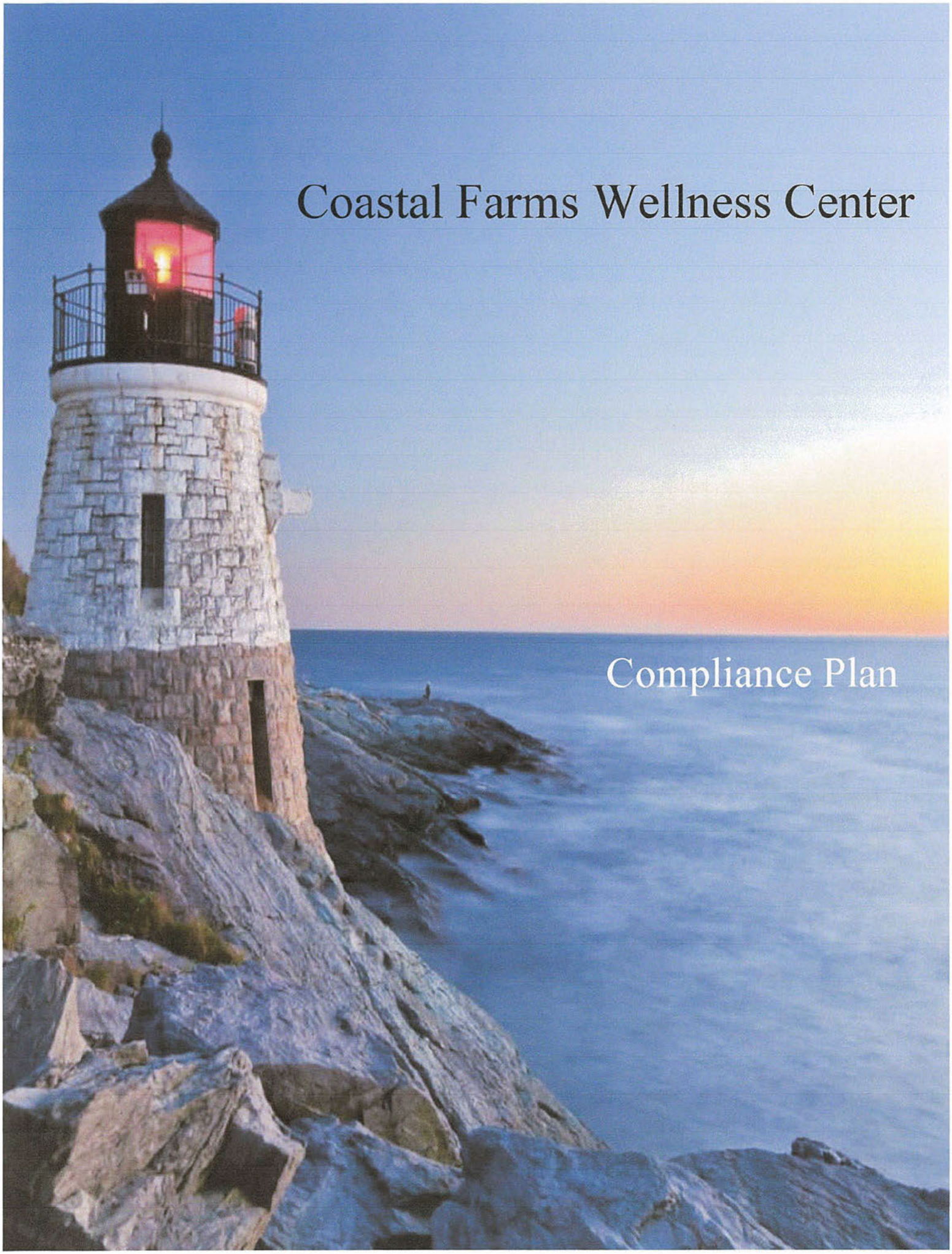
# Exhibit B

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.

COASTAL FARMS

RHODE ISLAND GROWN

# CC EXHIBIT B - Compliance Plan


Coastal Farms Wellness Center
Compliance Plan

## APPOINTMENT OF A COMPLIANCE OFFICER

Pursuant to DBR Rules and Regulations § 1.2(C)(4)(l) Coastal Farms Wellness Center will appoint a Compliance Officer who shall be charged with overseeing the legal and operational compliance plan for Coastal Farms Wellness Center. We have named J. Russell Jackson, Esq. as our Legal/Compliance Officer.

J. Russell Jackson is admitted to practice as a member of State and Federal Bars for the State of Rhode Island. He received his Juris Doctor Degree from Suffolk University Law School, and his Bachelors Degrees in History and Political Science from the University of Rhode Island.
Mr. Jackson has extensive experience in all facets of real estate law, including title examination, conveyancing, real estate development, planning, zoning, land use, condominium law, municipal permitting, and real estate litigation.

In addition to his real estate practice, Attorney Jackson has extensive experience in the field of personal injury and auto liability insurance law, serving for five years as a Claims and Litigation Specialist for Progressive Insurance prior to starting his law practice in 2000. He also engages in a general civil practice, which includes probate administration, municipal law, litigation, trial practice, and administrative matters before the Motor Carriers Division of the Rhode Island Public Utilities Commission.

Currently Mr. Jackson is the presiding Municipal Court Judge for the City of Newport and has served as a Special Assistant Solicitor and Special Assistant Municipal Court Judge for the Town of Middletown. In addition to his law practice, Mr. Jackson served eight years in the Rhode Island General Assembly as the State Representative for House District 73, which encompasses portions of Newport and Middletown. During his time in the General Assembly, Mr. Jackson worked on the original passage of "The Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act" R.I.G.L § 21-28.6-1, et seq.

Presently Mr. Jackson provides government affairs consulting and lobbying services to clients seeking advocacy and guidance relating to legislative matters, with a special focus on serving clients regarding the Rhode Island Medical Marijuana Program. He has been a consistence presence for his clients at the Rhode Island Statehouse and currently serves as General Counsel to one of the state's leading Medical Marijuana Cultivators.
See Resume attached hereto.

## LEGAL AND OPERATIONAL COMPLIANCE PLAN

In a highly regulated industry such as cannabis, establishing a culture of compliance is the key to the success of the organization. An effective policy management system will lead to mitigation of risk and regulatory compliance.

All policies and procedures for Coastal Farms have been written in compliance with all DBR Regulations and state law. All policies and manuals are written clearly, are readable, are regularly updated, and are relevant to staff duties and responsibilities.

The existence of policies alone will not necessarily create a compliant organization without a strong commitment to employee training. Coastal Farms is committed to providing our employees with a comprehensive training program which will fully prepare all staff on all aspects of the

business before commencing any new operations. The training and education program provided to employees will be all encompassing, covering legal and regulatory compliance, Federal and State medical marijuana laws and DBR Regulations, Standard Operating Procedures ("SOPs"), medical marijuana tracking, inventory control, security and diversion, health and safety, sanitation, transportation of medical marijuana, all cultivation processes and applications, manufacturing of products, and emergency incident response and reporting.

Additionally, compliance testing is crucial in a highly regulated industry. Coastal Farms will test its legal and organizational compliance regularly. These tests will be performed against all regulatory requirements legally required of the medical marijuana industry pursuant to DBR Regulations and Rhode Island laws. The consequences of falling out of compliance in any area can be devastating to Coastal Farms.

PRIVACY and CONFIDENTIALITY

Patient Privacy and Confidentiality is one of the cornerstones of our robust compliance plan. Focus on the importance of the privacy and confidentiality of our patients/clients can be seen in our facility design, our intake process and in our records management systems.

Our facility is designed to provide patients and registered caretakers with the opportunity to speak privately with Coastal Farms Wellness staff to discuss their medical needs. We have designed a private consultation area where patients/clients may talk confidentially with staff about their medical issues and needs.

Our Receptionist will be the first point of contact for new patients/clients. Newly registered qualifying patients, registered caretakers, and authorized purchasers will take part in a confidential intake process with one of trained staff members. During the intake process, clients will be provided with a comprehensive information packet which will be carefully reviewed with patients or their caretakers. Our intake staff will verify the patient/client's valid state identification and other corresponding documentation needed to be compliant with guidelines associated with the sale of medical marijuana. The patient/client will be required to sign a medical release form to allow Coastal Farms access to medical records from their recommending physician.

Upon being awarded a DBR Compassion Center License, Coastal Farms will contract with an Electronic Medical Record (EMR) software provider to secure a certified and HIPAA compliant system to ensure that our medical records are managed and stored in accordance with the "Privacy Rule."

The ***Standards for Privacy of Individually Identifiable Health Information*** **("Privacy Rule")** established a set of national standards for the protection of certain health information. The U.S. Department of Health and Human Services ("HHS") issued the Privacy Rule to implement the requirements of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"). The Privacy Rule standards address the use and disclosure of individuals' health information, called "protected health information" (PII) by organizations subject to the Privacy Rule, called "covered entities," as well as standards for individuals' privacy rights to understand and control how their health information is used. Attached is the HHS, HIPAA Compliance Assistance, OCR Policy Brief, titled "Summary of the HIPAA Privacy Rule."

## Statutory and Regulatory Background

The Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-191, was enacted on August 21, 1996. Sections 261 through 264 of HIPAA require the Secretary of HHS to publicize standards for the electronic exchange, privacy and security of health information. Collectively these are known as the *Administrative Simplification* provisions.

HIPAA required the Secretary to issue privacy regulations governing individually identifiable health information, if Congress did not enact privacy legislation within three years of the passage of HIPAA. Because Congress did not enact privacy legislation, HHS developed a proposed rule and released it for public comment on November 3, 1999. The Department received over 52,000 public comments. The final regulation, the Privacy Rule, was published December 28, 2000.[2]

In March 2002, the Department proposed and released for public comment modifications to the Privacy Rule. The Department received over 11,000 comments. The final modifications were published in final form on August 14, 2002.

## What Information is Protected

**Protected Health Information.** The Privacy Rule protects all *"individually identifiable health information"* held or transmitted by a covered entity or its business associate, in any form or media, whether electronic, paper, or oral. The Privacy Rule calls this information "protected health information (PHI)."

"Individually identifiable health information" is information, including demographic data, that relates to:

- the individual's past, present or future physical or mental health or condition,
- the provision of health care to the individual, or
- the past, present, or future payment for the provision of health care to the individual,

and that identifies the individual or for which there is a reasonable basis to believe it can be used to identify the individual. Individually identifiable health information includes many common identifiers (e.g., name, address, birth date, Social Security Number).

The Privacy Rule excludes from protected health information employment records that a covered entity maintains in its capacity as an employer and education and certain other records subject to, or defined in, the Family Educational Rights and Privacy Act, 20 U.S.C. §1232g.

**De-Identified Health Information.** There are no restrictions on the use or disclosure of de-identified health information. De-identified health information neither identifies nor provides a reasonable basis to identify an individual. There are two ways to de-identify information; either: (1) a formal determination by a qualified statistician; or (2) the removal of specified identifiers of the individual and of the individual's relatives, household members, and employers is required, and is adequate only if the covered entity has no actual knowledge that the remaining information could be used to identify the individual.

**General Principle for Uses and Disclosures**

**Basic Principle.** A major purpose of the Privacy Rule is to define and limit the circumstances in which an individual's protected heath information may be used or disclosed by covered entities. A covered entity may not use or disclose protected health information, except either: (1) as the Privacy Rule permits or requires; or (2) as the individual who is the subject of the information (or the individual's personal representative) authorizes in writing.

**Required Disclosures.** A covered entity must disclose protected health information in only two situations: (a) to individuals (or their personal representatives) specifically when they request access to, or an accounting of disclosures of, their protected health information; and (b) to HHS when it is undertaking a compliance investigation or review or enforcement action. See attached hereto US Department of Health and Human Services "Summary of the HIPAA Privacy Rule"

Coastal Farms is committed to Patient Privacy and as such will hire a Privacy Manager to report directly to the CEO and to the Board of Directors. The Privacy Manager will be responsible for the implementation and management of all privacy related policies and procedures. The Privacy Manager shall be responsible for the training of all employees, volunteers, agents and third-party vendors on the Privacy Policy. The Privacy Manager shall provide oversight to the COO and the Security Director on the selection of a HIPAA compliant Electronic Medical Records system (EMR). The Privacy Manager will work in conjunction with the Legal/Compliance Officer to implement compliance testing, monitoring and risk assessment. The Privacy Manager will be responsible to develop employee, volunteer, agent and third-party vendor "Confidentiality and Non-Disclosure" forms. See attached hereto Patient Privacy Policy

SALES TO OUT OF STATE PATIENTS

Pursuant to DBR Bulletin titled "Guidance Regarding Licensed Compassion Centers Sale of Medical Marijuana to Out of State Patient Cardholders" Coastal Farms has developed a Standard Operating Procedure related to the sales of medical marijuana to out of state patients. In accordance with Rhode Island General Laws § 21-28.6-1 *et seq.*, as amended by P.L. 2018, ch. 047, Article 14 (as so amended, the "Act") and the *Rules and Regulations Related to the Medical Marijuana Program Administered by the Department of Business Regulation* 230-RICR-80-5-1 (the "Regulations") Coastal Farms will dispense and sell marijuana to out of state patient cardholders according to strict procedures articulated in detail in the policy.

Coastal Farms will use reasonable good faith efforts to verify that each out of state patient cardholder possesses a current, valid registration card issued lawfully under the issuing state's medical marijuana program. These good faith efforts shall include requiring presentation of the patient's medical marijuana registration card (or equivalent document provided by the issuing state) and one other form of government issued photo identification. Copies of such cards shall be maintained by Coastal Farms for the center's records. Coastal Farms will require each out of state patient cardholder to complete an intake form and will input the intake information, including the home state card registration number (or if the home state registration number is not available, a unique identifier assigned by Coastal Farms), into our tracking system. Coastal Farms will log and

tracks all transactions with each out of state patient cardholder in the tracking system by the issuing state's patient card registration number and otherwise in the same manner as Coastal Farms uses to log and track transactions with Rhode Island resident patient cardholders.

Coastal Farms will maintain the same standards of confidentiality as to each out of state patient cardholder's information as we do for information regarding Rhode Island patient cardholders. Coastal Farms will provide to each out of state patient cardholder a disclosure form, which has been approved by DBR, regarding requirements and prohibitions under the Act and DBR Regulations that are applicable to dispensing and use of medical marijuana within the State of Rhode Island, including without limitation disclosures regarding marijuana dispensing and possession limits, prohibition of taking marijuana and marijuana products across state lines and prohibition of smoking in public places.

Coastal Farms will provide training to center employees, agents and volunteers regarding our policies and procedures for dispensing to and transactions with out of state patient cardholders. Coastal Farms records regarding dispensing and transactions with out of state patient cardholders and applicable policies and procedures shall be maintained in compliance with and subject to inspection and review in accordance with Coastal Farms's records retention policies and DBR Regulations.

RESTRICTED AREAS

All areas of our cultivation and compassion center, other than the point of sale area, the consultation room, the common public entranceway and the public restrooms, are deemed to be restricted area. Registered qualifying patients, primary caregivers, and authorized purchasers who do not hold compassion center registration cards are only permitted within point of sale areas of a compassion center.

In such areas, the Coastal Farms Wellness Center will ensure that all marijuana and marijuana products are kept behind the sales counter or other partition and make reasonable efforts to limit the number of registered qualifying patients, primary caregivers, and authorized purchasers present in relation to the number of Coastal Farms registry identification cardholders to assure adequate monitoring and control of point of sale area activities.

Except for those persons mentioned above, any person who does not have a valid registry identification card who enters any area where marijuana and marijuana products are grown, cultivated, stored, weighed, packaged, processed, manufactured or sold will be considered a "visitor" and must be escorted at all times by a Coastal Farms registry identification card holder. However, visitors **are only permitted for a legitimate business-related purpose** such as building maintenance, repairs or installation of equipment, or provision of goods or services.

Any visitor that regularly gains access to the facility may be required by DBR to obtain a registry identification card. Our Legal/Compliance Officer will monitor the Visitor Logs monthly, to determine if any visitors are entering the facilities in a frequency that may necessitate the securing of a registry identification card.

As all other areas of our facilities are deemed to be off limits to the public, all persons entering these restricted areas must follow the protocol established in our Visitor SOP, in accordance with DBR Regulations. No one under the age of 21 will be allowed to enter either facility for any purpose. All visitors must provide a valid government issued identification and obtain a visitor identification badge prior to entering the premises. A copy of the identification presented will be maintained by Coastal Farms. Staff shall verify the identity of the visitor by checking the identification of the visitor to ensure that the name on the identification matches the name on the Visitor Log. The visitor will be required to sign a Visitor Log prior to entering the restricted area. The visitor will be required to wear a visitor identification badge in a manner that is visible at all times. Coastal Farms will require the visitor to return the identification badge upon signing out of the Visitor Log and exiting the dispensing facility. See attached hereto DRAFT SOP – VISITORS

The Visitor Logs shall be maintained on-site and with digital back-up for a period of at least twenty-four (24) months.

AFFILIATIONS WITH LOCAL PATIENT AND COMMUNITY ORGANIZATIONS

Coastal Farms recognizes our commitment to provide the highest quality medicine at an affordable price to our patients. We also recognize that the cost of medicine can be burdensome for many. We are committed to work together to serve the community by providing charity care for persons who based on their individual financial situation are unable to pay full price for their medicine. Patients requesting a discount based on financial need should fill out a financial needs form to be eligible for a discount on their medicine. Additionally, Coastal Farms recognizes the sacrifices that our men and women in the armed services have made for our country. To honor their sacrifices, Coastal Farms will offer a 10% discount to all Veterans on the first Friday of each month. Coastal Farms believes that patients who are suffering from terminal diseases or in hospice care should not have to worry about the cost of pain management. Coastal Farms will assist patients or their caregivers by providing discount towards their medicine costs.

EMPLOYEE/WORKPLACE DRUG USE POLICIES PROCEDURES

Coastal Farms is committed to maintaining a safe and productive workplace. Accordingly, employees are required to report to work in an appropriate mental and physical condition to perform their jobs in a safe and satisfactory manner. Employees who are under the influence of, possess, sell, distribute, or purchase alcohol and/or drugs, including the misuse, sale, purchase or distribution of prescription drugs, other than as necessary for the performance of the employee's assigned job duties, while on the job or engaged in Coastal Farms business, or on Coastal Farms property, may be subject to discipline, up to and including termination of employment. The legal use of prescribed drugs is permitted on the job only if it does not impair an employee's ability to perform the essential functions of the job effectively or endanger the safety of the employee or other individuals.

Coastal Farms employees may be required to participate in drug and/or alcohol testing following any on-the-job accident that did result, or could have resulted, in personal injury or property damage, or based on reasonable suspicion, which reasonable suspicion shall be determined at the sole discretion of Coastal Farms. Any employee who is arrested for violating a criminal drug statute must notify an appropriate officer or senior official of Coastal Farms of such arrest immediately. Coastal Farms will, upon learning of the arrest of a registry identification card

holder, notify DBR of the arrest.

Coastal Farms strictly prohibits the use of marijuana or marijuana products on the premises, including any parking areas that are designated for compassion center clients or otherwise within the control of the Coastal Farms Wellness Center or cultivation facility. Any employees of Coastal Farms found to be using marijuana or marijuana products on the either premises will be subject to disciplinary action, up to and including termination.

## COMPLIANCE TESTING/PROCEDURES

One of the watermarks of a high-functioning compliance program is the ability to test the program's efficacy, identify gaps or weaknesses, and make changes to the program to remediate deficiencies. In that regard, Coastal Farms will implement a compliance testing regimen, consistent with the company's risk assessment, to ensure that all elements, processes and controls are operating as designed and outcomes of the testing program are communicated to the Board of Directors and Executive Management.

### Oversight

The Legal/Compliance Officer shall be responsible for ensuring that effective compliance testing is undertaken on an appropriate basis and consistent with the risk assessment of the corporation.

### Risk Assessment

No less than once a year, Coastal Farms will prepare a risk assessment that takes into account the inherent risks of operations, the controls employed by Coastal Farms and the residual risks that remain subsequent to the application of the controls.

The inherent risks to be considered may include: all of the laws, applicable rules and regulations in which Coastal Farms operates; the customer base; the enforcement environment; the location in which the company operates' and other factors as applicable. The risk scoring methodology for inherent risk is based on both quantitative and qualitative factors related to the likelihood that an adverse event related to the risk will occur and the significance of the harm that would result if it were to occur.

The controls to be included in the assessment may include: governance and oversight; policies and procedures; supply chain and vendor management; client diligence procedures; product testing and safety; security; and others factors as applicable. The risk scoring methodology for control risk assesses how the existence and effectiveness of formalized controls to mitigate the likelihood that a risk would materialize or the significance of the harm that would result were it to materialize.

### Testing Methodology

The Legal/Compliance Officer or her/his designee shall be responsible for implementing a compliance testing program designed to assess Coastal Farms's effectiveness with complying with: adherence to all laws, rules and regulations; all policies, procedures and processes

implemented by or required of Coastal Farms; and other standards and guidelines as necessary to operate in a safe and regulatory compliant manner.

The testing methodologies to be employed shall be determined by the Legal/Compliance Officer and the Head of Security and may include:

- Interviews with employees or third-parties, as applicable;
- Observing employees in the conduct of their duties;
- Reviewing documentation to determine whether procedures are followed; and
- Analyzing employed systems and technology and their outputs for anomalies.

The results of compliance testing shall be a written report to the Board of Directors and/or Management that identifies the compliance systems tested, the results of the tests, any noted deficiencies and recommendations for remediating weaknesses.

PROHIBITED FINANCIAL INTERESTS

Pursuant to DBR Regulations, "Interest holders" or "Key persons" are defined with respect to an applicant or licensed entity, as follows:

1. All persons and/or entities with any ownership interest with respect to the applicant/licensee, including parent companies if the applicant licensee is a subsidiary of another entity, and
2. All officers, directors, members, managers or agents of the applicant/licensee, and any other entities described in (1), and
3. All persons or entities with managing or operational control with respect to the applicant/licensee, its operation, any other entities described in (1) and (2), the license and/or licensed facilities whether they have an ownership interest or not, and
4. All investors or other persons or entities with any financial interest with respect to the applicant/licensee, any other entities described in (1), (2) and (3), its operations, the license, and/or licensed facilities, whether they have ownership interest or not, and
5. 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 the applicant/licensee, its operations, the license and/or the licensed facilities, and
6. To the extent that any Interest Holder is an entity (corporation, partnership, LLC, etc.), all Interest Holders in that entity and all Interest Holders therein down to the individual person level.

Additionally, any interest holders/key persons of one Rhode Island licensed cultivation or compassion center may not have any "material financial interest or control" in another licensed cultivation or Rhode Island compassion center, or vice versa pursuant to R.I. Gen. Laws § 21-28.6-14(a)(10). If a licensed cooperative cultivation application is approved and any prohibited material financial interest or control has been identified by DBR or is otherwise known to the applicant, such interest or control must be divested prior to issuance of the cooperative cultivation license. The plan of divestiture shall be filed with DBR.

Coastal Farms has a duty to divest prohibited material financial interests and control. This duty to divest is a continuing obligation of licensure. Additionally, Coastal Farms has a duty to continuing update, amend and/or correct any information submitted to DBR during the application process or following licensure. Coastal Farms will seek pre-approval from DBR through the DBR VARIANCE Process for all material changes to the submitted and/or approved compassion center application or any materials, operations or plans approved thereafter by DBR. Coastal Farms is cognizant that DBR may deny the variance if it determines that such variance will cause harm to public health and safety or cause Coastal Farms to be in violation of the Act or any regulations promulgated thereunder, or otherwise would have caused Coastal Farms to not have qualified for licensure originally.

Should Coastal Farms seek a DBR variance related to an "Interest Holder" or "Key Person" Coastal Farms will submit to DBR a written request for a variance at least sixty (60) calendar days prior to the proposed effective date of the change. The proposed changes requested under the variance process are related to proposed change in ownership of the compassion center; proposed changes in the membership of a board of directors or board of trustees; proposed changes in corporate officer; proposed merger, dissolution, entity conversion or amendment of corporate organization; proposed entering into a management agreement, changing management companies, and/or material changes to an existing management agreement; proposed changes to the approved premises or location; proposed changes in the interest holder/key person disclosure and certification or certification of nonprofit compliance, including but not limited to investors and financiers, and anyone else required to be disclosed in those forms.

Coastal Farms is cognizant that all variances must be approved by DBR, provided however that no variance which affects a majority change in ownership, control, financial interest and/or compensation/remuneration will be approved in the **first year of licensed activities**, except upon DBR's determination that public health, safety or welfare requires such variance. Coastal Farms is also cognizant that DBR may require the compassion center to submit a new application, which may include a new application fee and/or hearing as to any proposed change of ownership or to a management agreement that will effect a change of majority control and/or decision-making authority with respect to the operation of the compassion center or as to any proposed change in an approved premises location for the cultivation and/or sale of medical marijuana,

Additionally, pursuant to Rhode Island General Laws § 21-28.6-12(d)(5)(iv) Coastal Farms Compassion Center or any of the Center's license cardholders are prohibited from entering into a business relationship with any medical practitioner who provides written certifications of qualifying patients' medical conditions in connection with Rhode Island's Medical Marijuana Program. The business relationships with any medical practitioner that are prohibited include employment; fee splitting; referral or similar fees; cost sharing; subsidies or reimbursement; and any other similar business or financial relationships with a practitioner or any affiliated persons or entities who provide or otherwise facilitate patient certifications to Rhode Island residents, whether directly or indirectly, including through another medical marijuana program license.

Our Legal/Compliance Officer will provide guidance to Coastal Farms prior to any business relationships being formed. Additionally, The Legal/Compliance Officer shall, on a quarterly basis, audit records to determine whether we are fully compliant with R.I. Gen. Laws §21-28.6-12(d)(5)(iv), and to determine whether any business relationships are in violation of the stated

prohibition. Such violations will be immediately reported to the Board of Directors. Coastal Farms will cooperate fully with any DBR review and audit of the books and records to ascertain compliance with the Act and Regulations. Should Coastal Farms Compassion Center be found to have business relationships with medical practitioners which are in violation of the Act, we may be subject to enforcement proceedings including revocation of licensure by DBR.

## NONPROFIT STATUS

Coastal Farms is a nonprofit corporation established under the Rhode Island Nonprofit Corporation Act (Rhode Island General Laws Section 7-6-1 et. seq.). Our commitment to operating as a nonprofit corporation is embedded in our Mission Statement: "The Coastal Farms Wellness Center mission is to create an environment where we can effectively provide safe, dignified, and affordable access to the highest quality medical cannabis for approved patients in Rhode Island."

The Coastal Farms Wellness Center shall satisfy the intentions of the Nonprofit Corporation Act by staying true to its stated mission. Our Articles of Incorporation are attached as an Exhibit hereto. Additionally, we have attached the Rhode Island Secretary of State Certificate of Good Standing as a Rhode Island non-profit corporation.

Coastal Farms has adopted By-Laws which set forth that the affairs of the nonprofit corporation are managed by a Board of Directors, all of whom are residents of the State of Rhode Island. Members of the Board of Directors shall be uncompensated for their service to the Coastal Farms Board. The By-laws and list of Coastal Farms Board of Directors are attached as an Exhibit hereto.

Our Board of Directors shall provide strategic and financial oversight to the Coastal Farms Wellness Center. The Board shall be responsible for contracting with financial and management professionals to ensure that the Coastal Farms Wellness Center has financial sustainability. All compensation for Compassion Center Executive Management will be determined by the Board. The Board will provide the guidance and thought leadership to ensure that Coastal Farms Wellness Center acts in accordance with its Mission and with the eleemosynary purposes of the Nonprofit Corporation Act. The Board shall act in good faith and in the best interest of the nonprofit corporation.

## ABILITY TO COMPLY WITH THE REQUIREMENTS UNDER THE ACT AND THE REGULATIONS

Attached hereto in DRAFT format is the Standard Operating Policy Manual for Coastal Farms. The manual contains policies and procedure for both cultivation and compassion center related processes. All policies and procedures were written in accordance with the DBR Regulations and Rhode Island laws. Upon the awarding of a DBR Compassion Center License to Coastal Farms, the draft SOPs will be finalized by the Chief Executive Officer and Chief Operating Officer and formally adopted by the Board of Directors.

RECORDS RETENTION

## Operations Manual

Coastal Farms Wellness is aware of the strict DBR Rules and Regulations regarding records retention. As such, Coastal Farms has developed, implemented and maintained an operations manual which addresses the following subject areas and requirements:

1. Procedures for the organization, administration, command, and control of the compassion center and the licensed cultivation facility, including but not limited to an organizational chart, and a chain of command protocols.
2. Procedures to ensure accurate record-keeping, including but not limited to protocols to ensure that all acquisitions, dispensing, and sales of marijuana are logged into the Medical Marijuana Program Tracking System on a real time basis; and all dispensing and sales transactions: (1) Are to registered qualifying patients, primary caregivers, authorized purchasers and verified out-of-state patient cardholders; and (2) Adhere to the limits for usable marijuana prescribed by statute and the marijuana product equivalency limits set by the DBR Regulations.
3. Procedures on proper training and use of the Medical Marijuana Program Tracking System and any other tracking system used by Coastal Farms.
4. Policies and procedures for handling voluntary and mandatory recalls of marijuana. Such procedures shall be adequate to deal with recalls due to any action initiated at the request or order of DBR, and any voluntary action by COASTAL FARMS to remove defective or potentially defective medical marijuana or medical marijuana delivery devices from the market, as well as any action undertaken to promote public health and safety.
5. Policies and procedures for ensuring that any outdated, damaged, deteriorated, mislabeled, or contaminated marijuana is quarantined from other marijuana and destroyed.
6. Coastal Farms records retention policies.
7. Ethics and compliance policies.
8. Alcohol and drug free workplace policy.
9. Medical marijuana manufacturing protocols, safety measures, process validation for smokable and vapable products, and training information.
10. Odor control and mitigation plan.
11. Policies and procedures for pesticide use.
12. A description of outreach activities to registered qualifying patients, registered primary caregivers, and authorized purchasers.
13. Customer service protocols, including the handling of complaints.
14. Procedures for safely dispensing medical marijuana only to registered qualifying patients, registered primary caregivers, and authorized purchasers, including procedures for verifying authenticity of registry identification cards and other forms of identification.

## Personnel Records

Coastal Farms will maintain a personnel record for each employee, agent or volunteer for a period of at least one (1) year after termination of the individual's affiliation with Coastal Farms. The following personnel records will be maintained in the personnel file:

a. An application for employment or to volunteer or offers to provide services as an agent of Coastal Farms.
b. An employment or engagement description detailing duties, responsibilities, authority, qualifications and supervision.
c. A copy of any employment or engagement contract, including salary or compensation terms, or for volunteers, volunteer agreement.
d. A record of any disciplinary action taken.
e. Documentation of all required training, including a signed statement from the individual indicating the date, time and place he or she received said training, topics discussed, and the name and title of presenters.

Coastal Farms will also maintain a current list of all cardholders associated with the compassion center or cultivation.

**Additional Records to be Maintained**

Coastal Farms will maintain, in addition to all other specific record-keeping requirements of the Act, the DBR Regulations, and the DOH Regulations, the following records for a minimum of five (5) years:

a. All contracts and purchase orders, including documentation of any cancelled contracts or purchased orders and any contracts and purchase orders voided by replacement contracts.
b. Invoices and any supporting documentation of all marijuana purchases, acquisitions, transfers, and payments.
c. Contracts pertaining to the security alarm and security camera systems.
d. Contracts with vendors, including any approved third-party testing providers.
e. All records normally retained for tax purposes.
f. Complaints.
g. Management contracts.
h. Compensation records and financial statements.
i. Nonprofit corporate records including, but not limited to articles of organization, bylaws, meeting agendas, minutes and corporate resolutions.

All records maintained which pertain to one or more registered qualifying patients, registered primary caregivers or authorized purchasers shall be considered confidential health care information under applicable Rhode Island law and protected as health care information in accordance with the Federal Health Insurance Portability and Accountability Act of 1996, as amended.

**Records Storage and Responsibility for Loss of Records and Data**

Records pertaining to transactions occurring within the six (6) months shall be stored on the licensed premises. Records dating further back may be stored off the premises with DBR's approval. Coastal Farms will exercise due diligence and reasonable care in preserving and maintaining all required records to guard against loss of records and data, including cybersecurity of electronically-maintained records.

# 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.

COASTAL FARMS

RHODE ISLAND GROWN

# Exhibit D

Applicant's Security and Safety Plan with all information and in compliance with § 1.2(C)(4)(d) of the Regulations.

COASTAL FARMS

RHODE ISLAND GROWN

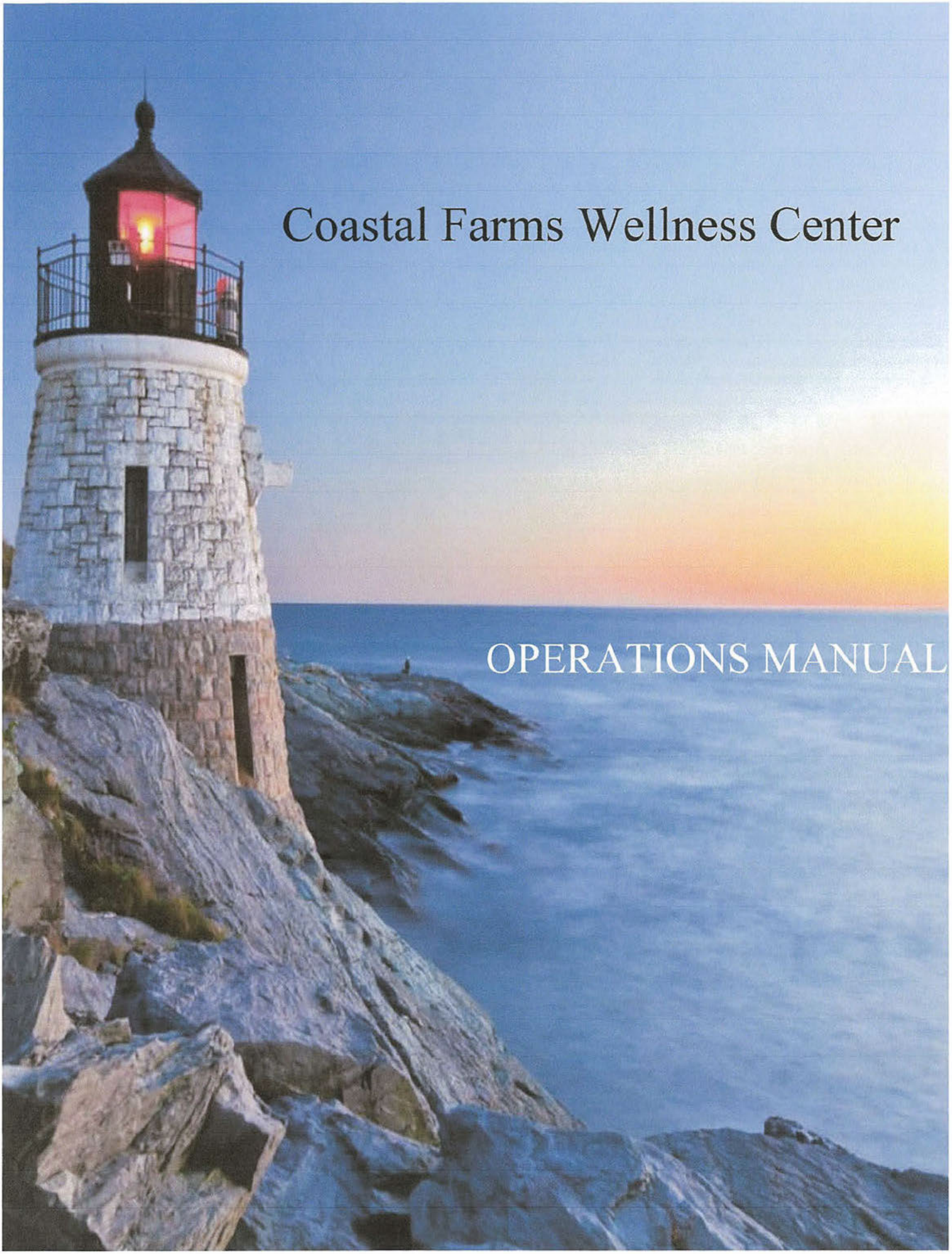
# Exhibit E

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

COASTAL FARMS

RHODE ISLAND GROWN

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



# Coastal Farms Wellness Center

## OPERATIONS MANUAL

# ABOUT US

Coastal Wellness Center has been founded by Patrick Kilroy, Craig Kilroy, and Stephen Rohner. Together they have over 60 years' experience running and managing a variety of businesses as well as over 10 years in the medical marijuana industry.

**Patrick Kilroy, Co-Founder, Chairman**

Patrick, a native Newport resident started out with one small family restaurant in Newport. Working hands on with his staff, he has methodically grown sales exponentially by expanding the restaurant footprint, modifying the food and beverage menu, and focusing efforts to make the customers experience the best possible. Using his strong work ethic and following his proven business model, Patrick has grown his one family restaurant into a development company with six restaurants along with many other assets under his management. He employs approximately 75 full time employees and during peak summer season employs over 400 local Rhode Island.

His portfolio of businesses now includes real estate, restaurants, retail, event planning, weddings, and rental properties. Patrick has extensive experience developing and executing projects from concept through construction to operations. His experience in building successful teams capable of achieving objectives will be an invaluable resource. His knowledge of managing a large corporation with multiple departments, hundreds of employees, and many responsibilities will give Coastal Farms Wellness Center a strong leader prepared to overcome any challenge. Patrick's disciplined approach will provide the organization with the direction needed to accomplish all objectives.

**Stephen Rohner, Co-Founder, Board Member**

Currently Stephen oversees Coastal Farms class B cultivating and manufacturing businesses, making sure we are in full compliance with all the rules and regulations of Rhode Islands' medical marijuana industry. Stephen also has a background is in developing, financing, and running start-up businesses. His experience working alongside owners at every stage of business planning, strategy and execution has enabled companies to work closely with financial institutions, private equity, hedge funds, and family offices to secure capital and achieve their

goals. As a former Chief Financial & Operations Consultant for a high-tech greenhouse farming operation and over 5 years' experience in Rhode Island medical marijuana industry, Stephen has the necessary experience to further expand Coastal' s footprint in Rhode Island medical marijuana industry.

**Craig Kilroy Co-Founder, Board Member**

Craig, a local Rhode Islander, has been in the hospitality industry over twenty-three year working in Newport. From starting at the bottom and working through all aspects front and back of the house has a knowledgeable understanding of what it takes for a company to be successful and efficient. Craig has had the opportunity and wherewithal to turn his small family summer business with minimal employees into a large event destination, foodie seeking eatery, and place of employment that in the height of the season staffs over two hundred team members. While now heading the human resources department, hiring and training local Rhode Island and Massachusetts residents, scheduling, and running payroll for the company have all been the major focuses for Craig. That human resource specialty will be a key role in Coastal Farms by providing balance, accountability, and guidance for the company and staff.

**Relevant Medical Marijuana Experience**

The owner's experience in medical marijuana is extensive When Coastal Farms original decided to participate in the Rhode Island Medical Marijuana business, we knew we needed leverage our relationships with leaders in the industry to be competitive. We spent years visiting cannabis operations in California, Colorado, Massachusetts, and Arizona. Learning from these operations gave us the knowledge to design, build and ultimately operate a medical marijuana business.

Starting with design, the owners of Coastal Farms methodically weighed the pros and cons of different growing structures. Ultimately, we decided to go with a hybrid greenhouse facility. This design is arguably the most advance growing structure in Rhode Island. Taking advantage of both the efficiencies and superior cannabis you achieve with growing with the full spectrum of natural light in a greenhouse, and the ability to grow all year round in an indoor facility by adding supplemental lights and light deprivation curtains.

Quality above everything else. We understood that to be successful in this industry we had to supply the existing medical patients with the cleanest, safest, and absolute best quality product on the market. To achieve this, we grow in organic regenerative living soil (live worms, beneficial bugs, planting cover crop, and constantly amending the soil to maintain proper nutrient levels for the plant). Growing this method allows use to use zero pesticides and no non-organic fertilizers.

Day to day operations of a medical marijuana facility need to tracked throughout the growing process with a state approved seed to sale tracking system. We are one of the few cultivators in RI that has experience using both Agrisoft and Biotrack seed to sale software. We originally started with Argisoft for our first year of operations. As our business slowly expanded, and started introducing additional products to the market, such as pre-rolls and concentrates. We requested to switch to a more robust tracking system in Biotrack. The Department of Business Regulations granted our request, we had a smooth transition in switching tracking systems. To this date we have had no issue with the DBR and Coastal Farms medical marijuana business.

## OUR LOCATION IN WARWICK, RHODE ISLAND

VEHICLE FOOT TRAFFIC/IMPACT AND MITIGATION OF COMMUNITY IMPACT

The property we have chosen is conveniently located on Post Road in the Apponaug Section of Warwick. 3116 Post Road, affords over 10,000 sq feet of prime space with ample parking. It is convenient to Route 95, south and northbound. Nooseneck Hill Road in Exeter, Rhode Island. The building is on a parcel consisting of 5.86 acres, called "South County Plaza." Nooseneck Hill Road is directly off of RI Route 95, accessible from both southbound and northbound exits. Additionally, it is conveniently located a short distance from RIPTA bus stop on Post Road.

Due to an ample amount of parking at the "South County Plaza" site, we do not anticipate traffic issues, nor excess foot traffic. We would also anticipate minimal community impact and disruption.

ODOR CONTROL

Coastal is cognizant that the emission of marijuana odor can be seen as a nuisance to neighbors and can have a negative impact on the quality of life in the neighborhood. As such, Coastal will take all steps necessary to reduce the smell of marijuana that is emitted from its cultivation facility and to a limited amount its Wellness Center.

Coastal will install odor control and mitigation technology that will prevent medical marijuana plant odors from exiting the interior of the structure to an extent that would significantly alter the environmental odor outside, while also addressing the potential for mold.

All areas where medical marijuana is being produced shall have ventilation and filtration systems installed that prevent medical marijuana plant odors from exiting the interior of the structure to an extent that would significantly alter the environmental odor outside, while addressing the potential for mold.

The ventilation and filtration system, along with any plumbing improvements, shall be installed in compliance with all applicable codes and ordinances, including obtaining any necessary permits, and inspected by the municipality.

A combination of HEPA air scrubbers to sanitize the air along with installation of a FOGCO system to eliminate any odor exiting the exhaust systems. Fogco's commercial odor eliminator is an atomized misting system. Essentially, it generates a fine fog made up of millions of minuscule water droplets that travel through the air along with odor molecules. The odor suppression system dampens foul smells by instigating a number of chemical reactions and neutralizing bad odor particles. This is accomplished by injecting a proprietary neutralizing agent into the high-pressure system which then creates a fog that encompasses the odor molecules.

# OUR PRODUCTS

Coastal will continue to grow the strains and manufacture the products that have brought us success during the period that we have operated as a Rhode Island licensed cultivator. We are committed, however, to offering our patients/clients with an ample supply and a variety of different medical marijuana strains and products. To that end we will secure Letters of Intent to enter into Purchase Agreements with many other Rhode Island licensed cultivators to offer the finest quality and largest variety of medicine for our patients/clients.

## Product and Services

Below is a list of type of products we will be offering.

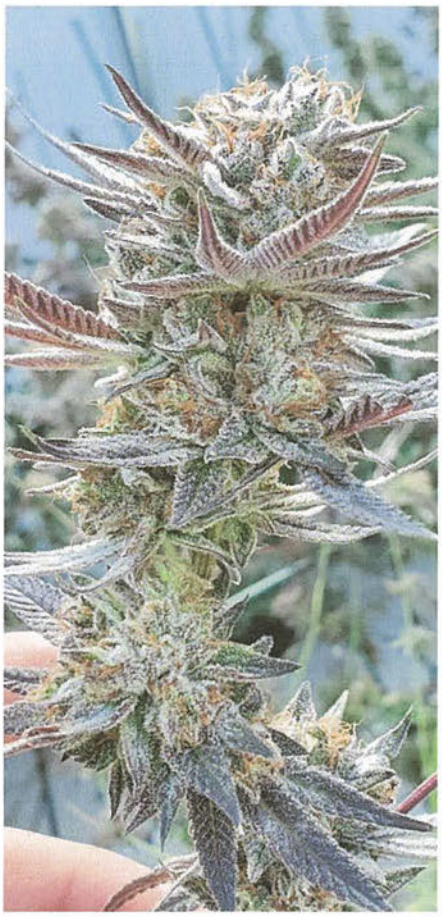
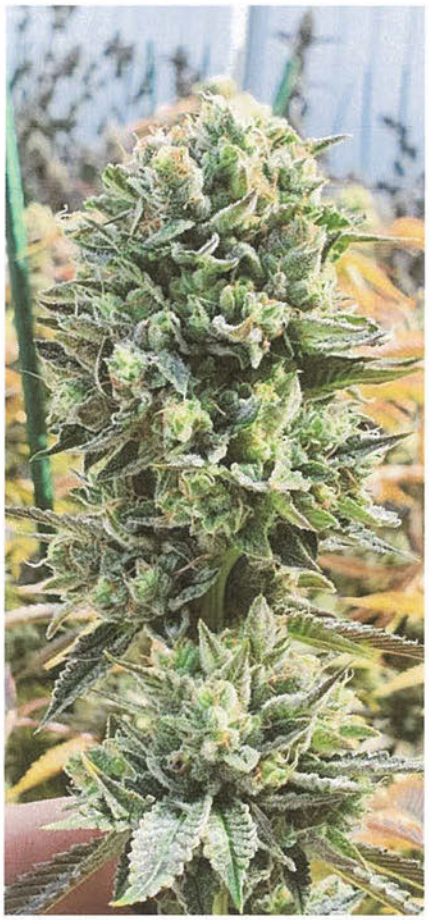
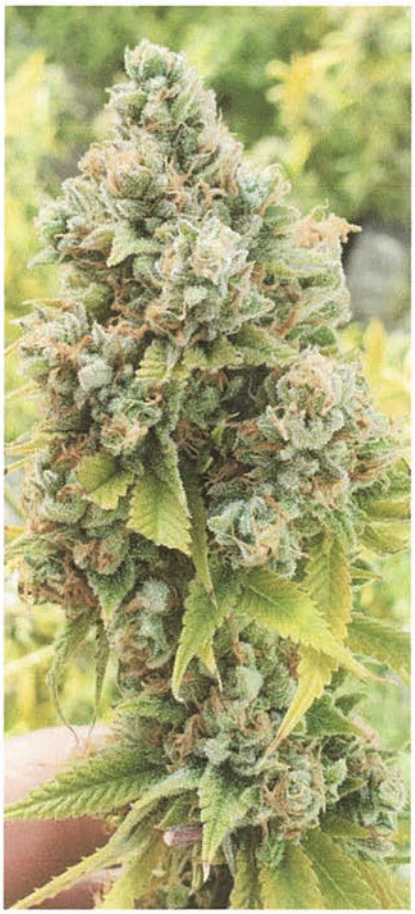
- **Flowers** Dried cannabis "buds" that can be smoked in a pipe, rolled into a cigarette (or 'joint'), smoked using a water pipe or vaporized with vaporizer products).
- **Oils for Aerosolization**
    - No flavor or coloring has been added except those derived solely from cannabis and have been procured in accordance with applicable Rhode Island laws.
    - No vitamin E acetate
    - An ingredient list for each unique product has been submitted to OCR
- **Concentrates**
    - 100% Marijuana with no added ingredients
    - If solvent-based, less than or equal to 500 milligrams of THC per unit.
- **Preparations**

    - Pre-Rolls - dried flower rolled in papers with or without a filter
    - Kief - produced when dry flower is passed over a micron screen of an appropriate size. It is most often smoked, used to "top off" a bowl of flower or rolled into a joint.
- **Edibles** Edible cannabis usually takes longer to take effect (20 minutes to an hour or more) and the effects generally last longer than smoking or vaporizing.
    - In the form of a:
        - Baked Good (Cookies, Brownies, Crispy Treat Bars, Granola Bars, Chips and Cakes)
        - Gummy/Fruit Chew
        - Chocolate/Caramel
        - Hard Candy/Lozenge
        - Carbonated Beverages
    - All allowable forms must also meet the below criteria:
        - Shape: Purely geometric shapes only (no stars or hearts)
        - Suggested Color: Neutral colors/Muted colors/no neon or bright colors
        - Cannot excessively appeal to children or youth
        - Cannot be on a stick
        - Must be shelf-stable
- **Ingestible**
    - Capsules only for oral consumption
    - Tinctures not intended to be aerosolized
    - Topicals including Transdermal Topicals
    - Rick Simpson Oil "RSO"
- **Accessories** Grinders, vaporizers
- **Apparel** branded wearable merchandise at some future point if it is determined that patients would like to purchase it.

Below is a list of our current genetic strains we have available.

- **Comfortable Dumb** Coming from JinxProof Genetics, Comfortably Dumb is an indica dominant hybrid that crosses Firestorm and Dark Side of the Moon. It gives off fresh pine and fuel aromas with skunky and fruity undertones. Buds are dense with dark green and purple tinged leaves. If you need to zone out, this will put you in a comfortable place.
- **East Coast SD Sour Diesel**- cross with Big Buddha Cheese to create this sativa dominant strain from Big Buddha Seeds. Its terpene profile holds a citrusy grapefruit and jet fuel nose, and it has a sour and sweet fruity taste.
- **9 Lbs. Hammer-** Indica cross between Gooberry and Hell's OG
- **Juggernaut** 70 % Indica/ 30 % Sativa Indica dominant hybrid cross between BC Hash Plant and Space Queen Type of High. Juggernaut cannabis strain gives a very strong body high. It is also creativity enhancing and relaxing. The initial effect can be uplifting and motivating, but it winds down to a body buzz and a hazy mind.
- **Laughing Buddha** Sativa cross between Thai and Jamaican
- **PPD** Indica dominant hybrid 3-way cross between Purple Haze, Oregon Grape, and Matanuska Mist

- **Peyote Cookies** Indica cross between Peyote Purple and Cookies Kush
- **Zinger** Sativa dominant hybrid cross between Sour Strawberry and Space Queen
- **Zkittlez Glue** Indica dominant hybrid cross between Zkittlez and Gorilla Glue
- **Apricot Jelly** Bred by In House Genetics, Apricot Jelly crosses Irene Apricot and Jelly Breath Bx1. This sativa-dominant hybrid has a citrus scent with a tropical taste, resembling apricots.
- **High Expectations** Sativa Dominant Hybrid cross between Grateful Casey and Purple Trainwreck

## Pricing Strategy

CWC'S pricing will be set at or above the midpoint of the scale locally, largely due to the higher quality of medicine it will offer to patients. In order to prevent diversion of medicine to the illegal market, CWC will set its average medicine price at the mid-point range of current (illegal) market prices for cannabis in Rhode Island. Diversion refers to the phenomenon that occurs when dispensaries price their products too far below prevailing rates for cannabis purchases. When this occurs, it creates an incentive for patients to purchase medical cannabis and resell it for a profit at the higher market rate. Through its pricing practices, CWC will support state law by discouraging diversion.

Pricing will reflect the type of medicine, quantity purchased and quality. Management anticipates charging an average price of $40 for an eighth ounce, which is in line with current market pricing that ranges between $240 and $400 per ounce. Any surplus revenue created due to this pricing approach will be used to support patient services, including free and low-cost medicine as needed. CWC will occasionally offer discounted medicine, either as incentives or as assistance for those with lesser ability to pay, such as seniors, veterans and patients on disability.

Average price for items:
Pre-rolls $12
Vapes Cartridges .5g $35-60
Edibles $5 20mg lozenges
Concentrates $40-80
Topical $ 30-70

**Tier Pricing**

When it comes to buying cannabis, not all look the same. Some flowers have less crystals whereas others are full of dense, trichome-filled buds. There's a lot of range in the quality you can buy.

We have developed our pricing tiers to make your selection painless and simple.

| Tier | Eighth | Quarter | Half OZ | Ounce |
|---|---|---|---|---|
| Silver | $ 30 | $ 60 | $ 120 | $ 240 |
| Gold Platinum | $ 40 | $ 80 | $ 160 | $ 320 |
| Platinum | $ 45 | $ 90 | $ 180 | $ 360 |
| Diamond | $ 50 | $ 100 | $ 200 | $ 400 |

- **Silver** Best value medical cannabis. Not the best in terms of appearance, terpene profile, and potency, but it can still be a quality choice. It'll deliver solid effects with decent levels of THC. Our silver tier is often a great choice for those who want a potent product with a great value!
- **Gold** This quality of medical cannabis will give patients an intense, potent high. Indica strains will instantly make you feel relaxed, mellow, and free of any pain and stress. Sativa strains will quickly give a boost to your mood and energy levels. Expertly cultivated and cured to provide rich terpene profiles for your experience!
- **Platinum** Top-shelf quality. High potency, THC-packed trichomes, a potent terpene profile. You'll get a strong aroma and taste. Users who want a strong, flavorful high will opt for this tier.
- **Diamond** This medical cannabis is the absolute best quality you can find. Only the very best buds are reserved for this label, meaning every strain will look fresh, thick, and full of trichomes. You'll get a super strong aroma and it'll taste incredible! Users who want connoisseur grade medical cannabis will opt for this tier.

# PATIENT SERVICES

PATIENT INTAKE PROCEDURE

All patients, prior to entering the retail area of the Center must first be verified by the Coastal Receptionist to determine if the patient/client is a qualified patient, caregiver or an authorized purchaser, properly registered in the Department of Health database.

NEW PATIENT CHECK IN/INTAKE

All new patients/clients will begin their relationship with Coastal Wellness Center by meeting with a trained Coastal staff professional. Upon Intake, the patient/client will undergo a mandatory "VERIFICATION PROCESS" where their government issued identification and Medical Marijuana Card will be scanned. The patient/client will be checked in the patient database to verify that they are an authorized purchaser.

CONSULTATION SESSION

The new patient/client will have a confidential consultation/orientation with a Coastal staff professional, who will review the following:

Wellness Center Procedure/Patient Outreach Packet
Overview of Wellness Services
Overview of Products Offered
Charity Care Programs

RESOURCES PROVIDED

The new patient/client will be provided with Coastal's "New Patient Packet" which includes:

Laws, Rules and Regulations
Products Offered
Charity Programs
Reference Library Materials
Wellness Programs
Frequently Asked Questions Handout

ESCORTED TOUR

The new Patient/Client will be escorted through the retail area where products will be explained fully and questions can be answered by staff professional. Although this escort is a mandatory part of the new patient/client orientation, Coastal staff professionals are always available to assist patients/clients in product selection. Our "budtenders" are very knowledgeable on our products and the uses. Patients/clients should always feel free to ask our budtenders for product information.

PATIENT EDUCATION and WELLNESS SERVICES

Coastal is committed to being a wellness resource for their patients/clients. As part of our wellness focused mission, Coastal will offer a variety of educational programs at no cost throughout the month. Additionally, Coastal will have a "Wellness Library" which will have various books, publications and brochures to address many of our patients/clients' questions regarding the use of safe use of cannabis in the treatment of pain and disease.

Classes that Coastal will hold regularly are as follows:

Yoga, Reiki, Meditation and Mindfulness, Relaxation, Cooking with Cannabis, Oils and Tinctures

Coastal will be working with Joanna L. Holder, a Registered Nurse Practitioner, Rhode Island to develop a series of workshops and classes to assist patients/clients in maximizing the benefits of pain management with cannabis. Ms. Holder is a NASM Personal Trainer, Registered Yoga Instructor, and Holistic Wellness Advisor.
(See Attached Resume.)

## CHARITY CARE

Coastal Wellness Center recognizes our commitment to provide the highest quality medicine at an affordable price to our patients. We also recognize that the cost of medicine can be burdensome for many. We are committed to work together to serve the community by providing charity care for persons who based on their individual financial situation are unable to pay full price for their medicine. Patients requesting a discount based on financial need should request to fill out a financial needs form. All requests remain confidential.

Additionally, Coastal recognizes the sacrifices that our men and women in the armed services have made for our country. To honor their sacrifices, Coastal will offer a 20% discount to all Veterans every Friday.

Patients who are suffering from terminal diseases or in hospice care should not have to worry about the cost of pain management. Patients or their caregivers should speak to the Center Receptionist for applying for a discount towards their medicine costs at Coastal Wellness Center.

## PATIENT FEEDBACK

We, at Coastal, are focused on our patients'/clients' satisfaction. We want to hear from our consumers, our vendors, and our community. Whether feedback is positive or negative, we will take all comments into consideration and respond when appropriate. We encourage communication of all forms and through all channels from consumers.

Should there be negative feedback from one of our stakeholders, Coastal has established a policy to promptly and fully respond to all complaints.

## COMPLAINTS

Coastal has established policies and procedures to receive organize, store and respond to all oral, written, electronic or other complaints regarding medical marijuana and adverse events. See DRAFT SOP-Responding to Complaints.

A "Complaint" is simply a designation of dissatisfaction of any degree from a customer or consumer. Coastal will classify three different types of complaints for investigatory action.

**Quality complaints:** Originate at consumer level and concern with physical, chemical and biological properties or condition of labeling and /or packaging of the product. **Adverse reaction complaints**: Due to allergic reactions of any other untoward reaction or fatal reaction or near fatal reaction. **Other medically related complaints**: Include complaints such as lack of efficacy or clinical response.

Upon receiving a complaint, Coastal shall immediately document the complaint with specificity on an approved "Notice of Complaint" investigation form. The "Notice of Complaint" shall immediately be forwarded to the COO/Cultivation Manager.

Upon receipt of the investigation form, the COO/Cultivation Manager shall immediately begin the investigation, which may be divided in two phases: documentation-based and laboratory analysis based investigation. This method consists of checking if this complaint had occurred previously in the same lot or if any nonconformance was found in the lot during its production that could explain the complaint. The primary documentation to be reviewed in this step consists of the complaint files and the batch records.

If it is determined that an Adverse Event has occurred, Coastal will immediately notify proper authorities at the Rhode Island Department of Health and appropriate steps will be taken to ensure no further events occur.

Recordkeeping of complaints and adverse events will be of the utmost importance to Coastal. A written record of the complaint and its investigation must be kept, including: (1) Identity of the product complained about; (2) Batch, lot or other control number of the product; (3) Date the complaint was received and the name, address, or telephone number of the complainant, if available; (4) Nature of the complaint including, if known, how the product was used; (5) Names of personnel who do the following: (i) Review and approve the decision about whether to investigate a product complaint; (ii) Investigate the complaint, and (iii) Review and approve the findings and follow-up action of any investigation performed. (6) Findings of the investigation and follow-up action taken when an investigation is performed; and (7) Response to the complainant, if applicable.

RETURNS/REFUNDS

We want our patients/clients satisfied at all times with their experience at Coastal. Should a patient/client be dissatisfied with any of the product they purchased at Coastal, they should be referred to a Center manager. Patients/clients who are returning products purchased at Coastal for reasons other than a DBR or DOH recall will be asked to fill out a Returned Product Questionnaire, which will provide Coastal with information that can be used for Quality Control and possible batch related purposes. The patient/client will be offered a refund in full or in part for the returned product.

Any purchased medical marijuana or marijuana product that is subject to a DOH or DBR recall, should be immediately returned for a full refund.

PATIENT OUTREACH

The Coastal Compassion Center's outreach activities to registered qualifying patients, registered primary caregivers, and authorized purchasers shall include:

- Providing each new registered qualifying patient who visits the Coastal Wellness Center with a frequently asked questions sheet that explains the limitations on the right to use medical marijuana under state law in accordance with R.I. Gen. Laws § 21-28.6-12(f)(9);
- Providing a list of ingestion options for usable marijuana;
- Providing applicable usage techniques and any corresponding safety information to registered qualifying patients;
- Communicating potential side effects; and
- Upon the request of DOH and/or DBR, e-mailing or otherwise disseminating information to compassion center clients regarding changes in the medical marijuana program, or disseminating customer surveys.

HOME DELIVERY

Coastal Wellness Center offers home delivery of our medical marijuana and marijuana products to qualifying patients within the State of Rhode Island. Coastal has developed a strict and comprehensive Standard Operating Procedure which details the process for which Coastal will conduct deliveries of medical marijuana or medical marijuana products in the State of Rhode Island.

COVID and PANDEMIC RELATED SERVICES

Coastal shall offer limited curbside pickup of medical marijuana preorders by qualified registered patients, caregivers and authorized purchasers, on a temporary basis during the COVID-19 public health emergency.

In accordance with Rhode Island General Laws § 21-28.6-12 *et seq.*, and the Rules and Regulations Related to the Medical Marijuana Program Administered by the Department of Business Regulation 230-RICR-80-5-1, as amended (the "Regulations") the preorder curbside pickup and delivery of medical marijuana shall only be permitted during in compliance with DBR Bulletin and subject to Coastal Wellness Center's plan being approved by OCR, the Act and the Regulations.

The preorder curbside pickup and delivery of medical marijuana shall be deemed "permitted sales" and "permitted Wellness 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:

Upon OCR's notification to Coastal Wellness Center that OCR has terminated the approval of curbside pickup and delivery of medical marijuana, Coastal Wellness Center shall immediately cease all curbside pickup and delivery.

Coastal Wellness Center's Public Health Emergency proposal shall state the following:

1. Medical marijuana will 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.

2. The patient/caregiver/authorized purchaser must have visited the Coastal Wellness Center before this "pick-up" visit and must have all their information up to date in the Wellness Center's system.

3. The patient/caregiver/authorized purchaser must call ahead/order online before they arrive for the pick-up.

4. Coastal Wellness Center will give the patient/caregiver/authorized purchaser a designated time for the pick-up.

5. At the time of preorder, the Coastal Wellness 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.

6. At the time of preorder, Coastal 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.

7. At pickup, Coastal's representative person will verify the patient/caregiver/authorized purchaser registration card with a second form of identification.

8. All purchases and curbside pickups will be tracked properly and promptly in the track and trace system and records will be made available to the OCR upon request.

9. Coastal Wellness Center will only conduct such curbside pickup and delivery between the hours of 8:00 am and 8:00 pm.

10. Coastal Wellness Center's plan shall include appropriate measures to avoid traffic congestion and lot overflow. Coastal Wellness Center shall comply with local and law enforcement traffic regulation requirements.

11. Before commencing preorder pickup and delivery hereunder, the Coastal Wellness Center must receive OCR approval of its plan and security protocols including pickup vehicle verification procedures and security camera locations and remote access systems.

12. Coastal Wellness Center delivery personnel may not accept tips or compensation of any kind from the registered patient, caregiver or authorized purchaser to whom they are delivering.

13. Coastal Wellness Center will not charge any additional fee(s) for preorder curbside pickups.

14. The medical marijuana products available for preorder pickup must follow the same pricing structure as products sold to walk-in registrants at the Coastal Wellness Center's retail location.

(See COVID and Other Public Health Emergency-SOP)

## WELLNESS CENTER OPERATIONS

POINT OF SALE TRACKING

Coastal will only sell or transfer medical marijuana or medical marijuana products to qualifying patients, directly or through their caregivers or authorized purchasers, if those qualifying patients, caregivers, or authorized purchasers are registered and compliant with the Act and all regulations promulgated thereunder. Only marijuana products that have been designated as medical marijuana in accordance with DBR Regulations will be sold or distributed by Coastal. Coastal Wellness Center will be strictly bound and comply with the dispensing limits of R.I. Gen. Laws § 21-28.6-12(g). The maximum amount to be dispensed may not be more than two and one-half ounces (2.5 oz.) of usable marijuana, or its equivalent, to a qualifying patient directly or through a qualifying patient's primary caregiver or authorized purchaser during a fifteen-day (15) period.

Coastal will not dispense an amount of usable marijuana, or its equivalent, to a patient cardholder, qualifying patient, a qualifying patient's primary caregiver, or a qualifying patient's authorized purchaser that the compassion center, principal officer, board member, agent, volunteer, or employee knows would cause the recipient to possess more marijuana than is permitted under the Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act.

Coastal will utilize a database administered by the Rhode Island Departments of Health and Business Regulation. The database shall contain all compassion centers' transactions according to qualifying patients', authorized purchasers', and primary caregivers' registry identification numbers to protect the confidentiality of patient personal and medical information. Before dispensing marijuana to any patient or authorized purchaser, Coastal will utilize the database to ensure that a qualifying patient is not dispensed more than two and one-half ounces (2.5 oz.) of usable marijuana or its equivalent directly or through the qualifying patient's primary caregiver or authorized purchaser during a fifteen-day (15) period.

Upon the sale of medical marijuana or marijuana product to a qualifying patient, caregiver, or authorized purchaser, Coastal will immediately enter the transaction data into the Medical Marijuana Tracking System.

ADVERTISING

Coastal will not advertise in a manner which is observed by or targets the general public. All Coastal advertising will be restricted to a registered patient audience.

In the course of promoting the Coastal Wellness Center's brand, medical marijuana or medical marijuana products, Coastal will not advertise or cause any advertising or agent to advertise in a manner that:

- Is attractive to persons under twenty-one (21) years of age
- Promotes non-medical use
- Promotes activity that is illegal under Rhode Island law
- Is contrary to or in direct violation of state or federal consumer protections or
- Otherwise presents a significant risk to public health and safety.

Any advertising by or on behalf of Coastal Wellness Center will not:

- Contain statements that are deceptive, false or misleading
- Display images or representations of marijuana plants, marijuana or marijuana products
- Display the consumption, use or transfer of marijuana or marijuana products
- Include claims related to potency (beyond listing of cannabinoid content)
- Include any prices or the term "sale," "discount," "coupon," "special" or similar terms
- 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
- 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
- Contain any imitation of candy advertising
- Include the term "candy" or "candies"
- Encourage the transportation of marijuana or marijuana products across state lines or otherwise encourage illegal activity

- 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
- Make claims that marijuana has curative or therapeutic effects
- Contain any health or physical benefit claims, including but not limited to health or physical benefit claims on labels or packaging
- Contain material that encourages excessive or rapid consumption.

Coastal Wellness Center and its agents will not:

- 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
- Distribute handbills in public areas or on publicly owned property
- 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
- Advertise on television, radio, or print media
- 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
- 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
- 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
- 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 the DBR Regulations or any other statute, rule or regulation.

Should a third party use Coastal Wellness Center's brand, trademark, brand name, location or other distinguishing characteristics in an advertisement that does not comply with the Rules and Regulations or any other statute, rule or regulation, Coastal Wellness Center will immediately notify DBR and issue a cease-and-desist notice to such third party.

DIGITAL, ELECTRONIC AND WEB-BASED ADVERTISING

Should Coastal Wellness Center utilize Digital, Electronic or Web-based advertising, Coastal will comply with all prohibitions set forth in the Rules and Regulations, and Coastal will 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.

Coastal will 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.

REQUIRED STATEMENTS ON ALL ADVERTISING

Coastal Wellness Center will 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.

OBJECTIONABALE AND NON-CONFORMING ADVERTISING

Coastal Wellness Center acknowledges that DBR reserves the right to take action, including the use of enforcement measures, against Coastal should licensee fail to comply with the advertising provisions of the DBR Regulations, including, without limitation, specifying a period of time by which Coastal Wellness Center shall cease the non-compliant advertising and remove any advertising still being published or displayed.

TRANSPORTATION

Coastal has developed a strict and comprehensive Standard Operating Procedure which details the process for which Coastal will conduct deliveries of medical marijuana or medical marijuana products in the State of Rhode Island. Additionally, Coastal will only procure medical marijuana and medical marijuana products from Rhode Island DBR licensed cultivators and manufacturers.

HOME DELIVERY WITHIN THE STATE OF RHODE ISLAND

Authorized Transport Vehicle Requirements

Coastal Wellness Center will conduct authorized transports in such a manner as to ensure that marijuana and marijuana products are secured and safe at all times during transport.

Coastal Wellness Center will have a dedicated "authorized transport vehicle(s)" for the transport of medical marijuana and medical marijuana that will meet all the following criteria:

- The Coastal Wellness Center vehicle(s) will bear no markings that indicate that the vehicle is being used to transport marijuana nor indicates the Coastal name;

- The Coastal Wellness Center vehicle(s) will be equipped with a global positioning system monitoring device that is monitored by the Coastal Wellness Center during an authorized transport;
- The Coastal Wellness Center vehicle(s) will be equipped with an alarm system;
- The Coastal Wellness Center vehicle(s) will be equipped with functioning heating and air conditioning systems appropriate for maintaining correct temperatures for storage of marijuana products;
- Marijuana products will not be visible from outside the Coastal vehicle(s); and
- Marijuana products will be stored and transported in a secure, locked storage compartment that is a part of the Coastal vehicle(s) transporting the marijuana products. The trunk of a vehicle will not be used as a "locked storage compartment."

When transporting marijuana products, Coastal will not transport or store any other products in the same vehicle. No firearms will be located within the Coastal vehicle(s) or on the person of the Coastal authorized transport cardholder. Coastal will comply with all other security and safety requirements determined by DBR.

Detailed Transport Manifests

Coastal will create and maintain detailed transport manifests for all authorized transports, which DBR may require be generated through and/or maintained in the Medical Marijuana Program Tracking System. Coastal will transmit the manifest to the receiving licensee. Both Coastal and the receiving licensee will retain copies of the detailed transport manifests as part of record retention responsibilities.

Coastal shall create a detailed transport manifest which will include the following minimum information:

a. Departure date and approximate time of departure.
b. Names, location addresses, and registration/license numbers of the originating and receiving marijuana establishment facilities.
c. Unique identifier generated by the Coastal's Medical Marijuana Program Tracking System.
d. The patient registry identification card number and any such other information pursuant to the Coastal's approved delivery plan if transporting to a registered qualifying patient pursuant to an approved patient home delivery plan.
e. Product names or descriptions.
f. Quantities (by weight or unit) of each product to be delivered.
g. Product name or descriptions and quantities (by weight or unit) of each product which was received by the licensee.
h. Arrival date and approximate time of arrival.
i. Coastal's delivery vehicle make, model and license plate number.
j. Names, registry identification card numbers, and signatures of Coastal's authorized transport cardholders.

Authorized Transportation Requirements

The Coastal Wellness Center will ensure that all delivery times and routes are randomized.

Coastal will ensure that all transport routes remain within the state of Rhode Island. Coastal will only have authorized transports by authorized transport cardholders affiliated with Coastal Wellness Center.

When using one authorized transport vehicle, the Coastal vehicle shall be operated/occupied by a minimum of two Coastal authorized transport cardholders and at least one such cardholder shall remain in the authorized transport vehicle at all times until the vehicle returns to the Coastal licensed facility.

When using two authorized transport vehicles, the Coastal authorized transport vehicles will travel together at all times during the authorized transport and each vehicle shall be operated/occupied by at least one Coastal authorized transport cardholder. These vehicles shall not be left unattended for any period of time during any authorized transportation.

During all Coastal Wellness Center authorized transports the Coastal authorized transport cardholders must have on their persons their Coastal registry identification cards and the detailed transport manifest; and a copy of the detailed transport manifest will also accompany the marijuana and marijuana products in the locked storage compartment of the Coastal authorized transport vehicle.

The Coastal authorized transport vehicle(s) carrying marijuana and marijuana products will travel directly from the originating marijuana establishment licensee to the receiving marijuana establishment licensee.

In case of an emergency stop, a detailed written account must be maintained describing the reason for the event, the duration, the location, any activities occurring during the stop, and any Coastal personnel exiting the vehicle during the stop.

Prior to leaving the originating marijuana establishment licensee for an authorized transport to another marijuana establishment licensee, the originating marijuana establishment licensee must weigh, inventory, and account for on video all marijuana and marijuana product to be transported. For authorized transports to and from Coastal, the transport manifest shall be accompanied by a copy of any contract/purchase order for which the transport is being made and documentation of the actual payment date, if prepaid.

Upon arrival at the destination marijuana establishment licensee, the receiving party shall confirm receipt of each item in the presence of the delivering authorized transport cardholder and then initial each received line item on both the originating licensee's manifest and the receiving licensee's manifest. The receiving party shall then immediately re-weigh, re-inventory, and account on video for all marijuana and marijuana product transported.

Both the originating and recipient marijuana establishment licensees shall timely adjust their records to reflect in its records the completed authorized transport of marijuana, including logging such information in the Coastal Medical Marijuana Program Tracking System. All records and entries in the Medical Marijuana Program Tracking System will be easily reconciled by unique identifier, product name and quantity, with the applicable detailed transport manifest.

Any unusual discrepancies in the quantity described in the detailed transport manifest and the quantities received shall be reported to DBR and municipal and/or state law enforcement within twenty-four (24) hours by the Coastal.

Any Coastal vehicle accidents, diversions, or losses during authorized transports of marijuana shall be reported to DBR and law enforcement as an "emergency event" pursuant to § 1.6.5(I) of the DBR Regulations titled "Emergency Notifications and Reports." (See Emergency Plan-SOP)

Coastal will transport medical marijuana and marijuana products to or from a third-party testing provider in accordance with the DOH Testing Regulations.

RECALLS OF MARIJUANA OR MARIJUANA PRODUCT SOP

DBR or DOH may require Coastal Wellness Center to recall any marijuana or marijuana product that Coastal Wellness Center has sold or transferred upon a finding that circumstances exist that pose a risk to public health, safety and welfare.

Should a recall be ordered by DBR or DOH to Coastal Wellness Center, Coastal will initiate the recall immediately as determined by the DBR approved recall plan. Coastal will comply with any additional instructions made by DBR.

Recalls of marijuana or marijuana products may be based on evidence that the marijuana, marijuana product, or medical marijuana product: contains unauthorized pesticide(s); failed a mandatory test and was not mitigated pursuant to testing protocols; is contaminated or otherwise unfit for human use, consumption or application; is not properly packaged or labeled; was not cultivated, processed or manufactured by a licensee or otherwise is not in accordance with the Act, DBR regulations or DOH regulations; otherwise poses a threat to public health or safety as determined by DBR or DOH.

DBR may at any time, require the destruction of medical marijuana product or marijuana product upon a finding that circumstances exist that pose a risk to public safety and health. Should DBR require the destruction, Coastal will promptly follow the directive and destroy all products posing a risk to public safety and health. Evidence of destruction shall be promptly entered into the Coastal Wellness Center Product Tracking System.

If DBR finds that a recall is required, DBR must notify the public and the Coastal Wellness Center of the recall, DBR must affect an administrative hold on all affected medical marijuana and/or medical marijuana products in the tracking system.

DBR may require Coastal Wellness Center to place all marijuana, marijuana product, medical marijuana and medical marijuana product in quarantine itself or with a third-party custodian at the licensee's expense. DBR may also require Coastal Wellness Center to notify all individuals to whom such medical marijuana or a medical marijuana product was sold and may require that Coastal Wellness Center destroy the recalled product.

Should DBR order Coastal to notify all individuals to whom the recalled product was sold, the COO shall immediately, though the Marijuana Tracking System determine who purchased the items subjected to recall. Coastal staff will immediately contact each patient/client identified as purchasing the product and direct them to immediately destroy or return the product to Coastal Wellness Center for a full refund.

WELLNESS CENTER SANITATION

Coastal Wellness Center and licensed cultivation facility will be maintained in a safe, sanitary, and clean manner, with all operations in the cultivation, receiving, inspecting, transporting, segregating, preparing, manufacturing, packaging, and storing of medical marijuana and marijuana products conducted in accordance with adequate sanitation principles, as further detailed below. The Coastal facilities will meet the following minimum specifications, including having and maintaining:

A. An adequate supply of potable hot and cold water;

B. Non-porous, non-absorbent and easily cleanable floors, walls, and ceilings in areas where marijuana is cultivated, manufactured, and stored;

C. Lavatory facilities that are readily-accessible to employees and that comply with the Rhode Island State Plumbing Code, 510-RICR-00-00-3;

D. Adequate hand-washing area(s) with hand washing sinks with effective hand-cleaning and sanitizing preparations (such as soap dispensers) and disposable towels or an air dryer for hands; and

E. Adequate screening or other protection against the entry of pests and environmental contaminants.

All the mechanical and electrical equipment at Coastal facilities will be maintained in a safe operating condition. The waste disposal equipment at Coastal facilities will be adequate and the removal schedules will be timely so as to minimize the risk of contamination to medical marijuana and marijuana products, including the risk of the waste becoming an attractant, harborage, or breeding place for pests. All waste (including all liquid, chemical, hazardous, pesticide, manufacturing solvent and chemical waste) at Coastal facilities will be stored, secured, and managed in accordance with all applicable DEM laws and regulations and all applicable federal, state, and local statutes, regulations, ordinances, or other legal requirements. Coastal will follow all specific instructions for safe destruction of any marijuana required to be destroyed and proper disposal of medical marijuana waste set forth in DBR Regulations titled "Safe Disposal of Medical Marijuana Waste and Safe Destruction of Usable Marijuana."

Floors, walls, and ceilings at Coastal facilities will be kept clean and in good repair, free from dust, debris, mold, mildew, and other contaminants and potentially hazardous materials.

Lavatory facilities and hand washing areas at Coastal facilities will be kept clean and sanitary and in working condition at all times.

Coastal will identify, hold, store and dispose of toxic cleaning compounds, sanitizing agents, and other chemicals in a manner that protects against contamination of medical marijuana and marijuana products and in a manner that is in accordance with all applicable DEM laws and regulations and any applicable local, state, or federal law, rule, regulation, or ordinance.

Coastal Wellness Center and the licensed cultivation facility will comply with all relevant statutes, regulations, and requirements administered by the Federal Occupational Safety and Health Administration (OSHA), including but not necessarily limited to standards for toxic and flammable compounds and air contaminants. DBR may require licensees to undergo third-party inspections or audits to ensure compliance with OSHA.

All persons working in direct contact with medical marijuana and marijuana products at Coastal Wellness Center or the licensed cultivation facility will conform to hygienic practices while on duty, including but not limited to maintaining adequate personal cleanliness and washing hands thoroughly in an adequate hand-washing area before starting work and at any other time when the hands may have become soiled or contaminated.

Any person whose medical condition, as determined by medical examination or as observed by a supervisor, poses or reasonably appears to pose a risk of contamination of medical marijuana and/or medical marijuana products shall be excluded from medical marijuana operations until the condition is cleared. Medical conditions posing a risk of contamination include but are not necessarily limited to open lesions, including boils, sores, or infected wounds, or any other abnormal source of microbial infection, pursuant to Health and Injury SOP.

Animals are not permitted to enter Coastal Wellness Center nor its licensed cultivation faculty except for Service animals (as defined in the Americans with Disabilities Act). Said Service animals will be allowed in retail areas or other areas where there is no cultivation, manufacturing or packaging of medical marijuana products.

Coastal will furnish its employees with proper safety equipment for other types of work assigned as part of Coastal Wellness or licensed cultivation operations, in addition to the safety and sanitary equipment including personal protective equipment that the Coastal is required to furnish its employees involved in marijuana manufacturing and extraction pursuant to the DBR Regulations.

VISITORS

Any person who does not have a valid Coastal registry identification card who enters any area where marijuana and marijuana products are grown, cultivated, stored, weighed, packaged, processed, manufactured or sold shall be considered a "visitor" and must be escorted at all times by a Coastal registry identification card holder. Visitors are only permitted for **a legitimate business-related purpose** such as building maintenance, repairs or installation of equipment, or provision of goods or services.

Any visitor that regularly gains access to the facility may be required by DBR to obtain a Coastal registry identification card.

Visitor logs which shall include the name of each visitor, a photocopy of the visitor's government issued ID upon first visit, the date and time of the beginning and end of the visit, the reason for the visit (i.e. maintenance, authorized pickup, etc.), and the name of the escorting registry identification cardholder shall be used at both Coastal locations.

Registered qualifying patients, primary caregivers, and authorized purchasers who do not hold Wellness center registration cards are only permitted within point-of-sale areas of a Wellness center.

The Coastal Wellness Center shall ensure that all marijuana and marijuana products are kept behind the sales counter or other partition and will make reasonable efforts to limit the number of registered qualifying patients, primary caregivers, and authorized purchasers present in relation to the number of Wellness center cardholders to assure adequate monitoring and control of point-of-sale area activities.

## EMPLOYEES

### EMPLOYEE/WORKPLACE DRUG USE POLICIES PROCEDURES

Coastal is committed to maintaining a safe and productive workplace. Accordingly, employees are required to report to work in an appropriate mental and physical condition to perform their jobs in a safe and satisfactory manner. Employees who are under the influence of, possess, sell, distribute, or purchase alcohol and/or drugs, including the misuse, sale, purchase or distribution of prescription drugs, other than as necessary for the performance of the employee's assigned job duties, while on the job or engaged in Coastal business, or on Coastal property, may be subject to discipline, up to and including termination of employment. The legal use of prescribed drugs is permitted on the job only if it does not impair an employee's ability to perform the essential functions of the job effectively or endanger the safety of the employee or other individuals.

Coastal employees may be required to participate in drug and/or alcohol testing following any on-the-job accident that did result, or could have resulted, in personal injury or property damage, or based on reasonable suspicion, which reasonable suspicion shall be determined at the sole discretion of Coastal. Any employee who is arrested for violating a criminal drug statute must notify an appropriate officer or senior official of Coastal of such arrest immediately. Coastal will, upon learning of the arrest of a registry identification card holder, notify DBR of the arrest.

Coastal Compassion Center strictly prohibits the use of marijuana or marijuana products on the premises, including any parking areas that are designated for compassion center clients or otherwise within the control of the Coastal Compassion Center. Any employees of Coastal Compassion Center found to be using marijuana or marijuana products on the premises will be subject to disciplinary action, up to and including termination.

CODE OF ETHICS

Coastal is dedicated to operating our business in an honest and ethical manner. We depend on the trust and confidence from our patients/clients, employees and the community to reach our goals. As such, we are guided by a Code of Ethics which follows:

**Coastal Code of Ethics**
**Building Trust and Credibility**

The success of Coastal is dependent on the trust and confidence we earn from our employees, patients and the community. We gain credibility by adhering to our commitments, displaying honesty and integrity, and developing Coastal's reputation through honorable conduct. It is easy to *say* what we must do, but the proof is in our *actions*. Ultimately, we will be judged on what we do.

When considering any action, it is wise to ask: Will this build trust and credibility for Coastal? Will it help create a working environment in which Coastal can succeed over the long term? Is the commitment I am making one I can follow through with? The only way we will maximize trust and credibility is by answering "yes" to those questions and by working every day to build our trust and credibility.

**Respect for the Individual**

We all deserve to work in an environment where we are treated with dignity and respect. Coastal is committed to creating such an environment because it brings out the full potential in each of us, which, in turn, contributes directly to our success. We cannot afford to let anyone's talents go to waste.

Coastal is an equal employment/affirmative action employer and is committed to providing a workplace that is free of discrimination of all types and from abusive, offensive or harassing behavior. Any employee who feels harassed or discriminated against should report the incident to his or her manager or to human resources.

**Create a Culture of Open and Honest Communication**

At Coastal everyone should feel comfortable to speak his or her mind, particularly with respect to ethics concerns. Managers have a responsibility to create an open and supportive environment where employees feel comfortable raising such questions. We all benefit tremendously when employees exercise their power to prevent mistakes or wrongdoing by asking the right questions at the right times.

Coastal will investigate all reported instances of questionable or unethical behavior. In every instance where improper behavior is found to have occurred, the company will take appropriate action. We will not tolerate retaliation against employees who raise genuine ethics concerns in good faith.

Employees are encouraged, in the first instance, to address such issues with their managers, as most problems can be resolved swiftly. If for any reason that is not possible or if an employee is not comfortable raising the issue with his or her manager, Coastal's Chief Operating Officer does operate with an open-door policy.

## Set Tone at the Top

Management has the added responsibility for demonstrating, through their actions, the importance of this Code. In any business, ethical behavior does not simply happen; it is the product of clear and direct communication of behavioral expectations, modeled from the top and demonstrated by example. Again, ultimately, our actions are what matters.

To make our Code work, managers must be responsible for promptly addressing ethical questions or concerns raised by employees and for taking the appropriate steps to deal with such issues. Managers should not consider employees' ethics concerns as threats or challenges to their authority, but rather as another encouraged form of business communication. At Coastal, we want the ethics dialogue to become a natural part of daily work.

## Uphold the Law

Coastal's commitment to integrity begins with strictly complying with the laws, rules and regulations that govern us. Further, each of us must have an understanding of the policies, laws, rules and regulations that apply to our specific roles. If we are unsure of whether a contemplated action is permitted by the law, rules and regulations or our policy, we should seek the advice from the Legal/Compliance Officer. We are responsible for preventing violations of law and for speaking up if we see possible violations.

### *Competition*

We are dedicated to ethical and fair and competition. We will sell Coastal products and based on their superior quality and competitive pricing. We will make independent pricing and marketing decisions and will not improperly cooperate or coordinate our activities with our competitors. We will not offer or solicit improper payments or gratuities in connection with the purchase of goods or services for Coastal or the sales of its products.

### *Proprietary Information*

It is important that we respect the property rights of others. We will not acquire or seek to acquire improper means of a competitor's trade secrets or other proprietary or confidential information.

### *Health and Safety*

Coastal is dedicated to maintaining a healthy environment. Our Employee Manual has been designed to educate you on matters such as health and safety in the workplace. You are responsible to familiarize yourself with all policies and procedures.

## Avoid Conflicts of Interest

### *Conflicts of Interest*

We must avoid any relationship or activity that might impair, or even appear to impair, our ability to make objective and fair decisions when serving our clients. At times, we may be faced with situations where the actions we take on behalf of Coastal may conflict with our own personal or family interests. We owe a duty to Coastal to advance its legitimate interests when the opportunity to do so arises. We must never use Coastal's property or information for personal gain or personally take for ourselves any opportunity that is discovered through our position with Coastal.

**Here are some other ways in which conflicts of interest could arise:**

1. Being employed by, or acting as a consultant to, a competitor or potential competitor, supplier or contractor, regardless of the nature of the employment, while you are employed with Coastal.
2. Hiring or supervising family members or closely related persons.
3. Serving as a board member for an outside company or organization.
4. Owning or having a substantial interest in a competitor, supplier or contractor.
5. Having a personal interest, financial interest or potential gain in any Coastal transaction.
6. Placing company business with a firm owned or controlled by a Coastal employee or his or her family.
7. Accepting gifts, discounts, favors or services from a client/patient/potential client/patient, competitor or supplier.

Determining whether a conflict of interest exists is not always easy to do. Employees with a conflict of interest question should seek advice from management. Before engaging in any activity, transaction or relationship that might give rise to a conflict of interest, employees must seek review from their managers.

### *Gifts, Gratuities and Business Courtesies*

Coastal is committed to competing solely on the merit of our products. We should avoid any actions that create a perception that favorable treatment of outside entities by Coastal was sought, received or given in exchange for personal business courtesies. Business courtesies include gifts, gratuities, meals, refreshments, entertainment or other benefits from persons or companies with whom Coastal does or may do business. We will neither give nor accept business courtesies that constitute, or could reasonably be perceived as constituting, unfair business inducements that would violate law, regulation or policies of Coastal or client/patients, or would cause embarrassment or reflect negatively on Coastal's reputation.

### *Meals, Refreshments and Entertainment*

We may accept occasional meals, refreshments, entertainment and similar business courtesies that are shared with the person who has offered to pay for the meal or entertainment, provided that:

- They are not inappropriately lavish or excessive.
- The courtesies are not frequent and do not reflect a pattern of frequent acceptance of courtesies from the same person or entity.
- The courtesy does not create the appearance of an attempt to influence business decisions, such as accepting courtesies or entertainment from a supplier whose contract is expiring in the near future.
- The employee accepting the business courtesy would not feel uncomfortable discussing the courtesy with his or her manager or co-worker or having the courtesies known by the public.

### *Gifts*

Employees may accept unsolicited gifts, other than money, that conform to the reasonable ethical practices of the marketplace, including:

- Flowers, fruit baskets and other modest presents that commemorate a special occasion.

- Gifts of nominal value, such as calendars, pens, mugs, caps and t-shirts (or other novelty, advertising or promotional items).

Generally, employees may not accept compensation, honoraria or money of any amount from entities with whom Coastal does or may do business. Tangible gifts that have a market value greater than $25 may not be accepted unless approval is obtained from management.
Employees with questions about accepting business courtesies should talk to their managers.

## Set Metrics and Report Results Accurately

### *Accurate Public Disclosures*

We will make certain that all disclosures made in financial reports to the Board of Directors and public documents are full, fair, accurate, timely and understandable. This obligation applies to all employees, including all financial executives, with any responsibility for the preparation for such reports, including drafting, reviewing and signing or certifying the information contained therein. No business goal of any kind is ever an excuse for misrepresenting facts or falsifying records. Employees should inform the Legal/Compliance Officer if they learn that information in any filing or public communication was untrue or misleading at the time it was made or if subsequent information would affect a similar future filing or public communication.

### *Corporate Recordkeeping*

We create, retain and dispose of our company records as part of our normal course of business in compliance with all Coastal policies and guidelines, as well as all regulatory and legal requirements.

All corporate records must be true, accurate and complete, and company data must be promptly and accurately entered in our books in accordance with Coastal's and other applicable accounting principles.

We must not improperly influence, manipulate or mislead any unauthorized audit, nor interfere with any auditor engaged to perform an internal independent audit of Coastal's books, records, processes or internal controls.

## Promote Substance Over Form

At times, we are all faced with decisions we would rather not have to make and issues we would prefer to avoid. Sometimes, we hope that if we avoid confronting a problem, it will simply go away.

At Coastal, we must have the courage to tackle the tough decisions and make difficult choices, secure in the knowledge that Coastal is committed to doing the right thing. At times this will mean doing more than simply what the law requires. Merely because we can pursue a course of action does not mean we *should* do so.

Although Coastal's guiding principles cannot address every issue or provide answers to every dilemma, they can define the spirit in which we intend to do business and should guide us in our daily conduct.

### *Accountability*

Each of us is responsible for knowing and adhering to the values and standards set forth in this Code and for raising questions if we are uncertain about company policy. If we are concerned whether the standards are being met or are aware of violations of the Code, we must contact the Legal/Compliance Officer.

Coastal takes seriously the standards set forth in the Code, and violations are cause for disciplinary action up to and including termination of employment.

## Be Loyal

### *Confidential and Proprietary Information*

Integral to Coastal's business success is our protection of confidential company information, as well as nonpublic information entrusted to us by employees, clients and other business partners. Confidential and proprietary information includes such things as pricing and financial data, client names/addresses and medical documentation, or nonpublic information about other companies, including current or potential supplier and vendors. We will not disclose confidential and nonpublic information without a valid business purpose and proper authorization.

Client/patient information is protected under the Privacy Rule of the HIPAA, and Coastal's Patient Confidentiality of Records Policy. Coastal strictly maintains the confidentiality of all patient records. Unauthorized access to or dissemination of these records for any unlawful purpose is a per se violation of this Code of Ethics.

### *Use of Company Resources*

Company resources, including time, material, equipment and information, are provided for company business use. Nonetheless, occasional personal use is permissible as long as it does not affect job performance or cause a disruption to the workplace.

Employees and those who represent Coastal are trusted to behave responsibly and use good judgment to conserve company resources. Managers are responsible for the resources assigned to their departments and are empowered to resolve issues concerning their proper use.

Generally, we will not use company equipment such as computers, copiers and fax machines in the conduct of an outside business or in support of any religious, political or other outside daily activity, except for company-requested support to nonprofit organizations. We will not solicit contributions nor distribute non-work related materials during work hours.
In order to protect the interests of our network and our fellow employees, Coastal reserves the right to monitor or review all data and information contained on an employee's company-issued computer or electronic device, the use of the Internet or intranet.

We will not tolerate the use of company resources to create, access, store, print, solicit or send any materials that are harassing, threatening, abusive, sexually explicit or otherwise offensive or inappropriate.

Questions about the proper use of company resources should be directed to your manager.

### *Media Inquiries*

Coastal is a high-profile company in our community, and from time to time, employees may be approached by reporters and other members of the media. In order to ensure that we speak with one voice and provide accurate information about the company, we should direct all media inquiries to the Executive Management Team. No one may issue a press release without first consulting with the Chief Executive Officer.

### Do the Right Thing

Several key questions can help identify situations that may be unethical, inappropriate or illegal. Ask yourself:

- Does what I am doing comply with the Coastal's guiding principles, Code of Conduct and company policies?
- Have I been asked to misrepresent information or deviate from normal procedure?
- Would I feel comfortable describing my decision at a staff meeting?
- How would it look if it made the headlines?
- Am I being loyal to my family, my company and myself?
- What would I tell my child to do?
- Is this the right thing to do?

EMPLOYEE HEALTH AND INJURY

Coastal Wellness Center will take all reasonable measures to exclude from any of its facilities any person that may be a source of microbial contamination due to a health condition and limit any potential contact with any materials, including components, packaging components, in-process materials, cannabis, cannabis-derived products, and contact surfaces used in manufacturing, packaging, labeling, and holding operations.

Coastal Wellness Center will take such measures including excluding from working in any operations that may result in contamination any person who, by medical examination, the person's acknowledgement or supervisory observation, is shown to have, or appears to have, an illness, infection, open lesion, or any other abnormal source of microbial contamination, that could result in microbial contamination of components, packaging components, in-process materials, cannabis, cannabis derived products, or contact surfaces, until the health condition no longer exists.

All employees and agents of Coastal Wellness Center must notify their supervisor(s) if they have or if there is a reasonable possibility that they have a health condition described in paragraph B that could result in microbial contamination of any components, packaging components, in-process materials, cannabis, cannabis-derived products, or any contact surface.

First aid kits are available for emergency use, and are conveniently located throughout the cultivation and the Wellness Center facilities.

a. The first aid kits will be checked and updated monthly.
b. The history of supplies used to refill the first aid kits shall be kept in the Kit Log.

All employees shall be instructed on how to address injuries immediately, including any cuts, abrasions, or other injury that occurs while working. Employees must immediately notify their supervisor(s) and fill out an accident report for any injuries on the job.

If the injury is critical or life threatening, employees are instructed to call 911 for proper care.

Any employee who feels ill should notify his/her supervisor immediately and must not handle any product. If an employee does not report his or her illness and is found to be sick by the supervisor, the employee will be immediately dismissed from work and not allowed to return until they are symptom free.

The following symptoms prohibit an employee from working, and from handling product: Diarrhea, Fever, Vomiting, Jaundice, Sore throat with fever, Lesions containing pus (including boils or infected wounds, however small) on the hand, wrist, or any exposed body part.
If an employee has any of the conditions listed above, these conditions will be recorded on an Illness and Injury Form.

## EMERGENCY PLAN

### Coastal Emergency Plan

Coastal has developed this Emergency Plan to prevent, address and mitigate the consequences of theft or burglary or attempts thereof, fire, chemical spills, natural disasters, and other emergencies, including cybersecurity and data breach procedures to prevent a compromise of the integrity of the Medical Marijuana Program Tracking System. The plan shall be reviewed and updated at least annually.

The foundation for the prevention of burglary and crime at Coastal is rooted in our building security features and installed security devices. All exterior doors are commercial steel security doors with non-residential locking mechanisms; the exterior of the building and parking lot is well lit with concentration on all points of access into the building; security cameras, with video surveillance monitored by a security company are installed at each point of access into the cultivation facility. Staff should IMMEDIATELY notify management of any defects in the operation of the security system or any lighting issues.

Both the cultivation facility and the Coastal Wellness Center are equipped a state-of-the-art security alarm system, consisting of motion sensors, breaking glass detectors, window and door alarms, intrusion alarms, and panic alarms. All employees at both Coastal facilities will be trained on the security systems and protocols employed at their facility. The facilities are equipped with a professionally installed smoke alarms and sprinklers. Fire Extinguishers are also located throughout both the cultivation facility and Wellness Center.

Additionally, Coastal has a strict visitor policy which guards against unaccompanied subjects entering either facility without an authorized purpose. Employees who are not scheduled to work a shift are not allowed on the premises for unauthorized purposes. FORMER employees are not

allowed at either facility unless they have a patient card and are at the Wellness Center to purchase medical marijuana. Coastal management shall re-key locks and change safe combinations if a terminated employee previously had access to the same.

Staff shall complete a training program developed and implemented by the Head of Security on Crime Prevention and Personal Safety Techniques. Training shall consist of developing a personal safety plan; how and when to activate alarms; identification of "suspicious" circumstances and persons in and near the facility; being on alert when exiting and entering the cultivation facility; reporting suspicious activity; location of emergency contact information; and other crime prevention techniques.

Staff shall annually complete a training program on emergency procedures, evacuation, fire prevention and suppression, and first aid. One manager on duty will be trained in CPR. There shall be a minimum of two (2) fire safety drills per year, as well as frequent on-site self-inspection and review. The emergency evacuation plan shall include special considerations for any employees with disabilities. Training shall include fire prevention techniques; basic first aid; the locations of extinguishers; identification of emergency routes to exits in a fire or disaster.

Coastal will contract with a cyber security specialist to provide a CYBERDISRUPTION PLAN, which will include routine audits, duplication of records, backup equipment, and firewall strength.

In the case of any emergency listed above, Coastal shall provide notification of the emergency events to DBR and Local Police and/or RI State Police as outlined below:

Immediately upon discovery of the event, Coastal shall provide telephone notification to the appropriate municipal and/or state law enforcement/fire authorities regarding any of the following "emergency events:"

(1) Theft or burglary or an attempt thereof.
(2) Any fire or chemical spill.
(3) A natural disaster that results in the destruction of or damage to medical marijuana or marijuana products.
(4) A failure of the security alarm system or video surveillance system, due to loss of electrical support, mechanical function, or otherwise, that is expected to exceed an eight (8) hour period.
(5) A security alarm activation.
(6) Any other event which requires response by law enforcement or public safety personnel.

Coastal shall provide e-mail notification to DBR immediately upon discovery of any data breach or cybersecurity threat to the Medical Marijuana Program Tracking System, and within twenty-four (24) hours of discovery of any other emergency event as defined above. A follow-up telephone notification to DBR shall be provided no later than the next business day.

Coastal shall submit a follow-up written report to DBR within twenty-four (24) hours for each emergency event. The written report shall include, at a minimum, a description of the event(s),

identification of known or suspected cause(s) for the event(s), any corrective action(s) taken to prevent a recurrence, and the name, title, and signature of the individual preparing the report.

Any notification and report of an emergency event required to be made to DBR pursuant to these DBR Regulations shall be made using the mailing address, telephone number, and/or e-mail address provided by DBR to approved licensees.

Upon written direction to the licensed cultivator, DBR may require that the written and telephone notifications and reporting must be replaced or supplemented by notifications and reporting through the Medical Marijuana Program Tracking System or any other electronic system or means DBR mandates the licensed cultivator to utilize.

## TRAINING

COASTAL knows that the quality of our staff is equally as important as the quality of our products. We believe that an ongoing, effective, robust training program is vital to our success as a business. Staff who possess a clear understanding of the laws, regulations, policies, job functions and goals of the company will lead to high morale and high productivity. By utilizing various training methods (courses, seminars, videos, company meetings) both prior to beginning work for Coastal and in a continuing in-service-based education program, staff members will be developed for further advancement at Coastal or within the field.

Coastal's Training Program will include the Employee Handbook, Security and Emergency Plan, SOPs, other reading materials. Lectures will be facilitated by qualified industry professionals. Proficiency will be assessed by hands-on training, shadowing and testing.

### TYPES OF TRAINING PROVIDED

Prior to beginning work at Coastal, all staff will participate in a comprehensive Orientation Program which shall consist of all topics covered in their Training Manual (attached as an exhibit hereto) and **all relevant Standard Operating Procedures**. During Orientation, staff will receive extensive training detailing facility security measures and protocols. Staff will be trained on the Emergency Plan. Additionally, during Orientation, all appropriate staff will be trained on the use of the Medical Marijuana Program Tracking System and Patient Privacy Policy.

A DRAFT Employee Handbook, SOPs, and Employee Training Manual is attached. All employees will be required to sign an acknowledgement indicating that they have received and thoroughly read the Employee Handbook and Coastal's Standard Operating Procedures.

### SECURITY RELATED TRAINING

All Coastal staff will receive extensive training detailing facility security measures in place and security protocols. Security measures and protocols are explained in more detail within the SOP's that will be provided to all new employees during new employee Orientation. The Head

of Security will take the lead on this training to ensure all employees are well trained in all aspects of facility security and security procedure. Specific concentration shall be placed on the Coastal "Emergency Plan." Trainings on Security, Safety and Emergency Plan will be conducted annually.

The COO/Cultivation Manager shall document all training provided to staff. Said documentation shall consist of a signed statement from the individual indicating the date, time and place he or she received said training, topics discussed, and the name and title of presenters.

TRAINING ON RESPONDING TO EMERGENCIES

All Coastal staff will receive extensive training detailing response to medical emergencies, fires and chemical spills. Emergency response protocols are explained in more detail within the SOP's that will be provided to all new employees during new employee Orientation.

Coastal will contract with a Fire Safety Professional to further develop a training curriculum which will be specific to safety procedures, and specifically responding to medical emergencies, fires and chemical spills. The Head of Security will take the lead on this training to ensure all employees are well trained in all aspects of safety procedures and emergency response, which will include personal safety techniques. The training shall be adult learning based. Trainings on Security, Safety and Emergency Plan will be conducted annually. These procedures have been incorporated into the Coastal Emergency Plan.

The COO/Cultivation Manager shall document all training provided to staff. Said documentation shall consist of a signed statement from the individual indicating the date, time and place he or she received said training, topics discussed, and the name and title of presenters.

TRAINING ON RESPONDING TO THREATENING EVENTS

All Coastal staff will receive extensive training detailing facility safety and security measures in place and commensurate safety and security protocols. Safety and security measures and protocols are explained in more detail within the SOP's and Emergency Plan that will be provided to all new employees during Orientation.

The Head of Security will take the lead on this training to ensure all employees are well trained in all aspects of facility security and security procedure, specifically responding to threatening events such as armed robbery, invasion, burglary and other criminal incidents. Additionally, all employees will be well trained in all aspects of safety procedures and emergency response, which will include personal safety techniques. The training shall be adult learning based. Trainings on Safety, Security, and Emergency Plan will be conducted annually. These procedures have been incorporated into the Coastal Emergency Plan.

The COO/Cultivation Manager shall document all training provided to staff. Said documentation shall consist of a signed statement from the individual indicating the date, time and place he or she received said training, topics discussed, and the name and title of presenters

TRAINING ON FEDERAL AND STATE LAWS AND REGULATIONS

The adherence to all Federal and State laws is of utmost importance to Coastal As such Coastal's

Legal/Compliance Officer will take the lead on this important training to ensure that all employees are well versed and acquainted in Federal and State laws and DBR Regulations, with a concentration on marijuana laws, pertaining to their responsibilities. This material shall be an important part of the new employee Orientation as well as the annual in-service training program.

The COO/Cultivation Manager shall document all training provided to staff. Said documentation shall consist of a signed statement from the individual indicating the date, time and place he or she received said training, topics discussed, and the name and title of presenters.

TRAINING ON DETECTION AND PREVENTION OF DIVERSION OF MEDICAL MARIJUANA AND MEDICAL MARIJUANA PRODUCTS

All Coastal staff will receive extensive training detailing facility safety and security measures in place and commensurate safety and security protocols. Safety and security measures and protocols are explained in more detail within the SOP's and Emergency Plan that will be provided to all new employees during Orientation.

The Head of Security will take the lead on training staff on detection and prevention of diversion of medical Marijuana. Topics covered will be the safe and secure storage of medical marijuana and marijuana products, use of the tracking system, Visitors, and others. The training shall be adult learning based.

The COO/Cultivation Manager shall document all training provided to staff. Said documentation shall consist of a signed statement from the individual indicating the date, time and place he or she received said training, topics discussed, and the name and title of presenters.

# MARIJUANA PROCUREMENT

PERMITTED AND PROHIBITED SOURCES OF MARIJUANA

Pursuant to R.I. Gen. Laws § 21-28.6-16(e), a compassion center shall only purchase or otherwise receive marijuana from a **Rhode Island licensed cultivator**, with which it has a "formal agreement." Compassion centers shall not transfer medical marijuana or medical marijuana products to another compassion center. R.I. Gen. Laws § 21-28.6-12(d)(5)(v).

FORMAL AGREEMENT REQUIREMENTS

A "Formal Agreement" is a written executed contract or purchase order, that is required for all sales or services from a licensed cultivator to a compassion center and from a licensed cultivator to licensed cultivator and shall contain the following minimum terms:

a. Date of execution/placement of the contract/purchase order;

b. Description and amount of product to be sold and/or services to be provided;

c. The total price and per unit price of the product to be sold and/or services to be provided;

d. The specific date or date range not spanning more than thirty (30) calendar days for fulfillment of the order, performance of the services, and delivery or pickup;

e. The payment due date, as specifically agreed between the parties, but if no date is specifically agreed to, payment shall be made within thirty (30) calendar days of delivery or pickup; and

f. Contracts/purchase orders pursuant to this paragraph may not be modified but may be cancelled or voided by the creation of a new replacement contract/purchase order.

In accordance with R.I. Gen. Laws §§ 21-28.6-4(c) and (j), Coastal shall not purchase or otherwise receive marijuana from any qualifying patient cardholder or primary caregiver after December 31, 2016. This prohibition extends to purchases and transfers from cooperative cultivations.

INSPECTION OF MEDICAL MARIJUANA AND PRODUCTS

Coastal shall, upon receipt of any medical marijuana material or product from Rhode Island licensed cultivators under a Formal Receipt, carefully inspect the product for defects, contamination and compliance with all DBR Regulations. The inspection shall consist of a visual, smell and touch test. The product should be show density and heft. It should not appear dry and brittle, crumbly or too wet and not properly dried. The product should smell fresh and free of any musty or damp smell. The product should not emanate a smell of pesticide or chemicals. The product should feel soft and sticky.

The product should be properly segregated in numbered batches, which may correlate to testing results. Should the product be deficient in ant of the above criteria, Coastal will contact the Rhode Island cultivator to begin the process of remediation or return.

## TESTING

Coastal shall follow all Analytic Testing requirements as described in the DBR Medical Marijuana Program Bulletin 2020-7 titled "Analytical Laboratory Testing Phase-In Process" in accordance with Rhode Island General Laws § 21-28.6-12 *et seq.*, and the Rules and Regulations Related to the Medical Marijuana Program Administered by the Department of Business Regulation 230-RICR- 80-5-1 *et seq.*, as amended (the "Regulations").

LOT/BATCH REQUIREMENTS for FLOWER/TRIM

Coastal will make sure all flower (excluding flower intended for pre-rolls) is in lots/batches equal to or less than 10lbs and of the same strain for sampling and testing purposes. Additionally, each lot/batch must be properly labeled according to DBR Regulations and detailed in this SOP titled "Labeling Product for Testing".

Coastal will grind all trim/flower intended for pre-rolls prior to sampling.
It is recommended that the lot/batch for sampling is less than or equal to10lbs but there is no single strain requirement. Each lot/batch must be labeled properly.

LABELING PRODUCT FOR TESTING

Stage One (Product has not been sampled for tested)

Coastal shall affix a label on each container in which plant material and/or a batch of processed concentrate or extract is stored. The label must include the following information:

1. Coastal's license number and tradename or business name;
2. The unique identifier generated by the Medical Marijuana Program Tracking System;
3. Date created;
4. Strain name;
5. The quantity; and
6. In bold, capital letters, no smaller than 12-point font, **"PRODUCT NOT SAMPLED FOR TESTING".**

Stage Two (Product HAS been sampled but is awaiting passing test results)

Once the product has been sampled by the licensed analytical testing lab, Coastal will add the following information to the label or documented in a way that is easily retrievable and trackable:

1. Name and registry identification card number of the person who took the samples;
2. Name and license number of the testing facility that will perform the tests;
3. The quantity of the product;
4. The date the samples were taken; and
5. This must be on the label and cannot be documented in an alternative way. In bold, capital letters, no smaller than 12-point font, **"PRODUCT NOT TESTED"**

Stage Three (The product has passing test results and is awaiting final retail packaging)

1. Coastal's license number and tradename or business name;
2. The unique identifier generated by the Medical Marijuana Program Tracking System;
3. Date created;
4. Strain name;
5. The quantity; and
6. In bold, capital letters, no smaller than 12-point font, **"PASSED TESTING".**

Stage Four (The product has passed all required tests and is ready to be available for sale)

Once the product has passed all required tests, Coastal may proceed to package the product in accordance with DBR Regulations. Upon proper packaging, product will be considered ready for sale.

# INVENTORY

INVENTORY CONTROL

Coastal will upon direction by DBR, utilize the state approved Medical Marijuana Program Tracking System for all inventory tracking from seed to sale as defined in the DBR Regulations.

If Coastal is notified by DBR that the Medical Marijuana Program Tracking System is not available, Coastal will be provided with direction as to alternative inventory control measures, which may include but are not necessarily limited to Coastal being directed to:

1. Conduct an initial comprehensive inventory of all medical marijuana, including usable marijuana available for dispensing and/or sale, marijuana plants and seedlings, unusable marijuana, and wet marijuana, at each authorized location on the date COASTAL first dispenses, first cultivates medical marijuana or as of another date certain set by DBR.

2. Conduct daily subsequent comprehensive inventories.

3. Conduct a monthly inventory review of stored, usable marijuana, seedlings, plants, and wet marijuana.

Upon the request of DBR, Coastal will conduct and provide the results of alternative inventory control measures outlined above, regardless of the availability and use of the Medical Marijuana Program Tracking System.

REPORTING DISCREPANCIES IN INVENTORY

All information related to the acquisition, propagation, cultivation, transfer, manufacturing, processing, testing, storage, destruction, wholesale and/or retail sale of all marijuana and medical marijuana products possessed by licensees and/or distributed to registered cardholders in accordance with the Act must be kept completely up-to-date in the Medical Marijuana Program Tracking System, including but not limited to:

Theft of immature plants, mature plants, and medical marijuana products
Adjustment of product quantities and/or weights.

Should Coastal become aware of a discrepancy of any amount of immature plants, mature plants, and medical marijuana products, Coastal will within twenty-four report the discrepancy to DBR and municipal and/or state law enforcement.

Additionally, any unusual discrepancies in the quantity of marijuana or marijuana product described in a detailed transport manifest and the quantities received by Coastal shall be reported to DBR and municipal and/or state law enforcement within twenty-four (24) hours.

# MARIJUANA TRACKING

In accordance with R.I. Gen. Laws §§ 21-28.6-12(g)(3), and 21-28.6-16(d) Coastal Wellness Center will utilize the state approved Medical Marijuana Program Tracking System to document and monitor compliance with the Act and all DBR Regulations. Coastal has selected the BioTrack System.

TAGGING OF PLANTS AND MEDICAL MARIJUANA PRODUCTS

Coastal will place unique identifier tags in a manner to clearly display their association with a particular plant, plant material, or product as approved by DBR. For example:

1. Affixed to the plant itself or the plant receptacle;
2. By labeling drying racks and other receptacles that wet marijuana dries on;
3. On a label affixed to a storage/transport package and/or retail-ready package;
4. Any other means DBR deems appropriate.

All immature plants, usable marijuana, medical marijuana products and waste will be tagged with the following information unless otherwise approved by DBR:

1. Coastal's license number and tradename/business name;
2. The unique identifier generated by the Medical Marijuana Program Tracking System;
3. Strain name or product name (waste excluded);
4. The quantity of the product; and
5. Any other information or technical functions DBR deems appropriate.

Coastal will physically tag each mature marijuana plant individually with the following information unless otherwise approved by DBR:

1. Coastal's license number and tradename or business name;
2. The unique identifier generated by the Medical Marijuana Program Tracking System;
3. Strain name;
4. Date of creation; and
5. Any other information or technical functions DBR deems appropriate.

Coastal will not transferor assign the unique identifier tags except when affixed to marijuana plants, usable marijuana, or medical marijuana products which are being sold/transferred/transported in accordance with DBR Regulations.

Coastal will comply with any and all orders by DBR relating to return of unique identifier tags. Such orders may be based upon revocation or abandonment of Coastal's license and shall be specifically governed by DBR order or agreement which may include coordinated efforts with law enforcement.

Should there be a failure of the state approved Medical Marijuana Program Tracking System for all inventory tracking from seed to sale, Coastal should create a unique identifier, create a label with the unique identifier and batch number; and securely attach the label to each unit/product.

Coastal will then enter information regarding the product/unit into an alternate inventory control system.

The disposal of unique identifier tags by Coastal Wellness Center or licensed cultivator as may be required by DBR, such as in the regular course of tagging if different stages will require different tag forms or such as recall of tags due to new technology, shall be handled in accordance with any instructions provided by DBR.

ENTRY OF MEDICAL MARIJUANA

Coastal will immediately enter into the BioTrack system and keep up-to-date all information on medical marijuana acquisition, propagation, cultivation, transfer, manufacturing, processing, testing, storage, destruction, wholesale and/or retail sale of all marijuana and medical marijuana products possessed by Coastal Wellness Center and/or distributed to registered cardholders in accordance with the Act.

Coastal shall enter the following, nonexclusive list of items into BioTrack, or similar "Seed To Sale" tracking system:

1. Planting and propagation of plants;
2. Transition of immature to mature plants;
3. Harvest dates with yield documentation;
4. Destructions of immature plants, mature plants and medical marijuana products;
5. Transportation of immature plants, mature plants, and medical marijuana products;
6. Theft of immature plants, mature plants, and medical marijuana products;
7. Adjustment of product quantities and/or weights;
8. Conversion of product types including waste documentation;
9. Required test results as reported by a cannabis testing laboratory;
10. Retail and wholesale transaction data;
11. Product compliance data;
12. A complete inventory including, but not limited to:
    a. Batches or lots of useable marijuana;
    b. Batches or lots of concentrates;
    c. Batches or lots of extracts;
    d. Batches or lots of marijuana infused products;
    e. Immature plants,
    f. Mature plants;
    g. Marijuana waste; and
13. Any other information or technical functions DBR deems appropriate.

SEED TO SALE SYSTEM FAILURE/INACCESSIBILITY

Coastal shall utilize the state approved Medical Marijuana Program Tracking System for all inventory tracking from seed to sale as defined above.

Should Coastal be notified by DBR that the Medical Marijuana Program Tracking System is not available, Coastal will be provided with direction by DBR as to alternative inventory control measures, which may include but are not necessarily limited to Coastal being directed to:

1. Conduct an initial comprehensive inventory of all medical marijuana, including usable marijuana available for dispensing and/or sale, marijuana plants and seedlings, unusable marijuana, and wet marijuana, at each authorized location on the date the compassion center first dispenses, or the licensed cultivator first cultivates medical marijuana or as of another date certain set by DBR.
2. Conduct daily subsequent comprehensive inventories.
3. Conduct a monthly inventory review of stored, usable marijuana, seedlings, plants, and wet marijuana.

AUDITS

DBR may require Coastal to conduct and provide the results of alternative inventory control measures outlined above, regardless of the availability and use of the Medical Marijuana Program Tracking System.

## MARIJUANA LABELING AND PACKAGING

LABELING

Coastal Wellness Center will label each package containing retail-ready medical marijuana products with all required information pursuant to DBR Regulations before being sold to a registered patient, registered primary caregiver or authorized purchaser.

Coastal Wellness Center labeling text will be:

a. No smaller than size 6 font, unless otherwise specified.
b. In Times New Roman, Calibri, Arial, Helvetica or any other font determined by DBR to be easily read.
c. In black or white, unless otherwise specified.
d. Clearly written or printed in the English language.
   a. In addition to the required English label, Coastal Wellness Center may include an additional, accurate foreign language translation on the label that otherwise complies with these rules.

Coastal Wellness Center will ensure that all required information will be unobstructed and conspicuous. Coastal may affix multiple labels to the package, provided that none of the information required is obstructed.

Coastal Wellness Center may utilize a peel-back accordion, expandable, or extendable style label containing the DBR required information, so long as the label can be easily identified by a consumer as containing important information.

Coastal Wellness Center will ensure that all packages containing retail-ready medical marijuana products will be clearly labeled with the following information:

a. The business(es) or tradename(s) and license number(s) of the licensee(s) who produced the product;
b. Coastal Wellness Center's tradename and license number;
c. The unique identifier generated by the Coastal Wellness Center Medical Marijuana Program Tracking System;
d. Total THC and Total CBD as provided by a licensed cannabis testing laboratory;
    i. Upon request, the Coastal Wellness 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.
e. Coastal Wellness Center will ensure that a DBR-selected universal warning symbol will appear on the front or most predominantly displayed area of the package, no smaller than one (1) inch by one (1) inch;
    i. Vape cartridges sold containing medical marijuana product will include the DBR-approved symbol in a manner that is clear and conspicuous;
f. If applicable, Coastal Wellness Center will ensure that the recommended expiration date, or "use by" date appears;
g. Coastal Wellness Center will ensure that Poison Control Contact Information "American Association of Poison Control Center (800) 222-1222" appears; and
h. For smokable and vapable 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 is affixed.

<u>LABELING FOR MARIJUANA INFUSED PRODUCTS</u>

Coastal Wellness Center will ensure that the total contents of THC and CBD will 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'

Coastal Wellness Center will ensure that the total contents of THC and CBD will 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.

Coastal Wellness Center will ensure that the serving size; and the number of servings per package will be stated.

The following information may be placed on an insert by Coastal Wellness Center but must accompany each retail-ready medical marijuana product sold:

a. A complete list of all nonorganic pesticides, herbicides, and fertilizers that were used in the cultivation and production of the medical marijuana product;

b. 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;

c. For medical marijuana products consisting in whole or in part of marijuana flower or marijuana trim, the date of the harvest batch;

d. For marijuana products including concentrates and marijuana infused products that were manufactured, the date on which the manufacturing batch was created;

e. For processed medical marijuana products, the processing technique or solvent(s) used to produce the product;

f. 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;

g. 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;

h. For medical marijuana edibles and ingestibles, a nutritional fact panel in accordance with 21 C.F.R. Part 101, incorporated in § 1.1.7(B) of DBR Regulations.

i. For medical marijuana topicals, a list of all ingredients in descending order of predominance by weight or volume as applicable; and

j. For medical marijuana topicals, the amount recommended for use at any one time.

IMPRINTING OF THE UNIVERSAL SYMBOL

As directed by DBR, unless deemed impracticable by DBR, Coastal Wellness Center will ensure that 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:

a. Be centered either horizontally or vertically on each standardized serving of marijuana; and

b. If only imprinted on one-side, the imprinted side must be the front or most predominantly displayed area of medical marijuana infused product; and

c. 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 ¼ inch by ¼ inch; or

d. 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 ¼ inch by ¼ inch.

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:

a. Chocolate;

b. Soft confections;

c. Hard confections or lozenges;

d. Consolidated baked goods (e.g. cookie, brownie, cupcake, granola bar);

e. Pressed pills and capsules.

LABELING PROHIBITIONS

Coastal Wellness Center will ensure that medical marijuana products will not:

a. 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;

b. Imitate or have a resemblance to any existing branded consumer products, including foods and beverages that do not contain marijuana;

c. Be in the shape of a marijuana plant or leaf; and

d. Cause a reasonable consumer confusion as to whether the medical marijuana product is a trademarked product.

LOGOS

Coastal Wellness Center will submit all logos or graphics to DBR prior to use and will not be used by Coastal Wellness Center until they are approved by DBR.

Coastal Wellness Center logo or graphic (1) Will not be larger than the required universal symbol;(2) Can be colored; and (3) Will only be used for the purpose of identifying the Wellness center selling and/or the cultivator(s) producing the product.

Coastal Wellness Center logo or graphic submitted to DBR will 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.

WARNINGS TO BE PLACED ON PRODUCTS

Coastal Wellness Center will ensure that warnings on all retail-ready medical marijuana products will:

a. Be in the English language;

b. Be in Times New Roman, Calibri, Arial, Helvetica or any other font that can be easily read;

c. Be in text no smaller than size 8 font and bolded;

d. Not be covered or obscured; and

e. Be displayed in a bright yellow box as to stand out from other labeling requirements, unless otherwise stated.

Coastal Wellness Center will ensure that the following warnings will be displayed on all medical marijuana products, when applicable;

a. "Warning: For Medical use ONLY. This product contains marijuana. Store in a securely locked cabinet away from children."

b. "Warning: It is unlawful to transport this product outside of Rhode Island."

c. "Warning: For medical use by a registered patient only. Not for resale."

d. For medical marijuana products intended to be smoked or vaporized:

i. "Warning: Smoking and Vaping is hazardous to your health."

ii. "Warning; Vaping can expose you to toxic chemicals that may lead to death".

e. 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,

i. "Effects of this product may be delayed by 3 or more hours."

f. For all topical products, it must state:

i. "For Topical Application – Do Not Eat or Smoke."

ROTATING WARNINGS

In addition to the warnings above, Coastal Wellness Center will ensure that rotating warnings will accompany all retail-ready medical marijuana products at the point of sale.
Coastal Wellness Center will ensure that rotating warnings will:

a. Be in the English language;

b. Be in Times New Roman, Calibri, Arial, Helvetica or any other font that can be easily read;

c. Be in text no smaller than size 10 font and bolded; and

d. Not cover or obscure any required information pursuant to § 1.5 of this Part.

e. Accompany all retail-ready medical marijuana products at the point of sale based on a rotating schedule as determined by DBR.

The rotating warnings are:

a. "Warning: Marijuana has intoxicating effects and may be habit forming and addictive."

b. "Warning: Do not operate a vehicle or machinery under the influence of marijuana."

c. "Warning: Marijuana should not be used by women that are pregnant or breastfeeding."

d. "Warning: Early and frequent cannabis use has been associated with the onset of psychosis."

Coastal Wellness Center will post any additional warnings at the point of sale as determined by DBR.

## STORAGE OF MARIJUANA

Coastal will ensure that the storage of marijuana and any marijuana products is in a restricted access secured and locked area. At all points of ingress and egress, Coastal Wellness Center and its licensed cultivation will ensure the use of a working commercial-grade, non-residential door lock.

As detailed in Coastal's Safety and Security Plan, Coastal has established DRAFT Security and Safety SOPs that address how the licensed facility will be equipped with a security alarm system that covers the entire perimeter, is continuously monitored, and is capable of detecting power/loss interruption in accordance with the DBR Regulations. Coastal has committed a significant amount of capital into the purchase and installation of the most appropriate and robust security, lighting, alarm and video surveillance systems at our licensed location. This comprehensive and integrated security system will provide the greatest protection against unauthorized intrusion, theft and diversion of medical marijuana.

## QUARANTINE OF MEDICAL MARIJUANA AND MEDICAL PRODUCT

"Quarantine" means the storage and/or identification of marijuana, marijuana product, medical marijuana or medical marijuana product, to prevent distribution or transfer of the product, in a physically separate area clearly identified for such use or through other procedures as defined by DBR.

Coastal will quarantine of marijuana or marijuana product, in accordance with DBR Regulations until the product is designated as medical or upon a recall of a medical product. All marijuana products must undergo and comply with all required testing as stated in the DOH Testing Regulations in order to be designated as medical and be offered for sale by Coastal.
Prior to required testing samples being taken from a batch of marijuana plant material and/or a batch of processed concentrate or extract, Coastal will store the batch in one or more sealed containers enclosed on all sides, so as to prevent the product from being tampered with, transferred, or sold prior to sampling and compliant test results being reported; and be able to be easily located.
On each container in which plant material and/or a batch of processed concentrate or extract is stored, Coastal will affix a label that includes the following information:

1. The Coastal's name and license;
2. The unique identifier generated by the Medical Marijuana Program Tracking System;
3. Strain name or product name (waste excluded);
4. The quantity of the product; and
5. In bold, capital letters, no smaller than 12-point font, "PRODUCT NOT SAMPLED FOR TESTING".

Should the tested sample fail, the testing facility must report to DBR and to Coastal that the sample failed the test for which the result exceeds the action level. Coastal may then request in writing for permission from DBR to have the lab retest the sample. The destruction of the failed test batch must be logged in the Medical Marijuana Program Tracking System.
If after following the DBR required retesting protocol and the sample fails a subsequent test, or if DBR denies a retest, Coastal shall dispose the entire batch of product from which the sample was obtained.

DISPOSAL OF MEDICAL MARIJUANA WASTE AND USABLE MEDICAL MARIJUANA
Coastal will store, secure and dispose of marijuana and marijuana product waste (including all liquid, chemical, hazardous, pesticide, manufacturing solvent and chemical waste containing any traces of marijuana) in accordance all applicable federal, state, and local statutes, regulations, ordinances, or other legal requirements. Additionally, Coastal will use this process to dispose of marijuana or product that is outdated, damaged, deteriorated, misbranded, or adulterated.

Prior to disposal, Coastal will make marijuana and marijuana product waste unusable and any marijuana plant material made indistinguishable from other plant material. Coastal will accomplish this by grinding and incorporating the marijuana plant waste with other non-consumable solid waste or other ground materials, so the resulting mixture is at least fifty percent non-marijuana waste by volume.

Other methods Coastal may use to render marijuana waste unusable must be approved by DBR before implementing.

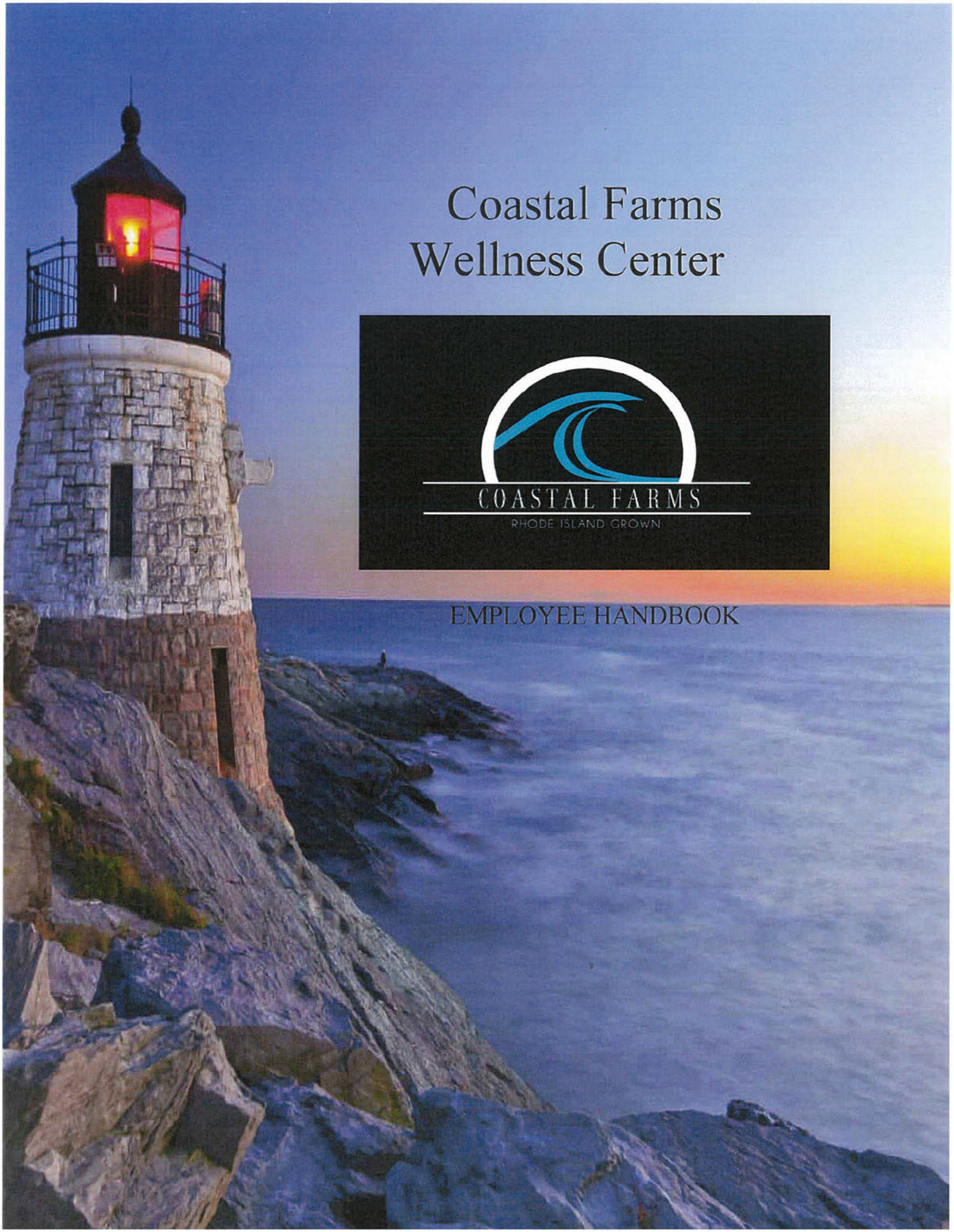
Marijuana waste rendered unusable following an approved method may be delivered to a licensed solid waste disposal facility in Rhode Island for final disposition or disposed of in an alternative manner approved by DBR.

Coastal shall destroy marijuana and marijuana materials, other than waste generated in the regular course of processing and/or manufacturing (such as destruction of whole plants, wet, or usable marijuana that are found to be in excess of statutory possession limits or destruction of a contaminated batch of medical marijuana product in a manner acceptable to DBR, which may include consultation with law enforcement.

Destruction of marijuana and marijuana materials upon revocation or abandonment of Coastal's license shall be specifically governed by DBR order or agreement and/or coordinated efforts with law enforcement.

Coastal will maintain accurate and comprehensive records regarding waste material that accounts for, reconciles, and evidences all waste activity related to the disposal of marijuana and marijuana products (including any waste material produced through the trimming or pruning of a marijuana plant prior to harvest). DBR may mandate storage of any such records or summaries of such records to be through the Medical Marijuana Program Tracking System or any other electronic system DBR designates.

Coastal will comply with any applicable DEM laws, regulations or policies.


Coastal Farms
Wellness Center
COASTAL FARMS
RHODE ISLAND GROWN
EMPLOYEE HANDBOOK

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# 1. Welcome to Coastal Farms

Our mission is to create an environment where we can effectively provide safe, dignified and affordable access to the highest quality medical cannabis for approved patients in Rhode Island.

## 1.1 Goals and Culture

Coastal Farms believes that the success and sustainability of any business begins and ends with people. The group of people an organization assembles determines its success or failure. By utilizing and building on each individual's strengths, Coastal Farms's team ensures safe medicine is produced in a clean and compassionate environment. In addition, Coastal Farms is committed to patient education, patient care, exemplary customer service, and a corporate culture that puts people first.

Coastal Farms believes in a workplace environment of inclusivity. While a hierarchy and management structure must exist for proper governance and accountability, we believe in creating an environment where everyone feels included and valued.

Coastal Farms is committed to providing safe and effective medicine and excellent patient care, strictly following company policies and being 100% compliant with all state laws and regulations.

Being good neighbors, giving back to the community in which we operate and acting with the utmost integrity and compassion is at the heart of our mission. We believe that treating those we serve and each other with compassion, dignity and respect is our number one responsibility.

## 1.2 Purpose of this Handbook

This employee handbook has been developed to familiarize you with the procedures and standards by which we operate. Please initial each page as you read it. If you have any questions, please address them to your manager.

This handbook will require changes from time to time. Coastal Farms reserves the right to unilaterally revise, suspend, revoke, terminate or change any of its policies, in whole or in part, whether described within this handbook or elsewhere, in its sole discretion. If any discrepancy between this handbook and current Coastal Farms policy arises, conform to current policy. Every effort will be made to keep you informed of the company's policies, however we cannot guarantee that notice of revisions will be provided. Feel free to ask questions about any of the information within this handbook.

This employee handbook only contains general information and guidelines. It is not a binding legal contract and does not act as a contractual right to remain employed by the company. This handbook is not a contract, expressed or implied, guaranteeing employment for any length of time and is not intended to induce an employee to accept employment with the company.

## 1.3 At-Will Employment

Coastal Farms is an at-will employer. This means that your employment may be terminated at

any time, with or without cause, and without prior notice by the company. You may also resign at any time. In addition, all independent contractors are bound by all of the provisions set forth in this document as they pertain to the laws of the State of Rhode Island.

If a written contract is inconsistent with this employee handbook, the written contract is controlling.

Because of the strict regulatory guidelines Coastal Farms has a zero tolerance policy in terms of personal and professional behavior within the workplace. In addition, all employees must have an employee card issued by the State of Rhode Island and pass all background checks.

# 2. Workplace Commitments

## 2.1 Equal Employment Opportunity

Coastal Farms is an equal opportunity employer and does not unlawfully discriminate against employees or applicants for employment on the basis of an individual's race, color, religion, creed, sex, national origin, age, disability, marital status, veteran status or any other status protected by applicable law. This policy applies to all terms, conditions and privileges of employment, including recruitment, hiring, placement, compensation, promotion, discipline and termination.

Whenever possible, the company makes reasonable accommodations for qualified individuals with disabilities to the extent required by law. Employees who would like to request a reasonable accommodation should contact the Human Resources Director.

## 2.2 Non-Harassment Policy/Non-Discrimination Policy

Coastal Farms prohibits discrimination or harassment based on race, color, religion, creed, sex, national origin, age, disability, marital status, veteran status or any other status protected by applicable law. Each individual has the right to work in a professional atmosphere that promotes equal employment opportunities and is free from discriminatory practices, including, without limitation, harassment. Consistent with its workplace policy of equal employment opportunity, the company prohibits and will not tolerate harassment on the basis of race, color, religion, creed, sex, national origin, age, disability, marital status, veteran status or any other status protected by applicable law. Violations of this policy will not be tolerated.

Discrimination includes, but is not limited to: making any employment decision or employment-related action on the basis of race, color, religion, creed, age, sex, disability, national origin, marital or veteran status, or any other status protected by applicable law.

Harassment is generally defined as unwelcome verbal or non- verbal conduct, based upon a person's protected characteristic, that denigrates or shows hostility or aversion toward the person because of the characteristic, and which affects the person's employment opportunities or benefits, has the purpose or effect of unreasonably interfering with the person's work performance, or has the purpose or effect of creating an intimidating, hostile or offensive working environment. Harassing conduct includes, but is not limited to: epithets; slurs or negative stereotyping; threatening, intimidating or hostile acts; or denigrating jokes and display

or circulation in the workplace of written or graphic material that denigrates or shows hostility or aversion toward an individual or group based on their protected characteristic.

Sexual harassment is defined as unwelcome sexual advances, re- quests for sexual favors and other verbal, visual or physical conduct of a sexual nature, when:

1. submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment;
2. submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or
3. such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

Examples of sexual harassment include: unwelcome or unsolicited sexual advances; displaying sexually suggestive material; unwelcome sexual flirtations, advances or propositions; suggestive comments; verbal abuse of a sexual nature; sexually-oriented jokes; crude or vulgar language or gestures; graphic or verbal commentaries about another with the purpose or effect of creating an intimidating, hostile or offensive working environment. Harassing conduct includes, but is not limited to: slurs or negative stereotyping, threatening, intimidating or hostile acts, denigrating jokes and display or circulation in the workplace of written or graphic material that denigrates or shows hostility or aversion toward an individual or group based on their protected characteristics.

## 2.3 Complaint Procedure

Any company employee who feels that he or she has been harassed or discriminated against, or has witnessed or become aware of discrimination or harassment in violation of these policies, should bring the matter to the immediate attention of his or her supervisor or manager or to human resources or another member of senior management. Coastal Farms will promptly investigate all allegations of discrimination and harassment, and take action as appropriate based on the outcome of the investigation. An investigation and its results will be treated as confidential to the extent feasible, and permitted by law, and the company will take appropriate action based on the outcome of the investigation.

No employee will be retaliated against for making a complaint in good faith regarding a violation of these policies, or for participating in good faith in an investigation pursuant to these policies. If an employee feels he/she has been retaliated against, the employee should file a complaint using the procedures set forth above.

## 2.4 Immigration Compliance

Coastal Farms is committed to complying with federal laws and regulations concerning verification of employment eligibility and record-keeping for employees hired to work in the United States, and fill out the Employment Verification Form I-9. As a condition of employment, every individual must provide satisfactory evidence of his or her identity and legal authority to work in the United States on his or her first day of employment. Anyone with questions regarding any aspect of employment and/or identity verification should contact their manager.

## 2.5 Open Door Policy

Coastal Farms has an open-door policy and takes employee concerns and problems seriously. Coastal Farms values each employee and strives to provide a positive work experience. Employees are encouraged to bring any workplace concerns or problems they might have or know about to their supervisor or some other member of management.

## 2.6 Drug/Alcohol Policy

Coastal Farms is committed to maintaining a safe and productive workplace. Accordingly, employees are required to report to work in an appropriate mental and physical condition to perform their jobs in a safe and satisfactory manner.

Employees who are under the influence of, possess, sell, distribute, or purchase alcohol and/or drugs, including the misuse, sale, purchase or distribution of prescription drugs, other than as necessary for the performance of the employee's

assigned job duties, while on the job or engaged in Coastal Farms business, or on Coastal Farms property, may be subject to discipline, up to and including termination of employment. The legal use of prescribed drugs is permitted on the job only if it does not impair an employee's ability to perform the essential functions of the job effectively or endanger the safety of the employee or other individuals.

Coastal Farms employees may be required to participate in drug and/or alcohol testing following any on-the-job accident that did result, or could have resulted, in personal injury or property damage, or based on reasonable suspicion, which reasonable suspicion shall be determined at the sole discretion of Coastal Farms.

Any employee who is convicted of violating a criminal drug statute must notify an appropriate officer or senior official of Coastal Farms of such conviction within five days.

Violations of this policy may lead to disciplinary action, up to and including immediate termination.

## 2.7 Training

Coastal Farms is committed to providing a comprehensive training curriculum for all employees upon hire and annually thereafter. As such, employees will be required to attend on-site training modules for the following: Professional Conduct, ethics, and state and federal laws regarding patient confidentiality; Informational developments in the field of medical use of marijuana; Policies and procedures for dispensing to and transactions with out-of-state patient card holders; Proper use of adopted security measures and controls; Use of the Medical Marijuana Program Tracking System (only for employees who use the system); Procedural instructions for responding to an emergency.

# 3. Policies and Procedures

## 3.1 Code of Professional Conduct

Coastal Farms expects its employees to adhere to a standard of professional conduct and integrity. This ensures that the work environment is safe, comfortable and productive. In addition, it ensures that we operate in a safe, compliant and compassionate environment. Employees should be respectful, courteous, and mindful of others' feelings and needs. General cooperation between coworkers and supervisors is expected. Individuals who act in an unprofessional manner may be subject to disciplinary action, up to and including termination.

All Coastal Farms employees shall be required to participate in annual training regarding professional conduct, ethics and state and federal laws regarding patient confidentiality.

## 3.2 Confidential Information, Trade Secrets and Intellectual Property

Coastal Farms operates in a highly restrictive regulatory environment and it is imperative that we maintain compliance with all state and local laws. It is critical that all Coastal Farms employees take reasonable steps to protect company information that has not been made public ("Confidential Information").

### 3.2.1 Trade Secrets and Intellectual Property

Confidential Information may consist of innovation, trade secrets, intellectual property, and other proprietary data that is developed, created, gathered or used in the course of doing business. It includes but is not limited to financial, sales, marketing, operational, legal, personnel and production information.

Confidential Information refers to any and all technical and nontechnical information, including patent, copyright, trade secret, and proprietary information, techniques, sketches, drawings, models, inventions, know-how, processes, apparatus, equipment, algorithms, software programs, software source documents, and formulae related to the current, future, prototypes, and proposed products and services of Coastal Farms. It includes, without limitation, information concerning research, experimental work, development, design details and specifications, engineering, financial information, procurement requirements, purchasing, manufacturing, customer lists, business forecasts, sales and merchandising, and marketing plans and information. Confidential Information also includes proprietary or confidential information of any third-party that may disclose such information to Coastal Farms in the course of the other party's business.

Confidential Information may be communicated in written, spoken, graphical, visual, auditory or other form and may be presented or stored in paper, magnetic, electronic, physical model or other format.

Non-public information that has economic value to the Company are "trade secrets." Examples of Coastal Farms trade secret information include without limitation the following when not public: business plans, pricing and cost information, research and development plans and strategies, research data and inventions, product formulas and ingredients, process and design information.

Employees must be aware of all Coastal Farms Confidential Information and trade secrets and take reasonable steps to effectively protect them.

### 3.2.2 Patient Information

The Health Insurance Portability and Accountability Act (HIPAA) was enacted to ensure the privacy and confidential handling of medical information for all patients in the U.S. It applies to all medical health service providers, including Coastal Farms. HIPAA laws can be complicated but absolutely must be strictly adhered to.

Refer to Coastal Farms's HIPPA Policy for further details about employee requirements.

## 3.3 Dress Code

An employee's personal appearance and hygiene is a reflection on the company's character. Employees are expected to dress appropriately for their individual work responsibilities and position.

## 3.4 Payday

All employees will be paid on a weekly basis on Friday by 4:00PM. If the pay date lands on a holiday, paychecks will be distributed on the closest business day before the holiday. If you find an error in your pay, please notify the manager immediately who will assist you in rectifying the error.

Paychecks include salary or wages earned less any mandatory or elected deductions. Mandatory deductions include federal or state withholding tax, and other withholdings. Elected deductions are deductions authorized by the employee, and may include, for example, contributions to benefit plans. Employees may contact their manager to obtain the necessary authorization forms for requesting additional deductions from their paychecks.

Immediately notify your manager if the paycheck appears to be inaccurate or if it has been misplaced. Coastal Farms reserves the right to charge a replacement fee for any lost paychecks. Advances on paychecks are not permitted. Information regarding final paychecks can be found under the termination section of this handbook.

Any change in name, address, telephone number, marital status or number of exemptions claimed by an employee must be reported to your manager immediately.

## 3.5 Company Property

Company property, such as equipment, vehicles, telephones, computers, and software, is not for private use. These devices are to be used strictly for company business and are not permitted off grounds unless authorized. Company property must be used in the manner for which it was intended. Upon termination, employees are required to surrender any company property they possess.

Personal cell phones are not permitted to be used while work duties are being performed on

company premises. Cell phone use is permitted while an employee is on a break.

Company computers, Internet and e-mails are a privileged resource, and must be used only to complete essential job-related functions. Employees are not permitted to download any "pirated" software, files or programs and must receive permission from a supervisor before installing any new software on a company computer.

Files or programs stored on company computers may not be copied for personal use.

Phones are provided for business use. Coastal Farms requests that employees not receive personal calls while on duty. If urgent, please keep personal calls to a minimum and conversations brief.

Employees are reminded that they should have no expectation of privacy in their use of company computers or other electronic equipment.

Violations of these policies could result in disciplinary action, up to and including termination.

## 3.6 Charge and Conviction Disclosure

Any Coastal Farms employee who is charged or convicted with a crime must disclose that information, and provide a description of the underlying circumstances, to the Human Resources Manager, within forty-eight (48) hours of the charge or conviction.

## 3.7 Social media policy

Coastal Farms understands that social media can be a fun and rewarding way to communicate with family, friends and co-workers. However, use of social media also presents certain risks and carries with it certain responsibilities. To assist employees in making responsible decisions about the use of social media, Talaria has established the following guidelines for appropriate use of social media. This policy applies to all employees who work for the company.

### 3.7.1 Guidelines

In the rapidly expanding world of electronic communication, *social media* can mean many things. *Social media* includes all means of communicating or posting information or content of any sort on the Internet, including to your own or someone else's web log or blog, journal or diary, personal website, social networking or a affinity website, web bulletin board or a chat room, whether or not associated or affiliated with the company, as well as any other form of electronic communication. The same principles and guidelines found in Coastal Farms company policies apply to employees' personal activities on-line. Ultimately, you are solely responsible for what you post on-line. Before creating on-line content, consider some of the risks and rewards that are involved. Keep in mind that any of your conduct that adversely affects your job performance, the performance of fellow employees or otherwise adversely affects customers, suppliers, people who work on behalf of Coastal Farms or the Coastal Farms legitimate business interests may result in disciplinary action up to and including termination.

### *Know and follow the rules*

Carefully read this Social Media Policy, the Equal Employment Policy, the Non-Harassment/Non-Discrimination Policy, and the Code of Professional Conduct and ensure your postings are consistent with these policies. Postings that may include malicious or defamatory remarks, unlawful harassment, and threats of violence or similar unlawful conduct will not be tolerated and may subject you to disciplinary action up to and including termination.

### *Be responsible*

Use your best judgment and exercise personal responsibility. Take your responsibility as stewards of personal information to heart. Integrity, accountability, and respect our core values. We trust and expect you to exercise personal responsibility whenever you participate in social media or other on-line activities. Remember that there can be consequences to your actions in the social media world — both internally, if your comments violate company policies, and with outside individuals and/or entities. If you are about to publish, respond or engage in something that makes you even the slightest bit uncomfortable, don't do it.

Also, we encourage you to try to resolve all differences with an individual, organization, or even Coastal Farms through direct communications with the individual, organization, or company. Remember, Coastal Farms has an Open Door policy. It can be used to try to resolve differences with the Coastal Farms, management, or even your co-workers. We encourage you to use the Open Door policy. It works!

Nevertheless, if you would choose to post complaints or criticism, refrain from using statements, photographs, video or audio that are maliciously defamatory, that are obscene, that disparage customers or patients, that disparage Coastal Farms products, or that might constitute unlawful harassment. Examples of such conduct might include false posts meant to intentionally or maliciously harm someone's reputation or posts that could contribute to a hostile work environment on the basis of race, sex, disability, religion or any other status protected by law or company policy. Coastal Farms has a no tolerance policy regarding posts related to Coastal Farms employees, managers, patients, etc. However, we encourage (but do not require) employees to share positive posts about Coastal Farms and to comment positively on our posts.

### *Be honest and accurate*

The best practice is to check your facts before posting information or news, and if you make a mistake, correct it quickly. Be open about any previous posts you have altered. Remember that the Internet archives almost everything and deleted postings can be searched. Never post any information or rumors that you know to be false about Coastal Farms, fellow employees, customers, patients, suppliers, people working on behalf of Coastal Farms or competitors.

### *Post only appropriate and respectfulcontent*

- Maintain the confidentiality of Coastal Farms trade secrets and private or confidential information. Trade secrets may include information regarding the development of systems,

processes, products, know-how and technology.

- FTC regulations require persons with a material interest to disclose their association with a company if they give a testimonial or other product endorsement. Do not give a product testimonial, endorse Coastal Farms product, or otherwise publicize or promote the Company in any way without identifying yourself as an employee.
- Express only your personal opinions. Never represent yourself as a spokesperson for Coastal Farms, unless authorized in writing. If Coastal Farms is a subject of the content you are creating, be clear and open about the fact that you are an employee and make it clear that your views do not represent those of Coastal Farms, customers, patients, or its suppliers. If you do publish a blog or post on-line related to the work you do or subjects associated with Coastal Farms, make it clear that you are not speaking on behalf of Coastal Farms. It is best to include a disclaimer such as "The postings on this site are my own and do not necessarily reflect the views of Coastal Farms."

#### *Using social media at work*

Refrain from using social media while on work time, unless it is work-related as authorized by a manager. To help reduce spam and other unwanted e-mail traffic, employees should not use company e-mail addresses to register on social networks, blogs or other on-line tools utilized for personal use. Please use your own individual or private e-mail address. Email addresses issued are the property of Coastal Farms.

#### *Retaliation is prohibited*

Coastal Farms prohibits taking negative action against any employee for reporting a possible deviation from this policy or for cooperating in an investigation. Any employee who retaliates against another employee for reporting a possible deviation from this policy or for cooperating in an investigation will be subject to disciplinary action, up to and including termination.

### 3.8 Privacy

Employees and employers share a relationship based on trust and mutual respect. However, Coastal Farms retains the right to access all company property including computers, desks, file cabinets, storage facilities, and files and folders—electronic or otherwise—at any time. Employees should not entertain any expectations of privacy when on company grounds or while using company property.

All documents, files, voice-mails and electronic information, including e-mails and other communications, created, received or maintained on or through company property are the property of the company, not the employee. Therefore, employees should have no expectation of privacy over those files or documents.

### 3.9 Personnel Files

Coastal Farms maintains a personnel file on each employee. These files are kept confidential to

the extent possible. Employees may review their personnel file upon request.

It is important that personnel files accurately reflect each employee's personal information. Employees are expected to inform the company of any change in name, address, home phone number, home address, marital status, number of dependents or emergency contact information. Please note that these files, if electronic, may be backed up to a secure area of our server.

## 3.10 Expense Reporting

There may be times where employees may incur expenses on behalf of Coastal Farms. Coastal Farms will reimburse an employee for any expenses incurred, as long as those expenses were pre-approved by a manager or supervisor, expenses are reasonable, and a receipt is accompanied with the request.

In addition, if an employee uses their own vehicle for Coastal Farms business, the employee will be reimbursed at the current published IRS rate. Employees using their own vehicle must have their own insurance coverage and a current driver's license.

## 3.11 Solicitation and Distribution

Coastal Farms imposes limits on solicitation and distribution activities on its premises because, when left unrestricted, such activities can interfere with the normal operations of Coastal Farms, be detrimental to efficiency, be an annoyance to co-workers, and can pose a threat to security. Coastal Farms enforces limits on workplace solicitations and the distribution of materials in a manner consistent with prevailing law.

Nothing in Coastal Farms solicitation and distribution policy, should be construed, in any way, to restrict employees from soliciting or distributing materials in

support of a union on the premises and during employees' non-work hours, or from otherwise preventing employees from exercising their rights to take collective action or to organize, or to exercise any other associative rights, under the National Labor Relations Act.

The term "solicitation" refers to an employee's efforts to persuade a co- worker to join or support some endeavor, or an organization, or to purchase products or services, through conversation or face-to-face contact. The term "distribution" refers to the circulation or posting of notices, flyers, brochures, emails or other written materials that identify events or meetings, promote products or services, or are intended to support an endeavor, organization, or cause.

The following limitations apply to solicitation and distribution activities:

- During work periods when you are engaged in or required to be performing your work tasks, you may not engage in solicitation activities involving other employees or the distribution of written materials, as described above, for any purpose.
- During periods in another employee's workday, when he/she is engaged in or required to be performing his/her work tasks, you may not solicit the other employee or distribute materials for any purpose, even if you are off duty or not required to be performing work tasks at the time.
- Persons not employed by Coastal Farms are generally not permitted to solicit or distribute

literature in work areas or mixed-use areas (i.e., reception, public-access areas, or break rooms) at any time, for any purpose, without the consent of Management. Coastal Farms employees are expected to enforce these rules with respect to non-employees by requesting them to cease soliciting and/or distributing literature and leave all work areas and mixed-use areas. Employees should immediately notify their immediate supervisor of such incidents.

Failure to comply with these policies may result in employee disciplinary action, up to and including termination.

### 3.12 Personal Calls, Visits, and Business

Coastal Farms expects the full attention of its employees while they are working. Although employees may occasionally have to take care of personal matters during the workday, employees should conduct such personal business either before or after the workday or during breaks or meal periods. Coastal Farms phones should not be used to place or receive personal calls, as they must be available to serve Coastal Farms members.

## 4. Employment Classification

Before employment all employees are required to have all necessary documentation including, but not limited to a full background check, if required by the Rhode Island Department of Business Regulation (DBR), an employee card approved by the Rhode Island Department of Business Regulation (DBR).

Employees must notify Coastal Farms immediately if their status changes for any reason. Failure to qualify or maintain a certification or license may result in termination or suspension.

### 4.1 Part-Time, Full-Time or Temporary Status

Full Time and Part Time employees are on a probationary period during their first 90 days of employment. This period of time is set aside to see if the job is suitable to you, and allows both employee and employer to determine if you are a good fit for employment. The probationary period may be extended at the discretion of the manager, but for not more than an additional 3 months. Such an extension shall be confirmed in writing to the employee with reasons given for the extension.

However, the completion of the probationary period does not constitute any guarantee of employment for any period of time since Rhode Island is an at-will state.

Part-time or full-time status depends on the number of hours per week an employee works. Regular employees who work fewer than 30 hours per week receive part-time classification. Part-time employees are not eligible for employee benefits as described in this handbook. Regular employees who work at least 30 hours per week, or are full-time salaried employees, receive full-time classification.

From time to time the company may hire employees for specific projects or periods of time. Temporary employees may work either part-time or full-time, but generally are scheduled to

terminate by a certain date. Temporary employees who remain on duty past the scheduled termination remain classified as temporary. Temporary employees are not eligible for employment benefits.

In addition, employees are designated as exempt or non-exempt from over-time pay requirements. Coastal Farms compensates hourly employees for overtime and determines wages in accordance with state and local laws.

## 4.2 Exempt Employees

Exempt Employees are exempt from over-time pay requirements of the Fair Labor Standards Act, and include employees who are paid a salary, have certain types of job duties, and are expected to work beyond their normal work hours whenever necessary to accomplish work for the company.

Exempt (salaried) employees may be subject to deductions based on their contract and adherent to City, State or Federal laws. As an exempt employee, your salary is subject to certain deductions. For example, absent contrary state law requirements, your salary can be reduced for the following reasons:

- Full-day absences for personal reasons.
- Full-day absences for sickness or disability.
- Full-day disciplinary suspensions for infractions of the company's written policies and procedures.
- Family and Medical Leave absences (either full- or partial-day absences).
- To offset amounts received as payment for jury and witness feesor military pay.
- The first or last week of employment in the event you work less than a full week.
- Any full work week in which you do not perform any work.
- Your salary may also be reduced for certain types of deductions such as your portion of health, dental or life insurance premiums; state, federal or local taxes; Social Security; or, voluntary contributions to a 401(k) or pension plan. In any work week in which you performed any work, your salary will not be reduced for any of the following reasons:
  - Partial day absences for personal reasons, sickness ordisability.
  - Your absence on a day because your employer has decidedto close a facility on a scheduled work day.
  - Absences for jury duty, attendance as a witness, ormilitary leave in any week in which you have performed any work.
  - Any other deductions prohibited by state or federal law.

## 4.3 Non-Exempt Employees

Non-Exempt Employees are those eligible for overtime pay as required by applicable federal and state laws. Employees should consult with their manager if they have any questions regarding

their status.

Non-exempt employees must record their hours on the timesheet provided by their manager. No employee may clock in or out for another employee. Exempt employees may be required to accurately record their time worked in accordance with federal and state wage and hour laws. The work week starts on Monday and ends on Sunday. All overtime must be approved by a manager in advance.

Deductions, including but not limited to, Federal withholding tax, state tax, and social security taxes will be deducted from your paycheck. In addition, depending on the benefits you choose, there may be additional deductions. All deductions will be listed on your paystub. A W-2 will be issued to each Non-exempt employee listing your total deductions for the year.

If you have any questions or concerns about any pay deductions, please discuss them with your manager.

# 5. Attendance Policies

## 5.1 General Attendance

Coastal Farms hours may vary depending on location and job responsibilities. Managers will provide employees with their work schedule at least two weeks beforehand. Should an employee need to change or alter the schedule or have any questions regarding the schedule they should contact their manager.

Coastal Farms does not tolerate absenteeism without excuse. Employees who will be late or absent should notify their manager in advance, or in the case of emergency as soon as practicable. Chronic absence from work may result in disciplinary action, up to and including termination.

Employees who need to leave early, for illness or otherwise, should inform a manager before departure. Unauthorized departures may result in disciplinary action, up to and including termination.

## 5.2 Tardiness

Employees are expected to arrive on time and ready for work. An employee who arrives over 10 minutes later than their scheduled arrival time is considered tardy. Coastal Farms certainly recognizes that situations arise which hinder punctuality; regardless, excessive tardiness is prohibited, and may be subject to disciplinary action, up to and including termination.

## 5.3 Breaks

When working conditions permit, and pending a manager's approval, employees are entitled to one 15 minute break for a shift between 3-5 hours worked. For shifts over 5 hours, when working conditions permit, and pending a manager's approval, a 15-minute break and an unpaid meal period of 30 minutes may be granted.

# 6. Leave Policies

## 6.1 Vacations

Coastal Farms provides, as a benefit, paid vacations for its eligible employees. Forward requests for time off at least two weeks in advance to your manager, who may approve or deny the request based on company resources. Coastal Farms is flexible in approving time off when doing so would not interfere with company operations.

The amount of vacation to which an employee becomes entitled is determined by the employee's length of service as of his or her employment anniversary date. For full-time employees, vacation accrues as follows:

- For the first year of service, one week, or 40 hours, of vacation.
- Two years or more but less than five years of service, two weeks, or 80 hours, of vacation per year.
- Five years or more but less than 10 years of service, three weeks, or 120 hours, of vacation per year.
- Ten years or more of service, four weeks, or 160 hours, of vacation per year.

Regular part-time employees earn vacation on their employment anniversary date in the proportion that their normally scheduled number of hours bears to 40 per week. For example, a regular, part-time employee who usually works 20 hours per week would earn 20 hours of vacation upon completing his or her first year of service.

Vacation does not accrue between employment anniversary dates and may not be taken until it is earned. Vacation time must be used in the anniversary year after which it is earned and may not be carried over past the employee's next anniversary date. For example, an employee with two weeks' vacation as of his or her third-anniversary date must use the two weeks prior to his or her fourth-anniversary date. If an employee fails to take his or her earned vacation time before the employee's anniversary date in violation of this policy, the employee will not earn any further vacation until that unused vacation has been taken.

Earned vacation must be taken. Employees are not entitled to pay in lieu of taking time off for vacation.

## 6.2 Sick Leave

Situations may arise where an employee needs to take time off to address medical or other health concerns. Coastal Farms requires that employees provide notification to their manager as soon as practicable when sick leave is requested.

Coastal Farms observes the *Healthy and Safe and Families and Workplace Act* which gives Rhode Island employees the right to take time off from work to take care of themselves when they are too sick to work, are injured or have a routine medical appointment. They may also use earned leave to deal with the impact of domestic violence, sexual assault or stalking. In addition, employees may use earned leave to assist their child, spouse, domestic partner or other member

of their household for the same purposes.

Sick and/or safe leave days may be granted on a paid basis to regular full-time employees, contingent on waiting periods, employee hours worked and number of employees. Employees may consult their manager regarding the amount of paid sick leave they may be entitled to each year. Sick days may not be carried over into the next year. An absence of more than three consecutive work days may require documentation.

Abuse or fraudulent use of sick and leave may result in disciplinary action up to and including termination.

## 6.3 Leave of Absence

In addition, because there are not 50 or more employees at or within 75 miles of any Coastal Farms worksite, Talaria is not covered by the federal Family and Medical Leave Act.

Nevertheless, as an added benefit and at Coastal Farms' discretion, Coastal Farms may provide unpaid personal leave to employees. Personal leaves of absence may be used for those situations not otherwise covered by Coastal Farms 's other leave of absence policies and normally may not exceed thirty (30) calendar days per year.

Employees may request a personal leave of absence after completing the probationary period. Such leave requests will be granted on a case- by-case basis. Coastal Farms will consider factors including but not limited to: (1) the employee's length of employment; (2) the nature and responsibilities of the employee's position and; (3) the circumstances surrounding the leave.

If you desire an unpaid personal leave, you must submit a detailed request to your supervisor at least thirty (30) days prior to the date of the leave, if possible. If such advance notice is not possible, then the request should be submitted as soon as reasonably possible. Your request should include the purpose and duration of the leave and the desired beginning and ending dates. Coastal Farms may require you to provide documentation supporting your leave request.

Coastal Farms will make every reasonable effort to return you to the last position you held or a comparable position for which you are qualified. However, Coastal Farms cannot guarantee reinstatement into your prior or any other position upon return from an unpaid personal leave or that you will be paid at the same rate of compensation.

An employee who engages in or applies for other employment while on unpaid personal leave will be subject to immediate discharge.

## 6.4 Holidays

Coastal Farms observes the following legal holidays during the year:

New Year's Day

Memorial Day

Independence Day

VictoryDay

Labor Day

Columbus Day

Veterans Day

Thanksgiving Day

Christmas

For non-exempt employees, Coastal Farms will pay 1.5 times the regular rate for the following days:

Christmas Eve

New Year's Eve

Memorial Day

Labor Day

Independence Day

## 6.5 Jury Duty Time Off

Coastal Farms understands that on occasion employees are summoned for jury duty. Employees who are selected for duty must provide a copy of their jury summons to a manager. Time taken for jury duty is granted on an unpaid basis.

## 6.6 Voting Time Off

Coastal Farms grants an employee time to cast a ballot in an election. Voting time is granted on an unpaid basis. An employee should try to vote before or after their scheduled working hours, but if this is not possible, Coastal Farms will grant time to vote.

## 6.7 Military Leave

Employees who are called to active military duty, reserve, or National Guard service may be eligible to receive time off under the Uniformed Services Employment and Reemployment Rights Act of 1994. To receive time off, employees must provide notice and a copy of their report orders to their manager. This employee will be reinstated in accordance with federal and state law. Military leave is granted on an unpaid basis. Upon return with an honorable discharge, an employee may be entitled to reinstatement and any applicable job benefits they would have received if present, to the extent provided by law.

# 7. Work Performance

## 7.1 Expectations

Coastal Farms expects every employee to act in a professional manner. Satisfactory performance of job duties and following protocols and procedures in a compliant manner is key to this expectation. Employees should attempt to achieve their job objectives, and act with diligence and consideration at all times. Providing patients with safe medicine in a compliant manner is our number one priority. Poor job performance can result in disciplinary action up to and including termination.

## 7.2 Reviews

Coastal Farms may periodically evaluate an employee's performance. The goal of a performance review is to identify areas where an employee excels and areas that need improvement. Coastal Farms uses performance reviews as a tool to determine pay increases, promotions and/or terminations.

All Performance reviews are based on merit, achievement, professionalism, and other factors that may include but are not limited to:

- Quality of Work
- Customer Service
- Knowledge of work
- Attendance and punctuality
- Teamwork and cooperation
- Compliance with company policy and State regulations
- Past performance reviews
- Improvement
- Acceptance of responsibility and constructive feedback

Written performance evaluations may be made at any time to advise employees of unacceptable performance. Evaluations or any subsequent change in employment status, position or pay does not alter the employee's at-will relationship with the company.

Employees should note that a performance review does not guarantee a pay increase or promotion

If you have any questions about performance expectations or evaluations, please speak with your manager or supervisor who is conducting the evaluation.

## 7.3 Insubordination

Supervisors, managers, employees and subcontractors should interact with mutual respect and common courtesy. Employees are expected to take instruction from supervisors, managers, or

other persons of authority. Failure to comply with instructions or unreasonably delaying compliance is considered insubordination. Acts of insubordination are subject to disciplinary action, up to and including termination.

If an employee disagrees with a supervisor, the employee should first try to mediate the situation by explaining their position. If possible, a compromise might be met and accusations of insubordination avoided.

Coastal Farms believes that an exemplary work environment based on mutual respect is imperative to achieving our ultimate goal of providing a safe and compliant workplace.

If an employee has a disagreement with a supervisor or manager, Coastal Farms has an open-door policy and takes employee concerns and problems seriously. Coastal Farms values each employee and strives to provide a positive work experience and a compassionate patient centered environment. Employees are encouraged to bring any workplace concerns, problems or disagreements to their manager or supervisor or some other member of management.

# 8. Discipline Policy

## 8.1 Grounds for Disciplinary Action

Coastal Farms reserves the right to discipline and/or terminate any employee who violates company policies, practices or rules of conduct. Poor performance and misconduct are also grounds for discipline up to and including, termination.

The following actions are unacceptable and considered grounds for disciplinary action. This list is not comprehensive; rather, it is meant merely as an example of the types of conduct that Coastal Farms does not tolerate. These actions include, but are not limited to:

- Engaging in acts of discrimination or harassment in the workplace
- Possessing, distributing or being under the influence of illicit controlled substances (Prescription drugs or over-the-counter medications, taken as prescribed, are an exception to this policy).
- Being under the influence of controlled substance or alcohol at work, on company premises, or while engaged in company business
- Unauthorized use of company property, equipment, devices or assets
- Removing company property without prior authorization or disseminating company or patient information without authorization
- Insubordination or refusal to comply with directives
- Falsification, misrepresentation, or omission of information, documents or records
- Lying
- Failing to adequately perform job responsibilities
- Excessive or unexcused absenteeism or tardiness
- Disclosing confidential or proprietary company or patient information without

permission

- Illegal or violent activity
- Falsifying injury reports or reasons for leave
- No weapons, unless required for security, are permitted inside the building.
- Disregard for safety, security or compliance procedures
- Disparaging or disrespecting supervisors and/or co-workers
- Any other action or conduct that is inconsistent with company policies, procedures, standards or expectation

This list exhibits the types of actions or events that are subject to disciplinary action. It is not intended to indicate every act that could lead to disciplinary action. Coastal Farms reserves the right to determine the severity and extent of any disciplinary action based on the circumstances of each case.

### 8.2 Procedures

Disciplinary action is any one of a number of options used to correct unacceptable behavior or actions. Discipline may take the form of oral warnings, written warnings, probation, suspension, demotion, discharge, removal or some other disciplinary action, in no particular order. The course of action will be determined by Coastal Farms at its sole discretion as it deems appropriate.

### 8.3 Termination

Employment with Coastal Farms is on an at-will basis and may be terminated voluntarily or involuntarily at any time.

Upon termination, an employee is required:

- To continue to work until the last scheduled day of employment if requested by your manager or supervisor;
- To turn in all reports and paperwork required to be completed by the employee when due and no later than the last day of work;
- To return all files, documents, equipment, keys, access cards, software, or other property belonging to the company that are in the employee's possession, custody or control, and turn in all passwords to his/her supervisor;
- To participate in an exit interview, if requested by a manageror supervisor.

## 9. Employee Health and Safety

### 9.1 Workplace Safety

Coastal Farms takes every reasonable precaution to ensure that employees have a safe working

environment. The Compassion Center must be maintained in a safe, sanitary and clean manner with all operations conducted in accordance with adequate sanitation principles as required by the RI Department of Business Regulations; measures and rules are in place for the protection of all employees. Ultimately, it is the responsibility of each employee to help prevent accidents and to be in compliance with all state laws. To ensure the continuation of a safe workplace, all employees should review and understand all provisions of the company's workplace safety policy. Employees should use all safety and protective equipment provided to them, and maintain work areas in a safe and orderly manner, free from hazardous conditions. Employees who observe an unsafe practice or condition should report it to a supervisor or manager immediately.

Employees are prohibited from making threats against anyone in connection with his/her work or engaging in violent activities while in the employ of the company. Any questions regarding safety and safe practices should be directed to your manager or supervisor.

In the event of an accident, employees must notify a supervisor immediately. Report every injury, regardless of how minor, to a supervisor immediately.

Physical discomfort caused by repetitive tasks must also be reported. For more information on job injuries, refer to the workers' compensation section of this handbook.

Employees should recognize any potential fire hazards and be aware of fire escape routes and fire drills. Do not block fire exits, tamper with fire extinguishers or otherwise create fire hazards.

## 9.2 Employee Health

Coastal Farms will take reasonable measures to exclude from any operation, any employee whose medical condition, as determined by medical examination or as observed by a supervisor, poses or reasonably appears to pose a risk of contamination of medical marijuana and/or medical marijuana products, from medical marijuana operations until the condition is cleared.

Any employee who is sick, must notify his or her supervisor immediately and must not handle any product. If an employee does not report his or her illness and is found to be sick by the supervisor, the employee will be immediately dismissed from work and not allowed to return until they are symptom free. The following symptoms prohibit an employee from working, and from handling product: Diarrhea, Fever, Vomiting, Jaundice, Sore throat with fever, Lesions containing pus (including boils or infected wounds, however small) on the hand, wrist or any exposed body part.

All employees working in direct contact with medical marijuana and marijuana products shall conform to hygienic practices while on duty, including but not limited to maintaining adequate personal cleanliness and adequate hand washing before starting work and at any other time when hands may have become contaminated.

## 9.3 Workplace Security

Coastal Farms believes that a highly trained and trustworthy staff is the key to the prevention and detection of any unlawful activity. Employees must be alert and aware of any potential dangers to themselves, their coworkers, as well as our patients, visitors and caregivers. The security and

crime prevention guidelines Coastal Farms will require all staff to complete training within the first two weeks of employment before they begin working in the cultivation area or dispensary. Employees will be trained by the Security Staff regarding Coastal Farms security and surveillance plan and prevention of theft, security threat recognition and response protocol.

All employees must complete security training which includes compliance training, SOPs, security protocol, Rhode Island law, job requirements, and responsibilities.

Since all staff will be required to fully comprehend the security alarm and surveillance system, training will begin with an overview of the general security layout of the facility. Staff will be required to know the location and proper use of the equipment, and controlled-entry locking devices.

Further security training topics will include DBR communication, contacting law enforcement, diversion prevention measures, and incident response.

In order to continually reinforce training, staff will undergo security drills to improve preparation and response time in the case of criminal activity or violent accident. It will be mandatory for all staff to undergo refresher training courses at least once annually.

### 9.4 Emergency Procedures

In the event of an emergency, dial 911 or use the silent alarm system immediately. If you hear a fire alarm or other emergency alert system, proceed quickly and calmly to the nearest exit. Once the building has been evacuated, only a supervisor may authorize employees to reenter.

## 10. Workers Compensation

As required by law, the company provides workers' compensation benefits for the protection of employees with work-related injuries or illnesses.

Workers' compensation insurance provides coverage to employees who experience job-related injuries or illnesses. If an employee is injured or becomes ill as a result of his/her job, it is the employee's responsibility to immediately notify a supervisor of their injury in order to receive benefits. Report every illness or injury to a supervisor or manager, regardless of how minor it appears. Coastal Farms will advise the employee of the procedure for submitting a workers' compensation claim. If necessary, injured employees will be referred to a medical care facility. Employees should retain all paperwork provided to them by the medical facility. Failure to report a work-related illness or injury promptly could result in denial of benefits.

An employee's report should contain as many details as possible, including the date, time, description of the illness or injury, and the names of any witnesses.

A separate insurance company administers the workers' compensation insurance. Representatives of this company may contact injured employees regarding their benefits under the plan. Additional information regarding workers' compensation is available from your manager.

# 11. Termination Policies

## 11.1 Voluntary Termination

Coastal Farms recognizes that personal situations may arise which require a voluntary termination of employment. Should this occur, the company requests that the employee provide two weeks advance notice in writing. This request does not alter an employee's at-will relationship with the company.

All rights and privileges of employment with Coastal Farms terminate upon the date of separation. As further discussed in Section 8.3, terminating employees are required to return all company property assigned to them, including their DBR Registry card. Failure to do so may result in the withholding of their final paycheck.

## 11.2 Final Paycheck

Employees who terminate employment with Coastal Farms will be mailed their final paycheck as soon as received on the regular pay cycle to the address on file.

## 11.3 Non-Compete

Coastal Farms understands and respects the fact that employees may want to obtain other outside employment. However, employees are not permitted to engage in outside employment if it could present a conflict of interest, have conflicting hours that would negatively impact the employee's ability to work, or might cause harm to Coastal Farms.

To prevent any conflict of interest, Coastal Farms requires that any employee wishing to engage in outside employment notify the manager. Coastal Farms maintains the right to decide which jobs constitute a conflict of interest. Failure to notify Coastal Farms of outside employment, and failure to obtain written permission is grounds for discipline up to and including, termination.

## 11.4 Ethics

In order to avoid any appearance of a conflict of interest, employees are expected to abide by the following code of ethical conduct. Please consult your supervisor or the Human Resources Manager if you have any questions. Employees of Coastal Farms should not solicit anything of value from any person or organization with whom Coastal Farms has a current or potential business relationship.

Employees of Coastal Farms should not accept any item of value, of incidental value, or of no value, from any party in exchange for or in connection with a business transaction between Coastal Farms and that other party. This includes items such as tokens of gratitude. This includes gifts, gratuities, food, drink or entertainment offers. You may suggest that the donor instead provide the gift for a charity's use, or donate it to a community service organization.

If you are faced with and are unsure how to handle a situation that you believe has the potential to violate this code of ethical conduct, notify your supervisor or the Human Resources Manager. Violations of this code may lead to disciplinary action, up to and including termination.

## 11.5 Exit Interview

Coastal Farms may request an exit interview upon notice of termination. The purpose of the exit interview is to complete necessary forms, collect company property and discuss employment experiences with the company.

## 11.6 NLRA

Coastal Farms policies are not intended to infringe on employees' Section 7 Rights under the National Labor Relations Act.

## ACKNOWLEDGEMENT OF RECEIPT FOR EMPLOYEE HANDBOOK

(*Employee copy – Keep with handbook*)

I acknowledge that I have received a copy of the Employee Handbook. I understand that I am responsible for reading the information contained in the Handbook.

I understand that the Handbook is intended to provide me with a general overview of the company's policies and procedures. I acknowledge that nothing in this Handbook is to be interpreted as a contract, expressed or implied, or an inducement for employment, nor does it guarantee my employment for any period of time.

I understand and accept that my employment with the company is at-will. I have the right to resign at any time with or without cause, just as the company may terminate my employment at any time with or without cause or notice, subject to applicable laws. I understand my at-will employment cannot be altered by any verbal statement or alleged verbal agreement made by company personnel. It can only be changed by legally binding, written contract covering employment status.

I acknowledge that Coastal Farms may revise, suspend, revoke, terminate, change or remove, prospectively or retroactively, any of the policies or procedures of the company, whether outlined in this handbook or elsewhere, in whole or in part, with or without notice at any time, at Coastal Farms' sole discretion.

_____

(Signature of Employee/Date)

_____

(Coastal Farms Representative/Date)

## ACKNOWLEDGEMENT OF RECEIPT FOR EMPLOYEE HANDBOOK

(*Employer Copy – Detach and Retain with Records*)

I acknowledge that I have received a copy of the Employee Handbook. I understand that I am responsible for reading the information contained in the Handbook.

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_____

(Signature of Employee/Date)

_____

(Coastal Farms Representative/Date)

# COASTAL FARMS CODE OF ETHICS

## Building Trust and Credibility

The success of Coastal Farms is dependent on the trust and confidence we earn from our employees, patients and the community. We gain credibility by adhering to our commitments, displaying honesty and integrity, and developing Coastal Farms' reputation through honorable conduct. It is easy to *say* what we must do, but the proof is in our *actions*. Ultimately, we will be judged on what we do.

When considering any action, it is wise to ask: Will this build trust and credibility for Coastal Farms? Will it help create a working environment in which Coastal Farms can succeed over the long term? Is the commitment I am making one I can follow through with? The only way we will maximize trust and credibility is by answering "yes" to those questions and by working every day to build our trust and credibility.

## Respect for the Individual

We all deserve to work in an environment where we are treated with dignity and respect. Coastal Farms is committed to creating such an environment because it brings out the full potential in each of us, which, in turn, contributes directly to our success. We cannot afford to let anyone's talents go to waste.

Coastal Farms is an equal employment/affirmative action employer and is committed to providing a workplace that is free of discrimination of all types and from abusive, offensive or harassing behavior. Any employee who feels harassed or discriminated against should report the incident to his or her manager or to human resources.

## Create a Culture of Open and Honest Communication

At Coastal Farms everyone should feel comfortable to speak his or her mind, particularly with respect to ethics concerns. Managers have a responsibility to create an open and supportive environment where employees feel comfortable raising such questions. We all benefit tremendously when employees exercise their power to prevent mistakes or wrongdoing by asking the right questions at the right times.

Coastal Farms will investigate all reported instances of questionable or unethical behavior. In every instance where improper behavior is found to have occurred, the company will take appropriate action. We will not tolerate retaliation against employees who raise genuine ethics concerns in good faith.

Employees are encouraged, in the first instance, to address such issues with their managers, as most problems can be resolved swiftly. If for any reason that is not possible or if an employee is not comfortable raising the issue with his or her manager, Coastal Farms' Chief Operating Officer does operate with an open-door policy.

## Set Tone at the Top

Management has the added responsibility for demonstrating, through their actions, the importance of this Code. In any business, ethical behavior does not simply happen; it is the product of clear and direct communication of behavioral expectations, modeled from the top and demonstrated by example. Again, ultimately, our actions are what matters.

To make our Code work, managers must be responsible for promptly addressing ethical questions or concerns raised by employees and for taking the appropriate steps to deal with such issues. Managers should not consider employees' ethics concerns as threats or challenges to their authority, but rather as another encouraged form of business communication. At Coastal Farms, we want the ethics dialogue to become a natural part of daily work.

## Uphold the Law

Coastal Farms' commitment to integrity begins with strictly complying with the laws, rules and regulations that govern us. Further, each of us must have an understanding of the policies, laws, rules and regulations that apply to our specific roles. If we are unsure of whether a contemplated action is permitted by the law, rules and regulations or our policy, we should seek the advice from the Legal/Compliance Officer. We are responsible for preventing violations of law and for speaking up if we see possible violations.

### *Competition*

We are dedicated to ethical and fair and competition. We will sell Coastal Farms Company products and based on their superior quality and competitive pricing. We will make independent pricing and marketing decisions and will not improperly cooperate

or coordinate our activities with our competitors. We will not offer or solicit improper payments or gratuities in connection with the purchase of goods or services for Coastal Farms or the sales of its products.

### *Proprietary Information*

It is important that we respect the property rights of others. We will not acquire or seek to acquire improper means of a competitor's trade secrets or other proprietary or confidential information.

### *Health and Safety*

Coastal Farms is dedicated to maintaining a healthy environment. Our Employee Manual has been designed to educate you on matters such as health and safety in the workplace. You are responsible to familiarize yourself with all policies and procedures.

## Avoid Conflicts of Interest

### *Conflicts of Interest*

We must avoid any relationship or activity that might impair, or even appear to impair, our ability to make objective and fair decisions when serving our clients. At times, we may be faced with situations where the actions we take on behalf of Coastal Farms may conflict with our own personal or family interests. We owe a duty to Coastal Farms to advance its legitimate interests when the opportunity to do so arises. We must never use Coastal Farms' property or information for personal gain or personally take for ourselves any opportunity that is discovered through our position with Coastal Farms.

### Here are some other ways in which conflicts of interest could arise:

1. Being employed by, or acting as a consultant to, a competitor or potential competitor, supplier or contractor, regardless of the nature of the employment, while you are employed with Coastal Farms.
2. Hiring or supervising family members or closely related persons.
3. Serving as a board member for an outside company or organization.
4. Owning or having a substantial interest in a competitor, supplier or contractor.
5. Having a personal interest, financial interest or potential gain in any Coastal Farms transaction.
6. Placing company business with a firm owned or controlled by a Coastal Farms employee or his or her family.
7. Accepting gifts, discounts, favors or services from a client/patient/potential client/patient, competitor or supplier.

Determining whether a conflict of interest exists is not always easy to do. Employees with a conflict of interest question should seek advice from management. Before engaging in any activity, transaction or relationship that might give rise to a conflict of interest, employees must seek review from their managers.

### *Gifts, Gratuities and Business Courtesies*

Coastal Farms is committed to competing solely on the merit of our products. We should avoid any actions that create a perception that favorable treatment of outside entities by Coastal Farms was sought, received or given in exchange for personal business courtesies. Business courtesies include gifts, gratuities, meals, refreshments, entertainment or other benefits from persons or companies with whom Coastal Farms does or may do business. We will neither give nor accept business courtesies that constitute, or could reasonably be perceived as constituting, unfair business inducements that would violate law, regulation or policies of Coastal Farms or client/patients, or would cause embarrassment or reflect negatively on Coastal Farms' reputation.

### *Meals, Refreshments and Entertainment*

We may accept occasional meals, refreshments, entertainment and similar business courtesies that are shared with the person who has offered to pay for the meal or entertainment, provided that:

- They are not inappropriately lavish or excessive.
- The courtesies are not frequent and do not reflect a pattern of frequent acceptance of courtesies from the same person or entity.
- The courtesy does not create the appearance of an attempt to influence business decisions, such as accepting courtesies or entertainment from a supplier whose contract is expiring in the near future.
- The employee accepting the business courtesy would not feel uncomfortable discussing the courtesy with his or her manager or co-worker or having the courtesies known by the public.

### *Gifts*

Employees may accept unsolicited gifts, other than money, that conform to the reasonable ethical practices of the marketplace, including:

- Flowers, fruit baskets and other modest presents that commemorate a special occasion.
- Gifts of nominal value, such as calendars, pens, mugs, caps and t-shirts (or other novelty, advertising or promotional items).

Generally, employees may not accept compensation, honoraria or money of any amount from entities with whom Coastal Farms does or may do business. Tangible gifts that have a market value greater than $25 may not be accepted unless approval is obtained from management.

Employees with questions about accepting business courtesies should talk to their managers.

## Set Metrics and Report Results Accurately

### *Accurate Public Disclosures*

We will make certain that all disclosures made in financial reports to the Board of Directors and public documents are full, fair, accurate, timely and understandable. This obligation applies to all employees, including all financial executives, with any responsibility for the preparation for such reports, including drafting, reviewing and signing or certifying the information contained therein. No business goal of any kind is ever an excuse for misrepresenting facts or falsifying records.

Employees should inform the Legal/Compliance Officer if they learn that information in any filing or public communication was untrue or misleading at the time it was made or if subsequent information would affect a similar future filing or public communication.

### *Corporate Recordkeeping*

We create, retain and dispose of our company records as part of our normal course of business in compliance with all Coastal Farms policies and guidelines, as well as all regulatory and legal requirements.

All corporate records must be true, accurate and complete, and company data must be promptly and accurately entered in our books in accordance with Coastal Farms' and other applicable accounting principles.

We must not improperly influence, manipulate or mislead any unauthorized audit, nor interfere with any auditor engaged to perform an internal independent audit of Coastal Farms' books, records, processes or internal controls.

## Promote Substance Over Form

At times, we are all faced with decisions we would rather not have to make and issues we would prefer to avoid. Sometimes, we hope that if we avoid confronting a problem, it will simply go away.

At Coastal Farms, we must have the courage to tackle the tough decisions and make difficult choices, secure in the knowledge that Coastal Farms is committed to doing the right thing. At times this will mean doing more than simply what the law requires. Merely because we can pursue a course of action does not mean we *should* do so.

Although Coastal Farms' guiding principles cannot address every issue or provide answers to every dilemma, they can define the spirit in which we intend to do business and should guide us in our daily conduct.

### *Accountability*

Each of us is responsible for knowing and adhering to the values and standards set forth in this Code and for raising questions if we are uncertain about company policy. If we are concerned whether the standards are being met or are aware of violations of the Code, we must contact the Legal/Compliance Officer.

Coastal Farms takes seriously the standards set forth in the Code, and violations are cause for disciplinary action up to and including termination of employment.

## Be Loyal

### *Confidential and Proprietary Information*

Integral to Coastal Farms' business success is our protection of confidential company information, as well as nonpublic information entrusted to us by employees, clients and other business partners. Confidential and proprietary information includes such things as pricing and financial data, client names/addresses and medical documentation, or nonpublic information about other companies, including current or potential supplier and vendors. We will not disclose confidential and nonpublic information without a valid business purpose and proper authorization.

Client/patient information is protected under the Privacy Rule of the HIPAA, and Coastal Farms' Patient Confidentiality of Records Policy. Coastal Farms strictly maintains the confidentiality of all patient records. Unauthorized access to or dissemination of these records for any unlawful purpose is a per se violation of this Code of Ethics.

### *Use of Company Resources*

Company resources, including time, material, equipment and information, are provided for company business use. Nonetheless, occasional personal use is permissible as long as it does not affect job performance or cause a disruption to the workplace.

Employees and those who represent Coastal Farms are trusted to behave responsibly and use good judgment to conserve company resources. Managers are responsible for the resources assigned to their departments and are empowered to resolve issues concerning their proper use.

Generally, we will not use company equipment such as computers, copiers and fax machines in the conduct of an outside business or in support of any religious, political or other outside daily activity, except for company-requested support to nonprofit organizations. We will not solicit contributions nor distribute non-work related materials during work hours.

In order to protect the interests of our network and our fellow employees, Coastal Farms reserves the right to monitor or review all data and information contained on an employee's company-issued computer or electronic device, the use of the Internet or intranet. We will not tolerate the use of company resources to create, access, store, print, solicit or send any materials that are harassing, threatening, abusive, sexually explicit or otherwise offensive or inappropriate.

Questions about the proper use of company resources should be directed to your manager.

### *Media Inquiries*

Coastal Farms is a high-profile company in our community, and from time to time, employees may be approached by reporters and other members of the media. In order to ensure that we speak with one voice and provide accurate information about the company, we should direct all media inquiries to the Executive Management Team. No one may issue a press release without first consulting with the Chief Executive Officer.

## Do the Right Thing

Several key questions can help identify situations that may be unethical, inappropriate or illegal. Ask yourself:

- Does what I am doing comply with the Coastal Farms' guiding principles, Code of Conduct and company policies?
- Have I been asked to misrepresent information or deviate from normal procedure?
- Would I feel comfortable describing my decision at a staff meeting?
- How would it look if it made the headlines?
- Am I being loyal to my family, my company and myself?
- What would I tell my child to do?
- Is this the right thing to do?

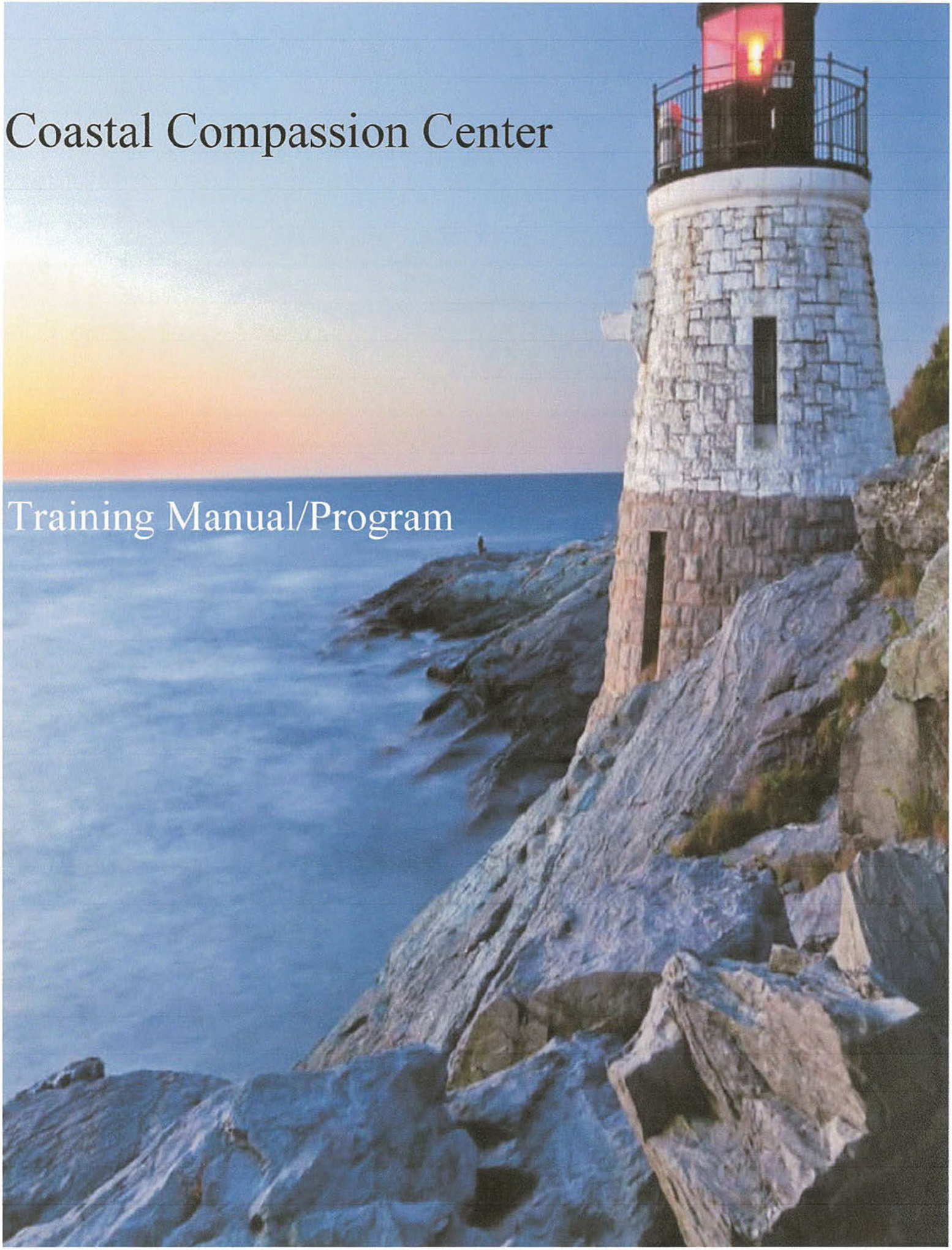
**PLEASE RETAIN A COPY OF THIS CODE FOR YOUR RECORDS**

_____

**Signed** **Date**

# Coastal Compassion Center

## Training Manual/Program



# TRAINING MANUAL/PROGRAM

## TRAINING PHILOSOPHY of COASTAL FARMS COMPASSION CENTER

Coastal Farms knows that the quality of our staff is equally as important as the quality of our products. We believe that an ongoing, effective, robust training program is vital to our success as a business. Staff who possess a clear understanding of the laws, regulations, policies, job functions and goals of the company will lead to high morale and high productivity.

By utilizing various training methods (courses, seminars, videos, company meetings) both prior to beginning work for Coastal Farms Compassion and in a continuing in-service based education program, staff members will be developed for further advancement at Coastal Compassion or within the field.

Coastal Farms Compassion Center's Training Program will include the Employee Handbook, Security and Emergency Plan, SOPs, other reading materials. Lectures will be facilitated by qualified industry professionals. Proficiency will be assessed by hands-on training, shadowing and testing.

## TYPES OF TRAINING PROVIDED

Prior to beginning work at Coastal Farms, all staff will participate in a comprehensive Orientation Program which shall consist of all topics covered in this Training Manual and all relevant Coastal Farms Standard Operating Procedures. During Orientation, staff will receive extensive training detailing facility security measures and protocols. Staff will be trained on Coastal Farms Emergency Plan. Additionally, during Orientation, all appropriate staff will be trained on the use of the Medical Marijuana Program Tracking System and Patient Privacy Policy.

New Employee Orientation
- New Employee Probationary Period
- Initial and On-Site Job Training

In-Service Training

Annual Mandatory Staff Training

Advanced Management Training

STAFF/TEAM MEETINGS
- Schedule of Team Meetings

TIMELINE
- When Training Required
- Revision to SOPs
- Changes in Laws or Regulations

## TRAINING DOCUMENTATION

Coastal Farms shall maintain documentation of all required training, which shall include a signed statement from the individual indicating the date, time and place he or she received said training, topics discussed, and the name and title of presenters.

*Sample Documentation-Appendix*

## TRAINING CURRICULUM

PROFESSIONAL CONDUCT

- Anti-Discrimination and Harassment Policy
- Ethics
- Alcohol and Drugfree Workplace Policy

LEGAL/COMPLIANCE

- Federal and State Laws and DBR Regulations
- Medical Marijuana and Marijuana Product Tracking System Requirements
- Interactions with Law Enforcement and Regulators
- Patient Privacy and Patient Rights
    - Summary of the HIPAA Privacy Rule

COMPANY SOPs

Coastal Farms staff shall be training on each appropriate Standard Operating Procedure annually. Upon the development and issuance of a new SOP, all staff shall be required to read and familiarize themselves with the procedure. For SOPs involving Security Measures, changes in Laws or Regulations, or newly installed Medical Marijuana Tracking System or protocols, all staff will be formally trained by Coastal Farms management or an industry professional.

- Review Relevant SOPs
- Handouts Provided

SECURITY

- Alarm Activation
- Detection and Prevention of Diversion of Medical Marijuana and Marijuana Products
- Loss Prevention
- Visitors-Proper Use of the Visitor Log

SAFETY and EMERGENCY PLAN

- Emergency Plan Attached
- Response to Medical Emergencies, Fires, Chemical Spills
- Response to Threatening Events, Armed Robbery, Invasion, Burglary, other Criminal Incidents.
- Conflict Resolution

PERSONAL SAFETY TECHNIQUES

- Accident Reporting
- Workplace Injury, Health and Illness Reporting

Fire Prevention
Materials Handling
Personal Protective Safety Equipment
Emergency Contacts Lists
OSHA Compliance

MINIMUM SANITATION REQUIREMENTS

USE OF THE MEDICAL MARIJUANA TRACKING SYSTEM/REQUIREMENTS
Point of Sale Use of Tracking

RECORDS RETENTION
Records Retention Policy

TRANSPORTATION PROCEDURES

## COMPASSION CENTER STAFF SPECIFIC TRAINING

CUSTOMER SERVICE
RESPONDING TO/DOCUMENTING COMPLAINTS
Oral, Written, Online
MMJ VARIETIES/PRODUCT INFORMATION
Strains, Products
PROPER USES AND BENEFITS OF MMJ
PATIENT CARE AND CHOICE OF MEDICINE

## CULTIVATION STAFF SPECIFIC TRAINING

SOPs FOR CULTIVATION
CLONING
TRANSPLANTING
PRUNING AND TRIMMING
NUTRIENT MANAGEMENT
INTEGRATED PEST MANAGEMENT AND INSPECTION
CLEAN ROOM AND CONTAINMENT PROTOCOLS
PESTICIDES
SANITATION
SANITARY EQUIPMENT
PACKAGING AND LABELING
SECURE STORAGE
TESTING
QUALITY CONTROL PROCEDURES

MANUFACTURING PROCESS
- METHODS OF CONCENTRATE PRODUCTION
- SAFE USE OF EQUIPMENT
- INFUSED PRODUCTS
- SERVSAFE TRAINING

# APPENDIX

## EXAMPLE OF TRAINING DOCUMENTATION FORM

EMPLOYEE TRAINING DOCUMENTATION FORM

Date/Time of Training:
Location:

Name and Title of Trainer:

Description of Training:

Specific Topics Covered:

Employee Name

Signature

# Exhibit F

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.

COASTAL FARMS

RHODE ISLAND GROWN

JOSEPH J. SOLOMON
MAYOR

ALFRED T. DeCORTE
DIRECTOR & BUILDING OFFICIAL

**CITY OF WARWICK**
BUILDING DEPARTMENT
3275 POST ROAD • WARWICK, RHODE ISLAND • 02886
Tel (401) 921-9534 • Fax (401) 732-5071

December 9, 2020

Coastal Farms Wellness Center, Inc.
66 Kingstown Road
Richmond, RI 02898
ATTN: Dakota Cowell

**RE: 3116 Post Road, Warwick, RI**
**Assessor's Plat 245, Lot 289**

Dear Mr. Cowell:

Please be advised that the above-mentioned property is located in a Light Industrial/Historic zoning district.

The proposed use of the existing structure for a "Clinic" (Compassion Center) is a permitted use, provided the retail area shall be limited to 1,000 square feet of net floor space, and subject to conforming to all pertinent provisions of the Zoning Ordinance (i.e. parking requirements, landscaping, screening & signage), and any exterior changes would require approval from the Warwick Historic District Commission. Said use allowed in accordance with the Table 1 Use Regulations #302 of the Warwick Zoning Ordinance, see attached.

Any change in use/ownership of an already existing business or unit, therein requires a Certificate of Occupancy from the Warwick Building Department.

This letter is for zoning purposes only. Please contact the Zoning Office at (401) 921-9534 if you have any questions.

Sincerely,

Alfred T. DeCorte
Director & Building Official

ATD/ac

| | Zoning Districts | OS | A-40 | A-15 | A-10 | A-7 | O | WB | GB | LI | GI | Inter-modal | Gate-way | Village District |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 104. | Congregate elderly housing containing between two and ten dwelling units | No | S[2] | S[2] | S[2] | S[2] | S[2] | No | S[2] | No | No | No | No | Yes |
| 105. | Congregate elderly housing containing more than ten dwelling units | No | No[3] | No[3] | No[3] | No[3] | No[3] | No | No[3] | No | No | No | No | No |
| 106. | Roominghouse | No | No | No | No | No | No | No | Yes | No | No | No | No | No |
| 107. | Room for less than three boarders | No | S[4] | S[4] | S[4] | S[4] | Yes[4] | No | Yes[4] | No | No | No | No | No |
| 107.1. | Bed and breakfast for up to four guests | No | S | S | S | S | S | No | Yes | No | No | No | No | Yes |
| 108. | Mobile home, mobile home park, or trailer park | No | No | No | No | No | No | No | No | No | No | No | No | No |
| 109. | Community residence | No | Yes | Yes | Yes | Yes | Yes | No | Yes | No | No | No | No | No |
| 200. | Agricultural uses: | | | | | | | | | | | | | |
| 201. | Raising of crops (commercial and noncommercial) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | No | No | No |
| 202. | Commercial greenhouse | No | S[5] | S[5] | S[5] | S[5] | S | No | Yes | Yes | Yes | No | No | No |
| 203. | Sales place for flowers, garden supplies, agricultural produce conducted partly or wholly outdoors | No | No | No | No | No | S | No | Yes | Yes | Yes | No | No | No |
| 204. | Raising and keeping of animals and livestock | S[5] | S[5] | S[5] | S[5] | S[5] | S[5] | S[5] | S[5] | S[5] | S[5] | No | No | No |
| 300. | Office uses: | | | | | | | | | | | | | |
| 301. | Medical offices, excluding clinic | No | No | No | No | No | Yes | No | Yes | Yes | Yes | No | Yes | S |
| 302. | Clinic | No | No | No | No | No | S | No | Yes | Yes | Yes | No | Yes | No |
| 303. | Law office, accountant, architect or other nonmedical professional person | No | No | No | No | No | Yes | No | Yes | Yes | Yes | Yes[25] | Yes | Yes |
| 304. | Real estate, insurance, travel agency, advertising or similar agency office | No | No | No | No | No | Yes | No | Yes | Yes | Yes | Yes[25] | Yes | Yes |
| 305. | General office use | No | No | No | No | No | Yes | No | Yes | Yes | Yes | Yes[25] | Yes | Yes[17] |
| 306. | Bank, trust company or similar financial institution with drive-in window | No | No | No | No | No | S | No | Yes | Yes | Yes | No | Yes | Yes[18] |

**Re: 3116-3126 Post Road in Warwick, RI**

This letter of intent reflects our serious expression of interest with respect to a proposed purchase of the Property, but is not intended to create a legally binding obligation. Such an obligation shall only follow from the execution of a definitive purchase and sale agreement between the Purchaser (defined below) and the owner of the Property ("Seller").

Property: The Property consists of a single vacant commercial building / improvements and land, located at ***3116-3126 Post Road in Warwick, RI***, and land spread over three lots, located behind 3116-3126 Post Road along ***Locust Avenue in Warwick, RI.***

Purchaser: Union Mill, LLC or Assignee

Seller: Lacroix Nancy Revocable Living Trust

Purchase Price/Terms: The purchase price shall be $750,000.00. This is an all-cash offer that is not conditional on financing.

Purchase Terms: Purchaser will deposit refundable earnest money of $10,000 (the "Deposit") to be held in an escrow account by Keller Williams Realty Eastbay within Three (3) business days after full execution of the Purchase and Sale Agreement. If Purchaser terminates the Purchase and Sale Agreement before the end of the Due Diligence Period (defined below), the Deposit will be returned to Purchaser. At Closing (defined below), the Deposit will be paid to Seller and credited against the Purchase Price.

Due Diligence: Purchaser's obligation will be conditioned upon its satisfactory completion of a comprehensive evaluation of the Property. The evaluation may include, but is not limited too, an engineering and environmental review to ascertain the Property's physical condition, a legal review of the Property, and a financial review. The Due Diligence Period will be for ninety (90) days from the effective date of the Purchase and Sale Agreement. If Purchaser has not terminated the Agreement before the end of the Due Diligence Period, the Deposit will become non-refundable to Purchaser except for Seller's default.

Closing: Closing will occur within 100 days following the effective date of the Purchase and Sale Agreement.

Non-Exclusivity: This Letter of Intent outlines the terms which both parties look to execute a Purchase and Sale Agreement and creates no binding agreement between the parties. It is the further intention that a formal contract for the purchase and sale of the aforementioned property shall be formulated and signed within the next seven (7) days as the parties may agree.

Confidentiality Buyer and Seller shall keep negotiations and terms of this transaction confidential, except as necessary to complete due diligence and whatever else may be deemed necessary to close the transaction.

| | |
|---|---|
| Exclusivity | Seller will not negotiate with other Buyers upon the signing of the LOI until a Purchase and Sale Agreement has been executed by Buyer and Seller or until the seven day period to do so has passed. |
| Expenses: | Purchaser shall bear all of its own fees and expenses in connection with its Due Diligence, including legal, engineering, environmental, accounting, etc. Other costs shall be apportioned as customary in the jurisdiction in which the Property is located. Ordinary apportionment adjustments shall be made at Closing. |
| Title: | Seller shall deliver good and marketable, insurable title at closing, free and clear of all liens and encumbrances not approved by Purchaser. |
| Governing Law: | This term sheet and the Agreement shall be governed by the laws of Rhode Island in which the property is located. |
| Brokerage: | Buyer and Seller acknowledge that Dakota Cowell of William Raveis Chapman Enstone represents the Buyer and will receive a commission of 2% of the purchase price. The commission is the exclusive responsibility of the Seller; and shall be paid in full at the closing. Buyer and Seller both acknowledge that Chris Woodward of Keller Williams Realty Eastbay represents the Seller and that there are no other agents or brokers involved in this transaction. |
| Leases & Contracts: | Between the date of the acceptance of this Agreement by the Seller and the date of the closing, Seller shall not enter into any new leases or operational contracts for the premises, without prior approval from the Buyer, which shall not be unreasonably withheld. |
| Additional Provisions: | If available, the Seller is to provide copies of all pertinent environmental, survey, structural, or engineering reports regarding the property and any architectural drawings of the existing building. |
| Expiration: | This offer shall expire, unless sooner accepted by the owner at 5:00 PM on Monday, December 7, 2020. If Sellers have not accepted the above terms and so notify Buyer in writing this offer shall be withdrawn and considered null and void. |

## Agreed and Accepted:

| | |
|---|---|
| Seller | Buyer |
| Signature Date | Signature Date |

## ASSIGNMENT OF LETTER OF INTENT

| | |
|---|---|
| Property: | 3116-3126 Post Road, Warwick, RI 02886, TAP: 245, Lot: 289 |
| Seller: | Nancy Factors Revocable Living Trust |
| Buyer Assignor: | Knight Street Capital, LLC |
| Assignee: | Coastal Farms Management Company, LLC |

### RECITALS

WHEREAS, the Buyer and Seller ("Parties") executed a Letter of Intent for the purchase of the property located at 3116-3126 Post Road in Warwick, on or about December 11, 2020, which is attached hereto and made part hereof; and

WHEREAS, the Buyer Assignor, Knight Street Capital, LLC, has the right to assign its rights under the Letter of Intent and or the Purchase and Sales Agreement; and

WHEREAS, the Buyer Assignor, Knight Street Capital, LLC desires to assign its rights under said Letter of Intent and or Purchase and Sales Agreement to Coastal Farms Management Company, LLC; and

WHEREAS, Coastal Farms Management Company, LLC desires to accept such assignment of the Letter of Intent and or Purchase and Sales Agreement from Knight Street Capital, LLC.

NOW, THEREFORE, in consideration of the covenants and obligations set forth herein and for other good and valuable consideration, and intending to be legally bound, the Assignor and Assignee agree as follows:

1. Knight Street Capital, LLC does hereby assign all of its right, title and interest in and to that certain Letter of Intent dated December 11, 2020 for the property located at 3116-3126 Post Road, Warwick, RI 02886, TAP: 245, Lot 289 to Coastal Farms Management Company, LLC and Coastal Farms Management Company, LLC releases Knight Street Capital, LLC from all liability under said Purchase and Sales Agreement.

| Assignor: | Assignee: |
|---|---|
| Knight Street Capital, LLC<br>LLC | Coast Farms Management Company, |
| By: | By: |
| Print Name: HARRY PAPPAS | Print Name: Stephen Rohner |
| Title: CEO | Title: Owner |

Dated: 12/14/20

Date: 12/15/20

## 3116 Post Road Warwick, RI.

## Car Northbound

1. Merge onto I-95 N toward **Providence**.
2. Take the **RI-117** exit, EXIT 10, toward **Warwick/West Warwick**.
3. Turn **right** onto Centerville Rd/RI-117. Pass through 1 roundabout.
4. Enter next roundabout and take the 1st exit onto Veterans Memorial Dr/US-1 N/RI-117.
5. Enter next roundabout and take the 1st exit onto Post Rd/RI-117.
6. 3126 Post Rd, Warwick, RI 02886-7144, 3126 POST RD is on the **left**.
    1. Your destination is just past Coyle St
    2. If you reach W Shore Rd you have gone a little too far

## 3116 Post Road Warwick, RI.

## Bus Northbound

1. High After Grove
95XProvidence
2. Exchange Terrace Stop X
3. Kennedy Plaza (Stop Z)
14NEWPORT via TF GREEN AIRPORT
4. Post Opp Winslow
5. Your destination is just past Coyle St

## 3116 Post Road Warwick, RI.

## Car Southbound

Get on I-95 S from Dorrance St and Clifford St

Continue on I-95 S to Warwick. Take exit 1B from T.F. Green Airport Connector Rd

Follow US-1 S to RI-117

Destination is on the left

3116 Post Rd

Warwick, RI 02886

## 3116 Post Road Warwick, RI.

## Bus Southbound

**Providence,** Rhode Island

Kennedy Plaza (Stop Z)

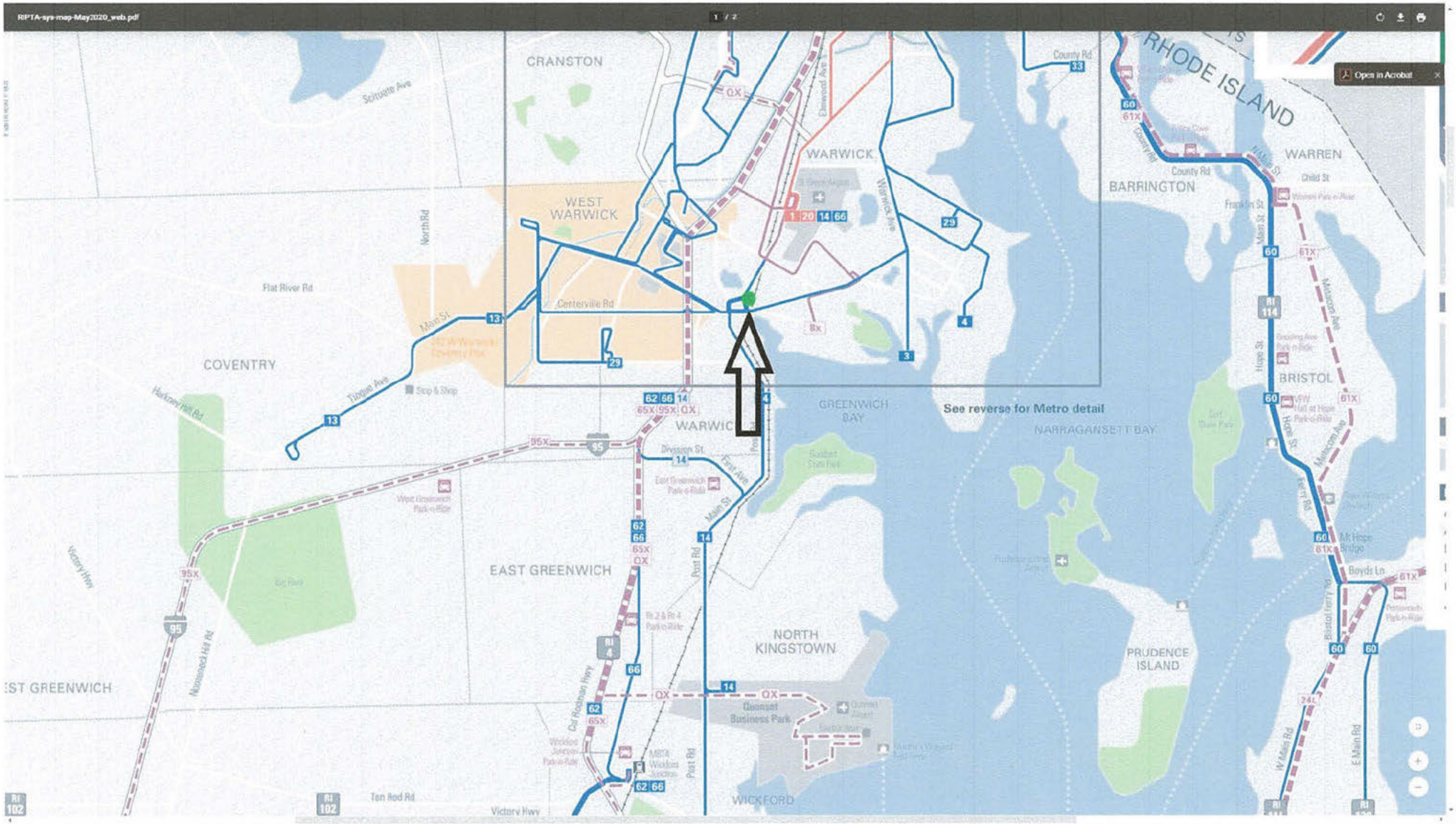
14NEWPORT via TF GREEN AIRPORT

Post Opp Winslow

Destination is on the left

**3116 Post Rd**

Warwick, RI 02886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Open in Acrobat
CRANSTON
WARWICK
WEST WARWICK
COVENTRY
EAST GREENWICH
NORTH KINGSTOWN
WICKFORD
RHODE ISLAND
BARRINGTON
WARREN
BRISTOL
PRUDENCE ISLAND
GREENWICH BAY
NARRAGANSETT BAY
See reverse for Metro detail
Schoone Ave
North Rd
Flat River Rd
Centerville Rd
Main St
Tiogue Ave
Harkney Hill Rd
Victory Hwy
Nooseneck Hill Rd
Old Post Rd
Post Rd
Division St
First Ave
Old Rodman Hwy
Tower Hill Rd
Ten Rod Rd
Quonset Business Park
Elmwood Ave
Warwick Ave
County Rd
Frank Im St
Child St
Hope St
Metacom Ave
Ferry Rd
Mt Hope Bridge
Boyds Ln
Bristol Ferry Rd
W Main Rd
E Main Rd
Stop & Shop
West Greenwich Park-n-Ride
East Greenwich Park-n-Ride
Rt 2 & Rt 4 Park-n-Ride
Wickford Junction Park-n-Ride
MBTA Wickford Junction
Quonset Airport
Bristol Park-n-Ride
Warren Park-n-Ride
Gooding Ave Park-n-Ride
Portsmouth Park-n-Ride
VFW Hall at Hope Park-n-Ride
Rt 95
Rt 4
Rt 102
Rt 114
OX
95X
65X
61X
24L
8X

# Form 4
# Annex G

Equipment

COASTAL FARMS
RHODE ISLAND GROWN

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.

No equipment will be purchased or leased in the above amount.

# Form 4
# Annex H

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.

# TOP TEN POSITION

| | Title | Salary |
|---|---|---|
| 1 | Chief Executive Officer | [redacted] |
| 2 | Chief Financial Officer | |
| 3 | Chief Operating Officer | |
| 4 | Head of Security | |
| 5 | VP Marketing | |
| 6 | Compliance Officer | |
| 7 | Cultivating Manager | |
| 8 | Dir of Operation | |
| 9 | Manufacturing Manager | |
| 10 | Head Grower | |