Medical Marijuana Dispensary Permit Application

You may apply for one dispensary permit in this application for any of the medical marijuana regions listed below. A separate application must be submitted for each primary dispensary location sought by the applicant. Please see the Medical Marijuana Organization Permit Application Instructions for a table of the counties within each medical marijuana region and the counties in which you are eligible to locate your primary dispensary.

Please check to indicate the medical marijuana region, and specify the county, for which you are applying for a dispensary permit:

☐ Northwest  ☐ Northcentral  ☐ Northeast
☐ Southwest   ☐ Southcentral  ☒ Southeast

County 1 (Primary Dispensary Location): Delaware
County 2 (if applicable): N/A
County 3 (if applicable): N/A
Medical Marijuana Dispensary Permit Application

Part A - Applicant Identification and Dispensary Information

(Scoring Method: Pass/Fail)

FOR THIS PART, THE APPLICANT IS REQUIRED TO PROVIDE BACKGROUND AND CONTACT INFORMATION FOR THE BUSINESS OR INDIVIDUAL APPLYING FOR A DISPENSARY PERMIT, THE PRIMARY DISPENSARY LOCATION, ALONG WITH ANY SECOND OR THIRD DISPENSARY LOCATIONS THAT ARE BEING SOUGHT UNDER THE APPLICATION.

Section 1 – Applicant Name, Address and Contact Information

Business or Individual Name and Principal Address

<table>
<thead>
<tr>
<th>Business Name, as it appears on the applicant’s certificate of incorporation, charter, bylaws, partnership agreement or other legal business formation documents:</th>
<th>REDACTED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other trade names and DBA (doing business as) names:</td>
<td>REDACTED</td>
</tr>
<tr>
<td>Business Address: REDACTED</td>
<td></td>
</tr>
<tr>
<td>City: REDACTED</td>
<td>State:</td>
</tr>
<tr>
<td>Phone: REDACTED</td>
<td>Fax: REDACTED</td>
</tr>
</tbody>
</table>

☑️ Primary Contact, or ☐ Registered Agent for this Application

Name: Owner Agent/Principal #2

<table>
<thead>
<tr>
<th>Address: REDACTED</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Phone: REDACTED</td>
<td>Fax: REDACTED</td>
</tr>
</tbody>
</table>

Section 2 – Dispensary Information

THE APPLICANT IS REQUIRED TO PROVIDE A PRIMARY DISPENSARY LOCATION. THE APPLICANT MAY INCLUDE A SECOND OR THIRD LOCATION UNDER THIS APPLICATION. A SECOND OR THIRD DISPENSARY MAY BE ADDED TO A DISPENSARY PERMIT AT A LATER DATE THROUGH THE FILING OF AN APPLICATION FOR ADDITIONAL DISPENSARY LOCATIONS.

By checking “Yes,” you affirm that you possess the ability to obtain in an expeditious manner the right to use sufficient land, buildings and other premises and equipment to properly carry on the activity described in the medical marijuana dispensary permit application, and any proposed location for a dispensary.

By checking “Yes,” you affirm that you possess the ability to obtain in an expeditious manner the right to use sufficient land, buildings and other premises and equipment to properly carry on the activity described in the medical marijuana dispensary permit application, and any proposed location for a dispensary.

Primary Dispensary Location (please indicate dispensary name as you would like it to appear on the dispensary permit)

Facility Name: REDACTED
Address: REDACTED
City: Concordville  State: PA  Zip Code: 19331
County: Delaware  Municipality: Concord Township

PLEASE PROVIDE A DESCRIPTION OF THE PUBLIC ACCESS TO THE DISPENSARY LOCATION, INCLUDING ANY LOCAL PUBLIC TRANSPORTATION THAT MAY BE AVAILABLE:

Public Access

DISPENSARY APPLICANT visited over 25 locations in Delaware County before choosing its proposed primary dispensary location in Concordville. This location was selected for its proximity to nearby highways and ease of access by the surrounding communities in southeastern Pennsylvania (Region 1). Additionally, Owner Agent #1 is a pharmacist who lives in Wilmington, Delaware where he owns a pharmacy, and the location for the proposed primary dispensary would be 25 minutes from Wilmington. Finally, DISPENSARY APPLICANT has hired consultants from the marijuana industry who have experience managing and developing operating procedures for dispensaries in other states, and they reviewed the existing building at the proposed location and determined that it is a good candidate for being remodeled into a dispensary in a 6-month period, as required by the department.

If DISPENSARY APPLICANT earns a dispensary permit, and once the primary dispensary location is operational, DISPENSARY APPLICANT will immediately begin planning its second and, eventually, third location. DISPENSARY APPLICANT understands there is some urgency in getting these dispensaries operational and dispensing to patients. DISPENSARY APPLICANT does not have any counties in mind for its other 2 locations—it will work with the Department and the other dispensary permittees in Region 1 to ensure that the region has sufficient access to medical marijuana.

The proposed location is in Concordville, PA 19331 near the intersection of U.S. Traffic Route 1 (Baltimore Pike) and U.S. Traffic Route 322 (Conchester Highway). This location can be referenced in context to its surroundings as shown below in Figure 1 – Location Close-Up View and Figure 2 – Location Expanded View.

![Figure 1 – Location Close-Up View](image-url)
This location is conveniently located between Interstate 76 and Interstate 95 for easy access out of Philadelphia, Wilmington, Chester, West Chester, Chadds Ford, Penn State. Essentially, Concordville has highway access to the north, east, south, and west, allowing it to serve a large section of Region 1.

By vehicle, the proposed location for the dispensary is:
- 1 hour 15 minutes from Lancaster.
- 25 minutes from Chester.
- 40 minutes from King of Prussia.
- 1 hour from Reading.
- 50 minutes from Philadelphia.
- 35 minutes from Oxford.

**Local Public Transportation**

There are several bus stops near the location of the proposed dispensary. One stop is directly across the street at the intersection of Baltimore Park and Conchester Road. The locations of these bus stops are circled in green and can be viewed below in *Figure 3 – Bus Stops Map*. 
The buses are part of the Southeastern Pennsylvania Transportation Authority (SEPTA). The SEPTA bus line is quite extensive and will allow patients and caregivers to connect to the larger SEPTA system. This level of accessibility will make the dispensary location easily reachable from the east and south via public transportation. An overview of the SEPTA bus line is shown below in Figure 4 – Bus Line Map.

The Chester County Paratransit service provided by SEPTA, TMACC, Rover Community Transportation (ROVER) and PART connects Neighboring Paratransit systems from Delaware County provided by Community Transit, and from Bucks County are provided by Bucks County Transport.
The Paratransit service is an alternative mode of passenger transportation like a bus service that does not follow fixed routes or schedules. The Paratransit services located in Chester County are open to all users but mostly cater to seniors, persons with disabilities, and medical assistance transportation. In addition, The Shared Ride Program is funded by the Pennsylvania Lottery and sponsored by the Chester County Department of Aging and provides transportation at a reduced fare (75¢ for each ride) to individuals ages 65 and older. If the ride is not sponsored the senior is responsible for 15% of the cost of each ride. The program offers door to door transportation for seniors age 65 and older. There are two providers of this program in Chester County; Rover Community Transportation and Rainbow Cab Inc.

Second Dispensary Location

<table>
<thead>
<tr>
<th>Facility Name: N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address:</td>
</tr>
<tr>
<td>City:</td>
</tr>
<tr>
<td>County:</td>
</tr>
</tbody>
</table>

Please provide a description of the public access to the dispensary location, including any local public transportation that may be available:

N/A

Third Dispensary Location

<table>
<thead>
<tr>
<th>Facility Name: N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address:</td>
</tr>
<tr>
<td>City:</td>
</tr>
<tr>
<td>County:</td>
</tr>
</tbody>
</table>

Please provide a description of the public access to the dispensary location, including any local public transportation that may be available:

N/A

Part B – Diversity Plan

(Scoring Method: 100 Points)

In accordance with Section 615 of the Act (35 P.S. § 10231.615), an applicant shall include with its application a diversity plan that promotes and ensures the involvement of diverse participants and diverse groups in ownership, management, employment, and contracting opportunities. Diverse participants include a person, including a natural person; individuals from diverse racial, ethnic and cultural backgrounds and communities; women; veterans; individuals with disabilities; corporation; partnership; association; trust or other entity; or any combination thereof, who are seeking a permit issued by the
Section 3 – Diversity Plan

By checking “Yes,” the applicant affirms that it has a diversity plan that establishes a goal of opportunity and access in employment and contracting by the medical marijuana organization. The applicant also affirms that it will make a good faith effort to meet the diversity goals outlined in the diversity plan. Changes to the diversity plan must be approved by the Department of Health in writing.

The applicant further agrees to report participation level and involvement of Diverse Participants and Diverse Groups in the form and frequency required by the Department, and to provide any other information the Department deems appropriate regarding ownership, management, employment, and contracting opportunities by Diverse Participants and Diverse Groups.

DIVERSITY PLAN

IN NARRATIVE FORM BELOW, DESCRIBE A PLAN THAT ESTABLISHES A GOAL OF DIVERSITY IN OWNERSHIP, MANAGEMENT, EMPLOYMENT AND CONTRACTING TO ENSURE THAT DIVERSE PARTICIPANTS AND DIVERSE GROUPS ARE ACCORDERED EQUALITY OF OPPORTUNITY. TO THE EXTENT AVAILABLE, INCLUDE THE FOLLOWING:

1. The diversity status of the Principals, Operators, Financial Backers, and Employees of the Medical Marijuana Organization.
2. An official affirmative action plan for the Medical Marijuana Organization.
3. Internal diversity goals adopted by the Medical Marijuana Organization.
4. A plan for diversity-oriented outreach or events the Medical Marijuana Organization will conduct during the term of the permit.
5. Contracts with diverse groups and the expected percentage and dollar amount of revenues that will be paid to the diverse groups.
6. Any materials from the Medical Marijuana Organization’s mentoring, training, or professional development programs for diverse groups.
7. Any other information that demonstrates the Medical Marijuana Organization’s commitment to diversity practices.
8. A workforce utilization report including the following information for each job category within the Medical Marijuana Organization:
   a. The total number of persons employed in each job category,
   b. The total number of men employed in each job category,
   c. The total number of women employed in each job category,
d. The total number of veterans in each job category,
ed. The total number of service-disabled veterans in each job category, and
f. The total number of members of each racial minority employed in each job category.

9. A narrative description of your ability to record and report on the components of the diversity plan.

Diversity Plan

DISPENSARY APPLICANT understands the inherent value and benefits that result from a diverse, inclusive and engaged culture. To that end, we are ready to implement our Diversity Plan that has been crafted as a meaningful program and follows a lifecycle focused on the analysis of established goals and continuous improvement efforts. This program is built upon four pillars, each representing core components of the Affirmative Action Plan as shown in Figure 1. In addition, our 2017 Diversity Plan has been included for reference in the Additional Attachments section of this application.

Program Governance

To ensure success and adoption of the Diversity Plan, program Governance will be carried out by the Diversity Program Champion (DPC) in collaboration with senior management as shown above in Figure 1. The Senior Leadership Team currently consists of the President and COO. This Leadership Team will add members as the company grows. The COO will perform the role of the DPC and will serve as the Affirmative Action Officer. This role along with the senior leadership will determine the annual company goals for diversity and inclusion.

The DPC is responsible for leading diversity and inclusion initiatives throughout the company and will make certain that the pillars of the Affirmative Action Plan (AAP) are fully implemented, remain effective during organizational change or growth and continue to improve based upon program
monitoring and feedback from employees as well as the Department. The DPC will remain conversant on diversity-related and team-building topics by referencing membership resources such as Diversity Central and attending member events through our Diversity Outreach partners. Participation with these membership resources and programs empower the DPC to identify areas within the organization where enhancement ideas can be adapted to fit the workplace to promote a meaningful implementation and impact.

The measure of the AAP’s impact will be monitored on a semiannual basis to make certain that DISPENSARY APPLICANT is fulfilling its strategy to attract and engage a diverse workforce and maintain an inclusive business culture. The DPC will perform assessments of our outreach efforts and our workforce and diverse supplier utilization against our diversity goals and local labor metrics. Following the assessments, a Diversity Program Performance Meeting will be held between the DPC and the Senior Leadership Team. The assessment results will be reviewed and if underutilization is identified, a response plan will be created. This meeting will also cover the planning of company activities and team events, reviewing employee feedback, training and professional development.

Diversity Status
While the diversity status of the Principals, Operators and Financial Backers is White, it is DISPENSARY APPLICANT’S objective to achieve an internal diversity goal of a minimum of 25% of employees represented by minority individuals from diverse racial, ethnic and cultural backgrounds, women, veterans and individuals with disabilities. In addition, we intend to award a minimum of 30% of all vendor contracts to businesses within the qualifying Diverse Groups through our Supplier Diversity Plan which is detailed later in this narrative under Supplier Commitment Level.

Affirmative Action Plan
To achieve these diversity goals, the AAP provides the framework by which policies, procedures, engagement and action oriented programs will be executed in support of foundational pillars - Recruitment and Employment, Employee Relations, and Supplier Diversity as shown in Figure 2. The effectiveness of the AAP will be further enhanced by Diversity Program Monitoring that will utilize technology-based systems for the collection, aggregation and analysis of key program metrics.
Through the AAP, the DISPENSARY APPLICANT will deliver on its primary policy to provide equal employment opportunities (EEO) without regard to race, color, religion, sex, national origin, age, disability, marital status, veteran status, sexual orientation, genetic information or any other protected characteristic under applicable law. As part of the company’s overall EEO policy, DISPENSARY APPLICANT will also take affirmative action as called for by applicable laws to ensure that minority group individuals, women, veterans, disabled veterans, and qualified individuals with disabilities are introduced into our workforce and considered for promotional opportunities.

Our AAP relates to all phases of employment, including, but not limited to, recruiting, employment, placement, promotion, transfer, demotion, reduction of workforce and termination, rates of pay or other forms of compensation, selection for training, the use of all facilities and participation in all company-sponsored employee activities. Provisions in applicable laws providing for bona fide occupational qualifications, business necessity or age limitations will be adhered to by the company where appropriate. We will continuously comply with all applicable laws of the Commonwealth, the legislation, this part, and the terms and conditions of the initial permit.

The above-mentioned policies have been documented in DISPENSARY APPLICANT’S Affirmative Action Policy Manual (AAPM) which can be referenced in the Additional Attachments section of this application. As part of the continuous improvement efforts, policies will be reviewed for effectiveness by the DPC and supervisors and will be adjusted when appropriate. Personnel in supervisory roles will be required to successfully implement these policies in a fair and uniform manner. All employees will be expected to adhere to these policies and fully cooperate with their implementation. DISPENSARY APPLICANT will view any violation of these policies as a disciplinary offense.
As an EEO employer, DISPENSARY APPLICANT recognizes Recruitment and Employment as one of the key pillars of the AAP. To attract the most qualified and diverse group of applicants, DISPENSARY APPLICANT will conduct competitive recruitments for all open positions through our broad network of outreach partners and candidate search channels. Interested applicants will officially apply for an open position via our Applicant Tracking System accessed from our company website. This system will streamline the hiring process, capture all pertinent applicant information as required by federal laws and provide DISPENSARY APPLICANT with quantitative insights into the diversity of our applicant pool.

To ensure the success of recruitment and employment initiatives, DISPENSARY APPLICANT will make certain that all hiring managers are aware of the diversity goals and remain integral in recruiting and hiring a team of diverse personnel. Hiring managers will attend the Diversity Program Performance meetings for discussions on the current state of the Diversity Plan initiatives and to strategize on increasing outreach. Topics for discussion include but are not limited to our internal placement goals as defined in the AAP, the demographic composition of our workforce and our applicant pool as well as current availability in the labor market based on census information. DISPENSARY APPLICANT will employ data collection tools that support monitoring the progress of internal diversity goals as well as analytic resources that deliver labor force metrics at the regional and county level. The value of this data and the insights it will provide over time will allow for DISPENSARY APPLICANT to continuously improve the overall Diversity Plan but most recognizable will be the way it shapes our recruitment strategies.

**Universal Search**

To maintain a successful recruitment strategy, a clearly defined Recruitment and Hiring Process will be followed. DISPENSARY APPLICANT’S Universal Search approach ensures equity and diversity in the recruitment process by announcing opportunities through multiple outlets in Southeast Pennsylvania, Delaware County and surrounding communities via the following channels:

- Associations representing Diverse Participants (Diversity Partner Network)
- Associations representing Diverse Groups (Supplier Diversity Network)
- Company Website and Social Media Outlets
- Job Fairs
- Professional Organizations
- Publications
- Our professional networks

**Diversity Outreach Program**

In support of the recruitment process, DISPENSARY APPLICANT has created a Diversity Outreach Program containing a Diversity Partner Network where open positions will be announced to a wide-ranging and diverse population. This network will directly connect us with our local community beyond just increasing employment opportunities. DISPENSARY APPLICANT will participate in
scheduled partner events such as the Women’s Leadership Breakfast and will seek further opportunities to contribute to community activities that provide us access to diverse populations.

Thus far, DISPENSARY APPLICANT has actively engaged with the following organizations:

- Delaware County Business and Professional Women Council
- Delaware County Workforce Development Board

Additionally, DISPENSARY APPLICANT has identified the following organizations that we will engage to enhance our Diversity Outreach Network:

- African American Chamber of Commerce of PA
- Delaware County Chamber of Commerce
- Greater Philadelphia Veterans Network including GPVN LinkedIn Group and Philly Veterans Job Initiative Website
- National Veteran Owned Business Association

As previously mentioned, candidate search communications will be directed through our Diversity Partner Network channels announcing our employment opportunities and requesting referrals for qualified candidates. An example of this type of communication can be referenced below in Figure 3.

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February 18, 2017

<Name>
<Title>
<Organization>
<Address>

Dear <Name>:

DISPENSARY APPLICANT is an Equal Employment Opportunity/Affirmative Action employer. It is our policy to provide equal opportunity to all applicants and to prohibit any discrimination because of race, color, religion, sex, sexual orientation, gender identity, national origin, age, marital status, genetic information, disability or veteran status. Applicants are treated based on their job-related qualifications, ability and performance. To ensure that our EEO policies are carried out, DISPENSARY APPLICANT has implemented an Affirmative Action Plan. We would appreciate your referral of qualified candidates for any DISPENSARY APPLICANT openings. Candidates may find our current openings by contacting our office directly or visiting our website.

Thank you for your consideration and please feel free to reach out to me with any questions.

Sincerely,

Affirmative Action Officer

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Figure 3 – Sample Outreach Letter
Tracking Diversity Outreach
Communications with Diversity Outreach Program partners will be captured in the Diversity Outreach Log. It is the responsibility of the DPC to track all outreach efforts, resulting referrals, hires and to identify any additional engagement opportunities. DISPENSARY APPLICANT recognizes the importance of maintaining an accurate record that will allow for evaluation of outreach efforts and their efficacy. An example of this log is shown below in Figure 4.

<table>
<thead>
<tr>
<th>Date of Outreach</th>
<th>Organization Name</th>
<th>Contact Name</th>
<th>Contact Phone</th>
<th>Contact Email</th>
<th>Notes</th>
<th>Number Referrals</th>
<th>Number Hires or Contracts</th>
<th>Event Opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/15/17</td>
<td>African American Chamber of Commerce</td>
<td>&lt;Name&gt;</td>
<td>xxx-xxxx-xxxx</td>
<td><a href="mailto:name@aachamber.org">name@aachamber.org</a></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Figure 4 – Sample Diversity Outreach Log

Tracking Workforce Utilization
In support of our diversity goals, DISPENSARY APPLICANT will use the Workforce Utilization Record to track the number of persons employed by job category as well as diversity-related attributes. The DPC will ensure that the Workforce Utilization Record remains current and accurate so that our diversity goals are met or exceeded. The data contained in this record can be easily extracted into any format required by the Department for their Workforce Utilization Report. An example of this record is shown below in Figure 5.

<table>
<thead>
<tr>
<th>Job Category</th>
<th>Positions</th>
<th>Utilization by Job Category</th>
<th>Ethnic &amp; Racial Minority Breakdown</th>
<th>Total Utilization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pharmacist</td>
<td>2</td>
<td></td>
<td>Hispanic or Latino</td>
<td>35%</td>
</tr>
<tr>
<td>Nurse Practitioner</td>
<td>1</td>
<td></td>
<td>American Indian or Alaska Native</td>
<td></td>
</tr>
<tr>
<td>Techician</td>
<td>1</td>
<td></td>
<td>Native Hawaiian or Other Pacific Islander</td>
<td></td>
</tr>
<tr>
<td>Totals</td>
<td>4</td>
<td>0.000000000000000000000000000</td>
<td>Black or African American</td>
<td>35%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>White</td>
<td></td>
</tr>
</tbody>
</table>

Figure 5 – Sample Workforce Utilization Record

Employment & Workplace Branding
All communications related to Human Resource initiatives, both internal and external to the company, will consistently echo our employer brand built on DISPENSARY APPLICANT’S Principles of Community.

DISPENSARY APPLICANT will make our Principle known through channels such as our company website. Our Career page will describe our workplace environment and commitment to our Principles of Community.

- We recognize, value, and affirm that our rich diversity contributes to the excellence of the organization and enhances the quality of our patient care. We encourage one another to apply our unique talents in creative and collaborative work, take pride in our various achievements and celebrate our differences.
• We reject all acts of discrimination, including, but not limited to those based on race, ethnicity, gender, age, disability, sexual orientation, gender identity/expression, and religious or political beliefs. We commit ourselves to fostering an atmosphere of equity and inclusion.
• We are committed to providing a welcoming environment where each person can benefit from the highest principles of openness and integrity.
• We affirm the right of freedom of expression and commit to the highest standards of civility and decency. We are committed to maintaining a workplace community where communication is courteous, sensitive, respectful and never demeaning.
• We have empathy for others, and will establish systems which address the needs of the one and the many.
• We affirm that each member of DISPENSARY APPLICANT’S team is expected to work in accord with these principles and to make individual efforts to enhance the quality of the workplace for all.

DISPENSARY APPLICANT will design our company website to support web accessibility for persons with disabilities that impact their capacity to see or read. The Principles of Accessible Design will be referenced to guide the development that supports Assistive Technology such as screen readers. The design principles include but are not limited to:

• **Appropriate Alternative Text** will provide a textual alternative to non-text content and is helpful for people who rely on a screen reader to have the content of the website read to them.
• **Appropriate Document Structure** using headings and other organizational elements provides structure to the website pages and content. This approach helps to facilitate keyboard navigation within the page.
• **Headers for Data Tables** make it easier for persons using a screen reader to navigate and understand information presented in a tabular format.
• **Ensure Users Can Complete and Submit Web Forms** for informational requests or when applying for a job. Labels on all form fields as well as detailed messaging that assists with mitigating submission errors.
• **Ensure links make sense out of context** if the link text is read in isolation through a screen reader.
• **Include Captions and/or provide transcripts for Videos and live audio** which will assist persons using a screen reader.
• **Ensure accessibility of file downloads**, including PDF files, which must be published to be as accessible as possible. Including a series of tags make documents more accessible to a person using a screen reader.
• **Allow users to skip repetitive elements on the page** by including navigation links that will allow users to jump to the main content.
• **Do not rely on color alone to convey meaning** as that information may not be available to a person who is colorblind or to persons using a screen reader.
• **Make sure content is clearly written and easy to read.**

In addition to web accessibility, DISPENSARY APPLICANT will use consistent messaging that reflects our commitment to our Principles. We will incorporate EEO statements into the Career web page and
our online Applicant System. These statements will provide job applicants and employees with an awareness that they are protected under Federal law from discrimination. Additionally, direct links will be posted to the Department of Labor and to a printable copy of the “EEO is Law” poster.

DISPENSARY APPLICANT will also incorporate the following tagline on the company Employment web page as well as within all job announcements:

*Equal Opportunity Employer or is an Equal Opportunity Employer that recruits and hires qualified candidates without regard to race, religion, sex, sexual orientation, gender identity, age, national origin, ancestry, citizenship, disability, or veteran status.*

To ensure that employees remain aware of their employment rights, DISPENSARY APPLICANT will post a notice in the workplace that describes the Federal laws prohibiting job discrimination based on race, color, sex, national origin, religion, age, equal pay, disability or genetic information. The “EEO is the Law” poster, prepared by the Equal Employment Opportunity Commission, summarizes these laws and explains how an employee or applicant can file a complaint if s/he believes that s/he has been the victim of discrimination. DISPENSARY APPLICANT will display these notices in a conspicuous location in the workplace where announcements to applicants and employees are customarily exhibited. This location will be compliant with the Americans with Disabilities Act that requires notices of Federal Laws prohibiting job discrimination be made accessible to applicants and employees with disabilities that limit mobility. Furthermore, these notices will be made available in an accessible format, as needed, to persons with disabilities that limit their capability to see or read.

**Employee Relations**

*Employee Handbook*

DISPENSARY APPLICANT recognizes Employee Relations as another key pillar of the AAP. In keeping with our commitment to EEO standards and our Principles, DISPENSARY APPLICANT developed comprehensive employment policies and programs that support work-life balance, promote professional growth, set expectations, encourage engagement and support the policies in our Affirmative Action Policy Manual. The Employee Handbook, which can be referenced in the Additional Attachments section of this application, is an aggregate publication of the employment policies created specifically for DISPENSARY APPLICANT. These policies are scripted to be fair and consistent and DISPENSARY APPLICANT will ensure that they are uniformly applied and administered. The policies contained within the Employee Handbook include but are not limited to attendance, personal conduct, anti-harassment, anti-retaliation as well as a complaint and dispute resolution process.

*Dispute Resolution*

DISPENSARY APPLICANT recognizes that employee complaints and disputes are to be taken seriously and will conduct a thorough investigation of any submitted issue in a timely manner. DISPENSARY APPLICANT will bring the disputing parties together and provide a platform so that all parties can present their case and be heard in full. To mitigate a recurrence, DISPENSARY APPLICANT will review the policies and procedures associated with the issue to look for potential contributing factors that
may require a procedural remediation. Those policies will be revised as required and all employees and management will be made aware of the updates through a training session or a team meeting.

**Professional Development**

To encourage employee engagement and professional growth, DISPENSARY APPLICANT will practice an open-door policy, will organize frequent team meetings, will perform regular performance reviews and will implement an annual Performance Appraisal Program. This program is a private meeting between the employee and supervisor where feedback about job performance and plans for professional development are discussed.

DISPENSARY APPLICANT believes in promoting professional development to assist employees at all levels to expand their careers, improve their skills and explore opportunities within the company. We offer employees a variety of training and educational opportunities in business, leadership and industry knowledge. As an example, DISPENSARY APPLICANT will expect employees who are patient-facing to earn a Dispensary Technician Certification. This training provides our staff with supplemental operational, medicinal and customer relations knowledge built on industry best practices. This eight hour, web-based course covers the following topics:

- Medical Cannabis Types
- Medical Conditions, Cannabinoids and Treatment Options
- Policies and Procedures for Operations, Inventory, and Sales
- Patient Care, Experience and Education with a focus on Safety, Medicating and Tolerance
- Recordkeeping
- Business Management

DISPENSARY APPLICANT will also leverage in-house knowledge from our Licensed Medical Professionals to share their expertise in a Lunch-and-Learn or Dinner-and-Learn training sessions for employees. These one to two hour sessions will be held quarterly and will cover topics of interest such as the latest research in medical marijuana therapies, process improvements within the dispensary or tips on providing the best patient experience. These sessions serve to assemble the team not only for educational purposes but to also connect on a social level.

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**Supplier Diversity Plan**

DISPENSARY APPLICANT is committed to building strong relationships with a variety of diverse-owned businesses. We will infuse diversity in our supply networks with the same commitment as with our diverse employee base. We will meet our promise by instituting a Supplier Diversity Plan with the primary goal of helping to create and grow opportunities for locally-owned diverse businesses as well as supporting job creation in the community. This program will not just focus on sourcing vendors but will also look to help our partners to succeed in their businesses.

DISPENSARY APPLICANT considers a diverse supplier as one that holds one or more of the certifications listed below. We encourage all diverse suppliers to maintain their status and meet periodic recertification requirements that may exist. As a rule, DISPENSARY APPLICANT looks to find
diverse suppliers that are based near our locations and tries to identify suppliers whose ethnicity represents the population surrounding our location. Companies can qualify as a diverse supplier or vendor if they fall into one of the following categories:

- Minority Business Enterprise (MBE)
- Women Business Enterprise (WBE)
- Veteran Business Enterprise (VBE)
- Service Disabled Veteran Business Enterprise (SDVBE)
- Historically Underutilized Business Enterprise (HUBZone)
- Lesbian, Gay, Bisexual, Transgender (LGBT)
- Persons with Disabilities (PWD)
- Small Disadvantaged Businesses

**Supplier Diversity Network**

DISPENSARY APPLICANT will partner with local diverse organizations to assist us with developing a trusted network of diverse suppliers and enhancing our Supplier Diversity Plan. Initiatives will include but are not limited to participation in supplier training, activities, networking events, and collaboration with partner organizations to develop benchmarks for measuring success as well as remaining open to new opportunities for expansion of the supply chain. As our organization grows, so too will our supplier network. We have identified three local organizations who we will engage upon permit award. The DPC will work directly with the following groups as their dedicated liaison.

<table>
<thead>
<tr>
<th>Eastern Minority Supplier Development Council of Philadelphia (EMSDC)</th>
<th>The EMSDC has a mission to stimulate and support economic development with minority-owned businesses (Asian, Black, Hispanic, and Native American). The council fosters the development of minority business enterprises to better align them with corporations to initiate growth and opportunity through Supplier Diversity channels. Membership with EMSDC will enable DISPENSARY APPLICANT to take part in educational sessions helping us to improve best practices for our organization and help us to create performance benchmarking. EMSDC helps companies like ours to plan diverse supplier events and networking opportunities with their members. As a member, we will have access to a database of thousands of certified minority businesses. EMSDC verifies the ownership, operations and control of each business to ensure that the suppliers will meet our compliance standards. EMSDC hosts several networking events throughout the year which we will attend to increase our familiarity with their members. Events include but are not limited to Business opportunity fairs, golf tournaments and special award events which will provide us with ample opportunities to build our diverse supplier network.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Women’s Business Enterprise Council (WBEC)</td>
<td>The WBEC is a purchasing council for nationally certified women's business enterprises (WBEs). The Council provides women business enterprise certification, education, networking, procurement-related and informational programs and services to foster growth and business</td>
</tr>
</tbody>
</table>
opportunities between WBEs and purchasing entities in Pennsylvania, Delaware and Southern New Jersey.

Membership with WBEC will provide DISPENSARY APPLICANT with access to its network of certified WBEs as well as training and specific support for building our qualified Supplier Partner Network. WBEC also offers multiple networking events throughout the year which DISPENSARY APPLICANT will attend to expand its supplier network focused on supporting WBEs. These events include local networking opportunities, educational seminars and membership/corporate sponsor awards events.

**Grower/Processor Applicant**

We have engaged in proactive discussions with a women-owned, Grower/Processor applicant from Delaware County. If both parties are awarded a permit, we will enter a Medical Cannabis Supplier Agreement for the purchase of their therapeutic products.

**Supplier Commitment Level**

To demonstrate DISPENSARY APPLICANT'S commitment to the diverse supplier community, our goal is to award contracts to members of our Supplier Partner Network for materials and services at a minimum of [DOH REDACTED] of the total contract work that we will solicit annually. This initial percentage equates to from the time of permit award through the opening day of our dispensary location. These contracts will include but are not limited to, purchases like computers, phones, furniture, copiers, cash registers, surveillance equipment. Also, services will include but are not be limited to construction, plumbing, electric, security, marketing and consulting.

Our policy will be to solicit multiple vendors utilizing our Universal Sourcing Process for each product or service needed on an annual basis. We will track the supplier partner awards in our Supplier Diversity Record to ensure that we are meeting the goal for our organization. We will review these metrics on a semiannual basis and will adjust if our goal is not being met. A sample of this record is shown below.

<table>
<thead>
<tr>
<th>AAP Year</th>
<th>Contract Service</th>
<th>E Contracts</th>
<th>8 Contracts</th>
<th>Diverse Supplier Awards</th>
<th>Non-Diverse Supplier Awards</th>
<th>Total/Non-Diverse Awards</th>
<th>NEU</th>
<th>Contract Date</th>
<th>Company Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>Information Tech</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Totals</td>
<td>Utilization Target</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>6</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Structure**

The DPC, who is a member of the Leadership Team, is responsible for the Supplier Diversity Program. This role will work directly with the President to ensure that purchasing needs as well as the importance of the supplier diversity goals and targets are integrated into sourcing decisions. The Leadership Team will meet semi-annually for the Diversity Program Performance Meeting and that agenda includes discussions on the challenges and possible resolutions surrounding supplier diversity.
Sourcing
The DISPENSARY APPLICANT’S sourcing process follows a standard framework.

- Identify Company Needs
- Conduct an RFP (Request for Proposal)
- Evaluate Submitted Proposals
- Contract for Goods or Services

DISPENSARY APPLICANT’S vendors must meet multiple requirements within each of the Sourcing steps included but not limited to securing licenses with the regulatory authority in which they will be conducting business, obtaining sufficient certificates of insurance and submitting their minority business certificate. The DPC will work with our partners to guide them through the process.

Program Process
Our Supplier Diversity Program is managed around five key categories:

- Executive Leadership Commitment
- Clear Policies, Established Roles & Responsibilities
- Tools & Resources
- Measuring Success
- External Engagement

When there is a procurement need, DISPENSARY APPLICANT will look to our Supplier Network for bids to fulfill the requirement. If a local or diverse supplier is not competitive enough to win a bid, we plan to offer direct feedback to that supplier to assist them in preparing for future opportunities with DISPENSARY APPLICANT. The feedback may be delivered in the form of a standardized supplier feedback form or by a phone call from the DPC.

Supplier Training
DISPENSARY APPLICANT is committed to expanding our outreach efforts to find ready, willing, capable and able businesses to assist us with our procurement goals. To that end, we will engage in outreach events and general information sessions that target the local business community to expand the breadth and depth of our supply chain. We will track the attendance of participants for these events in our Supplier Participation Log which will be managed by the DPC.

Program Monitoring
DISPENSARY APPLICANT understands the importance of monitoring and evaluating the Diversity Plan in sum and in its individual components. As previously mentioned in this narrative and as part of our standard operations, we will track our program efforts with software tools and manage to our diversity goals. Our monitoring toolset will include:

- Applicant Tracking System
- Workforce Utilization Record
- Diversity Outreach Log
- Supplier Utilization Record
- Supplier Participation Log
Under the direction of the DPC, this toolset will assist with our evaluation efforts to identify successes and strengths as well recognizing any barriers or problems. It will also allow DISPENSARY APPLICANT to share program metrics with the Department of Health and respond to information requests in an expedient manner. In fact, our Workforce Utilization Record will capture the exact types of employment information by job category as defined by the Department’s Workforce Utilization Report.

The Diversity Plan will be reviewed semiannually to determine if the activities defined in the AAP have been performed and are considered effective. The DPC in concert with the Leadership Team will discuss progress against the Plan’s objectives on a scheduled and ad hoc basis as required. Analysis and reviews of the complete program will not lose sight of the value and capabilities that our partners in diversity bring to our business. Where diversity is lacking, we as leaders will follow the pillars of our AAP to drive the change we want to occur.

Part C – Applicant Background Information

(Scoring Method: Pass/Fail)

FOR THIS PART THE APPLICANT IS REQUIRED TO PROVIDE BACKGROUND AND CONTACT INFORMATION FOR THE PRINCIPALS, FINANCIAL BACKERS, OPERATORS AND EMPLOYEES.

Section 4 – Principals, Financial Backers, Operators and Employees

A. Please list all Principals, Financial Backers and Operators

<table>
<thead>
<tr>
<th>Name and Residential Address</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>First Name:</td>
<td></td>
<td>Last Name: REDACTED</td>
<td>Suffix:</td>
</tr>
<tr>
<td>PRINCIPAL/OWNER AGENT #1</td>
<td></td>
<td>Occupation: Pharmacist, Self-Employed Business Owner</td>
<td>Title in the applicant’s business: President</td>
</tr>
<tr>
<td>Also known as:</td>
<td></td>
<td>Date of birth: REDACTED</td>
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<td>Email: REDACTED</td>
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<tr>
<th>Name and Residential Address</th>
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<tr>
<td>First Name:</td>
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<td>Last Name: REDACTED</td>
<td>Suffix:</td>
</tr>
<tr>
<td>PRINCIPAL/OWNER AGENT #2</td>
<td></td>
<td>Occupation: Self-Employed Business Owner</td>
<td>Title in the applicant’s business: Chief Operating Officer</td>
</tr>
<tr>
<td>Also known as:</td>
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</table>
Pennsylvania Department of Health
Medical Marijuana Dispensary Permit Application

<table>
<thead>
<tr>
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<tbody>
<tr>
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</table>

<table>
<thead>
<tr>
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<th>Middle Name: REDACTED</th>
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<th>Suffix:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Occupation: Self Employed Business Owner</td>
<td></td>
<td>Title in the applicant’s business: Financial Backer</td>
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<tr>
<td>Also known as:</td>
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<td>Address Line 1: REDACTED</td>
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</table>

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
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<td></td>
<td>Title in the applicant’s business: Financial Backer</td>
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<tr>
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<th>Last Name:</th>
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<td>Zip Code:</td>
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<td>Title in the applicant’s business:</td>
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<td>Also known as:</td>
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<tr>
<td>Occupation:</td>
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<td>Title in the applicant’s business:</td>
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<td>Also known as:</td>
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<td>Phone:</td>
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<td>Email:</td>
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</tbody>
</table>

IF MORE SPACE IS REQUIRED, PLEASE SUBMIT ADDITIONAL INFORMATION ON OTHER INDIVIDUALS IN A SEPARATE DOCUMENT

21
B. Please list Employees

Please provide the following information for any employees that have been hired to date to work for the applicant listed in this application. If no employees are currently employed, please leave this section blank.

<table>
<thead>
<tr>
<th>Name and Residential Address</th>
<th>Name and Residential Address</th>
<th>Name and Residential Address</th>
<th>Name and Residential Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Name: N/A</td>
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<td>Occupation:</td>
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<td>Also known as:</td>
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<td>Address Line 1:</td>
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<td>Email:</td>
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</tbody>
</table>

If more space is required, please submit additional information on other individuals in a separate document.
Section 5 – Moral Affirmation
By checking “Yes,” you affirm that each principal, financial backer, operator and employee listed in this permit application is of good moral character.

Section 6 – Compliance with Applicable Laws and Regulations
By checking “Yes,” you affirm that you, as well as the principals, financial backers, operators and employees listed in this permit application are able to continuously comply with all applicable Commonwealth laws and regulations relating to the operation of a medical marijuana dispensary.

Section 7 – Civil and Administrative Action
For the statements below:
- By checking “Yes,” you affirm the statement
- If you check “No,” you must state your reasoning in “Schedule A” below

<table>
<thead>
<tr>
<th>Civil and Administrative Action</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>The applicant has never responded to an action resulting in sanctions, disciplinary actions or</td>
<td></td>
<td></td>
</tr>
<tr>
<td>civil monetary penalties being imposed relating to a registration, license, permit or any other</td>
<td></td>
<td></td>
</tr>
<tr>
<td>authorization to grow, process or dispense medical marijuana in any state.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The applicant has never responded to a civil or administrative action relating to a registration,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>license, permit or authorization to grow, process or dispense medical marijuana in any state.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The applicant has never been accused of obtaining a registration, license, permit or other</td>
<td></td>
<td></td>
</tr>
<tr>
<td>authorization to operate as a grower, processor or dispensary of medical marijuana in any</td>
<td></td>
<td></td>
</tr>
<tr>
<td>jurisdiction by fraud, misrepresentation, or the submission of false information.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No civil or administrative action has been taken against the applicant under the laws of the</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commonwealth or any other state, the United States or a military, territorial or tribal authority</td>
<td></td>
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</tr>
<tr>
<td>relating to a principal, operator, financial backer or employee of the applicant’s profession,</td>
<td></td>
<td></td>
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<tr>
<td>or occupation or fraudulent practices, including fraudulent billing practices.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Pennsylvania Department of Health
Medical Marijuana Dispensary Permit Application

<table>
<thead>
<tr>
<th>Defendant</th>
<th>Name of Case &amp; Docket #</th>
<th>Nature of Charge or Complaint</th>
<th>Date of Charge or Complaint</th>
<th>Disposition</th>
<th>Name and Address of the Administrative Agency Involved, and the Tribunal or Court</th>
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</thead>
<tbody>
<tr>
<td>N/A</td>
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<td></td>
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</tr>
</tbody>
</table>

Part D – Plan of Operation
(Scoring Method: 550 Points)
A PLAN OF OPERATION IS REQUIRED FOR ALL DISPENSARY PERMIT APPLICATIONS. THE PLAN OF OPERATION MUST INCLUDE A TIMETABLE OUTLINING THE STEPS THE APPLICANT WILL TAKE TO BECOME OPERATIONAL WITHIN SIX MONTHS FROM THE DATE OF ISSUANCE OF A PERMIT. THE PLAN OF OPERATION MUST ALSO DESCRIBE HOW THE APPLICANT’S PROPOSED BUSINESS OPERATIONS WILL COMPLY WITH STATUTORY AND REGULATORY REQUIREMENTS NECESSARY FOR THE CONTINUED OPERATION OF THE FACILITY.

Plan of Operation
What must be covered in a Plan of Operation?
Applicants must identify how they will comply with relevant laws and regulations regarding:

- Security and Surveillance
- Employee qualifications and training
- Transportation of medical marijuana and medical marijuana products
- Storage of medical marijuana products
- Inventory management
- Recordkeeping
- Prevention of unlawful diversion of medical marijuana and medical marijuana products
- A timetable outlining the steps required for the applicant to become operational within six months from the date of issuance of a dispensary permit

By checking “Yes,” you affirm that you are able to continuously maintain effective security, surveillance and accounting control measures to prevent diversion, abuse and other illegal conduct regarding medical marijuana and medical marijuana products.

Section 8 – Operational Timetable
IF ISSUED A PERMIT, PLEASE DESCRIBE THE STEPS AND TIMEFRAMES FOR BECOMING FULLY OPERATIONAL AS A DISPENSARY WITHIN SIX MONTHS FROM THE DATE OF ISSUANCE OF A DISPENSARY PERMIT. SPECIFICALLY, PLEASE PROVIDE THE STEPS...
Pennsylvania Department of Health  
Medical Marijuana Dispensary Permit Application

You will take to begin the process for the handling, storing, and transporting of medical marijuana and medical marijuana products.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Estimated Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facility Construction</td>
<td>Two Months from Department Announcement</td>
</tr>
<tr>
<td><strong>DOH REDACTED</strong></td>
<td><strong>DOH REDACTED</strong></td>
</tr>
<tr>
<td>Dispensary Beautification</td>
<td>Two Weeks after Construction</td>
</tr>
<tr>
<td>Electronic Tracking System (ETS) Implem.</td>
<td>Pending Department Implementation</td>
</tr>
<tr>
<td>Point-of-Sale System Implem.</td>
<td>One Week after Dispensary Beautification</td>
</tr>
<tr>
<td>Training (including Department mandated)</td>
<td>Pending Department Implementation and One Week After ETS/POS Implem.</td>
</tr>
<tr>
<td><strong>DOH REDACTED</strong></td>
<td><strong>DOH REDACTED</strong></td>
</tr>
<tr>
<td>Grand Opening</td>
<td></td>
</tr>
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</table>

If more space is required for the *Operational Timetable*, please submit additional information in a separate document titled “Operational Timetable (Contd.)” in accordance with the attachment file name format requirements and include it with the attachments.

Section 9 – Employee Qualifications, Description of Duties and Training

A. Please provide a description of the duties, responsibilities, and roles of each principal, financial backer, operator and employee.

1. Owner Agent #1 – Principal, Financial Backer, Operator
<table>
<thead>
<tr>
<th></th>
<th>Owner Agent #2 – Principal, Financial Backer, Operator</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.</td>
<td>Financial Backer #1 – Financial Backer</td>
</tr>
<tr>
<td>3.</td>
<td>Financial Backer #2 – Financial Backer</td>
</tr>
<tr>
<td>4.</td>
<td>Physician Assistant – Employee</td>
</tr>
<tr>
<td>5.</td>
<td>Certified Registered Nurse Practitioner – Employee</td>
</tr>
<tr>
<td>6.</td>
<td>Please also refer to the separate document in Additional Attachments titled “DISPENSARY APPLICANT_03202017_Dispensary_Employee Qualifications, Description of Duties and Training (Contd.)”</td>
</tr>
<tr>
<td>7.</td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td></td>
</tr>
</tbody>
</table>

### B. PLEASE DESCRIBE THE EMPLOYEE QUALIFICATIONS OF EACH PRINCIPAL AND EMPLOYEE.

<table>
<thead>
<tr>
<th></th>
<th>Owner Agent #1 – Principal, Pharmacist</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Owner Agent #2 – Principal, COO</td>
</tr>
<tr>
<td>2.</td>
<td>Physician Assistant – Employee</td>
</tr>
<tr>
<td>3.</td>
<td>Certified Registered Nurse Practitioner – Employee</td>
</tr>
<tr>
<td>4.</td>
<td>Please also refer to the separate document in Additional Attachments titled “DISPENSARY APPLICANT_03202017_Dispensary_Employee Qualifications, Description of Duties and Training (Contd.)”</td>
</tr>
<tr>
<td>5.</td>
<td></td>
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<td>6.</td>
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<td>7.</td>
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<td>8.</td>
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</tbody>
</table>

### C. PLEASE DESCRIBE THE STEPS THE APPLICANT WILL TAKE TO ASSURE THAT EACH PRINCIPAL AND EMPLOYEE WILL MEET THE TWO-HOUR TRAINING REQUIREMENT UNDER THE ACT AND REGULATIONS.

<table>
<thead>
<tr>
<th></th>
<th>Await instructions from the Department regarding requirements and details for both the two-hour training for principals and employees as well as the four-hour training for Licensed Medical Professionals (LMP).</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
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<td>2.</td>
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<td>7.</td>
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<td>8.</td>
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</tbody>
</table>
2. Reserve/schedule training for each Principal and Employee as well as LMP.

3. Attend the training class and sign on the Employee Training Log evidence of completion.

4. Maintain records of completion for at least four years for required Department training including two-hour and four-hour instruction.

5. Please also refer to the separate document in Additional Attachments titled “DISPENSARY APPLICANT_03202017_Dispensary_Employee Qualifications, Description of Duties and Training (Contd.)”

6. 

7. 

8. 

If more space is required for any of the above three components of Section 9 (A, B and C), please submit additional information in a separate document titled “EMPLOYEE QUALIFICATIONS, DESCRIPTION OF DUTIES AND TRAINING (CONTD.)” in accordance with the attachment file name format requirements and include it with the attachments.

<table>
<thead>
<tr>
<th>D. Licensed Medical Professionals at Facility</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>A physician or a pharmacist will be present at the primary dispensary location listed in this permit application at all times during the hours the primary dispensary facility is open to dispense or to offer to dispense medical marijuana to patients and caregivers.</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>If the applicant is operating any dispensaries in addition to the primary dispensary location listed under the permit, and a physician or pharmacist is not present onsite at the additional dispensary or dispensaries, a physician assistant or a certified registered nurse practitioner will be present onsite at each of the other dispensaries instead of a physician or pharmacist.</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>Any physician, pharmacist, physician assistant or certified registered nurse practitioner employed by a dispensary will, prior to assuming any duties at the dispensary facility, successfully complete a four-hour training course developed by the Department.</td>
<td>☒</td>
<td>☐</td>
</tr>
</tbody>
</table>

Please provide an explanation of any responses above that were answered as a “No” and how you will meet these requirements by the time the department determines you to be operational under the Act and regulations:
Section 10 – Security and Surveillance

A DISPENSARY MUST HAVE SECURITY AND SURVEILLANCE SYSTEMS, UTILIZING COMMERCIAL-GRADE EQUIPMENT, TO PREVENT UNAUTHORIZED ENTRY AND TO PREVENT AND DETECT DIVERSION, THEFT, OR LOSS OF ANY MEDICAL MARIJUANA OR MEDICAL MARIJUANA PRODUCTS.

PLEASE PROVIDE A SUMMARY OF YOUR PROPOSED SECURITY AND SURVEILLANCE EQUIPMENT AND MEASURES THAT WILL BE IN PLACE AT YOUR PROPOSED FACILITY AND SITE. THESE MEASURES SHOULD COVER, BUT ARE NOT LIMITED TO, THE FOLLOWING: GENERAL OVERVIEW OF THE EQUIPMENT, MEASURES AND PROCEDURES TO BE USED, ALARM SYSTEMS, SURVEILLANCE SYSTEM, STORAGE, RECORDING CAPABILITY, RECORDS RETENTION, PREMISES ACCESSIBILITY, AND INSPECTION/SERVICING/ALTERATION PROTOCOLS.
Section 11 – Transportation of Medical Marijuana

<table>
<thead>
<tr>
<th>A. Transportation</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>By checking “Yes,” you affirm that any delivery of medical marijuana to any other medical marijuana organization or approved laboratory within the Commonwealth will adhere to the following: If you check “No” to any statement, you must state the reasoning for doing so at the end of this section. If issued a permit, you must be able to affirm each statement by the time the Department determines you to be operational under the Act and regulations.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Medical marijuana will only be delivered between 7 a.m. and 9 p.m.</td>
<td>✗</td>
<td></td>
</tr>
<tr>
<td>• Medical marijuana will not be transported to any location outside of this Commonwealth.</td>
<td>✗</td>
<td></td>
</tr>
<tr>
<td>• A global positioning system will be used to ensure safe, efficient delivery of the medical marijuana to a medical marijuana organization.</td>
<td>✗</td>
<td></td>
</tr>
<tr>
<td>In addition to having a transport vehicle staffed with a delivery team consisting of at least two individuals, the applicant affirms the following:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• At least one delivery team member will remain with the vehicle at all times that the vehicle contains medical marijuana.</td>
<td>✗</td>
<td></td>
</tr>
<tr>
<td>• Each delivery team member shall have access to a secure form of communication with the dispensary, such as a cellular telephone, at all times that the vehicle contains medical marijuana.</td>
<td>✗</td>
<td></td>
</tr>
<tr>
<td>• Upon demand, each delivery team member shall produce an identification badge or card to the Department or its authorized agents, law enforcement or other Federal, State, or local government officials if necessary to perform the government officials’ functions and duties.</td>
<td>✗</td>
<td></td>
</tr>
<tr>
<td>• Each delivery team member will have a valid driver’s license.</td>
<td>✗</td>
<td></td>
</tr>
</tbody>
</table>
Pennsylvania Department of Health
Medical Marijuana Dispensary Permit Application

- While on duty, a delivery team member will not wear any clothing or symbols that may indicate ownership or possession of medical marijuana.  

- Medical marijuana stored inside the transport vehicle may not be visible from the outside of the transport vehicle.

- A delivery team shall proceed in a transport vehicle from the dispensary, where the medical marijuana is loaded, directly to the medical marijuana organization, where the medical marijuana is unloaded, without unnecessary delays. Notwithstanding the foregoing, a transport vehicle may make stops at multiple facilities, as appropriate, to deliver medical marijuana.

- Any vehicle accidents, diversions, losses, or other reportable events that occur during transport of medical marijuana must be immediately reported to the Department either through a designated phone line established by the Department or by electronic communication with the Department in a manner prescribed by the Department.

- The Department shall be notified daily of the dispensary's delivery schedule, including routes and delivery times, either through a designated phone line established by the Department or by electronic communication with the Department in a manner prescribed by the Department.

- A transport vehicle is subject to inspection by the Department or its authorized agents, law enforcement or other Federal, State or local government officials if necessary to perform the government officials' functions and duties.

- A transport vehicle may be stopped and inspected along its delivery route or at any medical marijuana organization.

- If a third-party contractor is used, the contractor must comply with all the transportation requirements listed in the Act and regulations.

B. Transport Manifest

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
</table>

By checking “Yes” to any statement, you affirm that the transport manifest (printed or electronic) that accompanies every transport vehicle will contain the following information and meet the following requirements:

If you check “No” to any statement, you must state the reasoning for doing so at the end of this section. If issued a permit, you must be able to affirm each statement by the time the Department determines you to be operational under the Act and regulations.
Pennsylvania Department of Health  
Medical Marijuana Dispensary Permit Application

- The name, address and permit number of the medical marijuana organization receiving the delivery, and the name of and contact information for a representative of the medical marijuana organization.  

☒ ☐

- The quantity, by weight or unit, of each medical marijuana harvest batch, harvest lot or process lot contained in the transport, along with the identification number for each harvest batch, harvest lot or process lot.  

☒ ☐

- The date and approximate time of departure.  

☒ ☐

- The date and approximate time of arrival.  

☒ ☐

- The transport vehicle’s make, model, and license plate number.  

☒ ☐

- The identification number of each member of the delivery team accompanying the transport.  

☒ ☐

- When a delivery team delivers medical marijuana to multiple medical marijuana organizations, the transport manifest must correctly reflect the specific medical marijuana in transit; each recipient will also provide the dispensary with a printed receipt for the medical marijuana received.  

☒ ☐

- All medical marijuana being transported must be packaged in shipping containers and labeled in accordance with §§ 1151.34 and 1161.28 (relating to packaging and labeling of medical marijuana; and labels and safety inserts).  

☒ ☐

- Separate copies of the transport manifest will be provided to each recipient receiving the medical marijuana product described in the transport manifest. To maintain confidentiality, a dispensary may prepare separate manifests for each recipient.  

☒ ☐

- The applicant acknowledges that, upon request, a copy of the printed transport manifest, and any printed receipts for medical marijuana being transported, will be provided to the Department or its authorized agents, law enforcement, or other Federal, State, or local government officials if necessary to perform the government officials’ functions and duties.  

☒ ☐

Please provide an explanation of any responses above that were answered as a “No” and how you will meet these requirements by the time the Department determines you to be operational under the Act and regulations:

N/A
C. Please describe your plan regarding the transportation of medical marijuana and medical marijuana products. For example, explain whether you plan to maintain your own transportation operation as part of the facility operation, or whether you will use a third-party contractor. If you choose to use your own transportation operation, please provide the number and type of vehicles that will be used to transport medical marijuana and medical marijuana products, the training that will be provided to employees that will transport medical marijuana and medical marijuana products, and any additional measures you will take to prevent diversion during transport. If you will be using a third-party contractor for transporting medical marijuana and medical marijuana products, please explain the steps you will take to guarantee the third-party contractor will be compliant with the transportation requirements under the Act and regulations:
### Section 12 – Storage of Medical Marijuana

<table>
<thead>
<tr>
<th>A. Storage Requirements</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>By checking “Yes” to any statement, you affirm that the plan of operation will address the below statements:</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>If you check “No” to any statement, you must state the reasoning for doing so at the end of this section. If issued a permit, you must be able to affirm each statement by the time the Department determines you to be operational under the Act and regulations.</td>
<td>☒</td>
<td>☐</td>
</tr>
</tbody>
</table>

- There will be separate, locked, limited access areas for the storage of medical marijuana that is expired, damaged, deteriorated, mislabeled, contaminated, recalled, or whose containers or packaging have been opened or breached, until the medical marijuana is returned to a grower/processor, destroyed or otherwise disposed of, as required by § 1151.40 (relating to the management and disposal of medical marijuana waste).

- All storage areas will be maintained in a clean and orderly condition and free from infestation by insects, rodents, birds, and pests.
Pennsylvania Department of Health
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• A separate and secure area for temporary storage of medical marijuana that is awaiting disposal will be established.

PLEASE PROVIDE AN EXPLANATION OF ANY RESPONSES ABOVE THAT WERE ANSWERED AS A “NO” AND HOW YOU WILL MEET THESE REQUIREMENTS BY THE TIME THE DEPARTMENT DETERMINES YOU TO BE OPERATIONAL UNDER THE ACT AND REGULATIONS:

N/A

B. PLEASE DESCRIBE YOUR PLANS REGARDING THE STORAGE OF MEDICAL MARIJUANA AND MEDICAL MARIJUANA PRODUCTS WITHIN YOUR FACILITY:
# Section 13 – Labeling of Medical Marijuana Products

## A. Labeling Requirements

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>By checking “Yes” to any statement, you affirm that the applicant will implement a quality control process to ensure that the label does not bear any of the following:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If you check “No” to any statement, you must state the reasoning for doing so at the end of this section. If issued a permit, you must be able to affirm each statement by the time the Department determines you to be operational under the Act and regulations.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Any resemblance to the trademarked, characteristic or product-specialized packaging of any commercially available food or beverage product.</td>
<td>☒</td>
<td></td>
</tr>
<tr>
<td>- Any statement, artwork or design that could reasonably lead an individual to believe that the package contains anything other than medical marijuana.</td>
<td>☒</td>
<td></td>
</tr>
<tr>
<td>- Any seal, flag, crest, coat of arms, or other insignia that could reasonably mislead an individual to believe that the product has been endorsed, manufactured, or approved for use by any State, county or municipality or any agency thereof.</td>
<td>☒</td>
<td></td>
</tr>
<tr>
<td>- Any cartoon, color scheme, image, graphic or feature that might make the package attractive to children.</td>
<td>☒</td>
<td></td>
</tr>
</tbody>
</table>

**PLEASE PROVIDE AN EXPLANATION OF ANY RESPONSES ABOVE THAT WERE ANSWERED AS A “NO” AND HOW YOU WILL MEET THESE REQUIREMENTS BY THE TIME THE DEPARTMENT DETERMINES YOU TO BE OPERATIONAL UNDER THE ACT AND REGULATIONS:**

N/A

## B. Please describe your process for creating and monitoring the labeling used for medical marijuana products:

DOH REDACTED
Section 14 – Inventory Management

<table>
<thead>
<tr>
<th>A. Electronic Tracking System</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>You acknowledge that you must use the electronic tracking system prescribed by the Department containing the requirements in section 701 of the Act (35 P.S. § 10231.701).</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>You acknowledge that an electronic tracking system that is approved by the Department will be deployed to log, verify and monitor the receipt of medical marijuana product from a grower/processor, the verification of the validity of an identification card presented by a patient or caregiver, the dispensing of medical marijuana product to a patient or caregiver, the disposal of medical marijuana waste and the recall of defective medical marijuana.</td>
<td>☒</td>
<td>☐</td>
</tr>
</tbody>
</table>

B. Inventory Management

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>59</td>
</tr>
</tbody>
</table>
By checking “Yes” to any statement, you affirm that each dispensary will maintain the following inventory data in its electronic tracking system:

If you check “No” to any statement, you must state the reasoning for doing so at the end of this section. If issued a permit, you must be able to affirm each statement by the time the Department determines you to be operational under the Act and regulations.

- Medical marijuana received from a grower/processor.
- Medical marijuana dispensed to a patient or caregiver.
- Damaged, defective, expired, or contaminated medical marijuana awaiting return to a grower/processor or awaiting disposal.
- Inventory controls and procedures will be established for the conducting of monthly inventory reviews and annual comprehensive inventories of medical marijuana at the facility.
- The written or electronic record will include the date of the inventory, a summary of the inventory findings, and the employee identification numbers and titles or positions of the individuals who conducted the inventory.

Please provide an explanation of any responses above that were answered as a “No” and how you will meet these requirements by the time the Department determines you to be operational under the Act and regulations:

N/A

C. Please describe your approach regarding the implementation of an inventory management process. This approach must also include a process that provides for the recall of medical marijuana products and the management of medical marijuana product returns from you to the originating grower/processor:

Section 14 (C) – Inventory Management

DOH REDACTED
Section 15 – Diversion Prevention

A. Please provide a summary of the procedures that you will implement at each proposed facility for the prevention of the unlawful diversion of medical marijuana and medical marijuana products, along with the process that will be followed when evidence of theft/diversion is identified:
Section 16 – Sanitation and Safety

A. PLEASE PROVIDE A SUMMARY OF THE INTENDED SANITATION AND SAFETY MEASURES TO BE IMPLEMENTED AT EACH PROPOSED FACILITY LISTED IN THE PERMIT APPLICATION. THESE MEASURES SHOULD COVER, BUT ARE NOT BE LIMITED TO, THE FOLLOWING: A WRITTEN PROCESS FOR CONTAMINATION PREVENTION, PEST PROTECTION PROCEDURES, MEDICAL MARIJUANA PRODUCT HANDLER RESTRICTIONS, AND HAND-WASHING FACILITIES.

Section 16 – Sanitation and Safety

Introduction
DISPENSARY APPLICANT has developed a plan to mitigate the risk of product contamination and promote product safety. DISPENSARY APPLICANT will:

1. Protect its employees and visitors from potential work hazards
2. Control pathogens and prevent foodborne illness to protect patients and caregivers with potentially weak or compromised immune systems. These pathogens include listeria monocytogenes, salmonella and staphylococcus aureus.
3. Control normal spoilage bacteria such as yeast and molds.

DISPENSARY APPLICANT’S team has extensive experience designing, implementing, and maintaining sanitation and safety systems within highly-regulated markets including pharmaceutical manufacturing, oil and gas, large-scale agricultural food and live-stock production as well as medical marijuana cultivation, processing and dispensary facilities.

All medical marijuana products received by DISPENSARY APPLICANT for resale will have been pre-packaged and sealed by a licensed medical marijuana organization at the products’ original point of production. Therefore, DISPENSARY APPLICANT’s employees will not directly handle medical marijuana products (outside their packaging) or perform many of the procedures during which medical marijuana products are most susceptible to contamination—during manufacturing. Once at the dispensary, the susceptibility for product contamination is low, however, DISPENSARY APPLICANT has identified the following sanitation and safety control points:

- Contamination of product packaging during storage, handling, and transportation.
- Breach of packaging during transportation or improper storage, potentially adulterating the product within.
Pennsylvania Department of Health
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- Improper storage of product.
- Storing products beyond their expiration dates.

Therefore, DISPENSARY APPLICANT'S sanitation and safety procedures focus on mitigating the risk of product contamination during delivery, storage and handling.

Finally, DISPENSARY APPLICANT will consistently remind its employees that its customers are patients who are suffering from debilitating conditions—potentially with compromised immune systems. Therefore, employees must exercise strict adherence to these policies and procedures to ensure all dispensed products are as safe as possible for the end user.

Consultants and Advisors

Jim Lieberman, President, THC-Safety (Certified Industrial Hygienist)

Mr. Lieberman is a chemist and Certified Industrial Hygienist and the president of THC-Safety, a Colorado-based company specializing in marijuana safety training. Well-published in his field, he holds national recognition for his educational and instructional capabilities. He has vast experience teaching classes on how to safely operate within a laboratory environment, how to process marijuana safely, and how to implement system controls. He has created hazard analysis reports, or “Safety Envelopes” for marijuana-specific operations, as well as for pharmaceutical and nuclear environments. Under his supervision, DISPENSARY APPLICANT will implement best practice policies and procedures to operate their dispensary facilities in a clean, safe and responsible manner. DISPENSARY APPLICANT has engaged Mr. Lieberman to prepare a Safety Envelope document for the proposed facility, which outlines an assessment of potential hazards within the facility and controls for mitigating those hazards. In addition to creating and updating this safety document, DISPENSARY APPLICANT will engage THC-Safety to perform regular on-site safety assessments and trainings for employees.

Andrew Samann, CEO, Orion GMP Solutions (Good Manufacturing Practice, Good Laboratory Practice, and Six Sigma Advisor)

Mr. Samann is a veteran of the United States Marine Corps, where he earned the rank of Sergeant. He served 2 tours in support of Operation Iraqi Freedom. Following the Marines, Andrew earned a Bachelor of Science in Biochemistry at the University of Michigan. He is founder and CEO of Orion GMP Solutions, a Pharmaceutical Engineering Firm specializing in international pharmaceutical and bioactive materials manufacturing. His team of Process and Quality Control Engineers deliver actionable insights and systems on process, product, regulatory and strategy for implementing Good Manufacturing Practices and Quality Systems based on the US Food and Drug Administration, International Conference on Harmonization, Health Canada regulations and State regulations.

Sanitation and Safety: Generally

Documentation and Training

DISPENSARY APPLICANT has developed extensive operational documentation, including detailed standard operating procedures (SOPs) covering all tasks performed throughout the proposed facility. These SOPs include detailed operational protocols for the following:

1. Sanitization (cleaning and disinfection) (see “DISPENSARY APPLICANT_03202017_Dispensary_Sanitation SOP.pdf” and all associated documents (AD001-AD011) which can be referenced in the Additional Attachments section of this application.)
2. Emergency & Safety (see “DISPENSARY APPLICANT _03202017_Dispensary_Emergency & Safety SOP.pdf”, and all associated documents (AD001-AD004) which can be referenced in the Additional Attachments section)

These documents will serve as training documentation for employees assuming new roles and for establishing a chain of accountability. Trainees are instructed by subject matter experts who are other employees who have been successfully trained on the respective task and who have been documented as such. Once an instructor feels the trainee is sufficiently performing the task, both parties sign a hard copy of the SOP, which is stored in that employee’s file for future verification. This system provides accountability for all tasks performed, as well as a path for employees to increase their skillset within the company.

Litter and Waste
The facility will have garbage and recycling receptacles located throughout the dispensary. Waste receptacles are emptied periodically throughout the day as they become full and at the end of each workday.

Handwashing Stations
Handwashing stations equipped with cleaning compound dispensers, paper towels, and cold- and hot-water capabilities will be in the following areas of the facility where good sanitary practices require employees to wash and sanitize their hands:
- Bathrooms
- Breakroom

Refer to “DISPENSARY APPLICANT _03202017_Dispensary_Site Plan.pdf” for a more detailed layout of the bathrooms and breakroom. This document can be referenced in the Additional Attachments section.

Break Areas
Food and beverages (other than water in an enclosed, plastic container) will be stored and only consumed in the designated break areas.

Employee Handwashing Requirements
Every employee is required to wash their hands and exposed portions of their arms thoroughly at a handwashing station:
- Before starting work and at any other time when their hands may have become soiled or contaminated.
- As often as necessary to remove soil and contamination and to prevent cross-contamination when changing tasks.
- After using the toilet facilities, coughing, sneezing, using a handkerchief or disposable tissue, using tobacco, eating or drinking.

Employee Hygiene: Generally
Employees shall:
1. Keep their fingernails trimmed and maintained so that the edges and surfaces are cleanable.
2. Wear intact gloves in good repair when working with medical marijuana.
3. Not wear fingernail polish, artificial fingernails, or jewelry.
4. Practice good bodily hygiene and wear clean clothing.

**Employee Health Conditions**

Employees working in direct contact with medical marijuana are subject to the restrictions on food handlers (§ 27.153.) This prohibits employees with the following diseases or conditions from working directly with medical marijuana:

1. Amebiasis
2. Enterohemorrhagic E. coli
3. Shigellosis
4. Typhoid fever or paratyphoid fever.
5. Hepatitis A, viral hepatitis, or jaundice of unspecified etiology.
6. Persistent diarrhea.

Employees will not return to handling products until they have met the requirements described in § 27.153. Additionally, any employee with a contagious disease or condition must not work at the dispensary facility until they are no longer contagious.

**Blood and other Bodily Fluids**

The Pharmacist must be notified immediately of any blood or bodily fluid that has contaminated any area of the facility or has encountered any medical marijuana, medical marijuana product or product contact surfaces, etc. The area will be immediately cleaned and sterilized. Any medical marijuana or medical marijuana product that comes into contact with blood or other bodily fluids will be destroyed.

**Lavatories**

Readily accessible lavatories are available to employees and visitors in the following areas of the facility:

- In the Office/Administrative areas
- In the Dispensary Area

Each lavatory will be equipped with a handwashing station. Refer to “DISPENSARY APPLICANT _03202017_Dispensary_Site Plan.pdf” in the Additional Attachments section for a more detailed layout of the lavatories.

**Visitor Sanitation Procedures**

Visitors are required to adhere to the same sanitation policies and procedures as the employees. Employees who are responsible for escorting visitors while they are onsite must instruct visitors on the sanitation policies and procedures. Visitor sanitation policies include:

1. Visitors must wear clean clothes.
2. Visitors are not permitted to touch or handle any medical marijuana products.

**Dispensary Cleaning Schedule**

A cleaning schedule and log will be maintained for the following:

Daily cleaning requirements:

- Sweep all floors
- Clean all patient/caregiver counter tops and consultation rooms with cleaning solution
Weekly cleaning requirements:
- Mop all floors using 2% bleach solution (75 mL of bleach per one gallon of water)

Monthly cleaning requirements
- Clean all light fixtures and lamps
- Clean storage areas

Annual Cleaning Requirements
- Professionally cleaned and sanitize all HVAC equipment.
- Clear the floors of all moveable equipment and have them professionally cleaned and buffed.

Storage Conditions: Preserving Quality, Purity, and Potency
The Pharmacist is responsible for knowing the recommended storage conditions and shelf-stability for all medical marijuana products offered at the dispensary. However, medical marijuana products are quite shelf-stable. If a product is protected from light, heat (above 80F), and air, then deterioration will be minimal and negligible. Marijuana extract which has been winterized and decarboxylated is especially shelf-stable. For some products, the excipients may be the limiting factor in the shelf-stability of the product.

Essentially, if the product packaging minimizes exposure to oxygen and the product is stored in a cool, dark area, the potency and efficacy of the product will be hardly affected for years. However, medical marijuana products will be removed from inventory once they are within 45 days of their expiration dates and product turnover rate is likely much quicker, and so products will likely be sold before they reach this point.

The most common effect of improper product storage is simply that the product’s THC content decreases slowly as the THC converts to CBN (cannabinol). However, CBN is also a cannabinoid with medicinal properties.

Storage Audits
Dispensary Applicant will perform self-audits to account for all medical marijuana and medical marijuana products at the dispensary. A secondary goal of these self-audits is to remove products which are approaching their expiration dates or whose packaging has been damaged, rendering the product unsuitable for sale. Expired and damaged products must be segregated from the product inventory until they can be destroyed or returned to the originating grower/processor.

First-In, First-Out (FIFO)
All medical marijuana products will be sold on a first-in, first-out (FIFO) basis. This promotes dispensing products which have been in storage the longest before products which have been stored for less time and have more remaining shelf life.

Storage: Cross Contamination

DOH REDACTED

DOH REDACTED
Only products may be stored in areas designated for product storage. The purpose of this policy is to prevent cross contamination. For example, cleaning compounds, bleach, soap, clothing, food items and personal property may not be stored in product storage areas.

**Chemical Storage**

Toxic cleaning compounds, sanitizing agents and other chemicals must be labeled and stored in their designated storage areas. These areas must be separated from areas where products are stored to prevent contamination of medical marijuana.

**Pest Management**

Pests that could affect the safety of the products, such as insects, rodents, and birds should be an unlikely threat at the dispensary as products are not manufactured, packaged, or directly handled onsite, food is relegated to break areas, there are no agricultural activities on the premises, product storage areas will only be used for storing products (no food or personal items) and Pennsylvania does not allow the sale of food-based marijuana products (commonly referred to as “edibles”). Basically, pharmacies do not generally have pest-management issues, so DISPENSARY APPLICANT does not anticipate them occurring at the dispensary. However, in the unlikely event that pests do become a problem at the facility, DISPENSARY APPLICANT has engaged with Patriot Pest Solutions for the event that pests become an issue at the facility. Patriot Pest Solutions, LLC is based out of Trappe, Pennsylvania and is a Delaware County family-owned business with over 50 years of experience. In addition, Patriot Pest Solutions, LLC is a Certified QualityPro company offering GreenPro Solutions, is a Certified Wildlife Professional by the National Wildlife Control Operators Association and member of the Pennsylvania Trapper’s Association.

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**Section 17 – Recordkeeping**

**A.** Please provide a summary of your recordkeeping plan at each proposed facility listed in the permit application. This plan should cover, but is not limited to, records of inventory and all dispensing transactions:

**Section 17 – Recordkeeping**

**Introduction**

DISPENSARY APPLICANT has established procedures for compliant recordkeeping within its facility through a variety of physical and digital logs and records. Sales and product movement information is digitally tracked and recorded through the Electronic Tracking System (ETS) and/or the Inventory Management System (IMS). Physical inventory information is tracked and recorded through physical logs and records which are stored within their respective binders and files. Point-of-sale information is tracked and recorded through the ETS and IMS. [DOH REDACTED]
DISPENSARY APPLICANT will continuously comply with all applicable laws of the Commonwealth, the act, this part, and the terms and conditions of the initial permit. The applicant will continuously maintain effective security, surveillance and accounting control measures to prevent diversion, abuse and other illegal conduct regarding medical marijuana plants and medical marijuana.

**Electronic Tracking System (ETS) Recordkeeping and Retention overview**

The Department shall develop and deploy an electronic tracking system that tracks medical marijuana and medical marijuana products. DISPENSARY APPLICANT will implement the Department’s ETS, attend and receive certification for trainings, create SOPs related to the operation of the ETS while maintaining strict compliance with the regulations. The ETS, promotes public safety, captures perpetual inventory records, has audit capabilities, has reporting functions, The ETS records waste input by DISPENSARY APPLICANT at the end of each day, including their engaged waste management provider Waste Solutions 123.

Data recorded in the ETS is used to help adjust and improve Dispensary procedures as well as ensure that DISPENSARY APPLICANT is in strict compliance with the Act and regulations.

**Inventory Management System / Point of Sale System Recordkeeping and Retention**

DISPENSARY APPLICANT, if approved by the Department, will use an IMS/Point of Sale (POS) system, which easily integrates with hardware such as tablets and scanners. It supports discounting and rewards, and tracks sales, inventory, and taxes. It can be used to track inventory and lifetime inventory activities, create inventory barcodes, track wholesale product, and track inventory consignments in real time. The IMS/POS also allows for customers to view products and place online orders, to be paid for in store integrating with the Intelligent Payment Networks system. DISPENSARY APPLICANT has received confirmation from Intelligent Payment Networks, that it will allow for credit and debit card purchases.

Unless deemed otherwise, DISPENSARY APPLICANT shall use an IMS for its perpetual inventory control system. The IMS tracks all materials, labor and conditions from receipt of the medical marijuana product to patient or caregiver sale. All movements of inventory from one area of the facility to another are tracked in real time. Principals, Operators and Employees will log in with their employee identification numbers allowing for accountability throughout all stages of the products lifecycle. Utilizing transport manifests within the IMS, the medical marijuana products are tracked from the originating grower/processor to DISPENSARY APPLICANT.

DISPENSARY APPLICANT has created step-by-step instructions on managing the physical and digital inventories, which can be referenced in the “DISPENSARY APPLICANT _03202017_ Dispensary_Inventory Control and Control Testing SOP.pdf” located in the Additional Attachments section of this application.

The IMS, in conjunction with the Department’s ETS, can create a transport manifests within its compliance functions. The manifests are saved digitally within Flowhub, a printed hardcopy will
accompany the shipment container, and DISPENSARY APPLICANT will retain a physical copy at the facility for 4 years.

**Intelligent Payment Networks Debit/Credit Card Processing**

Intelligent Payment Networks (IPN) provides solutions for electronic payment acceptance, processing, and management. IPN streamlines transaction processing by utilizing intelligent technologies, products and services. IPN integrates with Quickbooks providing the ability to run sales reports on transactions processed providing historical data at the click of a button. Data recorded in the IPN is used to help adjust and improve our financial payment procedures as well as ensure that DISPENSARY APPLICANT is in strict compliance with the Act and regulations.

**Assessment Tools from Applied Cannabis**

DISPENSARY APPLICANT’s team has established a Manufacturing Resource Planning (MRP) platform which provides for the planning of all production, procurement, personnel management as well as financial forecasting on both a strategic and tactical level. The MRP platform also delivers visualization of the operation’s key data points and metrics. Once defined, these metrics are aggregated and KPIs are established which measure the efficiency of the operation. Examples include environmental data, utility usage, personnel and human resources data, sales records, inventory data as well as the inclusion of a procurement strategy for consumables used regularly in support of operations.

The platform also serves as a centralized data management portal for all information pertinent to both the strategic and tactical plans for the business. In addition, the MRP streamlines day-to-day business operations with automation such as workflows, automatic notifications of key dates, workforce communications and automated reporting.

**Compliance Recordkeeping**

DISPENSARY APPLICANT’S team has established a Compliance Management Platform (CMP). Compliance is the cornerstone for any marijuana business and, as such, compliance must be managed in a manner that ensures all associated risks are addressed and mitigated properly. Our Compliance Management Platform is a web-based application that asks simple questions to assess whether a business complies with the State and Local regulations. Each State’s regulations are analyzed and compiled into an easy to use assessment tools complete with comprehensive reporting as well as a task management utility for managing the remediation of any noncompliant sections. Part of the Compliance Management Platform is a monitoring service that keeps track of the latest versions of each state’s regulations and incorporates any changes into the assessment tool so Dispensary Applicant is always assessing its compliance against the latest regulation.
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Medical Marijuana Waste Recordkeeping and Record Retention

Medical marijuana waste records will be stored onsite at the dispensary for at least four years. Sources of medical marijuana waste records include, but are not limited to, expired, damaged, deteriorated, mislabeled, contaminated, recalled, or whose containers or packaging have been opened or breached and the disposal of any medical marijuana products. This includes chemical or liquid waste resulting from sanitation and safety practices within the Dispensary. Reference the “DISPENSARY APPLICANT 03202017 Dispensary Green Waste SOP.pdf” within the Additional Attachments section.

Reporting information to the Department from ETS and POS/IMS data records

DISPENSARY APPLICANT maintains accurate historical ETS and POS/IMS data to be used for reporting to the Department at all times. Pending Department sanction, within one year of the issuance of the first permit, and every three months thereafter, DISPENSARY APPLICANT will compile the following information in a report and send it to the Department:

- The amount of medical marijuana purchased by each dispensary in this Commonwealth.
- The total amount and dollar value of medical marijuana sold by each dispensary in the three-month period.

Using the reporting features within the ETS/IMS, DISPENSARY APPLICANT can provide on-demand data records to the Department. Reports can be physically printed and/or digitally created for email or regular mailing purposes. Report information is used to verify that DISPENSARY APPLICANT maintains compliance with the Act and regulations.
Part E – Applicant Organization, Ownership, Capital and Tax Status
(Scoring Method: 150 Points)

SECTION 18 – ORGANIZATIONAL STRUCTURE

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<th>Applicant’s Form of Organization</th>
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<tr>
<td>☐ Limited Liability Partnership</td>
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<td>State of Incorporation or Registration: PA</td>
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<td>Business Name on Formation Documents: REDATED</td>
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<th>Applicant’s Identification Numbers</th>
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<td>PA Unemployment Compensation Account Number:</td>
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<td>REDACTED</td>
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<td>PA Department of Revenue Tax number (if applicant is currently doing business in Pennsylvania):</td>
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<td>N/A</td>
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<tr>
<td>PA Workers’ Compensation Policy Number (if applicant is currently doing business in Pennsylvania):</td>
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<td>N/A</td>
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The applicant affirms that workers’ compensation insurance will be obtained by the time the Department determines you to be operational under the Act and regulations. ☑ Yes ✗ No

SECTION 19 – BUSINESS HISTORY AND CAPACITY TO OPERATE

DESCRIPTOR YOUR BUSINESS HISTORY AND YOUR ABILITY AND PLAN TO MAINTAIN A SUCCESSFUL AND FINANCIALLY SUSTAINABLE OPERATION:

Section 19 – Business History and Capacity to Operate

DISPENSARY APPLICANT (the “Organizers”) was founded by Principal #1 and Principal #2, with the intent of competing for a permit to dispense medical marijuana in Pennsylvania. The Organizers closely followed the adoption of the Act through the legislature and decided to act on an opportunity to provide medical treatment to Pennsylvanians. This action was inspired by their belief in the medicinal value of marijuana, as well as in their ability to create a successful business model built upon that belief. Principal #1 has successfully operated a pharmacy in Wilmington, Delaware and plans to bring his patient-forward, pharmaceutical model to the medical marijuana space.

85
Possibly the most significant factor in the potential success of DISPENSARY APPLICANT and its proposed dispensary is the breadth of experience and education held by its team of Managers, Board of Advisors and Industry Consultants. DISPENSARY APPLICANT leverages their personal experience running a pharmacy with input from renowned academics in the fields of pharmacology, agronomy, chemistry, neurology, pain management, security, finance and compliance.

In addition to these professionals, DISPENSARY APPLICANT has created a Board of Patient Advocates. These Patient Advocates will consist of patients and caregivers of patients and they will serve to offer a true patient perspective to our advisors and management team. DISPENSARY APPLICANT will leverage the input of these advocates to assess the efficacy, convenience, and affordability of the products they offer.

**BUSINESS HISTORY**

The Organizers are brothers, one being a current Pharmacist, who strongly believe in the medicinal value of marijuana. Principal #1, the President of DISPENSARY APPLICANT, owns and operates a successful pharmacy in Delaware, while Principal #2, the Chief Operating Officer for DISPENSARY APPLICANT is the owner of a real estate investment firm. They closely followed the development of Pennsylvania’s medical marijuana regulations and formed DISPENSARY APPLICANT with the goal of obtaining 1 of the 50 medical marijuana permits that would be issued. To further their understanding of this new industry, they attended medical marijuana conferences in Denver and Las Vegas, where they were introduced to Industry Experts.

After founding DISPENSARY APPLICANT, the Organizers committed personal funds to the venture and developed their business plan. They then assembled a team of advisors and consultants to assist with developing a model for providing patients with pharmaceutical-grade medical marijuana products in a safe, efficient, timely and cost-effective manner.

Principal #1 contacted business owners in states with regulated medical marijuana programs to understand the challenges faced by the industry. One such company, CONSULTANCY, has been involved in Colorado’s regulated medical marijuana industry since its inception. CONSULTANCY joined the Organizer’s team, bringing significant experience in the successful operation of a regulated medical marijuana dispensary. CONSULTANCY has won “Marijuana Business of The Year” at the 2016 Clover Leaf Marijuana Business Awards in Denver, Colorado. Most recently, CONSULTANCY has built a successful dispensary chain in Colorado.

**MANAGEMENT TEAM**

**Principal #1**

Principal #1 is a Pennsylvania native who has owned and operated successful businesses, including a pharmacy in Wilmington, Delaware. He is a graduate of the University of the Sciences - Philadelphia College of Pharmacy and Science, and he earned an MBA from the University of Delaware Alfred Lerner College of Business. He has been a licensed pharmacist in Delaware and Pennsylvania since 1988, and he has worked in retail pharmacy and Long Term Care pharmacy for 29 years.

During his career, prior to opening his own pharmacy, Principal #1 held several positions with the Happy Harry’s Inc/ Walgreens organization as a staff pharmacist, pharmacy manager, and pharmacy district manager. He worked as a pharmacy district manager for seven years. He was responsible for managing operations at 24 retail pharmacy locations in Pennsylvania, Delaware, and New Jersey with revenues exceeding $80 million. He has had extensive experience opening several pharmacies in Chester and Delaware counties. His responsibilities included preparing the successful applications for licensing from
the Pennsylvania State Board of Pharmacy and the Federal Drug Enforcement Agency obtaining DEA licenses for his pharmacy locations. He was also responsible for ensuring all the pharmacies were compliant with the facility and security requirements in order to pass the opening licensing inspection from the pharmacy board. Principal #1 has extensive knowledge of required inventory control, drug storage, and security requirements for controlled substances for licensed pharmacies.

Principal #1’s experience in pharmacology includes numerous certifications and trainings, including:

- Drug diversion programs offered in Delaware from 2002-2006 led by local and federal law enforcement officers and pharmaceutical industry executives to increase awareness of diversion for pharmacists.
- Delaware Officers of Narcotics and Dangerous Drugs led by Mr. David Dryden RPh, J.D. on suspected diversion cases within the state.
- Continuing work with the Delaware State Drug Diversion unit with Officer Donna Farra on diversion cases within New Castle County Delaware where his pharmacy is located.

These trainings provided Principal #1 with extensive knowledge handling pharmaceutical drugs, with an emphasis on protocols for safe product distribution. He has also worked closely with CONSULTANCY and others currently and actively involved in the marijuana industry to learn more about developing a dispensary business model. Principal #1 also has attended National Marijuana Industry Association seminars in Denver and Las Vegas, at which several educational programs focused on the safe and efficient cultivation, testing and dispensing standards.

Principal #1 launched a startup independent-retail pharmacy in Delaware in 2011. He is the sole owner and president of First State Pharmacy Inc in Delaware. He saw a need in his community to provide patients with a level of health care that wasn't being met by the chain drug stores. His pharmacy focuses on improved health outcomes for his patients. His pharmacy provides patients with medication therapy management programs, med synchronization programs, medication compliance packaging, and immunization programs. In the six years since opening his own pharmacy, he has grown his business into a profitable operation that has become an integral part of his community. His pharmacy provides prescription services to retail and Long Term Care patients. His pharmacy also provides human and veterinary compounding preparations for his clients. He has developed an extensive community outreach program for his pharmacy. First State Pharmacy is active in sponsoring local schools, community and church organizations, and little league baseball teams. The company also sponsors a youth summer camp for the local United Cerebral Palsy organization.

Principal #1 will assume day-to-day operational responsibility for the dispensary. He will serve as the pharmacist in charge for the primary dispensary location. His management and ownership skills will enable him to operate this dispensary to grow into a profitable business just as he has done with his own pharmacy location. His extensive knowledge of running a startup healthcare business will enable the company to meet the challenges of growing the business over the first 1-2 years to address capital expenditure requirements and burn rate of committed capital until profitability is achieved at the primary dispensary location. He also has extensive knowledge of security requirements and standard operating procedures for a facility dispensing controlled substances. His pharmaceutical knowledge will also address the ability to make medical marijuana recommendations for his patients that will involve a comprehensive medical and drug utilization history. Principal #1 will complete the required 4 hours of pharmacist continuing education credits to meet the requirement for the dispensary application.
Principal #2
Principal #2 is a graduate of the University of Delaware with a degree in Consumer Economics. Principal #2 has over 18 years’ experience in the financial services industry and 15 years of experience in real estate consulting and investment. Principal #2 is currently co-owner and managing director of CK Capital Management Corporation which provides real estate short sale services and has processed over $DOH RED ACTED in real estate transactions since inception. He launched the startup operations of the company in an emerging market and grew the business to be the industry leader in the states of Delaware, Pennsylvania, Maryland, and Virginia. He has also held a variety senior executive leadership positions in the financial services industry with management and profit and loss responsibilities in businesses ranging from $DOH REDACTED. He has managed sales organizations, served in business development roles and helped launch several startup businesses. He has had extensive experience in sales management, business process analysis and planning, and budgeting over the course of his career.

CONSULTANTS
The Organizer’s management team works closely with Denver-based CONSULTANCY. CONSULTANCY was chosen by the management team for their hands-on experience in the design, construction, and operation of marijuana dispensaries in tightly-regulated markets nationwide. CONSULTANCY focuses on sustainable, efficient designs with an emphasis on compliance, safety, product consistency and product traceability. CONSULTANCY specializes in both medical and recreational management of dispensaries. CONSULTANCY will be on-site during start-up and ongoing operations, to provide oversight throughout the construction and training phases at the proposed dispensary. Members of the CONSULTANCY team include:

CONSULTANT #1 – Managing Director
CONSULTANT #1 has worked in the medical marijuana industry since 2008, when he helped open one of Boulder, Colorado’s first legal dispensaries. After developing operational and management procedures for the dispensary, CONSULTANT #1 transitioned to the company’s cultivation facility, where he worked as Head of Propagation. He assisted in the design and construction of a new 10,000 ft² cultivation facility for this same company. In 2012, CONSULTANT #1 became head gardener at one of Colorado’s largest medical marijuana cultivation centers, a 42,000 ft² greenhouse in Boulder, CO, where he successfully produced over two tons of high-quality, safe, medical marijuana for patients throughout Colorado. He formed CONSULTANCY in 2014 to assist clients in licensing, designing, and building cultivation, processing, and dispensing facilities around the country. He has personally designed over 500,000 ft² of marijuana space for clients across the country.

CONSULTANT #2 – Project Manager
CONSULTANT #2 has been working in the legal marijuana industry since 2012, when he was hired by CONSULTANT #1 to serve as the Director of Compliance for the 42,000-ft² greenhouse project and its accompanying dispensary. CONSULTANT #2 built and maintained the state-mandated tracking database, METRC, and he also implemented the company’s point-of-sale systems and inventory protocols. As an accomplished technical writer, he designed and supervised the implementation of State-mandated compliance policies and procedures. CONSULTANT #2 joined CONSULTANCY in 2015 as its Compliance Specialist to develop standard operating procedures to ensure that marijuana is grown and dispensed in a safe manner. He is a graduate of the iComply Training Program, the first officially recognized compliance-training course in Colorado.
CONSULTANT #2’s duty as a Consulting Compliance Director (CCD) is to bring an unbiased compliance service to DISPENSARY APPLICANT. Primarily, he will oversee hiring, training, manage compliance activities, and implement the state-required electronic tracking system, point of sale system, and inventory management system. He will design, write and oversee the creation of standard operating procedures and policies, as well as act as a compliance liaison between the upper management and employees. He will enforce regulations, both state and local, and update procedures accordingly.

CONSULTANT #3 – Consulting Specialist
CONSULTANT #3 has worked in the legal marijuana industry since 2015. Mr. Goldfarb has worked as a marijuana customer service representative, where he participated in all day-to-day dispensary operations. This included assisting customers with both their recreational and medical marijuana needs, maintaining the retention of patient data for the medical dispensaries, and maintaining inventory. CONSULTANT #3 has worked as an internal auditor, where he controlled and tested controls of the inventories of 5 dispensaries at the company he worked for. CONSULTANT #3 has worked as a manager of a dispensary, where he managed the inventory control system, trained employees, accepted deliveries, added products to the POS system, recorded daily sales, and assisting state-mandated inspectors. Jacob’s day-to-day functions as an external consulting specialist are to implement, enforce, and audit policies and procedures that come from the external Consulting Compliance Director (CCD) as well as from upper management, and the Department. He will lead and develop audit protocols provided by the CCD, as well as, participate in and evaluate internal employee training. As a specialist in dispensary operations, CONSULTANT #3 will enforce policies and procedures both internal and external. As a specialist in six sigma process improvement, CONSULTANT #3 will also ensure that processes and procedures are updated regularly to maintain compliance with the Act and regulations and ensure that the processes and procedures promote good business practices.

CONSULTANT #4 – Consultant Specialist
CONSULTANT #4 comes from the hospitality industry, specifically working in luxury hotel management. He received a Master’s in Business Administration from Endicott College in Boston and has previously worked at The Four Seasons Hotel Denver and Devils Thumb Ranch in Winter Park. CONSULTANT #4 brings with him strong experience in operations for large scale businesses. His knowledge in operations, along with other managerial responsibilities, has carried over into the marijuana industry. CONSULTANT #4’s day-to-day functions as an external consulting specialist are to implement, enforce and audit policies and procedures that come from the external Consulting Compliance Director (CCD) as well as from upper management, and the Department. He will lead and develop training courses provided by the CCD and participate in and evaluate audits. As a specialist in dispensary operations, CONSULTANT #4 will enforce policies and procedures both internal and external and those mandated by the Department.

CONSULTANT #5 - Security Consultant
CONSULTANT #5 joined the Marine Corps at the age of 19 and was leading teams in operations by the time he was 21. Once back in the United States, CONSULTANT #5 visited public schools, helping to build leadership qualities and operational skills. In 2011 he was sent to Helmand, Afghanistan and directly engaged in combat operations for 8 months, participating in over 175 combat missions as a Designated Marksman for an Assault Platoon. He was Honorably Discharged from the Marines in 2012. As a civilian, CONSULTANT #5 founded SECURITY COMPANY, an affiliate of CONSULTANCY, to provide professional security services and asset protection, while giving back to the veteran community. To date, SECURITY COMPANY has employed over 100 veterans who are responsible for protecting over 40 Colorado
marijuana businesses, some acres in size. CONSULTANT #5 acts as security and security training consultant to DISPENSARY APPLICANT.

ADVISORY BOARD

ADVISOR #1
For over three decades, ADVISOR #1 has been a leader in both the public and private sectors. As Senior Vice president with Corporation Service Company (CSC), he oversaw sales, marketing, brand, and product development across the organization. CSC a privately-owned and highly-respected legal service organization, providing matter management, corporate compliance, and trustee services to companies and law firms worldwide. ADVISOR #1 leadership, the company grew dramatically from $5mm to well over $400mm revenue at the time of his exit. Among other roles in the public sector, his record includes service as Assistant Secretary of State and Director of Delaware’s Division of Corporations where he introduced innovative technologies to the state's delivery of corporate and legal services.

Active politically, ADVISOR #1 has worked closely with leaders of both parties serving in staff and advisory roles to Presidents George H.W. Bush, George W. Bush and Delaware Governors, Pete Du Pont, Michael Castle, and Jack Markell.

ADVISOR #1 now actively serves as Executive Vice President of the Delaware Contractors Association while providing advisory and financial support to the successful development of early-stage companies. Among his many interests include marijuana product companies exploring cannabinoid extraction and research and product development for nutraceutical and pharmaceutical uses. He has been an active member of the First State Innovation angel network and a participant in Early Stage East and the Mid Atlantic Angel Investment Network while serving as a board member and advisor for numerous marketing and tech companies.

ADVISOR #1 is a graduate of Colgate University with a concentration in Economics. He received additional graduate training at Harvard’s Kennedy School of Government and Stanford University’s Executive Program in Finance.

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ADVISOR #2
ADVISOR #2, Esq., CPA is President of RAS Advisors, Inc. a business and tax consulting firm located in Wilmington, Delaware. He has over 30 years’ experience working with small and mid-size companies to achieve their financial goals. ADVISOR #1 is a strategic problem solver for businesses and organizations. His experience includes helping clients navigate through the complexities of IRS Section 280E. Recently he was involved in consulting with investors as pertained to the application and successful rewarding of a grow operation in the State of Maryland. ADVISOR #1 is a graduate of Mount Saint Mary’s College, B.S. Accounting in 1987. ADVISOR #1 received his Juris Doctorate from Widener University School of Law in 1995.

ADVISOR #3
ADVISOR #3 is a sales and marketing executive with 30 years of experience in the pharmaceutical industry with AstraZeneca. He is a graduate of Baylor University with a degree in Biology. ADVISOR #3 has worked in a global role as leader of commercial operations over the past 4 years and is currently VP Global Digital. His digital teams have developed several services for cancer patients including a
patient support program for lung cancer patients (see LVNGwith.com). In previous roles, ADVISOR #3 served as head of commercial operations and the sales and marketing lead for Nexium where he grew the brand sales to over $5 billion. Importantly, he was also the National Sales Director for Oncology at a time when AstraZeneca launched new medicines for lung cancer and breast cancer. His collective experience brings expertise in sales and marketing in the medical setting as well as designing services to meet patient needs through digital channels.

ADVISOR #4
ADVISOR #4 has had over 30 years’ experience in the pharmaceutical, biotech, biochemical and life sciences sectors. He has held executive positions in general management, sales and marketing, business development, and portfolio investment at the following industry leading, multi-national organizations: Amersham International (GE-Biosciences), ICI, and AstraZeneca PLC (AZN).

He retired from Astra Zeneca after 23 years of service. As VP, Oncology US, he had P&L responsibility for a $1Bn business unit. He has led groups in the US, UK, and Sweden that were the commercial interface with the drug discovery and development organization, leading worldwide initiatives that established new practices in personalized medicine and disease area investment strategy. He completed his career as Global VP, Portfolio Investments, reporting to the President, establishing and running the Portfolio Investment Board, the final decision making body over all material, R&D and licensing/acquisition investment decisions.

He most recently co-founded ARdVRk Technologies Inc., a leader in augmented and virtual reality solutions for the healthcare and life science industries, and is currently chairman of the board. John is also involved in nonprofit endeavors and currently serves as the Vice Chairman, Board of Directors of the VOOM Foundation, an NGO whose mission is to provide medical and humanitarian aid to Nigeria and its neighbors. He is also on the board of the Wounded Heroes Family Adventures which provides unique experiences and counseling for wounded soldiers and their families.

ADVISOR #4 was also appointed by the Governor of Delaware to serve as Vice Chair for the Delaware Science and Technology Council to assist the state in developing strategies to promote economic development. He received his B.S. in Biology from Seton Hall University.

ADVISOR #5
ADVISOR #5 is a career Attorney-at-Law and Partner at the nationally recognized firm of Fox Rothschild LLP. He is a graduate of the University of San Diego School of Law where he earned a J.D. in 1985 and has achieved dual bar admissions in the states of California and Delaware. ADVISOR #5 represents the Wilmington, DE office with areas of practice that focus on the overall representation of business owners along with an extensive history in real estate transactions and litigation on behalf of lenders, borrowers and title companies. He is a successful entrepreneur within the legal community where in 1994 he formed a partnership that went on to merge with Fox Rothschild in 2002. Beyond his work with Fox Rothschild, ADVISOR #3 is a lecturer on real estate issues with the National Business Institute and a volunteer representative for children in Family Court through the Delaware Office of the Child Advocate.

IMPLEMENTATION
In anticipation of a successful application, and to improve its control over the operational cost of the
endeavor, DISPENSARY APPLICANT has an executed lease agreement for an existing office building located in DOH REDACTED. The Management Team will actively manage all facets of the business with guidance from the Board of Advisors and operational oversight from its Industry Consultants. Principal #1 and Principal #2 will manage administrative, sales, financial, and legal affairs. Standard Operating Procedures covering every facet of operations have been developed and tailored specifically for the Pennsylvania regulatory system.

**LICENSING**

DISPENSARY APPLICANT aims to obtain a dispensary permit to be associated with its leased office space DOH REDACTED. DISPENSARY APPLICANT has made extensive pre-application efforts in identifying the scope of operations, securing suitable real estate to conduct those operations, designing and planning the construction of the facility, raising capital, and developing detailed procedures for operations. Because Principal #1 owns and operates a pharmacy in Wilmington, Delaware, he is prepared for this similar undertaking in Pennsylvania. Principal #2 can leverage his experience and relationships in real estate to decrease possible risk associated with construction.

Next, they retained an experienced architect to generate preliminary construction plan, schedules, and budget estimates based on the design. By taking these preliminary steps, DISPENSARY APPLICANT can ensure with a high-degree of certainty, that we can meet or exceed the Department’s 6-month operational deadline.

With the assistance of CONSULTANCY, DISPENSARY APPLICANT has developed full operational documentation, including employee handbooks, operational manuals, and standard operating procedures.

**CONSTRUCTION**

The Department has stated that Dispensary applicants must be operational within 6-months of being issued a permit by the Department. The Department defines “operational” as having all tenant improvements complete, furniture, fixtures and equipment installed, inspections complete, and be in possession of a certificate of occupancy. DISPENSARY APPLICANT has spent great effort and resources to ensure that this deadline will be met.

DISPENSARY APPLICANT estimated that the Department will announce the results of the application process by late September of 2017. Based on this timeline, DISPENSARY APPLICANT would then be complete with tenant improvements by December of 2017. 2-3 weeks of December would be spent finalizing fixture and equipment installation and systems testing, and DISPENSARY APPLICANT would them be ready for final inspections by January 1, 2018. Barring an unusually great number of corrections and adjustments from inspectors, DISPENSARY APPLICANT would then be granted its certificate of occupancy by January 15 (3.5 months from the Department’s announcement).
OPERATIONS

DISPENSARY APPLICANT will implement policies and procedures developed in both pharmacies and dispensaries currently under management by the Management and Consultant teams. These operational protocols have been proven in various markets and are continually adjusted and improved based on ongoing data collection and technological improvements. The training of dispensary staff will begin prior to operations in the form of classes and educational certificates. All employees will be required to receive Pennsylvania food handling training and certification, as well as training and certification from Americans for Safe Access and the Marijuana Training Institute. DISPENSARY APPLICANT, will also organize trainings with industry experts and manufacturer representatives on the use of all products and packaging.

Along with product safety and customer knowledge, DISPENSARY APPLICANT’s operational model is aimed to provide safe and affordable medicine to all qualified patients. This is done by leveraging pharmaceutical practices, and by entering the market with a low-risk. DISPENSARY APPLICANT has already identified a potential grower/processor applicant and has signed a Letter of Intent contingent on both parties being awarded a permit. (See Additional Attachments)

IDEAL OFFERINGS

DISPENSARY APPLICANT believes it will offer the following products:

1. Syringes of decarboxylated and non-decarboxylated extract
2. Vaporizer cartridges
3. Extract-infused capsules
4. Ethanol-based tincture
**Section 20 – Current Officers**

Provide the position, title in the applicant's business, and address information for all current officers, directors, partners or trustees.

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IF MORE SPACE IS REQUIRED, PLEASE SUBMIT ADDITIONAL INFORMATION ON OTHER OFFICERS IN A SEPARATE DOCUMENT TITLED “CURRENT OFFICERS (CONTD.)” IN ACCORDANCE WITH THE ATTACHMENT FILE NAME FORMAT REQUIREMENTS AND INCLUDE IT WITH THE ATTACHMENTS.

SECTION 21 – OWNERSHIP

IN THIS SECTION, LIST ALL PERSONS WITH A CONTROLLING INTEREST IN THE BUSINESS, DEFINED AS FOLLOWS:

1. FOR A PUBLICLY TRADED COMPANY, VOTING RIGHTS THAT ENTITLE A PERSON TO ELECT OR APPOINT ONE OR MORE OF THE MEMBERS OF THE BOARD OF DIRECTORS OR OTHER GOVERNING BOARD, OR THE OWNERSHIP OR BENEFICIAL HOLDING OF 5% OR MORE OF THE SECURITIES OF THE PUBLICLY TRADED COMPANY.

2. FOR A PRIVATELY HELD ENTITY, THE OWNERSHIP OF ANY SECURITY IN THE ENTITY.

COMPLETE THE APPROPRIATE SECTION(s) BELOW:

A. FOR C-CORPORATIONS, S-CORPORATIONS, LLCs AND LLLCs

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**Name and Residential Address**

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**Middle Name:** REDACTED  
**Last Name:** REDACTED  
**Suffix:** __________

**Occupation:** Self-Employed Business Owner  
**Title in the applicant’s business:** Chief Operating Officer

**Also known as:** __________  
**Date of birth:** REDACTED

**Address Line 1:** REDACTED  
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**Address Line 3:** __________  
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**Fax:** REDACTED  
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**Name and Residential Address**

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**Middle Name:** REDACTED  
**Last Name:** REDACTED  
**Suffix:** __________

**Occupation:** Self-Employed Business Owner  
**Title in the applicant’s business:** Financial Backer

**Also known as:** __________  
**Date of birth:** REDACTED

**Address Line 1:** REDACTED  
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**Last Name:** REDACTED  
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**Occupation:** Self-Employed Business Owner  
**Title in the applicant’s business:** Financial Backer

**Also known as:** __________  
**Date of birth:** REDACTED

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Pennsylvania Department of Health
Medical Marijuana Dispensary Permit Application

### Stock type or class:
- Number of shares held: [ ]
- Date Acquired: [ ]
- Percentage of outstanding voting stock: [ ]
- Terms, conditions, rights and privileges: [ ]

### Name and Residential Address
- First Name: N/A
- Middle Name: N/A
- Last Name: [ ]
- Suffix: [ ]
- Occupation: [ ]
- Title in the applicant’s business: [ ]
- Also known as: [ ]
- Date of birth: [MM/DD/YYYY]
- Address Line 1: [ ]
- Address Line 2: [ ]
- Address Line 3: [ ]
- City: [ ]
- State: [ ]
- Zip Code: [ ]
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- Email: [ ]

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- Suffix: [ ]
- Occupation: [ ]
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- Also known as: [ ]
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- Email: [ ]

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- Number of shares held: [ ]
- Date Acquired: [ ]
- Percentage of outstanding voting stock: [ ]
- Terms, conditions, rights and privileges: [ ]

IF MORE SPACE IS REQUIRED, PLEASE SUBMIT ADDITIONAL INFORMATION ON OTHER OWNERS OF THE CORPORATION IN A SEPARATE DOCUMENT TITLED “OWNERS OF THE CORPORATION (CONT'D)” IN ACCORDANCE WITH THE ATTACHMENT FILE NAME FORMAT REQUIREMENTS AND INCLUDE IT WITH THE ATTACHMENTS.

B. FOR PARTNERSHIPS AND LLPs

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- Middle Name: N/A
- Last Name: [ ]
- Suffix: [ ]
- Occupation: [ ]
- Title in the applicant’s business: [ ]
- Also known as: [ ]
- Date of birth: [MM/DD/YYYY]
- Address Line 1: [ ]
- Address Line 2: [ ]
- Address Line 3: [ ]
- City: [ ]
- State: [ ]
- Zip Code: [ ]
- Phone: [ ]
- Fax: [ ]
- Email: [ ]

### Partner Type:
- [ ] General/Full Partner
- [ ] Limited Partner
- [ ] Dormant/Silent Partner

### Percentage of ownership: [ ]
- Partnership participation from: [MM/DD/YYYY]
- Description of participation in operation of the applicant: [ ]
Pennsylvania Department of Health  
Medical Marijuana Dispensary Permit Application

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**Name and Residential Address**

| **First Name:** N/A           | **Middle Name:** | **Last Name:** | **Suffix:** |
| **Occupation:**               | **Title in the applicant’s business:** |
| **Also known as:**            | **Date of birth:** MM/DD/YYYY |
| **Address Line 1:**           | **Address Line 2:** |
| **Address Line 3:**           | **City:** | **State:** | **Zip Code:** |
| **Phone:**                    | **Fax:** | **Email:** |
| **Partner Type:**             | **Percentage of ownership:** |
| □ General/Full Partner        |               |               |               |
| □ Limited Partner             |               |               |               |
| □ Dormant/Silent Partner      |               |               |               |
| □ Other:                      |               |               |               |
| **Partnership participation from:** MM/DD/YYYY |
| **Description of participation in operation of the applicant:** |

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**Name and Residential Address**

| **First Name:** N/A           | **Middle Name:** | **Last Name:** | **Suffix:** |
| **Occupation:**               | **Title in the applicant’s business:** |
| **Also known as:**            | **Date of birth:** MM/DD/YYYY |
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| **Phone:**                    | **Fax:** | **Email:** |
| **Partner Type:**             | **Percentage of ownership:** |
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| □ Limited Partner             |               |               |               |
| □ Dormant/Silent Partner      |               |               |               |
| □ Other:                      |               |               |               |
| **Partnership participation from:** MM/DD/YYYY |
| **Description of participation in operation of the applicant:** |

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100
# Medical Marijuana Dispensary Permit Application

**Address Line 1:**

**Address Line 2:**

**Address Line 3:**

**City:**

**State:**

**Zip Code:**

**Phone:**

**Fax:**

**Email:**

**Partner Type:**

- [ ] General/Full Partner
- [ ] Limited Partner
- [ ] Dormant/Silent Partner
- [ ] Other:

**Percentage of ownership:**

**Partnership participation from:**

**MM/DD/YYYY**

**Description of participation in operation of the applicant:**

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**Name and Residential Address**

**First Name:** N/A

**Middle Name:**

**Last Name:**

**Suffix:**

**Occupation:**

**Title in the applicant’s business:**

**Also known as:**

**Date of birth:** MM/DD/YYYY

**Address Line 1:**

**Address Line 2:**

**Address Line 3:**

**City:**

**State:**

**Zip Code:**

**Phone:**

**Fax:**

**Email:**

**Partner Type:**

- [ ] General/Full Partner
- [ ] Limited Partner
- [ ] Dormant/Silent Partner
- [ ] Other:

**Percentage of ownership:**

**Partnership participation from:**

**MM/DD/YYYY**

**Description of participation in operation of the applicant:**

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**Name and Residential Address**

**First Name:** N/A

**Middle Name:**

**Last Name:**

**Suffix:**

**Occupation:**

**Title in the applicant’s business:**

**Also known as:**

**Date of birth:** MM/DD/YYYY

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**Address Line 3:**

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**State:**

**Zip Code:**

**Phone:**

**Fax:**

**Email:**

**Partner Type:**

- [ ] General/Full Partner
- [ ] Limited Partner
- [ ] Dormant/Silent Partner
- [ ] Other:

**Percentage of ownership:**

**Partnership participation from:**

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**Description of participation in operation of the applicant:**

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**Email:**
C. OTHER PERSONS HOLDING AN INTEREST IN THE PROPOSED SITE OR FACILITY

List any other persons holding an interest in the proposed site or facility, that are otherwise not disclosed in sections A or B.
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Nature, type, terms and conditions of the interest in the applicant:

IF MORE SPACE IS REQUIRED, PLEASE SUBMIT ADDITIONAL INFORMATION ON OTHER PERSONS HOLDING AN INTEREST IN THE PROPOSED SITE OR FACILITY IN A SEPARATE DOCUMENT TITLED “OTHER PERSONS HOLDING AN INTEREST IN THE PROPOSED SITE OR FACILITY (CONT'D.)” IN ACCORDANCE WITH THE ATTACHMENT FILE NAME FORMAT REQUIREMENTS AND INCLUDE IT WITH THE ATTACHMENTS.
SECTION 22 – CAPITAL REQUIREMENTS

PROVIDE A SUMMARY OF YOUR AVAILABLE CAPITAL AND AN ESTIMATED SPENDING PLAN TO BE USED FOR YOU TO BECOME OPERATIONAL WITHIN SIX MONTHS FROM THE DATE OF ISSUANCE OF THE PERMIT:

DOH REDACTED
Part F – Community Impact
(Scoring Method: 100 Points)

SECTION 23 – COMMUNITY IMPACT

PLEASE BE ADVISED, INDICATION OF SUPPORT FROM PUBLIC OFFICIALS WILL NOT BE CONSIDERED WHEN EVALUATING THIS SECTION.

PROVIDE A SUMMARY OF HOW THE APPLICANT INTENDS TO HAVE A POSITIVE IMPACT ON THE COMMUNITY WHERE ITS OPERATIONS ARE PROPOSED TO BE LOCATED:

Section 23 - Community Impact
Overview
DISPENSARY APPLICANT believes that there is no greater pursuit than facilitating a healthier future for our patients and improving the quality of life in the communities we share. We are determined to create long lasting, positive impacts for residents of the Southeast region, specifically in Delaware County, as giving back is a natural part of who we are as a company. To reflect this, we have developed a Community Impact Plan that serves as a road map to guide us with connecting the strengths and assets of Delaware County and the Southeast region with opportunities that will improve our community in meaningful ways.

Developing a community outreach program is a familiar undertaking for DISPENSARY APPLICANT’S President. As a licensed pharmacist and pharmacy owner, he has years of fostering strong community relationships and continues to actively engage in social giving initiatives through sponsorships of local schools, community and church groups, little league baseball teams and a youth summer camp hosted by the local United Cerebral Palsy organization. Our Community Impact Team drew upon this experience while developing our Community Outreach Program to include the definition of its core pillars, goals, beneficiaries and impact strategies.

Community Outreach Program
By design, DISPENSARY APPLICANT will approach community outreach directly through impact strategies operating within three, core pillars that define our program – Volunteer, Give and Advocate as shown below in Figure 1 – Community Impact Plan Overview.
The program architecture, management and administration of our Community Outreach Program will be performed by DISPENSARY APPLICANT’S Community Impact Team (CIT). The CIT currently consists of the President and the COO however, this team will add members as our company grows. The COO will perform the role of Community Impact Officer (CIO) to our Community Beneficiaries. The structure of the CIT and its governance model is shown below in Figure 2 – CIT Structure and Governance.

The CIO is responsible for leading all outreach initiatives and will ensure that the Community Impact Plan and its associated strategies are carried out and remain meaningful to our Community Beneficiaries. The measure of the programs’ effectiveness will be based on an aggregate of observations and feedback specific to yearly events within our strategic pillars – Volunteer, Give and Advocate. The CIO will manage the tracking of outreach events and feedback in the Community Impact Event Log which will be analyzed at least once a year in preparation for the Community Impact
Meeting. An example of this event log is shown below in Figure 3 – Sample Community Impact Event Log.

<table>
<thead>
<tr>
<th>Date</th>
<th>Strategic Filler</th>
<th>Community/Beneficiary</th>
<th>Event Name</th>
<th>Description/Notes</th>
<th>Location</th>
<th>Personnel Resources</th>
<th>Notes</th>
<th>Beneficiary/Employee Feedback</th>
</tr>
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<tr>
<td>6/17/2017</td>
<td>Volunteer</td>
<td>Epilepsy Foundation Eastern PA</td>
<td>Work for Epilepsy Awareness Month</td>
<td>Sponsoring a team, employee participation &amp; social media campaign to promote event</td>
<td>Catonsville</td>
<td>All Employees</td>
<td>Registration opens 10/1/2017</td>
<td></td>
</tr>
<tr>
<td>7/14/2017</td>
<td>Give</td>
<td>Cradles to Crayons Philadelphia</td>
<td>Back to School Playdate</td>
<td>Sponsoring 6 children</td>
<td>Philadelphia</td>
<td>Community Impact Office</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7/14/2017</td>
<td>Advocate</td>
<td>Cradles to Crayons Philadelphia</td>
<td>Back to School Playdate</td>
<td>Launch social media campaign to promote back to school events &amp; Cradles to Crayons</td>
<td>Coudersville</td>
<td>Community Impact Office</td>
<td></td>
<td></td>
</tr>
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</table>

Figure 3 – Sample Community Impact Event Log

The Community Impact Meeting will focus on a holistic evaluation of the Community Outreach Program and its level of positive impact. The CIO will lead the discussion regarding our outreach goals, strategic observations, the current state of community challenges, beneficiary perspectives and thoughts concerning our roadmap of philanthropic investment and efforts. This meeting is strategic in nature and while scheduled to occur yearly, additional sessions may be scheduled by the Community Impact Team based upon program requirements.

Program Goals
The structure and governance previously discussed is in place for the primary purpose of executing relevant strategies that meet or exceed our Program Goals for community improvement. To that end, we have identified principles that guide our development of impact strategies and the beneficiaries that we select for our community outreach. Through these principles, DISPENSARY APPLICANT will support:

- Organizations that align with our overall business goals.
- Organizations that work on issues that resonate with DISPENSARY APPLICANT and our employees.
- Organizations where our employees can volunteer or contribute.
- Organizations that are important to our patients.
- Locally-based organizations that rely on community contributions and volunteers.

DISPENSARY APPLICANT’S Community Impact Team is responsible for defining the goals of our program to ensure that we will enhance our community in a tangible and meaningful manner through our pillars – Volunteer, Give and Advocate. One of the first steps we performed while developing our Community Impact Plan was to understand Delaware County’s strengths, challenges and most pressing issues. This was accomplished by engaging in a research process to gain a broad picture of the community. We identified areas of concern that affect the quality of life in Delaware County and the Southeast region and where those issues aligned with our business vision. This exercise guided us quite naturally towards two organizations that DISPENSARY APPLICANT will support as our Community Beneficiaries.

- The Epilepsy Foundation Eastern Pennsylvania (EFEDA)
- Cradles to Crayons Philadelphia (C2C)
Community Beneficiary Profiles
While DISPENSARY APPLICANT believes that on a local level we can provide outreach programs to many different organizations, we will adopt a targeted approach and to that end, our Community Beneficiaries have been selected with deliberate purpose. Based upon our research, principles and goals, we will initially focus our efforts on supporting children and youth in our local community and across our region. Through volunteering, financial giving and advocacy strategies, we will join the efforts of the EFEPA to overcome the challenges created by epilepsy with special support for their youth programs. Through C2C, we will help to addresses the poverty faced by one in five children in the five-county, southeastern Pennsylvania area by providing and supporting the Kid Packs program that provide disadvantaged children with packs full of much-needed essentials from cold weather gear to school supplies.

Epilepsy Foundation Eastern Pennsylvania
The EFEPA, is a non-profit, 501(c) (3) charitable organization with a mission and approach to serve those affected by epilepsy that resonates with the DISPENSARY APPLICANT outreach principles. We see a direct correlation between what this organization stands for, offers, and supports and what DISPENSARY APPLICANT intends to achieve with our medical marijuana dispensary business. Their focus on education, support and advocacy will enable DISPENSARY APPLICANT and our employees to fully engage through our volunteer, financial giving and advocacy strategies.

EF EPA is truly answering the needs of a large population in our community that are dealing with the challenges of epilepsy in their daily lives to include family members, caregivers, and friends. The impressive reach of this organization spans eighteen counties in Eastern Pennsylvania and serves 110,000 individuals directly affected by epilepsy and seizure disorders. As shown below, Figure 4 – EFEPA Service Areas illustrates the depth of their network in our region. With this reach, EF EPA makes available an extensive catalog of free services and programs focused on improving the quality of life and empowering all those who are directly or indirectly affected by epilepsy. These key programs include but are not limited to, Community Education and Outreach, Epilepsy Educational Conferences and Workshops, Seizure Trainings and Recognition Programs, Legal and Medical Referrals, Children and Family Services, Adult Resource Services as well as the Young Adult Initiative and Camp Achieve.
Equally notable is the progressive stance that EFEPA takes on medical marijuana therapies for the epilepsies. The EFEPA website has published a statement about the organization’s position on Medical Marijuana which aligns with our mission to empower our patients with safe, natural, alternative options for treatment, become educators and advocate for patient rights to improve their health and well-being. The EFEPA statement reads as follows:

The Epilepsy Foundation Eastern Pennsylvania is first and foremost a patient advocacy organization to provide information to the public and work towards a future in which all seizures are controlled. As such, the EFEPA will answer the call of its constituents and defend the rights of patients and families to secure full access to physician directed treatment options, including medical marijuana. The EFEPA is proud to join the national Epilepsy Foundation by urging physicians, legislators and the general public to consider the potentially life changing effect new and alternative treatments can offer. 30% of individuals with epilepsy live with uncontrolled seizures and annually approximately 1 out of 1,000 people with epilepsy will die from Sudden Unexplained Death in Epilepsy (SUDEP.) Medical marijuana has the potential to save their lives. As such the Foundation believes that the Drug Enforcement Administration (DEA) should end restrictions that limit clinical trials and research into medical marijuana for epilepsy.

With our awareness towards the welfare of youth and children, DISPENSARY APPLICANT believes in the ability of plant compounds like cannabidiol (CBD) to help mitigate the symptoms associated with intractable pediatric epilepsy and other debilitating conditions. Medical marijuana strains with cannabinoid profiles like Charlotte’s Web™ now offer hope for treating the symptoms of children living with epilepsy. This high-CBD strain became widely for known for its dramatic success with five-year-old Charlotte Figi’s fight with epilepsy. With Charlotte’s success in mind, we have confidence that there will be more positive stories to come directly from individuals in our own community. DISPENSARY APPLICANT believes that being able to help adults and children locally with this disease is paramount to our core values and represents why we are pursuing a dispensary permit. EFEPA raises funds locally through a variety of events to support their services to the local epilepsy community. We will volunteer our time as an organization, financially support the general events as well as focus our giving and support to the children effected by Epilepsy.

Cradles to Crayons Philadelphia
Cradles to Crayons (C2C) is a non-profit, 501(c) (3) charitable organization that also aligns with our outreach principles, community vision and our focus on supporting youth and children within our region. DISPENSARY APPLICANT has selected C2C as a primary Community Beneficiary. Their mission speaks to our values with direct strategies to provide children from birth through age 12, living in homeless or low-income situations, with the essential items they need to thrive – at home, at school and at play. C2C supplies these items free of charge by engaging and connecting communities that have with those communities that need. Essential elements of new and nearly new children’s items are collected through grassroots community drives and corporate donations. Donations are processed at their Giving Factory and packaged by volunteers. The Kid Packs are distributed to disadvantaged children across the state through a collaborative network of social service agencies and school partners.
Cradles to Crayons has a special function and in its three host cities of Boston, Philadelphia and Chicago, the organization directly responds to meet the critical needs of the local communities. The C2C network in Philadelphia is active and strong and through focused efforts, they are making a tangible difference in the lives of children living in poverty. Per the U.S. Census Bureau, Philadelphia has the highest poverty rate among the nation’s ten largest cities. Nearly one in four Philadelphians, including 130,000 children, live in poverty. The C2C website summarizes their mission most effectively with the following statement:

“Statistics don’t get to the heart of what we do. We help kids in poverty: kids who don’t have shoes that fit, or a coat warm enough to fend off winter winds, or a backpack to take their books and supplies to and from school. When kids don’t have these basics, they suffer. They have a hard time learning in school. They don’t feel valued.”

C2C is effecting real change with their programs and DISPENSARY APPLICANT welcomes the opportunity to support their mission with our volunteer, financial giving and advocacy strategies. We will support their campaigns to Help a Local Child Today through financial and volunteer support of the Kid Pack programs like Gear Up for Winter and Back to School. These programs and DISPENSARY APPLICANT’S strategies for contribution are detailed in the next section, Impact Strategies.

**Impact Strategies**

Within our strategic pillars – Volunteer, Give and Advocate, DISPENSARY APPLICANT has created action-oriented strategies based upon our principles, goals and Community Beneficiaries. An overview of these strategies is shown below in **Figure 5 – Impact Plan Strategies**.

![Impact Plan Strategies Diagram](image-url)
Volunteer
The Volunteer pillar consists of our Employee Social Giving Program where DISPENSARY APPLICANT will offer personal assistance and volunteer our time as a team. As a collective group, we will support our core Community Beneficiaries the Epilepsy Foundation Eastern Pennsylvania and Cradles to Crayons.

Employee Social Giving

**EFEPA:**
- DISPENSARY APPLICANT will incorporate supporting EFEPA into our employee social giving program by participating in the community and supporting EFEPA events as a group. DISPENSARY APPLICANT will participate in this year’s Walk for Epilepsy / Summer Stroll in Chestnut Hill, PA on June 17th.

We will form a team, utilize our network to add sponsors, participate in the five-mile walk and promote the foundation and its events through our network. DISPENSARY APPLICANT will also look for additional opportunities where EFEPA has a need for volunteers to assist with projects or events.

**C2C:**
- DISPENSARY APPLICANT will volunteer as a team at the Cradles to Crayons Giving Factory to participate in creating the Kid Packs as well as look for opportunities to support other events in the C2C calendar.

Give
This pillar consists of Fundraising Events, Special Sponsorship Programs and Kid Pack Programs specific to EFEPA and C2C.

**Fundraising Events**
EFEPA hosts several events throughout the year and DISPENSARY APPLICANT will attend as a group and support events like the Mardi Gras Gala through table sponsorship and as well as team participation at the Charley Roach golf invitational.

**Special Sponsorship Programs**
One of the annual programs EFEPA runs is Camp Achieve which focuses on youths who have received a primary diagnosis of Epilepsy. Camp Achieve is a week-long, overnight camp designed for children and teens ranging in ages from 8-17. It is hosted in August at Camp Green Lane in Green Lane, PA and offers a bevy of summer fun activities. Activities include swimming, wall climbing, arts and crafts, sports, golf, tennis, canoeing and more. Medical personnel and trained counselors are on-hand to ensure a safe and fun environment. Camp Achieve fosters education, peer exchange, camaraderie and helps build confidence and self-esteem.

There is a charge to attend Camp Achieve but EFEPA provides scholarships to those children who cannot afford tuition. EFEPA accepts donations to fund these scholarships. DISPENSARY APPLICANT will commit to sponsoring multiple scholarships annually for children to attend as part of our outreach program. We will initially sponsor five children to attend Camp Achieve each year and will increase our sponsorship as our company grows.
Kid Pack Campaigns
Cradles to Crayons operates a comprehensive and organized program that creates Kid Packs containing essential items that are distributed to children in disadvantaged areas in our region.

- **Gear Up for Winter**
  This program packages and distributes winter clothing, heavy coats, snow boots, hats and gloves to low-income and homeless children throughout our southeast region and the Delaware Valley. This organization’s reach is broad and they anticipate being able to provide cold-weather Kid Packs to more than 12,000 children this winter season. DISPENSARY APPLICANT will financially sponsor a group of children annually and our sponsorship levels will increase as our business grows.

- **Back to School**
  Tens of thousands of kids in the Philadelphia region face their first day of school without a new backpack, school supplies, or proper clothing. Cradles to Crayons’ 2016 goal was to prepare 30,000 children to start their school year on the right foot. DISPENSARY APPLICANT will be a part of reaching the 2017 goal by financially sponsoring a group of children so that they can start their school year with a brand-new backpack containing the school supplies that they need for success in the classroom.

Advocate
DISPENSARY APPLICANT will play an active role in the community as a member participant, a volunteer, a benefactor, an educator and as an advocate for our Community Beneficiaries and all the work they do.

DISPENSARY APPLICANT will create a presence in the community and through social media will share our announcements and participation in EFEPA and C2C volunteering and fundraising activities to promote these events out to a wider audience. In fact, EFEPA has published a 2017 Social Media Guide which we will follow in preparation for the Walk for Epilepsy / Summer Stroll in Philadelphia as well as other events. By sharing our experiences, we will educate our connections on the importance of epilepsy awareness and programs and inspire them to donate and to participate in future events. We will employ the same approach to endorse opportunities with Cradles to Crayons with calls to volunteer for shifts at the Giving Factory, attend events and calls for action to sponsor Kid Pack programs. We will keep a consistent dialog with our social network so there is an awareness of the meaningful activities available through our Community Beneficiaries.

Success Factors for Achieving Impact
DISPENSARY APPLICANT has created our Community Impact Plan to set the direction and guide us as active members of the community towards improvement and helping to positively impact Delaware County and the Southeast region. We realize that community-level change takes time and we look forward to being an integral part of the journey. As our plan intends, we will focus on the immediate impact strategies as previously defined in this narrative and concentrate on delivering meaningful impact to our community. As our company grows, we will expand our involvement with new community beneficiaries and broaden our impact strategies.
To ensure success, DISPENSARY APPLICANT will adhere to the strategies of our Community Impact Plan and stay true to our vision of improving our community’s quality of life. Volunteer, Give, Advocate. With these guiding principles and the following critical success factors in place, we will execute our plan:

**Community Involvement and Collaboration**
The goals and strategies set forth in the Impact Plan will be most effective when we directly engage with our Community Beneficiaries. DISPENSARY APPLICANT’S Community Impact Officer will ensure that we are connected to our beneficiaries and will manage development of these important relationships. DISPENSARY APPLICANT will work closely with our beneficiary network, utilizing and leveraging our resources to yield the most meaningful results for our community and its residents.

**Community Impact Strategies**
Based on our principles and goals, DISPENSARY APPLICANT has developed specific impact strategies to guide action and define the “how” of achieving our goals. These strategies, detailed in a previous section of this narrative, are ready for implementation. Upon permit award, the Community Impact Officer will begin engaging with our Community Beneficiaries.

**Tracking Progress**
As previously discussed at the beginning of this narrative, DISPENSARY APPLICANT will track all outreach activities in the Community Outreach Event Log that will be managed by the Community Impact Officer. Part of that tracking process involves capturing the perceptions of both the beneficiaries and employees who are vital participants and champions of our outreach efforts. Although feedback is not quantitative in nature, we feel that review and consideration of this feedback is one of the valued indicators of measuring the success of our impact strategies. DISPENSARY APPLICANT will use the employee and beneficiary responses to level-set our focus towards our goals and to determine what is working well and what requires improvement.

**Knowing You Made a Difference**
The Community Impact Officer will utilize tools to assist with the strategic assessment of our overall outreach efforts. Such tools will be comparable to the sample questionnaire shown below:

---

**CIO Impact Questionnaire**

Your answers to the following questions will be helpful in making sure that DISPENSARY APPLICANT is on track with our goals as defined by the impact plan and ensures that our contributions are having the positive impact that DISPENSARY APPLICANT intended.

- Do you feel that the community outreach program has met our defined goals?
- Overall, how have DISPENSARY APPLICANT employees responded to the outreach events?
- Have our Community Beneficiaries kept in touch with you effectively?
- Should DISPENSARY APPLICANT become more involved with our Community Beneficiaries?
- Which contributions or strategies will you repeat?
- Are there contributions or strategies that you will not repeat? Why?
- Are there any new issue areas or projects to which you would like
Dedication

As Community partners, DISPENSARY APPLICANT will remain dedicated to achieving positive impact in tangible ways where our knowledge, skills and resources can be applied to enhance our entire community, its health and well-being.
Attachment A: Signature Page

Instructions:
This attachment is the signature page for your application and all other attachments.
- Please review the application
- By checking the appropriate boxes, indicate the sections that are included in your submission
- Print this attachment
- Sign the document (primary contact or registered agent)
- Scan this sheet and save it as a file called "Attachment A," using the appropriate file name format

By checking "Yes," you acknowledge that you have read the Medical Marijuana Organization Permit Application Instructions before completing an application for a medical marijuana organization permit.

The applicant hereby submits this application for a Medical Marijuana Organization Permit to the Pennsylvania Department of Health, which consists of the completed application parts and attachments listed below:

FEES:
- ☑ Initial Application Fee
- ☑ Initial Permit Fee

APPLICATION:
- ☑ Completed Application

OTHER ATTACHMENTS:
- ☑ Attachment B: Organizational Documents
- ☑ Attachment C: Property Title, Lease, or Option to Acquire Property Location
- ☑ Attachment D: Site and Facility Plan
- ☑ Attachment E: Personal Identification
- ☑ Attachment F: Affidavit of Business History
- ☑ Attachment G: Affidavit of Criminal Offense
- ☑ Attachment H: Tax Clearance Certificates
- ☑ Attachment I: Affidavit of Capital Sufficiency
- ☑ Attachment J: Sample Medical Marijuana Product Label
- ☑ Attachment K: Release Authorization
- ☑ Attachment L: Applicant Priorities for Multiple Applications

BACKGROUND CHECKS:
- ☑ The applicant has requested background checks, as described in the instructions.
A false statement made in this application is punishable under the applicable provisions of 18 Pa. C.S. Ch. 49 (relating to falsification and intimidation).

Signature: ___________________________ Title in Applicant's Business: ___________________________ Date: ___________________________

Printed Name: ___________________________

A false statement made in this application is punishable under the applicable provisions of 18 Pa. C.S. Ch. 49 (relating to falsification and intimidation).

Signature: ___________________________ Title in Applicant's Business: ___________________________ Date: ___________________________

Printed Name: ___________________________

A photocopy, facsimile or other electronic version of this document shall be accepted as an original signature.

pennsylvania
DEPARTMENT OF HEALTH
ADDITIONAL ATTACHMENTS:
Please list any other documents you are submitting as part of this application:

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<td>See below</td>
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A false statement made in this application is punishable under the applicable provisions of 18 Pa. C.S. Ch. 49 (relating to falsification and intimidation).

Signature                  Title in Applicant's Business      Date
Principal #2

Printed Name

A false statement made in this application is punishable under the applicable provisions of 18 Pa. C.S. Ch. 49 (relating to falsification and intimidation).

Signature                  Title in Applicant's Business      Date

Printed Name

A false statement made in this application is punishable under the applicable provisions of 18 Pa. C.S. Ch. 49 (relating to falsification and intimidation).

Signature                  Title in Applicant's Business      Date

Printed Name

A photocopy, facsimile or other electronic version of this document shall be accepted as an original signature.
**ADDITIONAL ATTACHMENTS:**
Please list any other documents you are submitting as part of this application:

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A false statement made in this application is punishable under the applicable provisions of 18 Pa. C.S. Ch. 49 (relating to falsification and intimidation).

**Signature**
**Title in Applicant's Business**
**Date**

A false statement made in this application is punishable under the applicable provisions of 18 Pa. C.S. Ch. 49 (relating to falsification and intimidation).

**Signature**
**Title in Applicant's Business**
**Date**

A false statement made in this application is punishable under the applicable provisions of 18 Pa. C.S. Ch. 49 (relating to falsification and intimidation).

**Signature**
**Title in Applicant's Business**
**Date**

A photocopy, facsimile or other electronic version of this document shall be accepted as an original signature.
A false statement made in this application is punishable under the applicable provisions of 18 Pa. C.S. Ch. 49 (relating to falsification and intimidation).

Financial Backer #2
Applicant's Business 3/7/2017
Date

A false statement made in this application is punishable under the applicable provisions of 18 Pa. C.S. Ch. 49 (relating to falsification and intimidation).

Signature
Title in Applicant's Business
Date

A false statement made in this application is punishable under the applicable provisions of 18 Pa. C.S. Ch. 49 (relating to falsification and intimidation).

Signature
Title in Applicant's Business
Date

A photocopy, facsimile or other electronic version of this document shall be accepted as an original signature.
Attachment B: Organizational Documents

Instructions:

- Attach certified copies of the applicant's certificate of incorporation, partnership agreement, charter or other such documentation. If the applicant is not organized in Pennsylvania, attach certified copies of documentation that show that the applicant is authorized to do business in Pennsylvania.
- Complete this cover sheet. Scan this sheet and the organizational documents and save it as a PDF file called "Attachment B," using the appropriate file name format.

| Business Name, as it appears on the applicant's certificate of incorporation, charter, bylaws, partnership agreement or other legal business formation documents: |
| Trade names and DBA (doing business as) names: |
| Principal Business Address: [REDACTED] |
| City: [REDACTED] | State: [REDACTED] | Zip Code: [REDACTED] |
| Phone: [REDACTED] | Fax: [REDACTED] | Email: [REDACTED] |

Dispensary Applicant
LIMITED LIABILITY COMPANY AGREEMENT

OF

DISPENSARY APPLICANT

This Limited Liability Company Agreement (the “Agreement”) of Dispensary Applicant, a limited liability company organized under the laws of the Commonwealth of Pennsylvania (the “Company”), made as of the ___ day of March, 2017 is entered into by and among (the “Manager”) and each of the other parties hereto on the date hereof, as Members, and such other parties who may become Members of the Company in accordance herewith, all as named from time to time on the books and records of the Company and as shall be identified on the Members’ Schedule maintained by the Manager as amended from time to time, in accordance herewith (each, a “Member” and, collectively, the “Members”) and and (collectively referred to herein as the “Initial Class B Members”)

BACKGROUND

WHEREAS, the Company was formed under the laws of the Commonwealth of Pennsylvania by the filing of a Certificate of Organization (the “Certificate”) with the Department of State of the Commonwealth of Pennsylvania on February 3, 2017 and the Company was formed pursuant to and in accordance with the Act (as defined below); and

WHEREAS, the Members desire to enter into this Agreement setting forth the terms and conditions governing the operation and management of the Company.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Members and the Manager, intending to be legally bound hereby, agree as follows:

ARTICLE I

DEFINITIONS

For purposes of this Agreement, the following terms not defined elsewhere have the following meanings:

“Act” means the Pennsylvania Limited Liability Company Act of 1994, as amended from time to time.

“Additional Member” has the meaning set forth in Section 4.1(b).

“Adjusted Capital Account Deficit” means, with respect to any Member, the deficit balance, if any, in such Member’s Capital Account as of the end of the relevant Fiscal Year, after giving effect to the following adjustments:

(i) Credit to such Capital Account any amounts which such Member is obligated to restore pursuant to any provision of this Agreement or is deemed obligated to restore pursuant to the penultimate sentences of Regulation §§1.704-2(g)(1) and 1.704-2(i)(5); and

The foregoing definition of “Adjusted Capital Account Deficit” is intended to comply with the provisions of §1.704-1(b)(2)(ii)(d) of the Regulations and shall be interpreted consistently therewith.

“Affected Member” has the meaning set forth in Section 16.1.

“Affected Member’s Appraisal” has the meaning set forth in Section 16.2.

“Affected Member’s Appraiser” has the meaning set forth in Section 16.2.

“Affiliate” means a Family Member or a trust for the benefit of such Member or other Person or for the benefit of a Family Member of such Member or other Person, or any Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with such Member or other Person. For the purpose of this definition, the term “control” means, with respect to any Person, the beneficial ownership of more than 50% of the equity or voting interests in such Person.

“Aggregate Capital Contribution” means, with respect to any Member, such Member’s initial Capital Contribution to the Company, plus all additional Capital Contribution(s) to the Company by such Member, less any return of capital by the Company to such Member.

“Agreement” has the meaning set forth in the preamble.

“Applicable Law” means all applicable provisions of: (a) constitutions, treaties, statutes, laws (including the common law), rules, regulations, decrees, ordinances, codes, proclamations, declarations or orders of any Governmental Authority, (b) any consents or approvals of any Governmental Authority, and (c) any orders, decisions, advisory or interpretative opinions, injunctions, judgments, awards, decrees of, or agreements with, any Governmental Authority.

“Approved Sale” has the meaning set forth in Section 12.3(a).

“Award Agreement(s)” has the meaning set forth in Section 4.2(c)(iv).

“Bankruptcy” means an adjudication of bankruptcy or the entry of an order for relief or the filing of a voluntary case or petition under the federal bankruptcy law or any state or local bankruptcy law, and, in addition, any other status constituting bankruptcy within the meaning of the Act.

“Business” means the pursuit of Licenses and/or the identification, development and operation of licensed cannabis dispensaries in the Commonwealth of Pennsylvania.

“Cannabis Act” means PA Senate Bill 3, as amended or supplemented from time to time, all laws, rules and regulations promulgated thereunder, and any successor laws, rules and regulations thereto.

“Capital Account” has the meaning set forth in Section 4.5.

“Capital Contribution” means the amount of money and the agreed fair market value of other property (net of any liabilities secured by such property that the Member is considered to assume or take subject to under Code Section 752) contributed by a Member to the Company pursuant to this Agreement.

“Cause” means an act of fraud or willful misconduct by the Manager in the performance of its duties as Manager under this Agreement, provided that an action will not be deemed “willful”
unless done or omitted to be done by the Manager not in good faith and without reasonable belief that its action or inaction was in the best interest of the Company.

“Certificate” has the meaning set forth in the Background.

“Class” has the meaning set forth in Section 4.2.

“Class A Member” means a Member who owns Class A Units. For the avoidance of doubt, any reference herein to a Class A Member shall apply only to such Member’s ownership of Class A Units and not to any other Units such Member may own.

“Class A Unit” has the meaning set forth in Section 4.2(a).

“Class B Member” means a Member who owns Class B Units. For the avoidance of doubt, any reference herein to a Class B Member shall apply only to such Member’s ownership of Class B Units and not to any other Units such Member may own.

“Class B Unit” has the meaning set forth in Section 4.2(b).

“Class C Unit” has the meaning set forth in Section 4.2(c).

“Class C Liquidation Value” means, as of the date of determination and with respect to the relevant series of Class C Units to be issued, the aggregate amount that would be distributed to the Members pursuant to Section 8.2 if, immediately prior to the issuance of the relevant series of Class C Units, the Company sold all of its assets for Fair Market Value and immediately liquidated, the Company’s debts and liabilities were satisfied, and the proceeds of the liquidation were distributed pursuant to Section 11.3.

“Code” means the Internal Revenue Code of 1986, as it may be amended or replaced from time to time.

“Commitment” means, with respect to any Member, the total Capital Contribution agreed to be made by such Member pursuant to the purchase of such Member’s Units in the Company, as set forth in the Subscription Agreement executed by such Member and reflected on the Schedule of Members, as amended from time to time in accordance herewith, unreduced by Capital Contributions.

“Company Appraisal” has the meaning set forth in Section 16.2.

“Company Business” has the meaning set forth in Section 2.3.

“Company Minimum Gain” has the meaning set forth in sections 1.704-2(b)(2) and 1.704-2(d) of the Regulations.

“Company Profits” and “Company Losses” means, for each fiscal year or other period, an amount equal to the Company’s taxable income or loss for such year or period, determined by the Company’s accountants in accordance with Section 703(a) of the Code (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 shall be included in taxable income or loss), with the following adjustments:

(i) Such taxable income or loss shall be increased by the amount of all income during such period that is exempt from U.S. federal income tax and not otherwise taken into account in computing Company Profit or Company Loss pursuant to this paragraph;

(ii) Such taxable income or loss shall be decreased by the amount of all expenditures made by the Company during such period which are described in Section 705(a)(2)(B)
or treated as so described pursuant to Regulations Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Company Profit or Company Loss pursuant to this paragraph;

(iii) In the event that the Gross Asset Value of any Company asset is adjusted pursuant to this Agreement, the amount of such adjustment shall be treated as an item of gain or loss from the disposition of such asset and shall be taken into account for purposes of computing Company Profit or Company Loss;

(iv) Gain or loss resulting from any disposition of property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Gross Asset Value of the property disposed of, notwithstanding that the adjusted tax basis of such property differs from its Gross Asset Value;

(v) In lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such year, computed in accordance with the definition of “Depreciation”; and

(vi) Any items which are specially allocated pursuant to the provisions of Section 7.2 shall not be taken into account in computing Company Profit or Company Loss.

“Convertible Securities” has the meaning set forth in Section 13.1(a).

“Company Subsidiary” means any Person: (i) more than 50% of the outstanding voting securities of which are at the time controlled directly or individually by the Company or (ii) with respect to which the Company possesses, directly or indirectly, control over the management and affairs of such Person.

“Compelled Member” has the meaning set forth in Section 12.3(a).

“Depreciation” means, for each year, an amount equal to the depreciation, amortization, or other cost recovery deduction allowable with respect to an asset for such year, except that if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such year, Depreciation shall be an amount that bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization, or other cost recovery deductions for such year bears to such beginning adjusted tax basis, provided, however, that if the adjusted basis for federal income tax purposes of an asset at the beginning of such year is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the Manager.

“Distributable Cash” means, for any period, all cash and cash equivalents of the Company received during such period plus any cash on hand at the beginning of such period, minus the sum of: (a) all expenditures paid by the Company during the period (excluding depreciation or other noncash expenses, but including capital expenditures), (b) any amortization of principal payments made on any loan of the Company, (c) an amount necessary to pay all liabilities of the Company then due and owing, including, without limitation, all loans to the Company and all advances made by any Member to the Company, and (d) reserves of the Company for the operation of the Company’s business, liabilities of the Company not yet due and future or contingent liabilities of the Company, and future growth, acquisition and expansion needs of the Company as the Manager may reasonably determine in good faith to be necessary or appropriate in its sole and absolute discretion. Notwithstanding the preceding sentence, Capital Contributions shall not be taken into account in computing Distributable Cash for any period.
“Election Notice” has the meaning set forth in Section 13.3.

“Excluded Units” means (i) any Units issuable pursuant to any reclassification or subdivision of, or as a dividend or other distribution on, the Units, (ii) any Units issuable as consideration for the acquisition by the Company of another business entity or interest therein (including, without limitation, a joint venture or strategic alliance) by merger, stock purchase, purchase of substantially all the assets or other business combination or investment, (iii) any Units issuable to directors, officers, employees or consultants of the Company as compensation in connection with their service to the Company, including under equity incentive plans or as profits interests and (iv) any Units issuable to lessors, financial institutions or similar entities, or other Persons, in each case, primarily for business purposes, including licensing or research or development activities, provided that the principal purpose of such transaction is not to raise capital through the issuance or sale of equity securities.

“Fair Market Value” as of any date means the purchase price that a willing buyer having all relevant knowledge would pay a willing seller in an arm’s-length transaction, as determined by the Manager in its sole and absolute discretion based on such factors as the Manager considers relevant.

“Family Member” means with respect to any Member or other Person, the spouse, lineal descendant, ancestor or sibling (whether by blood or adoption), or the spouse of such lineal descendant, ancestor or sibling (whether by blood or adoption), of such Member or other Person.

“Fiscal Year” means the taxable year which, unless the Code requires a different period, is (i) the calendar year, or (ii) any portion of the period described in clause (i) of this sentence for which the Company is required to allocate Company Profit, Company Loss and other items of Company income, gain, loss or deduction pursuant to Article VII.

“Gross Asset Value” means, with respect to any asset, the asset’s adjusted basis for federal income tax purposes, except as follows:

(i) The initial Gross Asset Value of any asset contributed by a Member to the Company shall be the gross fair market value of such asset, as determined by the Manager in its reasonable discretion;

(ii) The Gross Asset Values of all the Company Assets shall be adjusted to equal their respective gross fair market values (taking Code Section 7701(g) into account), as determined by the Manager in its reasonable discretion as of the following times: (A) the acquisition of an additional Unit in the Company by any new or existing Member, (B) the distribution by the Company to a Member of more than a de minimis amount of Property with respect to the repurchase of a Unit by the Company, (C) the liquidation of the Company within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g), and (D) upon the withdrawal of a Member from the Company; provided, however, that an adjustment described in subparagraphs (A) and (B) and (D) of this paragraph shall be made only if the Manager reasonably determines that such adjustment is necessary to reflect the relative economic interests of the Members in the Company;

(iii) The Gross Asset Value of any item of the Company Assets distributed to any Member shall be adjusted to equal the gross fair market value (taking Code Section 7701(g) into account) of such asset on the date of distribution as determined by the Manager in its reasonable discretion; and
(iv) The Gross Asset Values of the Company Assets shall be increased or decreased to reflect any adjustments to the adjusted basis of such assets pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m).

(v) If the Gross Asset Value of an asset has been determined or adjusted pursuant to subparagraph (i), (ii) or (iv) above, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Company Profits and Company Losses.

“Governmental Authority” means the Commonwealth of Pennsylvania, any county, city or political subdivision thereof, or any agency or instrumentality of the Commonwealth of Pennsylvania or such county, city or political subdivision, or any Pennsylvania state court of competent jurisdiction.

“Initial Notice” has the meaning set forth in Section 12.2.

“Involuntary Transfer” means an event such that the Units owned by any Member shall be subject to sale or other transfer by reason of (a) Bankruptcy proceedings, whether voluntary or involuntary, (b) distribution of marital property following divorce, or (c) distraint, levy, execution or other involuntary transfer.

“Issuance Notice” has the meaning set forth in Section 13.2.

“License” means any dispensary license contemplated for issuance at any time under the Cannabis Act.

“Liquidation Event” means a liquidation of the Company or any other corporate transaction by which the Company disposes of substantially all of its assets, incorporates or merges or consolidates into another company.

“Manager” has the meaning set forth in Section 3.1.

“Member Nonrecourse Debt” has the meaning set forth in section 1.704-2(b)(4) of the Regulations.

“Members’ Schedule” has the meaning set forth in Section 4.1.

“Member Nonrecourse Debt Minimum Gain” means an amount, with respect to each Member Nonrecourse Debt, equal to the Company Minimum Gain that would result if such Member Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with section 1.704-2(i)(3) of the Regulations.

“Member Nonrecourse Deductions” has the meaning set forth in sections 1.704-2(i)(1) and 1.704-2(i)(2) of the Regulations.

“Membership Interest” means the right and interest of a Member in the Company to any and all benefits to which such Member may be entitled under the Act and this Agreement (based on the type, class and series of Unit or Units held by such Member), including, but not limited to: (a) the transferring interest and governance interest, (b) voting rights of a Member, (c) rights of a Member in distributions, and (d) allocations of Profits and Losses, together with all obligations of such Member to comply with the terms and provisions of this Agreement.

“Nonrecourse Deductions” has the meaning set forth in sections 1.704-2(b)(1) and 1.704-2(c) of the Regulations.
“Nonrecourse Liability” has the meaning set forth in section 1.704-2(b)(3) of the Regulations.

“Non-Transferring Member” has the meaning set forth in Section 12.2.

“Offer” has the meaning set forth in Section 12.2.

“Offeree” has the meaning set forth in Section 13.1(a).

“Offered Interests” has the meaning set forth in Section 12.2.

“Offered Securities” has the meaning set forth in Section 13.1(a).

“Offering Expenses” shall mean any fees, costs or expenses incurred in connection with the offering of Membership Interests, including, without limitation, printing, travel, filing fees, legal and accounting fees and expenses.

“Participating Member” has the meaning set forth in Section 13.1(b).

“Percentage Interest” means (a) with respect to a particular Class or Series of Units, a Member’s holding of such Units or Series of Units expressed as a fraction, the numerator of which is the number of Units of such Class or Series of which such Member is the record owner divided by the aggregate number of issued and outstanding Units of such Class or Series, and (c) with respect to all Units (irrespective of Class or Series), a Member’s holding of Units expressed as a fraction, the numerator of which is the number Units of which such Member is the record owner divided by the aggregate number of issued and outstanding Units; provided that Restricted Class C Units shall not be included in any such calculation of Percentage Interest.

“Permitted Transfer” means any sale, assignment or other transfer of any portion of a Member’s Membership Interest (i) to another Member; (ii) to a Family Member or a trust for the benefit of such Member or such Member’s Family Member; (iii) to a Member’s beneficial owners; or (iv) to a Person which is established solely for a Member’s estate planning purposes and is under the control of such Member and/or such Member’s Family Member, each such transaction being a “Permitted Transferee”). For the purpose of this definition, the term “control” means, with respect to any Person, the beneficial ownership of 100% of the equity or voting interests in such Person.

“Person” means any person, firm, corporation, general partnership, limited partnership, limited liability company, limited liability partnership, association, trust, estate, custodian, nominee, joint venture, foreign business organization or other individual or entity.

“Prime Rate” means the prime rate of interest published from time to time in The Wall Street Journal.

“Profits Interest” has the meaning set forth in Section 4.2(c)(ii).

“Project” means the pursuit of cannabis dispensary licenses, and the identification, development and operation of cannabis dispensary facilities in the Commonwealth of Pennsylvania.

“Redeemed Units” has the meaning set forth in Section 16.1.

“Redemption” has the meaning set forth in Section 16.1.

“Redemption Notice” has the meaning set forth in Section 16.1.

“Redemption Price” has the meaning set forth in Section 16.2.

“Redemption Trigger” has the meaning set forth in Section 16.1.
“Regulations” means the proposed, final or temporary regulations promulgated from time to time by the United States Treasury Department under the Code.

“Regulatory Allocations” has the meaning set forth in Section 7.2.

“Required Records” has the meaning set forth in Section 10.1.

“Restricted Class C Units” has the meaning set forth in Section 4.2(c)(iv).

“Return Notice” has the meaning set forth in Section 12.2.

“Safe Harbor Election” has the meaning set forth in Section 4.2(c)(iii).

“Schedule of Members” shall mean a list of the name, address and Commitment, if applicable, of the Manager and each Member, a copy of which shall be made available to any requesting Member.

“Series” has the meaning set forth in Section 4.2(c)(i).

“Service Providers” has the meaning set forth in Section 4.2(c).

“Subscription Agreement” shall mean the subscription agreements entered into by the Company and the Manager with the Members in connection with their purchase of Member Interests.

“Target Balance” has the meaning set forth in Section 7.1.

“Tax Distributions” shall have the meaning set forth in Section 8.1 hereof.

“TMP” has the meaning set forth in Section 10.3.

“Transferring Member” has the meaning set forth in Section 12.2.

“Unit” or “Units” has the meaning set forth in Section 4.2.

“Unsuitability Event” means, with respect to a particular Member: (a) the Manager determines, in its sole and absolute discretion, that the Company’s affiliation with the Member or any of its Affiliates or equity holders may: (i) threaten the ability of the Company or the Project to obtain or retain any license, permit, approval or other entitlement that the Company or the Project holds or applies for in any jurisdiction, (ii) violate any Applicable Law, or (iii) harm the business and affairs of the Project; (b) the Company or any of its Affiliates or equity holders, receives correspondence or information from any Governmental Authority or any other governmental authority or agency indicating that the Member or any of its Affiliates or equity holders is not suitable to hold a direct or indirect equity interest in the Company under Applicable Law; or (c) the Manager determines, in its sole and absolute discretion, that the Member or any of its equity holders has breached any of the representations, warranties, covenants or agreements set forth in Section 9.1, Section 9.2 or Section 9.3 of this Agreement.

“Voting Members” means the Class A Member and Class B Members.

“Voting Units” means Class A Units and Class B Units.

ARTICLE II

CONTINUATION OF LIMITED LIABILITY COMPANY

2.1 Formation. The Company was formed on February 3, 2017, as a limited liability company under the laws of the Commonwealth of Pennsylvania. The Certificate is on file in the
office of the Secretary of State of the Commonwealth of Pennsylvania. The rights and liabilities of the Members shall be as provided under the Act, the Certificate and this Agreement.

2. Name. The name of the Company is "DISPENSARY APPLICANT" and all business of the Company shall be conducted in such name.

2.3 Purpose. The purpose of the Company is (a) to engage in the Project (the "Company Business"), and (b) engaging in any lawful act or activity for which limited liability companies may be formed under the Act.

2.4 Location. The principal place of business of the Company is "COMPANY LOCATION" or such other principal place of business as the Manager may from time to time determine. The Company may have, in addition to such office, such other offices and places of business at such locations, both within and outside of the Commonwealth of Pennsylvania, as the Manager may from time to time determine.

2.5 Registered Office. The Company’s registered office is c/o "COMPANY LOCATION". The registered office of the Company may be changed from time to time by filing the necessary documents pursuant to the Act.

2.6 Qualifications. The Manager shall qualify the Company to do business in each jurisdiction where the activities of the Company make such qualification necessary or where it is necessary in order to preserve the limited liability of the Members. The Manager may appoint agents for service of process in all other jurisdictions in which the Company shall conduct business.

2.7 Term. The Company will have perpetual existence unless dissolved in accordance with the terms of this Agreement.

ARTICLE III

MANAGEMENT

3.1 Management of the Company. The powers of the Company shall be exercised by and under the authority of, and the business and affairs of the Company shall be managed under the direction of, a manager (the "Manager"). Except as specifically authorized by the Manager, no Member, in its capacity as such, shall have the authority to bind the Company. The initial Manager shall be "DISPENSARY APPLICANT"

3.2 Powers of the Manager. Except as otherwise provided herein, the Manager (acting on behalf of the Company) shall have the right, power and authority in the management of the business and affairs of the Company to do or cause to be done any and all acts, at the expense of the Company, deemed by the Manager to be necessary or appropriate to effectuate the business, purpose and affairs of the Company. The power and authority of the Manager shall include, without limitation, the power and authority on behalf and at the expense of the Company to do the following:

(a) Admit an Additional Member, or approve the resignation or withdrawal of a Member, or approve the sale, assignment, encumbrance or other transfer of all or any portion of a Member’s Units, in accordance with this Agreement.

(b) Create additional Classes or Series of Units of the Company.

(c) Deal with the assets of the Company for all proper Company purposes and authorize the execution, delivery, performance and carrying out of any and all contracts and agreements for such purposes.
(d) Acquire for Company purposes, by purchase, lease or otherwise, any property or assets of any kind and character, including but not limited to Investments, and take title thereto in the name of the Company or in the name of any Person, as nominee, to hold for the account of the Company.

(e) Apply proceeds of any sale, exchange, or mortgage, pledge or other disposition of Company assets to payment of liabilities of the Company and/or pay, collect, compromise, arbitrate or otherwise adjust any and all other claims or demands of or against the Company or hold such proceeds against the payment of contingent liabilities, known or unknown.

(f) Purchase and maintain, at the expense of the Company, liability, indemnity and any other insurance (including, without limitation, errors and omissions insurance and insurance to cover the obligations of the Company under Article XIII hereof), sufficient to protect the Company, the Manager, the Members, the officers or any other Person, from those liabilities and hazards which may be insured against in the conduct of the business and in the management of the business and affairs of the Company.

(g) Borrow money or obtain credit in such amounts, on such terms and conditions, at such rates of interest and upon such other terms and conditions as the Manager deems appropriate, from banks, other lending institutions or any other Person, including the Members, for any purpose of the Company, and in connection with such loans, pledge, assign or otherwise encumber or alienate any or all of the Company assets, including any income therefrom, to secure or provide for the repayment thereof. As between any lender and the Company, it shall be conclusively presumed that the proceeds of such loans are to be and will be used for the purposes authorized herein and that the Manager has the full power and authority to borrow such money and to obtain such credit.

(h) Assume obligations, enter into contracts, including contracts of guaranty or suretyship, incur liabilities, lend money and otherwise use the credit of the Company to secure any of the obligations, contracts or liabilities of the Company, by mortgage, pledge or other encumbrance of all and any part of the property and income of the Company.

(i) Make, execute, assign and acknowledge on behalf of the Company any and all documents or instruments of any kind which the Manager may deem necessary or appropriate in carrying out the purposes and business of the Company, including, without limitation, powers of attorney, indemnification agreements, contracts of sale, deeds, options, loan obligations, mortgages, deeds of trust, notes, documents or instruments of any kind or character, and amendments thereto, any of which may contain confessions of judgment against the Company. Any person dealing with the Manager shall not be required to determine or inquire into the authority or power of the Manager to bind the Company or to execute, acknowledge or deliver any and all documents in connection therewith.

(j) Invest funds of the Company in interest-bearing accounts and investments including, without limitation, obligations of the federal, state and local governments and their agencies, mutual funds (including money market funds), time deposits, commercial paper and certificates of deposit of commercial banks, savings banks or savings and loan associations.

(k) Make any election on behalf of the Company as is or may be permitted under the Code or under the taxing statute or rule of any state, local, foreign, or other jurisdiction, and to supervise the preparation and filing of all tax and information returns which the Company may be required to file.
(l) Request, demand, collect and receive all payments due to the Company, institute legal proceedings in the name of the Company for the collection thereof, settle or compromise all such legal proceedings and any other disputes with respect thereto, and incur such expenses in connection therewith as the Manager shall determine to be necessary or appropriate, which expenses may include the costs of counsel for any such matter.

(m) Employ and engage agents, employees, advisers, consultants and counsel (including any custodian, investment adviser, accountant, attorney, corporate fiduciary, bank or other financial institution or any other agents, employees or Persons who may serve in such capacity for the Manager) to carry out any activities which the Manager is authorized or required to carry out or conduct under this Agreement, including, without limitation, a Person who may be engaged to undertake some or all of the management, financial accounting and record keeping or other duties of the Manager, to indemnify such Persons against liabilities incurred by them in acting in such capacities on behalf of the Company, and to rely on the advice given by such Persons, it being agreed and understood that the Manager shall not be responsible for any acts or omissions of any such Persons and shall assume no obligations in connection therewith other than the obligation to use due care in the selection thereof.

(n) Qualify the Company to do business in any state, territory, dependency or foreign country.

(o) In general, exercise in full all of the powers of the Company, and do any and all acts and conduct all proceedings and execute all rights and privileges, contracts and agreements of any kind whatsoever, although not specifically mentioned in this Agreement, that the Manager, in its sole discretion, may deem necessary or appropriate to the conduct of the business and affairs of the Company or to carry out the purposes of the Company. The expression of any power or authority of the Manager in this Agreement shall not in any way limit or exclude any other power or authority which is not specifically or expressly set forth in this Agreement.

3.3 **Powers Reserved by the Members.**

(a) Without the consent of the Voting Members holding a majority of the Percentage Interests of the Voting Units, the Manager shall not have the authority on behalf of the Company to:

   (i) do any willful act in contravention of this Agreement;

   (ii) perform any act that would subject the Members to personal liability in any jurisdiction;

   (iii) take any action, including but not limited to, the filing of an IRS Form 8832, Entity Classification Election, which would cause the Company to be taxed other than as a “partnership” for federal income tax purposes.

(b) In addition to the powers reserved by the Members according to this Section 3.3(a), the Manager shall not alter in any material respect the rights and preferences of any existing Class or Series of Units of the Company without the prior written consent of the Member(s) holding a majority of the Class or Series of Units adversely affected thereby.

3.4 **Selection and Term of Service.** The Manager may be removed by consent of the Voting Members for Cause or upon the sale of a majority of the voting or economic interests in the Manager (if not a natural person) to a third party not otherwise a Permitted Transferee or upon the death or disability of the Manager if a natural person. Any vacancy occurring in the office of the Manager resulting from the dissolution, resignation or removal of the Manager shall be filled by
selection at any annual or special meeting of the Voting Members called for such purpose. The Manager selected to fill a vacancy shall be selected for the term specified by the Members at such meeting.

3.5 **Transactions With Interested Persons.** No transaction between the Company and one or more of its Members, Manager or officers or between the Company and any other business entity in which one or more of its Members, Manager or officers has an interest shall be void or voidable solely for this reason, or solely because the Member, Manager or officer is present at or participates in the meeting which authorizes the contract or transaction, or solely because his or their votes are counted for such purpose.

3.6 **Compensation and Reimbursement of the Manager.** The Manager shall not be entitled to compensation for serving as Manager, but the Manager shall be entitled to certain fees for providing services to the Company other than in its capacity as the Manager and to reimbursement for reasonable third party expenses (but not overhead expenses) incurred in managing the Company.

3.7 **Time Devoted to Company.** The Manager shall devote such time to the Company business as it deems necessary to manage and supervise the Company business and affairs in an efficient manner; but nothing in this Agreement shall preclude the employment of any agent, third party or affiliate to manage or provide other services with respect to the Company’s assets or business as the Manager shall determine.

3.8 **Liability of a Manager.** The Manager shall not be liable for the debts, liabilities, contracts or other obligations of the Company. Neither the Manager nor any officer, member, employee, agent, representative or Affiliate of the Company or the Manager shall have any liability to the Company or any Member for any loss, cost or expense suffered or incurred by the Company or any Member that arises out of or relates to any action or inaction of any of the Manager or other Person if such action or omission to act was undertaken in good faith upon a determination that such course of conduct did not constitute gross negligence or willful misconduct on the part of the Manager or other Person.

**ARTICLE IV**

**CAPITAL MATTERS AND MEMBERSHIP**

4.1 **Membership Interests; Additional Members.**

(a) The Membership Interests of the Members shall be represented by issued and outstanding Units, which may be divided into one or more types, classes or series. Each type, class or series of Units shall have the privileges, preferences, duties, liabilities, obligations and rights, including voting rights, if any, set forth in this Agreement with respect to such type, class or series. The Company is hereby authorized, subject to Article XIII, to authorize and issue or sell to any Person any new type, class or series of Units not otherwise described in this Agreement. The Manager is hereby authorized subject to Article XIII, to amend this Agreement to reflect such issuance and to fix the relative privileges, preferences, duties, liabilities, obligations and rights of any such Units, including the number of such Units to be issued, the preferences (with respect to Distributions, in liquidation or otherwise) over any other Units, and any contributions required to be made in connection therewith. The Manager shall maintain a schedule of all Members, their respective mailing addresses and the amount and series of Units held by them, the form of which is attached hereto as Schedule A (the “Members’ Schedule”), and shall update the Members’ Schedule upon the issuance or Transfer of any Units to any new or existing Member. A copy of the Members’ Schedule as of the execution of this Agreement is attached hereto as Schedule A.
(b) **Admission of Members.** The Manager may, from time to time, after the date hereof and subject to Section 12.2 hereof, permit any existing Member to increase its Commitment or admit one or more new Members ("**Additional Member**"). Each such Additional Member shall execute and deliver to the Company a counterpart of this Agreement and a Subscription Agreement, thereby evidencing such Additional Member’s agreement to be bound by and comply with the terms and provisions hereof as if such Additional Member was an original signatory to this Agreement, and the Schedule of Members shall be amended to reflect such Additional Member’s Commitment and admission to the Company and the additional Commitment of any existing Member. The Manager will determine the price at which the Company’s Units will be sold by the Company.

4.2 **Units.** The Company’s Membership Interests shall initially be divided into three separate and distinct classes of Units ("**Units**") in the Company (each, a “**Class**” of Units), each of which shall carry the rights, preferences and privileges set forth herein.

(a) **Class A Units.** The Company is hereby authorized to issue a class of Units designated as “**Class A Units**” and as of the date hereof, 2,500 Class A Units are authorized and 1,300 Class A Units are issued and outstanding to the Class A Member in the amounts set forth on the Members’ Schedule opposite each Class A Member’s name. The Class A Member shall have one vote for each Class A Unit held on all matters required to be voted on by the Members.

(b) **Class B Units.** The Company is hereby authorized to issue a class of Units designated as “**Class B Units**” and as of the date hereof, 2,000 Class B units are authorized and 650 Class B Units are issued and outstanding. Class B Units shall be nonvoting and except as provided in Section 3.3(b), Members holding Class B Units shall not be entitled to vote on any matter submitted to a vote of the Members, either individually or as a class or series, in respect of the Class B Units owned by them.

(c) **Class C Units.**

   (i) The Company is hereby authorized to issue a class of Units designated as “**Class C Units**”, which shall be denominated in one or more series (“**Series**”) (Series C-1, Series C-2, etc.) to Members, Managers, officers, employees, consultants or other service providers of or to the Company or any Company Subsidiary (collectively, without regard to whether the recipient personally provides services to the Company or any Company Subsidiary, “**Service Providers**”), on such terms and conditions as the Manager may determine in its sole and absolute discretion from time to time. The Company is hereby authorized to issue 500 Class C Units and as of the Effective Date, no Class C Units were issued and outstanding.

   (ii) Class C Units are intended to constitute “partnership interests transferred in connection with the performance of services” within the meaning of the “safe harbor” proposal expressed in Notice 2005-43 or Proposed Regulation Section 1.83-3(l) (the “**Proposed Safe Harbor**”) to the extent the Internal Revenue Service hereafter finalizes or permits taxpayers to rely on the Proposed Safe Harbor. Class C Units shall have an initial Capital Account equal to zero and have rights to and limitations on distributions such that, upon issuance, such Units (within the reasonable judgment of the Manager) constitute “**Profits Interests**” for United States federal income tax purposes, including by establishing a Class C Liquidation Amount for each Series of Class C Units denominated pursuant to this Agreement that must be made with respect to all or one or more specified classes of equity interests outstanding immediately prior to the issuance of such Series before the holders thereof may receive any distributions pursuant to Section 11.3. Issuances of Class C Units pursuant to this Section 3.2(c) are intended to be nontaxable to their recipients to the fullest extent permitted by law. The recipient of a Class C Unit that is subject to a substantial risk of forfeiture within the meaning of Section 83 of the Code shall be entitled to make an election under
Section 83(b) of the Code reporting a zero value for the Class C Unit. The Company and all Members shall (i) treat such Class C Units as outstanding for tax purposes, (ii) treat such holder of Class C Units as a member of the Company for U.S. Federal income tax purposes with respect to such Class C Units, and (iii) file all U.S. Federal tax returns and reports consistently with the foregoing. Notwithstanding anything contained in this Section 3.2(c), none of the Company or any Member makes any representation as to the tax consequences of the issuance of the Class C Units pursuant to this Section 3.2(c). The Manager shall have the power to amend the provisions of this Section 3.2(c) to achieve the “profits interest” treatment intended by this Agreement, including that any Class C Units that are granted in exchange for services provided or to be provided to the Company are intended to be “profits interests” when issued for United States federal income tax purposes.

(iii) The Members agree that, in the event the Internal Revenue Service finalizes the regulations set forth in or permits taxpayers to rely on the Proposed Safe Harbor, the Company shall be authorized and directed to make the election described therein (the “Safe Harbor Election”), and the Company and each Member (including any person to whom an interest in the Company is transferred in connection with the performance of services) agrees to comply with all requirements of the Safe Harbor with respect to all interests in the Company transferred in connection with the performance of services while the Safe Harbor Election remains effective. The TMP shall be authorized to prepare, execute, and file the Safe Harbor Election.

(iv) In connection with the issuance of any Series of Class C Units, the Manager is hereby authorized to negotiate and enter into grant or award agreements with each Service Provider to whom it grants such Series (such agreements, “Award Agreements”). Each Award Agreement shall include such terms, conditions, rights and obligations as may be determined by the Manager, in its sole and absolute discretion, consistent with the terms herein. The Manager shall establish the Class C Liquidation Amount and such vesting criteria for the Class C Units as it determines in its sole and absolute discretion and shall include such Class C Liquidation Amount and vesting criteria in the applicable Award Agreement for any grant of a Series. As used in this Agreement, any Class C Units that have not vested pursuant to the terms of an Award Agreement are referred to as “Restricted Class C Units.” Class C Units shall be nonvoting and except as provided in Section 3.3(b), Members holding Class C Units shall not be entitled to vote on any matter submitted to a vote of the Members, either individually or as a class or series, in respect of the Class C Units owned by them. The Class C Units will be junior in liquidation, redemption and other rights and preferences to other Units to the extent set forth herein or in an Award Agreement.

4.3 Certificates. At the discretion of the Manager, the Units in the Company may be represented by a certificate. The exact contents of a certificate shall be determined by the Manager.

4.4 Ownership Exhibit.

(a) The name and present mailing address of each Member, the current number and Class or Series of Units held by each Member and the Percentage Interest of each Member are as set forth next to each Member’s respective name on the Members’ Schedule, attached hereto. The Company will maintain in its books and records an updated schedule of the aggregate Capital Contributions of each Member and the current Capital Accounts (as defined below) of each Member, and any changes thereto.

(b) The Company shall be entitled to treat the person in whose name any Unit(s) stand on the books of the Company as the absolute owner thereof, and shall not be bound to recognize any equitable or other claim to, or interest in, such Unit or Units on the part of any other person.
4.5 **Capital Accounts.** A single, separate capital account shall be maintained for each Member in accordance with the Regulations issued under Section 704(b) of the Code (each such account, a “**Capital Account**”) and this Section 4.5.

(a) To each Member’s Capital Account there shall be credited the amount of cash and the Gross Asset Value of any asset transferred by the Member to the Company as a Capital Contribution, such Member’s allocated share of Company Profits, any items in the nature of income or gain which are specially allocated pursuant to this Agreement and which would otherwise be included in the computation of Company Profits and Company Losses, and the amount of any Company liabilities assumed by such Member or which are secured by any property of the Company distributed to such Member.

(b) From each Member’s Capital Account there shall be debited the amount of cash and the Gross Asset Value of any property of the Company distributed to such Member pursuant to any provision of this Agreement, such Member’s allocated share of Company Losses, any items in the nature of expenses or losses which are specially allocated pursuant to this Agreement and which would otherwise be included in the computation of Company Profits and Company Losses, and the amount of any liabilities of such Member assumed by the Company or which are secured by any property contributed by such Member to the Company.

(c) In determining the amount of any liability for purposes of this Section 4.4, there shall be taken into account Code Section 752(c) and any other applicable provisions of the Code and Regulations.

(d) Upon a transfer of any Unit in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred Unit.

(e) The foregoing provisions of this Section 4.5 and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Regulations §1.704-1(b), and shall be interpreted and applied in a manner consistent with such Regulations. The Manager shall (i) make any adjustments that are necessary or appropriate to maintain equality between the aggregate Capital Accounts of the Members and the amount of capital reflected on the Company’s balance sheet, as computed for book purposes, in accordance with Regulations §1.704-1(b)(2)(iv)(q), and (ii) make any appropriate modifications in the event unanticipated events might otherwise cause this Agreement not to comply with Regulations §1.704-1(b). In the event that the Manager determines that it is prudent to modify the manner in which Capital Accounts or any debits or credits thereto are computed in order to comply with such Regulations, the Manager may make such modifications.

4.6 **Capital Contribution.** Each of the Members shall be deemed to have made Capital Contributions in the amounts set forth on the Schedule of Members. Except as set forth in the Subscription Agreements and as set forth in the Schedule of Members, no Member shall be required to make any additional Capital Contributions to the Company. Any future Capital Contributions made by any Member shall only be made with the consent of the Manager and in connection with a future issuance of units in accordance with Section 4.1(b).

4.7 **Reserved.**

4.8 **No Restoration of Deficit Capital Accounts.** Notwithstanding anything in this Agreement to the contrary, no Member shall be required at any time to make additional Capital
Contributions to the Company to restore any deficit balance in its Capital Account or to fund any operating expenses.

4.9 No Right to Interest or Return on Capital. Except as set forth herein, no Member shall be entitled to any return of or interest on Capital Contributions to the Company. No Member shall have any liability for the repayment of the Capital Contribution of any other Member and each Member shall look only to the assets of the Company for return of its Capital Contribution.

4.10 Loans to the Company. Without in any way limiting the authority of the Manager to cause the Company to borrow funds from an unaffiliated third party (instead of, or in addition to, any loan(s) of the type contemplated by this Section 4.10), any Member or Affiliate of a Member may, with the consent of the Manager, lend or advance money to the Company; provided, that such a loan shall be on terms and conditions not less favorable than those available from unaffiliated third parties for similar loans. If a Member, with the consent of the Manager, shall make any loan or loans to the Company or advance money on its behalf, the amount of such loan or advance shall not be treated as a Capital Contribution to the Company and shall not increase such Member’s Capital Account but shall instead be treated as a debt due from the Company to a creditor as to all parties and as for all purposes to the fullest extent permitted by law. Any such loan shall be a debt of the Company to such Member and shall be payable or collectible only out of the Company property in accordance with the terms and conditions upon which such loan was made and shall bear interest at a rate at least equal to the applicable federal rate as defined in Section 1274(d) of the Code unless such requirement is waived by the Manager. Any such loan shall be subject to the highest priority permitted by law as to the creditors of the Company.

4.11 Permitted Outside Activities. Subject to any other provisions in this Agreement to the contrary and to outstanding agreement between the Company and/or its Affiliates and the Member, each Member acknowledges that (a) the business of the Company may involve business dealings with other businesses in which a Member or an Affiliate of a Member has an interest, (b) each Member and his Affiliates may maintain such other interests and activities, and (c) the Company and the Members each waives any rights he might otherwise have to share or participate in such other interests or activities of any other Member or any Affiliate of another Member.

4.12 Liability of Members. No Member, in its capacity as such, shall be liable for the debts, liabilities, contracts or other obligations of the Company except to the extent of any unpaid Capital Contributions such Member has agreed to make to the Company. No Member shall be required to make any loans to the Company, except as may be agreed between a Member and the Company, with approval of the Manager. The Company shall indemnify and hold harmless a Member if such Member becomes liable, notwithstanding the first sentence of this Section 4.12 for any debt, liability, contract or other obligation of the Company, except to the extent expressly provided in the first sentence of this Section 4.12.

4.13 Rights of Members. If a Member ceases to be a Member for any reason, including, without limitation, as a result of death, dissolution or Bankruptcy, such Member or its personal representative or estate, as applicable, shall be entitled to receive distributions on account of its Membership Interest and, except as expressly provided herein, such Member and its personal representative or estate shall have no other rights with respect to the Company including, without limitation, the right to receive the fair value of its Membership Interest and the right to vote on any matter reserved to the Members.

4.14 Book-Ups.
(a) The Gross Asset Values (as reduced by Depreciation) of all Company assets may be adjusted to equal their respective gross fair market values as determined by the Manager in its good faith judgment as of the following times: (i) the acquisition of additional Units by any new or existing Member in exchange for more than a de minimis Capital Contribution; (ii) the distribution by the Company to a Member of more than a de minimis amount of Company property as consideration for a Membership Interest; and (iii) the liquidation of the Company within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g); provided, however, that adjustments pursuant to clauses (i) and (ii) above shall be made only if the Manager reasonably determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Members in the Company.

(b) The Gross Asset Values of Company assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Section 734(b) or Section 743(b) of the Code, but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m) and Section 754 of the Code; provided, however, that Gross Asset Values shall not be adjusted pursuant to this Section 4.14 to the extent the Manager determines that an adjustment pursuant to Section 4.7(a) above is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment pursuant to this Section 4.14.

(c) If the Gross Asset Value of an asset has been adjusted pursuant to subparagraphs (a) or (b) of this Section 4.14, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Company Profits and Company Losses.

ARTICLE V
MEETINGS OF MEMBERS

5.1 Meetings. A meeting of the Voting Members may be called for any purpose or purposes by the Manager. At such meeting, the Voting Members shall transact such business as may properly be brought before the meeting. Except as specifically set forth in this Agreement, no action of the Voting Members shall be approved without the consent of the Manager.

5.2 Place of Meetings. Meetings of Voting Members shall be held at such places, within or outside of the Commonwealth of Pennsylvania, as may from time to time be fixed by the Manager or as shall be specified or fixed in the respective notices thereof.

5.3 Notice of Meetings. Written or printed notice stating the place, day and hour of each meeting of the Voting Members and the purpose or purposes for which the meeting is called, shall be delivered not less than two (2) nor more than forty-five (45) days before the date of the meeting, in accordance with Section 17.2, by or at the direction of the Manager, to each Voting Member entitled to vote at the meeting.

5.4 Quorum of and Action by Members. The presence of a majority of the Percentage Interests of the Voting Members, represented in person or by proxy, shall constitute a quorum at each meeting of Voting Members for the transaction of business, except as otherwise provided by the Act. The Voting Members represented in person or by proxy at a meeting of Voting Members at which a quorum is not present may adjourn the meeting until such time and to such place as may be determined by a vote of a majority of the Percentage Interests represented in person or by proxy at
that meeting. At any such adjourned meeting at which a quorum shall be present or represented, any business may be transacted that might have been transacted at the meeting as originally convened.

5.5 Voting by Members. Except as otherwise provided herein, all actions and votes of the Voting Members regarding matters not specifically relating to a particular class or series, shall be by the majority of the Percentage Interests of Voting Members and not on a per capita basis. All actions and votes of Voting Members regarding matters specifically relating to a particular class or series shall be by the majority of the Percentage Interests of the class(es) or series affected thereby and not on a per capita basis. At any meeting of the Voting Members, every Voting Member having the right to vote shall be entitled to vote either in person or by proxy executed in writing by such Voting Member. A telegram, telex, cablegram or similar transmission by the Voting Member, or an electronic transmission by the Voting Member, or a photographic, photostatic, facsimile or similar reproduction of a writing executed by the Member, shall be treated as an execution in writing for purposes of this Section 5.5. No proxy shall be valid after 11 months from the date of its execution unless otherwise provided in the proxy. Each proxy shall be revocable unless the proxy form conspicuously states that the proxy is irrevocable and the proxy is coupled with an interest. Each proxy shall be delivered to the Manager prior to or at the time of the meeting.

5.6 Action Without a Meeting; Telephone Meetings. Any action required by the Act or this Agreement to be taken at any meeting of the Voting Members, or any action which may be taken at any meeting of Voting Members (including, with respect to a particular series or class of Units) may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing setting forth the action so taken shall be signed by the Member or Members holding not less than the minimum Percentage Interests that would be necessary to authorize or take such action at a meeting at which all of the Members were present. A telegram, telex, cablegram or similar transmission by a Member, or an electronic transmission by a Member, or a photographic, photostatic, facsimile or similar reproduction of a writing signed by a Member, shall be regarded as signed by the Member for purposes of this Section 5.6. Subject to the provisions of Applicable Law and this Agreement regarding notice of meetings, Members may participate in and hold a meeting by using conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a telephone meeting pursuant to this Section 5.6 shall constitute presence in person at such meeting, except when a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting was not lawfully called or convened.

ARTICLE VI

OFFICERS

6.1 Officers. The Manager may designate one or more individuals (who may or may not be Members) to serve as officers of the Company. The Company shall have such officers as the Manager may from time to time determine, which officers may (but need not) include a Chairman, a President, one or more Vice Presidents (and in case of each such Vice President, with such descriptive title, if any, as the Manager shall deem appropriate), a Secretary, an Assistant Secretary, a Treasurer and an Assistant Treasurer. Any two or more offices may be held by the same person. The initial officers of the Company (the “Initial Officers”) shall be as follows:

President – Principal #1
Chief Operating Officer – Principal #2
6.2 **Compensation.** The compensation, if any, of all officers of the Company shall be fixed from time to time by the Manager, provided however, that no salaries shall be paid to any officers of the Company prior to the award of a License and the opening of a cannabis dispensary in the Commonwealth of Pennsylvania (the “Commencement of Operations”). Following the Commencement of Operations, the salaries of each of the Initial Officers shall be as follows:

(a) In the initial twelve (12) months following Commencement of Operations, each of the Initial Officers shall receive an annual salary of $60,000.

(b) Thereafter, the salaries of the Initial Officers shall be determined by the Manager, in its sole discretion, based upon profitability of the Company.

6.3 **Term of Office; Removal; Filling of Vacancies.** Each officer of the Company shall hold office until his successor is chosen and qualified in his stead or until his earlier death, resignation, retirement, disqualification or removal from office. Any officer designated by the Manager may be removed at any time by the Manager whenever in its judgment the best interests of the Company will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Designation of an officer shall not of itself create contract rights. If the office of any officer becomes vacant for any reason, the vacancy may be filled by the Manager.

6.4 **Powers and Duties.** The several officers of the Company shall perform such duties and services and exercise such further powers as may be provided by statute, the Certificate or this Agreement, or as the Manager may from time to time determine or as may be assigned to them by any competent superior officer. In addition to the designation of officers and the enumeration of their respective duties, services and powers, the Manager may grant powers of attorney to individuals to act as agents for or on behalf of the Company, to do any act which would be binding on the Company, to incur any expenditures on behalf of or for the Company, or to execute, deliver and perform any agreements, acts, transactions or other matters on behalf of the Company. Such powers of attorney may be revoked or modified as deemed necessary by the Manager.

**ARTICLE VII**

**ALLOCATIONS OF COMPANY PROFITS AND COMPANY LOSSES**

7.1 **Allocation of Company Profits and Company Losses.** After giving effect to the special allocations set forth in Section 7.2 and Section 7.3 and subject to Section 11.3 and Section 7.4, Company Profits and Company Losses for any Fiscal Year shall be allocated to the Members as follows:

(a) The Company Losses for each Fiscal Year (or portion thereof) shall be allocated:

   (i) first, to those Members with a positive Capital Account, in proportion to their respective Capital Accounts, until such time as the Members’ Capital Accounts equal zero; and

   (ii) second, to the Class A Member, Class B Members and Class C Members pro rata in proportion to their respective Percentage Interests.

(b) The Company Profits for each Fiscal Year (or portion thereof) shall be allocated:

   (i) first, to the Members in an amount equal to the aggregate amount of Company Losses previously allocated to the Members pursuant to Section 7.1(a)(i) shall be allocated
to the Members in the same proportion as the previous Company Losses were allocated to the Members pursuant to Section 7.1(a)(i); provided, however, that the aggregate Company Profits allocated to the Members pursuant to this Section 7.1(b)(i) shall not exceed the aggregate Company Losses previously allocated to the Members pursuant to Section 7.1(a)(i);

(ii) second, to the Class A Member and each Initial Class B Member in an amount equal to the amounts to be distributed to such Persons in accordance with Section 8.2(a) until the aggregate amount allocated under this Section 7.1(b)(ii) equals $325,000; and

(iii) third, to the Class A Member, Class B Members and Class C Members pro rata in proportion to their respective Percentage Interests.

7.2 Regulatory Allocations. The following special allocations (the “Regulatory Allocations”) shall be made in the following order and priority:

(a) Minimum Gain Chargeback. Except as otherwise provided in Regulations §1.704-2(f), notwithstanding any other provision of this Section 7.2, if there is a net decrease in Company Minimum Gain during any Fiscal Year, each Member shall be specially allocated items of Company income and gain for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount equal to such Member’s share of the net decrease in Company Minimum Gain, determined in accordance with Regulations §1.704-2(g). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with Regulations §1.704-2(f)(6) and §1.704-2(j)(2). This Section 7.2(a) is intended to comply with the minimum gain chargeback requirement in Regulations §1.704-2(f) and shall be interpreted consistently therewith.

(b) Member Minimum Gain Chargeback. Except as otherwise provided in Regulations §1.704-2(i)(4), notwithstanding any other provision of this Section 7.2, if there is a net decrease in Member Nonrecourse Debt Minimum Gain attributable to a Member Nonrecourse Debt during any Fiscal Year, each Member who has a share of the Member Nonrecourse Debt Minimum Gain attributable to such Member Nonrecourse Debt, determined in accordance with Regulations §1.704-2(i)(5), shall be specially allocated items of Company income and gain for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount equal to such Member’s share of the net decrease in Member Nonrecourse Debt, determined in accordance with Regulations §1.704-2(i)(4). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with §§1.704-2(i)(4) and 1.704-2(j)(2) of the Regulations. This Section 7.2(b) is intended to comply with the minimum gain chargeback requirement in Regulations §1.704-2(i)(4) and shall be interpreted consistently therewith.

(c) Qualified Income Offset. If any Member unexpectedly receives any adjustments, allocations or distributions described in Regulations §§1.704-1(b)(2)(ii)(d)(4), (5), or (6), which create or increase an Adjusted Capital Account Deficit for such Member for any Fiscal Year, then items of Company income and gain (consisting of a pro rata portion of each item of Company income, including gross income, and gain for such year and, if necessary, for subsequent years) shall be specially allocated to such Member in an amount and manner sufficient to eliminate, to the extent required by the Regulations, the Adjusted Capital Account Deficit so created as quickly as possible. It is the intent that this Section 7.2(c) be interpreted as a “qualified income offset” and as otherwise necessary to comply with the alternate test for economic effect set forth in Regulations §1.704-1(b)(2)(ii)(d).
(d) Loss Allocation Limitation. Notwithstanding anything to the contrary in this Agreement, the Losses allocated pursuant to Section 7.1 hereof shall not exceed the maximum amount of Losses that can be so allocated without causing any Member to have an Adjusted Capital Account Deficit at the end of any Fiscal Year. In the event that some, but not all, of the Members would have an Adjusted Capital Account Deficit as a consequence of an allocation of Losses pursuant to Section 7.1 hereof, the limitation set forth in the preceding sentence shall be applied on a Member by Member basis so as to allocate the maximum permissible Losses to each Member consistent with Regulations §1.704-1(b)(2)(ii)(d). If any Member would have an Adjusted Capital Account Deficit at the end of any Fiscal Year which is in excess of the sum of any amount, if any, that such Member is obligated to restore to the Company under Regulations §1.704-1(b)(2)(ii)(c) and such Member’s share of Company Minimum Gain as defined in Regulations §1.704-2(g)(1) and Member Minimum Gain as determined pursuant to Regulations §1.704-2(i) (which are also treated as obligations to restore in accordance with Regulations §1.704-1(b)(2)(ii)(d)), the Capital Account of such Member shall be specially credited with items of Company income (including gross income) and gain in the amount of such excess as quickly as possible.

(e) Nonrecourse Deductions. Nonrecourse Deductions for any Fiscal Year shall be specially allocated to the Members in proportion to their respective Percentage Interests.

(f) Member Nonrecourse Deductions. Any Member Nonrecourse Deductions for any Fiscal Year shall be specially allocated to the Member who bears the economic risk of loss with respect to the Member Nonrecourse Debt to which such Member Nonrecourse Deductions are attributable in accordance with Regulations §1.704-2(i)(1).

(g) Section 754 Adjustments. To the extent an adjustment to the adjusted tax basis of any Company asset, pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Regulations §1.704-1(b)(2)(iv)(m)(2) or Regulations §1.704-1(b)(2)(iv)(m)(4), to be taken into account in determining Capital Accounts as the result of a distribution to a Member in complete liquidation of such Member’s interest in the Company, the amount of such adjustment to Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be specially allocated to the Members in accordance with their interests in the Company in the event Regulations §1.704-1(b)(2)(iv)(m)(2) applies, or to the Member to whom such distribution was made in the event Regulations §1.704-1(b)(2)(iv)(m)(4) applies.

7.3 Curative Allocations. The allocation provisions herein are intended to comply with applicable provisions of the Code and the Regulations, including Regulations promulgated under Section 704 of the Code, and shall be interpreted and applied in a manner consistent with such statutory and regulatory provisions. Notwithstanding any other provisions of this Article VII (other than the Regulatory Allocations), the Regulatory Allocations shall be taken into account in allocating subsequent Company Net Profits, Company Net Losses and items of income, gain, loss and deduction among the Members so that, to the extent possible, the net amount of such allocations of subsequent Company Net Profits, Company Net Losses and other items and the Regulatory Allocations to each Member shall be equal to the net amount that would have been allocated to each such Member pursuant to the provisions of this Article VII if the Regulatory Allocations had not occurred. For purposes of applying the foregoing sentence, allocations pursuant to this Section 7.3 shall be made only to the extent the Manager reasonably determines that such allocations will otherwise be inconsistent with the economic agreement among the Members.

(a) For any Membership Interest not owned for the entire Fiscal Year or other period, Company Profits and Company Losses for such Fiscal Year or other period shall be prorated
based upon the proportion that the number of days such Membership Interest is owned during such period bears to the total number of days constituting such period.

7.4 **Other Allocation Rules.**

(a) If any Unit is Transferred, or the Percentage Interest of a Member is increased or decreased by reason of the admission of a new Member, the removal of a Member or otherwise, during any Fiscal Year, the Company shall make an interim closing of its books as of such date of transfer, admission, or other event and shall allocate Net Profit or Net Loss or items thereof based on such interim closing in accordance with Code Section 706.

(b) The Members agree to be bound by the provisions of this Article VII in reporting their share of Company Profit and Company Loss for income tax purposes.

(c) Solely for purposes of determining a Member’s proportionate share of the “excess nonrecourse liabilities” of the Company within the meaning of Treasury Regulations Section 1.752-3(a)(3), the Members’ interests in the Company Profits shall be deemed to be in proportion to their respective Percentage Interests.

(d) To the extent permitted by Treasury Regulations Section 1.704-2(h)(3), the Board of Managers shall endeavor to treat Distributions as having been made from the proceeds of a Nonrecourse Liability or a Member Nonrecourse Debt only to the extent that such Distributions would create or increase an Adjusted Capital Account Deficit for any Member.

7.5 **Tax Allocations.** For each Fiscal Year, items of taxable income, deduction, gain, loss or credit shall be allocated for income tax purposes among the Members in the same manner as their corresponding book items were allocated pursuant to Section 7.1, Section 7.2, Section 7.3 and Section 11.3 for such Fiscal Year, as modified by the following principles:

(a) In accordance with Code Section 704(c) and the Treasury Regulations thereunder, income, gain, loss, and deduction with respect to any Property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such Property to the Company for federal income tax purposes and its initial Gross Asset Value;

(b) In the event the Gross Asset Value of any of the Company Assets is adjusted pursuant to subparagraph (ii) of the definition of Gross Asset Value, subsequent allocations of income, gain, loss, and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its Gross Asset Value as provided under Code Section 704(c) and the Treasury Regulations promulgated thereunder;

(c) Unless otherwise provided herein, any elections or other decisions relating to allocations under this Section 7.5 shall be made by the Board of Managers in any manner that reasonably reflects the purpose and intent of this Agreement; provided, however, that the “traditional method” pursuant to Treasury Regulation Section 1.704-3(b) shall be used; and

(d) Allocations pursuant to this Section 7.5 are solely for purposes of federal, state, and local taxes and shall not affect, or in any way be taken into account in computing, any Member’s Capital Account or share of Company Profit, Company Loss, other items, or Distributions pursuant to any provision of this Agreement.
ARTICLE VIII

DISTRIBUTIONS

8.1 Tax Distributions. Subject to this Section 8.1, the Manager may, in its sole discretion, distribute (to the extent of cash available as determined by the Manager in its sole discretion) to each Member in cash, with respect to each Fiscal Year, either during such year or within ninety (90) days thereafter, an amount equal to the aggregate state and federal income tax liability such Member would have incurred as a result of such Member’s ownership of its interest in the Company, calculated (i) as if such Member’s aggregate allocations from the Company were taxable at the maximum marginal income tax rates provided for with respect to natural persons under applicable U.S. federal and Pennsylvania state income tax laws and considering the character of the Company items of profit or gain, as determined from time to time by the Manager after consulting with accountants to the Company and (ii) as if such aggregate allocations from the Company were, for such year, the sole source of income and loss for such Member (such distributions being referred to herein as “Tax Distributions”). Tax Distributions made to any Member with respect to each Fiscal Year shall be reduced by: (A) the amount of any other cash distributions made by the Company to such Member during such Fiscal Year or within ninety (90) days thereafter, provided, however, that for purposes of this clause, any Tax Distribution made within ninety (90) days after the beginning of any Fiscal Year with respect to a prior year shall not be accounted for as a Tax Distribution for the Fiscal Year in which it was made, and (B) any amount paid or required to be paid by the Company on account of, or with respect to, any Member pursuant to any Withholding Tax Act (as hereinafter defined) attributable to such Member’s allocable share of Company income or gain for such Fiscal Year.

8.2 Distributions of Distributable Cash. Distributions of Distributable Cash shall be made in such amounts, if any, and at such times, if any, as the Manager shall determine in its sole and absolute discretion. The amounts distributable hereunder shall be calculated by the Manager immediately prior to the distribution. Distributions of Distributable Cash shall be made to the Members in the following order and priority:

(a) first, 50% of Distributable Cash to the Class A Member and 25% to each Initial Class B Member, until the Class A Member and Initial Class B Members have received the aggregate amount of $325,000;

(b) thereafter, to the Class A Member, Class B Members and Class C Members, pro rata, in proportion to their respective Percentage Interests.

8.3 Limitations on Distributions to Class C Members. Notwithstanding the provisions of Section 8.2, no distribution shall be made to a Class C Member on account of any Restricted Class C Units or in a manner inconsistent with such Class C Member’s Award Agreement.

8.4 Distributions in Kind. Except as otherwise provided by this Agreement, Distributions of Property may be made in cash or in kind as determined by the Manager. Immediately prior to any distribution of Property to be made pursuant to Section 8.4 in kind, the value of the Property shall be adjusted to its Gross Asset Value.

8.5 Taxes Withheld. Unless treated as a Tax Payment Loan (as hereinafter defined), any amount paid by the Company for or with respect to any Member on account of any withholding tax or other tax payable with respect to the income, profits or distributions of the Company pursuant to the Code, the Treasury Regulations, or any state or local or foreign statute, regulation or ordinance...
requiring such payment (a “Withholding Tax Act”) shall be treated as a distribution to such Member for all purposes of this Agreement, consistent with the character or source of the income, profits or cash which gave rise to the payment or withholding obligation. To the extent that the amount required to be remitted by the Company under the Withholding Tax Act exceeds the amount of cash otherwise currently available for distribution to such Member, the excess shall constitute a loan from the Company to such Member (a “Tax Payment Loan”) which shall be payable upon demand and shall bear annual interest, from the date that the Company makes the payment to the relevant taxing authority, at the Prime Rate plus two (2) percentage points compounded monthly. So long as any Tax Payment Loan or the interest thereon remains unpaid, the Company shall make future distributions due to such Member under this Agreement by applying the amount of any such distribution first to the payment of any unpaid interest on all Tax Payment Loans of such Member and then to the repayment of the principal of all Tax Payment Loans of such Member.

The Manager shall have the authority to take all actions which it reasonably believes to be necessary to enable the Company to comply with the provisions of any Withholding Tax Act applicable to the Company and to carry out the provisions of this Section. Nothing in this Section shall create any obligation on the Manager to advance funds to the Company or to borrow funds from third parties in order to make any payments on account of any liability of the Company under a Withholding Tax Act.

8.6 Limitations on Distributions. A Member may not receive a distribution from the Company to the extent that, after giving effect to the distribution, all liabilities of the Company, other than liability to the Members on account of their Capital Contributions, would exceed the fair value of the Company’s assets.

8.7 Prohibited Distributions. Notwithstanding any provision of this Agreement to the contrary, no distribution shall be made if prohibited by the Act.

ARTICLE IX

REPRESENTATIONS, NARRATIVES AND COVENANTS OF MEMBERS

9.1 Representations and Warranties of Members. By executing and delivering this Agreement or a joinder agreement to this Agreement upon admission as a Member, each Member, whether admitted as of the date hereof or pursuant to Section 4.1(b), represents and warrants to the Company that:

(a) The Units have not been registered under the Securities Act or the securities laws of any other jurisdiction, are being issued in reliance upon federal and state exemptions for transactions not involving a public offering, and cannot be disposed of unless: (i) they are subsequently registered or exempted from registration under the Securities Act, and (ii) all of the provisions of this Agreement have been fully complied with;

(b) Such Member is an “accredited investor” within the meaning of Rule 501 promulgated under the Securities Act;

(c) Such Member’s Units are being acquired for its own account solely for investment and not with a view to resale or distribution thereof;

(d) Such Member has conducted its own independent review and analysis of the business, operations, assets, liabilities, results of operations, financial condition and prospects of the Company and the Project and such Member acknowledges that it has been provided adequate access to the personnel, properties, premises and records of the Company for such purpose;
(e) The determination of such Member to acquire Units has been made by such Member independent of any other Member and independent of any statements or opinions as to the advisability of such purchase or as to the business, operations, assets, liabilities, results of operations, financial condition and prospects of the Company or the Project that may have been made or given by any other Member or by any agent or employee of any other Member;

(f) Such Member has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of an investment in the Company and making an informed decision with respect thereto;

(g) Such Member is able to bear the economic and financial risk of an investment in the Company for an indefinite period of time;

(h) The execution, delivery and performance of this Agreement: (i) have been duly authorized by such Member, (ii) do not require such Member to obtain any consent or approval that has not been obtained by such Member, and (iii) do not contravene, and will not result in a default in an material respect under, any provision of any law or regulation applicable to such Member or any governing documents, agreement or instrument to which such Member is a party or by which such Member is bound; and

(i) This Agreement is valid, binding and enforceable against such Member in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws of general applicability relating to or affecting creditors’ rights or general equity principles (regardless of whether considered at law or in equity).

(j) None of the foregoing representations and warranties shall replace, diminish or otherwise adversely affect any Member’s representations, warranties, covenants and agreements made by it in any Subscription Agreement or Award Agreement, as applicable, and any such representations, warranties, covenants and agreements shall be in addition to, and not in limitation of, those contained in any such Subscription Agreement or Award Agreement.

9.2 Additional Regulatory Representations and Warranties. By executing and delivering this Agreement or a Joinder Agreement, as applicable, each Member, whether admitted as of the date hereof or pursuant to Section 4.1(b), represents and warrants to the Company that:

(a) if the Member is a natural person, the Member is at least 21 years of age and has never been subject to any criminal action under the law of the Commonwealth of Pennsylvania or any other state, the United States or a military, territorial or tribal authority, whether for a felony or misdemeanor, which is related to a crime of moral turpitude, or which involved illegal drugs, or which related to the provision of marijuana for medical purposes, including any action against an organization providing marijuana for medical purposes in which the Member was an equity owner or served as an officer and which resulted in a conviction, guilty plea, or plea of nolo contendere, or an admission of sufficient facts;

(b) neither the Member nor any equity holder, director or officer of the Member has been convicted of a violation of a controlled substance law;

(c) if the Member is an entity, then each equity holder, director and officer of the Member is at least 21 years of age and neither the Member nor any such equity holder, director or officer of the Member has ever been subject to any criminal action under the law of the Commonwealth of Pennsylvania or any other state, the United States or a military, territorial or tribal authority, whether for a felony or misdemeanor, which is related to a crime of moral turpitude, or which involved illegal drugs, or which related to the provision of marijuana for medical purposes,
including any action against an organization providing marijuana for medical purposes in which the Member or any equity holder, director or officer of the Member, either was an equity owner or served as executives and which resulted in a conviction, guilty plea, or plea of nolo contendere, or an admission of sufficient facts;

(d) neither the Member nor any equity holder, director or officer of the Member has ever been subject to any civil or administrative action under the law of the Commonwealth of Pennsylvania or any other state, the United States or a military, territorial or tribal authority, relating to his or her profession, or occupation or fraudulent practices, including but not limited to, fraudulent billing practices;

(e) neither the Member nor any equity holder, director or officer of the Member has ever served as an equity holder, officer or director for any entity or organization that has had its license or other authority to cultivate, harvest, process or dispense cannabis or a product containing cannabis suspended or revoked in any state;

(f) neither the Member nor any equity holder, director or officer of the Member is a physician, or is the spouse of a physician, currently certifying or planning to certify patients to use medical cannabis in the Commonwealth of Pennsylvania;

(g) neither the Member nor any equity holder, director or officer of the Member currently owes any tax liability to any Government Authority; and

(h) the Member is not aware of any fact or circumstance that could reasonably be expected to: (i) cause the Member to be ineligible to acquire or maintain a Membership Interest in the Company, or (ii) result in the occurrence of an Unsuitability Event with respect to the Member.

9.3 Additional Regulatory Covenants and Agreements.

(a) Each Member shall immediately notify the Company in the event that any of the representations and warranties under Section 9.1 or 9.2 becomes inaccurate at any time in the future, or if any Governmental Authority or other governmental agency or authority commences or threatens to commence any legal proceeding in which it alleges that the Member or any equity holder, director or officer of the Member has: (i) committed a felony or any other act that violates any Applicable Law, or (ii) committed any other act, or omitted to commit any act, that could: (A) threaten the ability of the Company to obtain or retain any license, permit, approval or other entitlement that the Company holds or applies for in any jurisdiction, or (B) harm the business and affairs of the Company.

(b) Each Member agrees, on behalf of itself and each of its equity holders, managers, directors and officers, to: (i) comply at all time with all Applicable Laws applicable to the Company, and (ii) promptly provide the Company or any Governmental Authority, as the case may be, with all information, documents and certifications, including audited financial statements, tax returns, background information and fingerprints, that the Company or such Governmental Authority may request in order to enable the Company or the Member to comply with Applicable Law.

9.4 Non-Competition and Non-Solicitation.

(a) In light of each Member’s access to Confidential Information and position of trust and confidence with the Company, each Member hereby agrees that, during the period that it is a Member and for a period of two (2) years thereafter (the “Restricted Period”), such Member will not: (a) render services or give advice to, or affiliate with (as an officer, director, employee, equity holder, partner, consultant or otherwise) any Competitor or any division or business segment of any Competitor, or (b) directly or indirectly, through one or more of any of its respective Affiliates, own,
manage, operate, control or participate in the ownership, management, operation or control of any Competitor or any division or business segment of any Competitor; provided, however, that nothing in this Section 9.4(a) shall prohibit a Class B Member or Class C Member, or any of their respective Permitted Transferees or Affiliates, from acquiring or owning, directly or indirectly:

(i) Up to five percent (5%) of the aggregate voting securities of any Competitor that is a publicly-traded Person; or

(ii) Up to five percent (5%) of the aggregate voting securities of any Competitor that is not a publicly-traded Person, so long as neither such Member nor any of its Permitted Transferees, directly or indirectly through one or more of their respective Affiliates, designates a member of the board of directors (or similar body) of such Competitor or its Affiliates or is granted any other governance rights with respect to such Competitor or its Affiliates (other than customary governance rights granted in connection with the ownership of debt securities).

For purposes of this Section 9.4, “Competitor” means any Person, other than the Company or any Company Subsidiary, or any of their respective Affiliates, that is engaged, directly or indirectly, in whole or in part, in the Business.

(b) In light of each Member’s access to Confidential Information and position of trust and confidence with the Company, each Member further agrees that, during the Restricted Period, such Member will not, directly or indirectly through one or more of any of its respective Affiliates: (i) hire or solicit, or encourage any other Person to hire, retain or solicit, any individual who has been employed by or provided services to the Company or any Company Subsidiary within one (1) year prior to the date of such hiring, retention or solicitation, (ii) encourage any such individual to leave such employment with the Company or any Company Subsidiary or cease or limit the provision of any services to the Company or any Company Subsidiary, or (iii) solicit or entice, or attempt to solicit or entice, any clients, customers or suppliers of the Company or any Company Subsidiary for purposes of diverting their business or services from the Company.

(c) If any court of competent jurisdiction determines that any of the covenants set forth in this Article IX, or any part thereof, is unenforceable because of the duration or geographic scope of such provision, such court shall have the power to modify any such unenforceable provision in lieu of severing such unenforceable provision from this Agreement in its entirety, whether by rewriting the offending provision, deleting any or all of the offending provision, adding additional language to this Article IX or by making such other modifications as it deems warranted to carry out the intent and agreement of the parties as embodied herein to the maximum extent permitted by Applicable Law. The parties hereto expressly agree that this Agreement as so modified by the court shall be binding upon and enforceable against each of them.

**ARTICLE X**

**ACCOUNTING AND TAX MATTERS; REPORTS; BANKING**

10.1 Books and Records. The Manager shall keep or cause to be kept books of account for the Company in accordance with the terms of this Agreement and the Act. The Manager shall cause the following records to be kept at the Company’s registered office (the “Required Records”).

(a) A current list of the full names and last known addresses of all of the Members.
(b) A copy of this Agreement and the Certificate and all amendments thereto, together with executed copies of any powers of attorney pursuant to which any certificate was executed.

(c) Promptly after becoming available, copies of the Company’s federal, state and local income tax returns and reports, if any, for each year.

(d) True and full information regarding the amount of cash and a description and statement of the agreed value of any other property or services contributed by each Member and which each Member has agreed to contribute in the future, and the date on which each became a Member.

Any Member may inspect the Required Records during ordinary business hours upon reasonable request for a proper business purpose and, in furtherance thereof, may copy the Required Records at such time at the Member’s expense.

10.2 Tax Returns. The Company shall prepare or cause to be prepared and timely filed all federal, state and local income and other tax returns and reports as may be required as a result of the business of the Company. Within 90 days after the end of each fiscal year of the Company, the Company shall cause to be delivered to each Person who was a Member at any time during the Fiscal Year such information with respect to the Company as may be necessary for the preparation of each Member’s federal, state and local income tax (or information) returns, including a statement showing each Member’s share of income, gain or loss, and credits for such fiscal year.

10.3 Tax Matters Partner. The Manager shall designate a Member as the “partnership representative” as defined under Section 6223 of the Code (“TMP”). If such Member should fail or refuse to act as such, then the Manager shall designate another of the Members as the TMP. A TMP may be removed, and a successor TMP be selected, by the Manager. The Company will reimburse the TMP for any and all reasonable out-of-pocket costs and expenses (including reasonable attorneys’ and other professional fees) incurred by it in its capacity as TMP. Each Member who elects to participate in Company administrative tax proceedings will be responsible for its own expenses incurred in connection with such participation. In addition, the cost of any adjustments to a Member (including the TMP) and the cost of any resulting audits or adjustments of a Member’s tax return will be borne solely by the affected Member (including the TMP). The Company will indemnify, defend and hold the TMP harmless from and against any loss, liability, damage, cost or expense (including reasonable attorneys’ fees) sustained or incurred as a result of any act or decision concerning Company tax matters and within the scope of such Member’s responsibilities as TMP, so long as such act or decision was not the result or willful or wanton misconduct or negligence or in beach of any of the provisions of this Agreement.

10.4 Tax Elections. The TMP shall make or cause to be made such accounting and tax elections as directed by the Manager.

10.5 Bank Accounts; Investment of Company Funds. The Manager shall cause one or more accounts to be maintained in the name of the Company in one or more banks, which accounts shall be used for the payment of expenditures incurred in connection with the business of the Company and in which shall be deposited any and all receipts of the Company. All amounts deposited in such accounts shall be and remain the property of the Company and shall be received, held and disbursed for the purposes specified in this Agreement. There shall not be deposited in any of such accounts any funds other than funds belonging to the Company, and no other funds shall in any way be commingled with such funds. The Manager may invest the Company funds in any manner which the Manager deems appropriate.
ARTICLE XI

TERM, DISSOLUTION, LIQUIDATION AND TERMINATION

11.1 Term. The Company shall continue until terminated pursuant to statute or any provision of this Agreement.

11.2 Dissolution. The Company shall be dissolved upon the first occurrence of any of the following:

(a) The Company receives a final, non-appealable notice from the Department of Health of the Commonwealth of Pennsylvania that all of its applications for Licenses to operate the Business have been denied.

(b) The entry of a decree of judicial dissolution under the Act.

(c) At the direction of the Manager, in its sole discretion.

(d) If the Company has only one Member, the death, retirement, resignation, expulsion, Bankruptcy or dissolution of such Member or the occurrence of any other event which terminates the continued membership of such Member in the Company, unless within 90 days after the occurrence of the event the personal representative of such Member agrees in writing to continue the business of the Company and to the admission of such personal representative or his nominee or designee to the Company as a Member effective as of the occurrence of the event. If the Company has more than one Member, the death, retirement, resignation, expulsion, Bankruptcy or dissolution of any Member or any other event which terminates the continued membership of a Member in the Company shall not cause the Company to be dissolved or its affairs to be wound up, and the Company shall be automatically continued without dissolution.

11.3 Liquidation and Termination. Upon dissolution of the Company, the Manager shall act as liquidator or may appoint in writing one or more liquidators who shall have full authority to wind up the affairs of the Company and make final distributions as provided herein. The liquidator shall continue to operate the Company with all of the power and authority of the Manager. The steps to be accomplished by the liquidator are as follows:

(a) As promptly as possible after dissolution and again after final liquidation, the liquidator, if requested by the Manager, shall cause a proper accounting to be made by the Company’s independent accountants of the Company’s assets, liabilities and operations through the last day of the month in which the dissolution occurs or the final liquidation is completed, as appropriate.

(b) After making payment or provision for all debts and liabilities of the Company, including debts and liabilities to Members, the liquidator shall sell all properties and assets of the Company for cash as promptly as is consistent with obtaining the best price therefor. All gain, loss and amount realized on such sales shall be allocated to the Members as provided in this Agreement, and the Capital Accounts of the Members shall be adjusted accordingly. The liquidator shall then distribute the proceeds of such sales to the Members as follows:

(i) first, to the Class A Member, Class B Members and Class C Member, pro rata, in accordance with the positive balances in their respective Capital Accounts, as determined after taking into account all Capital Account adjustments for the taxable year of the Company during which the liquidation of the Company occurs;
(ii) thereafter, to the Class A Member, Class B Members and Class C Members, pro rata, in proportion to their respective Percentage Interests.

(c) Except as expressly provided herein, the liquidator shall comply with any applicable requirements of the Act, including, without limitation, Sections 18-801, 18-803 and 18-804 thereof, and all other applicable laws pertaining to the winding up of the affairs of the Company and the final distribution of its assets.

(d) The distribution of cash and/or property to the Members in accordance with the provisions of this Section 11.3 shall constitute a complete return to the Members of their capital contributions and a complete distribution to the Members of their interest in the Company and all Company property.

ARTICLE XII

TRANSFER OF MEMBERSHIP INTERESTS; RESIGNATION

12.1 Transfer of Membership Interests. Except in the case of a Permitted Transfer, or pursuant to Section 12.2, no Member may, without the prior consent of the Manager, voluntarily or involuntarily sell, assign, encumber or otherwise transfer all or any portion of his Membership Interest, except, and subject to Article XVI, as follows:

(a) In the case of incompetency of a Member, his Membership Interest shall vest in his personal representative and, in the case of death, in his beneficiaries.

(b) In the case of Bankruptcy of a Member, his Membership Interest shall vest in the trustee, receiver or administrator of the bankrupt’s estate.

12.2 Right of First Refusal.

(a) Notice of Proposed Transfer. Subject to compliance with all other applicable transfer restrictions contained herein, if any Member (a “Transferring Member”) desires to transfer any of such Transferring Member’s Units or any rights therein (the “Offered Interests”) to any Person (other than to a Permitted Transferee) (an “Offer”), then, prior to entering into any agreement with any other Person to transfer such Member’s Units, the Transferring Member will provide written notice of such Offer to the Company Members by written notice (the “Initial Notice”) (and the Company shall in turn transmit the Initial Offer to each of the non-transferring Members (the “Non-Transferring Members”)) stating the Units such Transferring Member desires to transfer, the proposed purchase price stated in the Offer, the other material terms of transfer, and the name of the proposed transferee of such Offered Interests. If the Offer price consists in part or in whole of consideration other than cash, then the Transferring Member will provide such information, to the extent reasonably available to the Transferring Member, relating to such non-cash consideration. The Initial Notice shall constitute an offer by such Transferring Member to sell all of the Offered Interests to the Company and the Non-Transferring Members for the price and on the other terms set forth in the Initial Notice (provided that if the Offer price consists of non-cash consideration, the Company and the Non-Transferring Members may substitute cash in lieu thereof.) The Company and any Non-Transferring Members shall then give written notice (the “Return Notice”) of the maximum number of such Offered Interests they wish to acquire at the price and on the other terms of the Offer. The determination by the Company whether to purchase any of the Offered Interests being transferred by the Transferring Member shall be made by the disinterested members of the Manager.
(b) **Right of First Refusal.** The Company shall first be entitled to purchase any or all of the Offered Interests by delivery of the Return Notice to the Transferring Member and Non-Transferring Member within thirty (30) days of receipt of the Initial Notice. If the Company elects to purchase fewer than all of the Offered Interests or fails to timely deliver Return Notice, the Non-Transferring Members shall be entitled to acquire the balance of the Offered Interests remaining in proportion to their respective Percentage Interests among all Non-Transferring Members by delivering a Return Notice to the Company, and the Transferring Member within forty-five (45) days of receipt of the Initial Notice. If any Non-Transferring Member fails to purchase such non-Transferring Member’s Proportionate Percentage of the Offered Interests, each purchasing Non-Transferring Member (an “Electing Member”), who shall be entitled to purchase such Offered Interests as are not purchased by such other Non-Transferring Member, up to the maximum amount of additional Offered Interests specified in their subsequent Return Notice, in the proportion in which the Units owned by such Electing Member bears to the total number of Units owned by all Electing Members, by delivery of a subsequent Return Notice to the Company and the Transferring Member within sixty (60) days from the receipt of the Initial Notice.

(c) **Payment.** The Company shall, at the close of the sixty (60) day period provided in Section 12.2(b) for delivery of the Return Notice, confirm by written notice the Offered Interests to be acquired by the Company and, if any, by the Non-Transferring Members. Payment for such Offered Interests shall be delivered within thirty (30) days thereafter at the price and on the terms specified in the Offer, against receipt from the Transferring Member of the Offered Interests being purchased, duly assigned for transfer, free and clear of all liens, restrictions, claims and encumbrances.

(d) **Right to Sell.** If, at the close of the sixty (60) day period provided in Section 12.2(b) for delivery of the Return Notice, the Company and the Non-Transferring Members have not sent Return Notices of their intention to acquire, in the aggregate, all of the Offered Interests, the options exercised by the Company and the Non-Transferring Members shall be disregarded, and the Transferring Member, subject to compliance with Section 12.4, shall have sixty (60) days to transfer all but not less than all of the Offered Interests specified in the Initial Notice to the proposed transferee set forth in the Initial Notice, at the same price and on the same terms and conditions set forth in the Initial Notice. After the expiration of such sixty (60) day period, the Transferring Member may not transfer such Offered Interests unless and until they are again offered to the Company and any Non-Transferring Members under the procedures specified in this Section 12.2, where applicable.

12.3 **Drag Along Rights.**

(a) The Class A Member shall have the right to cause the transfer of the entire Company to one or more Persons who are not Members of Affiliates of the Class A Member in one transaction or a series of related transactions (including by way of a Transfer of all outstanding Units or Membership Interests, a merger, a consolidation, or a sale of all of the Company assets) (an “Approved Sale”) in which case the Class A Member shall provide written notice thereof to the Company and all other Members (the “Compelled Members”), which notice shall describe the Approved Sale and specify the rights that are exercisable by the Class A Member pursuant to this Section 12.3, whereupon each Compelled Member will participate in, vote for (if applicable), consent to (if applicable) and raise no objections to, such Approved Sale, as more particularly set forth in this Section 12.3. Without limiting the generality of the foregoing, each Compelled Member hereby agrees that at any meeting or vote of the Members, however called, where an Approved Sale is being considered, it will (if applicable) vote all Units that are beneficially and/or of record owned by it: (i) in favor of all actions to approve the Approved Sale and any actions required in furtherance thereof,
and (ii) against any actions to not approve the Approved Sale and any other actions that are intended, or could reasonably be expected, to impede, interfere with, delay, postpone, or adversely affect the contemplated Approved Sale. The aggregate proceeds of the Approved Sale shall be distributed in accordance with the order and priority set forth in Section 8.1 and Section 8.2. The Approved Sale shall require that each Compelled Member be entitled to receive the same consideration form, payment terms, and security as is received by the Class A Member in connection with the Approved Sale. Notwithstanding anything to the contrary contained herein, without the approval of the Manager, no definitive transaction agreement relating to an Approved Sale shall be executed by the Company.

(b) If the Approved Sale is structured as a merger (including one where the Company is the surviving entity) or consolidation, each Compelled Member will, in addition to voting in favor of the Approved Sale (if applicable), waive any dissenter’s rights, appraisal rights or similar rights in connection with such merger or consolidation (if applicable) and will not otherwise exercise any such right (if applicable). If such Approved Sale is structured as a Transfer of Units or equity securities of the Company, each Compelled Member will agree to sell all of its Units on the terms and conditions of the Approved Sale except as expressly contemplated hereby and that, for the avoidance of doubt, the aggregate proceeds of the Approved Sale shall be distributed in accordance with the order and priority set forth in Section 8.1 and Section 8.2. A Transfer made pursuant to an Approved Sale shall not be subject to the right of first refusal set forth in Section 12.2.

(c) In connection with an Approved Sale, no Member shall be required to undertake any agreement or obligation or to make any representation or warranty, except for the following: (i) each Member shall be required to make representations and warranties with respect to such Member and such Member’s title to and ownership of Units, (ii) each Member shall be required to deliver such Member’s Units in connection with an Approved Sale and execute any documents in furtherance thereof, and (iii) each Member shall enter into and be bound by the pro rata indemnification described below. With respect to any obligation that relates solely to a particular Member, such as indemnification with respect to representations or warranties given by a Member regarding such Member’s title to and ownership of Units, only such Member shall be liable. Each Member shall be obligated to join on a pro rata basis (based on the consideration to be received by the Member in the Approved Sale) in any indemnification that the Members collectively are required to provide in connection with the Approved Sale; provided, however, that the Members will each use their commercially reasonable efforts to obtain several, and not joint, liability among them and, in the event such efforts fails, enter into a contribution agreement among themselves with respect to joint and several liability among them.

(d) The Members will bear their pro rata share (based upon the proceeds to be received by the Members) of the costs of any Transfer of Units in an Approved Sale incurred by the Class A Member to the extent that such costs are incurred generally for the benefit of all Members, and are not otherwise paid or reimbursed by the Company or the acquiring party. For purposes of this Section 12.3(d), costs incurred by the Class A Member in exercising reasonable efforts in furtherance of the consummation of an Approved Sale shall be deemed to be for the benefit of all Members. Costs incurred by the Class A Member on their own behalf will not be considered costs of an Approved Sale.

12.4 Substitution of Members. An assignee of a Membership Interest may become a substituted Member subject to the following terms, conditions and limitations:

(a) the assigning Member has complied with the provisions of this Article XII;
the assignee has paid to the Company all costs and expenses incurred in connection with such assignee’s substitution as a Member, which costs and expenses shall include, without limitation, all legal and accounting fees and expenses incurred by the Company or its counsel and all costs incurred in amending this Agreement and in preparing, filing, recording and publishing any certificates and instruments necessary or appropriate in connection therewith; and

(c) the assignee will have executed and delivered such instruments and documents, in form and content reasonably satisfactory to the Manager as the Manager may deem reasonably necessary, advisable or appropriate to effect the substitution of such assignee as a Member, including but not limited to a joinder agreement to this Agreement by which the assignee agrees to be bound by all of the terms and condition set forth herein.

The Company and the Members will be entitled to consider the owner of any Units as set forth in the Required Records of the Company as the absolute owner thereof for all purposes. None of the Company, the Manager or the Members will incur any liability for distributions of cash or other property made in good faith to the owner of an interest in the Company until such time as a written assignment of such Units has been received and accepted by the Manager and recorded on the books of the Company. In the event of an assignment by a Member, allocations between the assignor and assignee of deductions, credits and income of the Company for federal, state and local income tax purposes shall be based on the portion of the year during which the assignor and assignee each owned such Units, unless the Manager determines, in its sole discretion, to close the books on the date of such assignment.

12.5 Resignation of a Member. No Member shall be entitled to resign or withdrawal from the Company prior to the dissolution and winding up of the Company in accordance with Article XI. Any attempt to resign or withdraw from the Company in violation of this Section 12.4 shall be ineffective.

ARTICLE XIII

PREEMPTIVE RIGHTS

13.1 Preemptive Rights.

(a) If, at any time after the date hereof, the Company proposes to issue or sell (including out of treasury) any Units (other than Excluded Units), any debt or equity securities which by their terms are convertible into or exchangeable for Units (“Convertible Securities”) or any other right to acquire such Units or Convertible Securities (any of the foregoing, the “Offered Securities”), to any Person (an “Offeree”), such issuance to the Offeree shall be subject to the preemptive right to purchase of each Member as set forth below in this Article XIII.

(b) The Company shall offer to sell to each Member, and each Member shall have the right, but not the obligation, to purchase from the Company, up to that amount of the Offered Securities proposed to be issued by the Company equal to the aggregate amount of such Offered Securities multiplied by such Member’s Percentage Interest. If any Member shall decline to purchase the full amount of Offered Securities which it is entitled to purchase pursuant to the preceding sentence, then each Member that has agreed to purchase the full amount of Offered Securities which they are entitled to purchase pursuant to the preceding sentence (a “Participating Member”) shall further be entitled to purchase up to that amount of the remaining Offered Securities equal to the proportion that such Participating Member’s Percentage Interest bears to the aggregate Percentage Interest of all Participating Members, being one hundred percent (100%).
13.2 The Company shall give each Member at least fifteen (15) days’ prior written notice of any proposed issuance of Offered Securities, which notice shall disclose in reasonable detail the proposed terms and conditions of such issuance, including the amount of the Offered Securities to be issued, the terms thereof, the purchase price therefor and a summary of other materials terms of the proposed issuance (the “Issuance Notice”).

13.3 Each Member shall be entitled to purchase its portion of the Offered Securities as determined pursuant to Section 13.1(b), at the same price, on the same terms and at the same time as the Offered Securities are issued to the Offeree (or if all Offered Securities have been agreed to be purchased by the Members, at the same price, on the same terms and at the same time as the Offered Securities are sold to the other Members) by the delivery of a written notice to the Company within ten (10) days after the delivery of the Issuance Notice of the Member’s election to purchase such Offered Securities (the “Election Notice”); provided, that if there shall be any Offered Securities which the Members have initially not elected to purchase pursuant to Section 13.1(b), then the Company shall give further notices to the Participating Members that are entitled to purchase the remaining Offered Securities, and such Participating Members shall have an additional five (5) days after the delivery of such notice to deliver a written notice to the Company of such Member’s election to purchase any remaining Offered Securities.

13.4 If the Members elect to purchase less than all of the Offered Securities, the Company may issue such remaining Offered Securities to the Offeree at the same price and on the same terms as set forth in the Issuance Notice within one hundred twenty (120) days following the date of delivery of the Issuance Notice (or such earlier or later date agreed to by the Company and the Members, acting on the basis of a majority of the Percentage of Members participating in such purchase). If the Company does not consummate the issuance of all or part of the remaining Offered Securities to the Offeree on or before such date, the rights provided in this Article XIII shall be deemed to be revived and such Offered Securities shall not be offered unless first re-offered to the Members in accordance with this Article XIII.

13.5 For the avoidance of doubt, the right of a Class C Member to participate in this Article XIII shall not include such Class C Member’s Restricted Class C Units.

ARTICLE XIV

INDEMNIFICATION OF MEMBERS, OFFICERS AND OTHER PERSONS

14.1 Indemnification.

(a) The Company shall indemnify each Manager, Member and officer of the Company and shall have the power to indemnify any employee or agent of the Company who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a Manager, Member, officer, employee or agent of the Company, or is or was serving in some other capacity on behalf of the Company, against expenses (including attorneys’ fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding, to the fullest extent now or hereafter permitted under the Act.

(b) To the extent that a Manager, Member, officer, employee or agent of the Company has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to Section 14.1(a) above, or in defense of any claim, issue or matter therein, he shall be
 indemified against expenses (including attorneys’ fees) actually and reasonably incurred by him in connection therewith.

(c) Any indemnification of an employee or agent of the Company under Section 14.1(a) (unless required by Section 14.1(b)) shall be made by the Company only as authorized in a specific case upon a determination that indemnification of the employee or agent is proper in the circumstances because he has acted in good faith and not in violation of this Agreement and/or his employment or other service agreement. Such determination shall be made (i) by the Manager if it is not party to such action, suit, or proceeding, even though less than a quorum, or (ii) if there is no such Manager, or such Manager so directs, by independent legal counsel in a written opinion.

(d) Expenses (including attorneys’ fees) actually and reasonably incurred by a Manager, Member or officer in defending a civil, criminal, administrative or investigative action, suit or proceeding for which such Manager, Member or officer could be entitled to indemnification under this Article XIV, may be paid by the Company in advance of the final disposition of such action, suit or proceeding, upon receipt of an undertaking by or on behalf of such Manager, Member or officer to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Company as authorized hereby. Such expenses (including attorneys’ fees) actually and reasonably incurred by other employees may be so paid upon such terms and conditions, if any, as the Manager deems appropriate.

(e) Except as otherwise provided under the Act, the indemnification and advancement of expenses provided by this Article XIV shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any of the provisions of the Certificate, this Agreement, any other agreement, any vote of the Members or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office.

(f) The indemnification and advancement of expenses provided or granted pursuant to this Article XIV, shall, unless otherwise provided when authorized or ratified, continue as to a Person who has ceased to be a Manager, Member, officer, employee or agent of the Company and shall inure to the benefit of the heirs, executors and administrators of such a Person.

14.2 Amendment. The provisions of Section 14.1 relating to indemnification and to the advancement of expenses shall constitute a contract between the Company and each of its Managers, Members and officers which may be modified as to any Manager, Member or officer only with that Person’s consent or as specifically provided in this Section 14.2. Notwithstanding any other provision of this Agreement relating to its amendment generally, any termination, modification or amendment of Section 14.1 which is adverse to any Manager, Member or officer shall apply to such Manager, Member or officer only on a prospective basis, and shall not limit the rights of persons covered by Section 14.1 to indemnification or to the advancement of expenses with respect to any action or failure to act occurring prior to the time of such termination, modification, or amendment.

ARTICLE XV

CONFIDENTIALITY

15.1 Confidentiality.

(a) Confidentiality Agreement.

(i) Each Member acknowledges that it may have access to and become acquainted with proprietary information and confidential information belonging to the Company that
is not generally known to the public. In addition, each Member acknowledges that: (i) the Company has invested, and continues to invest, substantial time, expense and specialized knowledge in developing its Confidential Information, (ii) the Confidential Information provides the Company with a competitive advantage over others in the marketplace, and (iii) the Company would be irreparably harmed if the Confidential Information were disclosed to competitors or made available to the public. Except as expressly permitted under this Agreement, each Member agrees that, during the period commencing on the date such Person first becomes a Member and ending on the fifth (5th) anniversary of the date such Person ceases to be a Member, such Member shall keep confidential any and all Confidential Information provided to the Member by the Company or any of the Company’s representatives, regardless of the form of communication. No Member shall, directly or indirectly, publish, disclose, distribute or disseminate or use, including for personal, commercial or proprietary advantage or profit or otherwise, any Confidential Information of which such Member is or becomes aware. Each Member in possession of Confidential Information shall take all appropriate steps to safeguard such information and to protect it against disclosure, misuse, espionage, loss and theft.

(ii) As used in this Agreement, the term “Confidential Information” shall include, but not be limited to: (a) all information regarding the Company’s or the Project’s horticulture genetics, breeding and biotechnology, agriculture and cultivation processes, refining and/or extracting processes, packaging, drying, security, storage and product preparation; (b) all financial, technical, commercial and other information concerning, among other things, the Company’s or the Project’s business, technologies, strategies, financial position, operations, assets, financial information, financial data, research and development plans, methods and data, scientific and technical data, manufacturing and production data, business development, marketing and sales plans and data, and the identities of, discussions with and the course of dealing with any actual and prospective customers, contractors, vendors and other suppliers; (c) all information regarding the Company’s or the Project’s inventions, ideas, research and development, patents, trademarks, trade secrets and copyrights, and applications therefor, technical information, computer programs, software, information technology systems, policies, procedures, methodologies, innovations, software tools, know-how, knowledge, designs, drawings, specifications, concepts, data, reports, processes, techniques and documentation; (d) all notes, analyses, compilations, forecasts, studies, interpretations, and other documents that contain, reflect or are based upon, in whole or in part, any information of the Company or the Project; and (e) any other information of the Company not available to the general public, whether written or oral, whether received by the Member prior to, on or after the effective date of this Agreement, that the Member knows or has reason to know the Company would like to treat as confidential for any purpose, such as maintaining a competitive advantage or avoiding undesirable publicity. Failure to mark or identify any Confidential Information as “confidential” or “proprietary” shall not affect its status as Confidential Information under the terms of this Agreement.

ARTICLE XVI

REDEMPTION RIGHT

16.1 Redemption Right. In the event of an Unsuitability Event with respect to any Member or Affiliate of such Member (the “Affected Member”) and after the expiration of any applicable cure periods for the event giving rise to the Unsuitability Event (the “Redemption Trigger”), the Company shall promptly redeem (the “Redemption”) the lesser of: (a) all Units held by the Affected Member, or (b) that portion of such Units necessary to cure the event giving rise to the Unsuitability Event (the “Redeemed Units”) in accordance with the provisions of this Article
XVI. If the event giving rise to the Unsuitability Event is capable of being cured, the Company shall provide written notice to the Affected Member describing the Unsuitability Event and setting forth the cure period. If the event giving rise to the Unsuitability Event is not capable of being cured, such Unsuitability Event shall be deemed to be the Redemption Trigger. The determination of whether an Unsuitability Event is capable of being cured and, if it is, the applicable cure period for the Unsuitability Event shall be made by the Manager in its sole and absolute discretion.

16.2 Redemption Procedure.

(a) Upon the occurrence of the Redemption Trigger, the Company shall promptly redeem the Redeemed Units from the Affected Member at a redemption price (the “Redemption Price”) equal to the lower of: (i) the Fair Market Value of the Redeemed Units, or (ii) the maximum amount permitted to be paid for the Redeemed Units under Applicable Law (the lower of the values in subparagraphs (i) and (ii), the “Company Appraisal”). For the avoidance of doubt, any Member’s Restricted Class C Units shall be forfeited without consideration. The Company shall provide written notice (the “Redemption Notice”) to the Affected Member within thirty (30) days after the Company first has knowledge that the Redemption Trigger has occurred. The Redemption Notice shall set forth the Redemption Price and the time, place and manner of payment. Upon issuance of the Redemption Notice by the Company to the Affected Member, and without any action on the part of the Affected Member: (i) the Redeemed Units shall immediately terminate, (ii) the Redeemed Units shall no longer be owned beneficially or of record by the Affected Member, and (iii) the Affected Member shall cease to be a Member and have no rights with respect to such Redeemed Units other than the right to receive payment of the Redemption Price from the Company.

(b) If the Affected Member disagrees with the Company Appraisal, the Affected Member may, at the Affected Member’s expense, retain an appraiser (the “Affected Member’s Appraiser”) who shall deliver to the Company an appraisal of the value of the Redeemed Units within thirty (30) days after receipt of the Redemption Notice (the “Affected Member’s Appraisal Deadline”). If the Affected Member’s Appraiser computes a value of the Redeemed Units (the “Affected Member’s Appraisal”) that is within five percent (5%), plus or minus, of the Redemption Price, the Company Appraisal will be the Redemption Price. If the Affected Member’s Appraisal is not within five percent (5%) of the Company Appraisal, then the Manager and the Affected Member’s Appraiser will select a second appraiser, at the joint expense of the Company and the Affected Member, who will calculate the value of the Redeemed Units within thirty (30) days of the Affected Member’s Appraisal Deadline (the “Second Appraisal”). If the Affected Member’s Appraisal is within five percent (5%), plus or minus, of the Second Appraisal, then the Second Appraisal will be used as the Redemption Price. If the Affected Member’s Appraisal is not within five percent (5%), plus or minus, of the Second Appraisal, then the Redemption Price will be the average of the three appraisals. The Redemption Price shall be payable, in the sole discretion of the Managers, by wire transfer of immediately available funds to an account designated by such Affected Member or by making and delivering a promissory note to the Affected Member in the principal amount of the Redemption Price, which shall be payable in no more than twenty-four (24) equal monthly installments and shall bear interest at a fixed rate equal to the prime lending rate in effect on the last business day prior to the date of the Redemption Notice at the principal bank used by the Company for banking and borrowing purposes. The closing of the Redemption shall occur within one-hundred twenty (120) days of the Redemption Trigger at the principal executive office of the Company or on such other date and at such other location as the Company and such Member may agree. The Affected Member shall deliver to the Company such customary agreements, certificates and/or instruments as the Company may reasonably request, duly executed, transferring title to the Redeemed Units to the Company, free and clear of all liens and encumbrances.
ARTICLE XVII
MISCELLANEOUS

17.1 Amendments. This Agreement may be modified or amended from time to time upon recommendation by the Manager and then with the approval of the Voting Members holding not less than a majority of Percentage Interests of all Voting Members; provided that if any amendment would disproportionately materially adversely affect one class or series of Units relative to another series or class of Units, then the consent of the holders of a majority of the Percentage Interests of such series or Class (excluding Restricted Class C Units) shall be required.

17.2 Manner of Giving Notice. Except as otherwise expressly provided in this Agreement, all notices, demands, requests, or other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be sent by certified mail, postage prepaid, return receipt requested; by an overnight express courier service that provides written confirmation of delivery; by facsimile with confirmation; or by PDF. Any notice so given shall be deemed to be delivered on the second business day after the same is deposited in the United States mail, on the next business day if sent by overnight courier, or on the same business day if sent by facsimile or PDF before the close of business.

17.3 Waiver of Notice. Whenever any notice is required to be given to any Member under the provisions of the Act, the Certificate or this Agreement, a waiver thereof in writing signed by the Person or Persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Attendance by a Member at a meeting of the Members shall constitute a waiver of notice of such meeting, except where a Member attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

17.4 Waiver. No failure or delay on the part of a Member in exercising any right, power or privilege hereunder, and no course of dealing between the Members or between a Member and the Company shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein expressly provided are cumulative and not exclusive of any other rights or remedies which a Member would otherwise have at law or in equity.

17.5 Severability. If any provision of this Agreement or the application thereof to any person or circumstances shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

17.6 Binding Agreement. Subject to the restrictions on transfers set forth herein, this Agreement shall inure to the benefit of and be binding upon the Members and their respective heirs, executors, legal representatives, successors and assigns. None of the provisions of this Agreement are intended to be, nor shall they be construed to be, for the benefit of any third party; provided, however, that the provisions of Article XIV shall inure to the benefit of the heirs of any indemnified Person. Whenever, in this Agreement, a reference to any party or Member is made, such reference shall be deemed to include a reference to the permitted heirs, executors, legal representatives, successors and assigns of such party or Member.

17.7 Gender, Etc. Words used herein, regardless of the number and gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context requires.
17.8 **Further Actions.** Each Member hereby agrees to hereafter execute and deliver such further instruments and do such further acts and things as may be required or appropriate to carry out the intent and purpose of this Agreement and which are consistent with the terms hereof.

17.9 **Counterparts.** This Agreement may be executed in one or more counterparts with each such counterpart deemed to be an original hereof and all of such counterparts deemed to be one and the same Agreement.

17.10 ** Entire Agreement.** This Agreement contains the entire agreement among the parties hereto with respect to the Company. Except as otherwise provided herein, no variations, modifications or changes herein nor any waiver of any provision hereof shall be binding unless set forth in a document duly approved by the Manager executed by or on behalf of the holders of a majority of the Percentage Interests. In addition to any amendments otherwise authorized hereby, this Agreement may be amended from time to time by the Manager without the consent of the Members to cure any ambiguity or correct or supplement any provision hereof which may be inconsistent with any other provision hereof, or correct any printing, stenographic or clerical errors or omissions.

17.11 **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, without regard to any conflict of law provision.
IN WITNESS WHEREOF, the undersigned, intending to be legally bound have executed this instrument as of the day and year first above written.

COMPANY:

By: DISPENSARY APPLICANT

By:
Name:
Title

MEMBERS:

DISPENSARY APPLICANT

By:
Name:
Title

FINANCIAL BACKER #2

By:
Name: FINANCIAL BACKER #2
Title

FINANCIAL BACKER #1
WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN 82-0684004. This EIN will identify you, your business accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

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

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

Form 1065  03/15/2018

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

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

A limited liability company (LLC) may file Form 8832, Entity Classification Election, and elect to be classified as an association taxable as a corporation. If the LLC is eligible to be treated as a corporation that meets certain tests and it will be electing S corporation status, it must timely file Form 2553, Election by a Small Business Corporation. The LLC will be treated as a corporation as of the effective date of the S corporation election and does not need to file Form 8832.

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

* Keep a copy of this notice in your permanent records. **This notice is issued only one time and the IRS will not be able to generate a duplicate copy for you.** You may give a copy of this document to anyone asking for proof of your EIN.

* Use this EIN and your name exactly as they appear at the top of this notice on all your federal tax forms.

* Refer to this EIN on your tax-related correspondence and documents.

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

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

  Thank you for your cooperation.

Keep this part for your records. CP 575 B (Rev. 7-2007)

Return this part with any correspondence so we may identify your account. Please correct any errors in your name or address.

9999999999

Your Telephone Number

Best Time to Call

DATE OF THIS NOTICE: 03-06-2017

EMPLOYER IDENTIFICATION NUMBER: 

FORM: SS-4

NOBOD

INTERNAL REVENUE SERVICE
CINCINNATI OH 45999-0023

Dispensary Applicant
Examination of the indices in the Department of State on the above date show a Professional Limited Liability Company was filed on February 03, 2017 entitled:

<table>
<thead>
<tr>
<th>Entity #</th>
<th>Dispensary Applicant</th>
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<tbody>
<tr>
<td>Citizenship:</td>
<td>Domestic</td>
</tr>
<tr>
<td>With Address At:</td>
<td>, ,</td>
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**Filing History:**

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<tr>
<th>Date</th>
<th>Microfilm</th>
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<tbody>
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<td>2/3/2017</td>
<td></td>
<td>Creation Filing</td>
</tr>
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</table>
TO ALL WHOM THESE PRESENTS SHALL COME, GREETING:

I, Pedro A. Cortés, Secretary of the Commonwealth of Pennsylvania, do hereby certify that the foregoing and annexed is a true and correct copy of

Creation Filing filed on Feb 3, 2017 - Pages (2)

which appear of record in this department.

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the Seal of the Secretary’s Office to be affixed, the day and year above written.

Certification Number:  

Verify this certificate online at http://www.corporations.pa.gov/orders/verify.aspx
Certificate of Organization
Domestic Limited Liability Company

TML170228MC0683

Dispensary Applicant

Return document by email to: __________

Read all instructions prior to completing. This form may be incomplete.

Fee: $125

In compliance with the requirements of 15 Pa.C.S. § 8913 (relating to certificate of organization), the undersigned desiring to organize a limited liability company, hereby certifies that:

1. The name of the limited liability company (designator is required, i.e., “company”, “limited” or “limited liability company” or abbreviation):

Dispensary Applicant

2. The (a) address of the limited liability company’s initial registered office in this Commonwealth or (b) name of its commercial registered office provider and the county of venue is: (Complete (a) or (b) – not both)

(a) Number and Street

City

State

Zip

County

(b) Name of Commercial Registered Office Provider

C/O: Dispensary Applicant

County

Philadelphia

3. The name and address, including street and number, if any, of each organizer is (all organizers must sign on page 2):

Name

Dispensary Applicant

Address

Dispensary Applicant
4. **Strike out if inapplicable term**
   A member's interest in the company is to be evidenced by a certificate of membership interest.

5. **Strike out if inapplicable:**
   Management of the company is vested in a manager or managers.

6. The specified effective date, if any is: 01/28/2017
   (MM/DD/YYYY and hour, if any)

7. **Strike out if inapplicable:** The company is a restricted professional company organized to render the following restricted professional service(s):
   Health Care

8. For additional provisions of the certificate, if any, attach an 8½ x 11 sheet.

IN TESTIMONY WHEREOF, the organizer(s) has (have) signed this Certificate of Organization this
26th day of January, 2017

Dispensary Applicant

Signature
TO ALL WHOM THESE PRESENTS SHALL COME, GREETING:

I, Pedro A. Cortés, Secretary of the Commonwealth of Pennsylvania, do hereby certify that the foregoing and annexed is a true and correct Index and Docket report which appear of record in this department.

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the Seal of the Secretary's Office to be affixed, the day and year above written.

Pedro A. Cortés
Secretary of the Commonwealth

Certification Number: Dispensary Applicant

Verify this certificate online at http://www.corporations.pa.gov/orders/verify.aspx
Examination of the indices in the Department of State on the above date show a Professional Limited Liability Company was filed on February 03,2017 entitled:

Entity # Dispensary Applicant
Citizenship: Domestic
With Address At: , , ,

Filing History :

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</tbody>
</table>
Attachment C: Property Title, Lease, or Option to Acquire Property Location

Instructions:

- Attach one of the following:
  - Evidence of the applicant's clear legal title to or option to purchase the proposed site and facility
  - A fully-executed copy of the applicant's unexpired lease for the proposed site and facility and a written statement from the property owner that the applicant may operate a medical marijuana organization on the proposed site for, at a minimum, the term of the initial permit
  - Other evidence that shows that the applicant has a location to operate its medical marijuana organization
- Complete this cover sheet. Scan this sheet and the appropriate document(s) and save it as a PDF file called "Attachment C," using the appropriate file name format

Business Name, as it appears on the applicant's certificate of incorporation, charter, bylaws, partnership agreement or other official documents:
Brandywine Valley Patient Care LLC

Trade names and DBA (doing business as) names:

Principal Business Address: 790 Baltimore Pike Unit 3
City: Concordville          State: DOH REDACTED          Zip Code: 19331
Phone: 302-893-9288         Fax: 610-288-5682          Email: wmc5691@gmail.com
LEASE

THIS LEASE AGREEMENT (hereinafter "Lease") is hereby made and entered into this first day of March, 2017, by and between CONCORDVILLE PROFESSIONAL CENTER, INC., a Pennsylvania corporation (hereinafter "Landlord"), and Brandywine Valley Patient Care, LLC, a Pennsylvania corporation ("Tenant"), with a business address of 790 Baltimore Pike, Unit 3, Concordville, Pennsylvania 19331 (hereinafter "Tenant").

WITNESSETH, that Landlord hereby leases to Tenant and Tenant hereby leases from Landlord, premises consisting of twenty-five hundred square feet situated in (the "Premises") of the building commonly known as Concordville Professional Center (the "Center") located at 790 Baltimore Pike, Concordville, Pennsylvania 19331 (the "Building"). The Lease shall be subject to the following terms and conditions.

1. TERM.

(a) The initial term ("Initial Term"), of this Lease shall be on a month to month basis for a period of at least 6 months or until such time that the Tenant receives the Final Issuance of a Dispensary Permit. Once the Dispensary Permit is awarded the Tenant agrees to a lease for a period of three (3) years, commencing on the date Tenant receives the Final Issuance of a Dispensary Permit (as hereinafter defined) (the "Commencement Date") and ending on the date that is thirty-six (36) months thereafter (the "Expiration Date", as may be extended as hereinafter set forth).

(b) Tenant may extend this Lease upon the expiration of the Initial Term, for two (2) extended periods of five (5) years each ("Additional Terms") (the Initial Term, together with the Additional Terms, are collectively the "Term"), provided that this Lease is then in full force and effect and there exists no uncured event of default. The Additional Terms shall be upon the same terms and conditions as under the Initial Term, except that the Monthly Fixed Rent shall be as set forth in Section 2. Tenant’s exercise of the option for the first Additional Term, to be effective,
must be by given by notice mailed by Tenant to Landlord three (3) months prior to expiration of the Initial Term. Tenant’s exercise of the option for the second Additional Term, to be effective, must be by given by notice mailed by Tenant to Landlord three (3) months prior to expiration of the first Additional Term.

2. RENT. Tenant agrees to pay Landlord, without any demand, deduction or offset for any reason whatsoever (unless expressly provided for in this Lease), Monthly Fixed Rent in the following amounts, payable monthly in advance on the first of every month:

In addition, Tenant shall pay Landlord the monthly cost of pumping the holding tank serving the Premises. Tenant hereby covenants and agrees to pay the Monthly Fixed Rent, and any other sums payable to Landlord hereunder when due. Any and all payments (other than Monthly Fixed Rent) required to be made by Tenant pursuant to this Lease shall be deemed additional rent ("Additional Rent"). Time is of the essence with respect to all payments due hereunder. Upon default by Tenant in the payment of any sums payable hereunder, Landlord shall be immediately entitled to all rights and remedies set forth in Section 25 herein. If Monthly Fixed Rent or Additional Rent are not paid within five (5) days of their due date, a late payment charge of [REDACTED] shall be added to the amount due and shall be added to Tenant's monthly balance due and owing. Such late charge shall constitute Additional Rent hereunder and shall be immediately due and payable. Tenant will also pay a charge of [REDACTED] for each returned check, plus late charges.
3. SECURITY DEPOSIT. There shall be a security deposit of [REDACTED] paid to Landlord upon execution of the Lease. The security deposit shall be returned to Tenant within thirty (30) days after the expiration or earlier termination of the Term, unless a shorter time period is required by applicable law.

4. USE OF PREMISES. Tenant may use and occupy said Premises for the following purpose: as a medical cannabis dispensary pursuant to the Pennsylvania Medical Marijuana Act and the Pennsylvania Department of Health’s Medical Marijuana Program and any successor law, regulations and policies allowing for the state-legalized sale and distribution of cannabis under Pennsylvania law (collectively, the “Cannabis Dispensary Laws”), and any other lawful use (the “Permitted Use”). Tenant agrees that it:

(a) will not in connection with the Premises conduct or permit to be conducted any auction, fire, bankruptcy or going out of business sale, or similar type sale.

(b) will not use or permit the use of any apparatus for sound and/or light reproduction or transmission, including loudspeakers, in such manner that the sounds so transmitted shall be audible beyond the interior of the Premises.

(c) will not distribute at the Center or in any part thereof any handbills or other advertising or notices, and will not conduct or permit any activities that might constitute a nuisance or which are otherwise not generally considered appropriate in accordance with the standards of operation for the Center established by Landlord. Landlord represents and warrants to Tenant that Tenant’s Permitted Use does not, and will not be deemed to, violate the provisions of this Section 4(c).

(d) will keep all mechanical apparatus free of vibration and noise which may be transmitted beyond the confines of the Premises.

(e) will not cause or permit strong, unusual or offensive sound, sights, odors, fumes, dust or vapors to emanate from the Premises. Landlord represents and warrants to Tenant that Tenant’s Permitted Use does not, and will not be deemed to, violate the provisions of this Section 4(e).
(f) Tenants will keep the inside and outside of all glass in the doors and windows of the Premises clean and will replace any cracked or broken glass with glass of the same kind, size and quality will maintain the interior of the Premises at its own expense in a clean, orderly and sanitary condition and free of insects, rodents, vermin and other pests.

(g) will not burn or permit undue accumulation of garbage, trash or refuse and will remove the same from the Premises at Tenant's sole expense, and will keep such refuse in proper containers until so removed, and will not deposit any inappropriate materials or substances into the sewer lines.

(h) will comply with all applicable state and local environmental and other laws, rules, regulations, guidelines, judgments, or orders and all recommendations of any public or private agency having authority over insurance rates with respect to the use or occupancy of the Premises by Tenant.

(i) will keep the storefront sign and display windows lighted during all hours in which the Premises are open for business.

(j) will provide all security within its Premises as it deems appropriate.

(k) will not use the malls or sidewalks adjacent to the Premises for solicitations, vending or sales of merchandise.

(l) will not use the parking area to park vehicles for advertisement or storage, and will require all employees to park in the rear of the building during normal business hours.

(m) will not, without obtaining Landlord's prior written approval, which approval shall not be unreasonably withheld, conditioned, or delayed, install any storage or propane tank, whether above or underground at the Premises or in the Center.

(n) will not perform any work of any nature whatsoever to the roof, exterior wall or any of the structural portions of the Building or Premises, except as may specifically be set forth below in this Lease.

5. HOLDING OVER. In the event that Tenant shall not immediately surrender the Premises upon the Expiration Date (as may be extended), and illegally remains in the Premises, Tenant shall, by
virtue of the provisions hereof, become a tenant on a month-to-month basis, at two times (2) the Monthly Fixed Rent, in addition to any Additional Rent due hereunder. Tenant, as a monthly tenant, shall be subject to all of the terms, conditions, covenants and agreements of this Lease.

6. UTILITIES. Tenant shall pay, when due, all utility charges (including, but not limited to, initial connection and/or disconnection charges). Tenant shall also be responsible for placing all trash securely in dumpsters provided by Tenant. No trash is to be imported from outside sources by Tenant, or Tenant’s employees, agents, representatives, invitees, licensees, patrons, customers, clients, or guests. Failure to comply with proper use of provided dumpsters will be considered a violation of this Lease.

7. REAL ESTATE TAXES AND COMMON AREA MAINTENANCE CHARGES.
Tenant shall not be responsible for any real estate taxes assessed against the Premises, Building, or Center, nor for any common area maintenance charges, except as set forth in section (2) two, above regarding the first and second additional terms. Landlord shall promptly pay when due all real estate taxes assessed against the Premises, Building, and Center.

8. MAINTENANCE.
(a) Landlord agrees, at its sole cost and expense, keep, maintain, repair and replace in good and tenantable condition, and perform any repairs, improvements, or alterations to, the structural elements and capital items of the Center, Building, and Premises, including, without limitation, the structural columns and supports, the roof, exterior walls, and the foundations of the Building, floor slabs, footings, roof membrane, roof gutters, and other structural portions of the Building, excluding exterior doors and windows, except to the extent the condition requiring such repairs resulted from the negligence or willful misconduct of Tenant. Tenant may give Landlord notice of such repairs as may be required under the terms of this Section 8(a), and Landlord shall proceed forthwith to effect the same with reasonable diligence, but in no event later than thirty (30) days after having received notice (or such greater period of time as is reasonably necessary to complete such repairs in the event such repairs are not susceptible of completion within thirty (30) days, provided Landlord shall, following receipt of such notice from Tenant,
promptly commence such repairs and diligently prosecute the same to completion). In the event of an emergency posing an imminent risk of property damage to the Premises or Tenant's personal property located thereon or personal injury, Tenant shall have the right, but not the obligation, to undertake immediate repairs of such nature as would normally be Landlord's responsibility, but only to the extent necessary to address the emergency, and notify Landlord promptly after such repairs have been undertaken (including, without limitation, notice by telephone, to the extent reasonably practicable). If Landlord fails to repair any portion of the Building or Premises which is Landlord's responsibility, within the thirty (30) day period set forth above (or such greater period of time as is reasonably necessary to complete such repairs in the event such repairs are not susceptible of completion within thirty (30) days, provided that following receipt of such notice from Tenant, Landlord promptly commences such repairs and diligently prosecutes the same to completion), Tenant may (but shall not be obligated to) perform the repairs or maintenance and Landlord shall reimburse Tenant for the reasonable cost of such repairs within thirty (30) days following Landlord's receipt from Tenant of invoices or other reasonable evidence of the amount of such costs. If Landlord fails to reimburse Tenant for the reasonable cost of such repairs, Tenant may offset said amount against Monthly Fixed Rent. Landlord represents and warrants that the Premises will be delivered to Tenant with all plumbing, electrical, heating, air conditioning, ventilation, and other mechanical systems in good working order.

(b) Tenant agrees, at Tenant's expense, to keep the interior of the Premises, and all heating, air conditioning, painting, lighting, electrical and plumbing and any other equipment and systems in or serving the Premises exclusively in clean, neat and good order, repair and condition, including any and all maintenance and repair and/or replacements. In the case of a full HVAC system replacement Tenant and Landlord agree to share the cost of replacement, if less than one year of the execution of this lease. At Tenant's expense, Tenant agrees to keep all glass, including windows, doors and skylights, clean and in good condition, and to promptly replace any glass that may be damaged or broken with glass of the same quality. Tenant agrees to keep the sidewalks, curbs and/or stairs, if applicable, servicing the Premises reasonably free from any debris whatsoever, including ice and snow which is the responsibility of the
Tenant. Tenant further agrees to store all trash, refuse and any other such materials within the Premises and to attend to the prompt disposal thereof in Tenant's dumpsters.

9. COMPLIANCE WITH LAW. Tenant agrees: to make all repairs, alterations, additions or replacements to the Premises required by any law or ordinance, or any order or regulation of any public authority; to use and occupy the Premises and conduct its business at the Premises in accordance with all applicable State and local laws (including State and local rules, ordinances, and regulations); to keep the Premises equipped with any and all safety appliances or safety procedures required by law, now or hereinafter enacted, or required because of Tenant's use; to procure any licenses and permits required for any such use; to pay all municipal, county or state taxes assessed against the personal property of any kind owned by or placed in, upon or about the Premises or Building by Tenant; and to comply with the orders and regulations of all governmental authorities. Notwithstanding anything in this Lease to the contrary.

10. SIGNS. Tenant may at its expense, with the written consent of Landlord, which consent shall not be unreasonably withheld, conditioned, or delayed, remove or erect such signs on said Premises as shall be necessary to advertise its business, provided that it complies with all applicable City, County and State laws, ordinances, and regulations relating thereto, including those concerned with the issuance of licenses or permits for the erection of signs, the payment of annual inspection fees, and the removal of signs. At the termination of the Lease, Tenant shall remove all signs erected by it, and, within fifteen (15) days, repair any and all damage caused thereby. If Tenant violates any provision of this paragraph, Landlord may, at Tenant's expense, take whatever action is necessary to remedy the same and collect the expense and costs thereof as Additional Rent. The Landlord will provide a space over the entrance of the unit for Tenant's sign and on the marquee. The Tenant, at Tenant's expense, will provide the sign over the entrance and the insert for the marquee sign. Landlord shall provide Tenant with the Landlord's sign requirements/measurements which are similar or consistent with those provided to and required of other tenants in the Building or in the Center.
11. ASSIGNMENT AND SUBLETTING.

(a) Tenant shall not be permitted to assign or sublet this Lease, in whole or in part, or grant any license or concession for all or any part thereof, without the prior written consent of Landlord. If such assignment or subletting by Tenant is permitted by Landlord at any time during this Lease term, Tenant shall not be relieved, under any circumstances, from any primary liability for any obligations under this Lease. Tenant is prohibited from and agrees not to transfer, disregard or dishonor any primary liability under this Lease under any circumstances whatsoever. Tenant shall provide a copy to the Landlord of any contractual or lease agreement which Tenant seeks to enter with regard to any assignment or subletting of the Premises. In the event that the amount of the rent to be paid to the Tenant by the assignee or sub lessee is greater than the rent required to be paid by the Tenant to the Landlord pursuant to this Lease, Tenant shall immediately pay over to Landlord, upon demand, any such excesses as is received by Tenant from such assignee or sub lessee. An assignment or subletting for the benefit of Tenant's creditors or otherwise by operation of law shall not be effective to transfer, vitiate or assign Tenant's primary liability under this Lease. Any transfer, whether by sale, merger, assignment or otherwise, of the controlling ownership interests in the Tenant shall not, in any event, relieve the Tenant of its primary liability under this Lease.

12. SURRENDER OF PREMISES. Tenant shall surrender the Premises to Landlord at the termination of this Lease in the same condition and repair as existed on the Commencement Date, reasonable wear and tear, and broom clean.

13. ADVERTISEMENT FOR SALE OR FOR RENT. Landlord shall have the right, during the last three (3) months of the Term to place on any portion of the exterior of the Premises, signs or bill-boards indicating that the Premises are "For Sale" or "For Rent", but such signs shall be of such
size and so placed as not to materially interfere with Tenant's occupancy and Tenant's operation of Tenant's business. During said period, interested persons shall be admitted at reasonable hours of the day with reasonable notice to Tenant to view the said Premises; provided, however, such entry shall be subject to the provisions of Section 16 of this Lease.

14. ALTERATIONS.

(a) Tenant shall not make any structural alterations, additions or improvements to the said Premises and/or Building without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned, or delayed. In no event shall any such structural alteration, addition, or improvement weaken the structure of or impair said Premises and/or Building. Any alteration, addition, or improvement to the Premises and/or Building shall be done in accordance with the applicable City, County and State laws and ordinances, and building and zoning rules and regulations. Tenant hereby expressly assumes full responsibility for all damages and injuries, foreseen and unforeseen, which may result to any person or property by reason of or resulting from any alterations, additions or improvements made by Tenant, or at Tenant's authorization(s), to the Premises and/or Building, and shall hold Landlord harmless with respect thereto for all damages and claims, including, but not limited to, all reasonable attorneys' fees and costs. If Tenant does undertake any alterations, including partitions, Tenant shall be responsible, at Tenant's own cost, and within fifteen (15) days of the expiration date, for the removal of any such alterations, if Landlord so demands, and to return the Premises to its condition as of the Commencement Date of this Lease, reasonable wear and tear and damage by fire or casualty excepted. Tenant shall have the right to install, at Tenant's sole cost and expense, closed circuit television and security and surveillance services and equipment within and to the Premises, and any other security devices and personnel required for Tenant to comply with the Cannabis Dispensary Laws.

(b) Tenant shall not place a load upon the floor of the Premises exceeding the floor load per square foot which such floor was designed to carry or which is allowed by law. Machines, fixtures and mechanical equipment shall be placed and maintained by Tenant at Tenant's expense in settings sufficient to absorb and prevent vibration, noise and annoyance. Any moving of such equipment shall be at the sole
risk and hazard of Tenant, and Tenant will indemnify and save Landlord harmless against and from any liability, loss, injury, claim or suit resulting directly or indirectly from such moving.

(c) All fixtures, equipment, improvements and appurtenances attached to or built into the Premises prior to or during the Term of this Lease (collectively, "Fixtures"), whether by Landlord at its expense or at the expense of Tenant or by Tenant, shall be and remain part of the Premises and shall not be removed by Tenant at the end of the Term unless otherwise expressly provided in this Lease. All electrical, plumbing, heating and sprinkling systems, fixtures and outlets, vaults, paneling, molding, ventilating, silencing, air-conditioning and cooling equipment, shall be deemed to be Fixtures. All removable electrical fixtures, drinking or tap water facilities, furniture, cases, ovens, refrigerator/freezers, or trade fixtures or business equipment shall not be deemed to be Fixtures and may (and at the request of Landlord, shall) be removed by Tenant upon the condition that such removal shall not materially damage the Premises or the Center and that the cost of repairing any damage to the Premises or the Center arising from such removal shall be the responsibility of the Tenant.

15. INSURANCE.

(a) Insurance Rating; liability insurance must be provided by a carrier whose AM Best rating is "A" or better. Landlord shall, at all times during the Term, maintain insurance on the Building insuring against loss or damages to the Building from fire in an amount sufficient to replace the Building. Landlord shall not carry any insurance for any of Tenant's property, contents, business reputation or business interruption and Tenant understands that Landlord offers no such insurance coverage to Tenant. Tenant is hereby advised to seek its own insurance coverage in this regard.

(b) Liability Insurance. Tenant shall, during the Term, keep in full force and effect a policy of public liability and property damage insurance with respect to the Premises, in amounts not less than [DOH REDACTED] each occurrence and [DOH REDACTED] aggregate of public liability insurance. The policy shall name the Landlord, or any persons, firms or corporations designated by the Landlord and the Tenant as insureds. It shall contain a clause that the insurer will not cancel or change the insurance, without first giving the Landlord thirty (30) days prior written notice. The Tenant will be insured for plate glass
replacement of store front glass. Copies of all insurance policies required hereunder, or certificates of insurance reflecting all insurance coverage required hereunder, shall be delivered to the Landlord within ten (10) days of the Commencement Date. Failure to do so shall constitute a material breach and default of this Lease. As set forth more fully above and also in Section 18 herein, Tenant, at its own option, shall carry any and all insurance for goods, property, store equipment, inventory, and/or personal effects placed in or servicing the Premises.

(c) The certificate holder, Concordville Professional Center, Inc., PO Box 466, 790 Baltimore Pike, Concordville, PA 19331, must be named as an additional insured to all liability policies of the Tenant, including general liability, auto liability, and umbrella liability, and the certificate of insurance shall show in the “description of operations” box that Landlord has been added by endorsement as additional insured to the policies above.

(d) Tenant shall furnish Landlord with certificates of all insurance required by this Section 15. If Tenant does not maintain such insurance in full force and effect, Landlord may notify Tenant in writing of such failure and if Tenant does not deliver to Landlord within ten (10) days after such notice, certification showing all insurance to be in full force and effect, Landlord may at its option, take out the necessary insurance to comply with the provisions hereof and pay the premiums on the items specified in such notice and Tenant covenants thereon demand to reimburse and pay Landlord any amounts paid or expended in the amount of the insurance premiums required hereby and specified in notice, with interest thereon at the rate of eight (8) percent per annum from the date of such payment by Landlord until repaid by Tenant.

16. INSPECTION. Tenant agrees that Landlord has the right, but not the obligation, to inspect and monitor the Premises (in compliance with the Cannabis Dispensary Laws) and Tenant’s use of the Premises in order to confirm Tenant’s compliance with the terms and representations of this Lease. In addition, in compliance with the Cannabis Dispensary Laws, Landlord or Landlord’s agents shall have the right to enter the Premises at all reasonable times to examine the same, to show it to prospective tenants and purchasers or to make such repairs, alterations, improvements or the additions as Landlord may deem
necessary or desirable. Entry by Landlord shall not constitute a constructive eviction or entitle Tenant to an abatement or reduction of Monthly Fixed Rent. Notwithstanding the above, in accordance the Cannabis Dispensary Laws, Landlord must be accompanied by authorized Tenant personnel while inspecting limited access areas. In compliance with the Cannabis Dispensary Laws, Landlord may photograph or video-record in any medium the activities of Tenant, subject to privacy restrictions under HIPAA and state laws and so long as such visual records are not provided to anyone with an interest in possessing Tenant's trade secrets (other than government employees).

17. FIRE, ACT OF GOD OR CASUALTY. In the event the said Premises and/or Building are totally destroyed by fire, act of God or other casualty or are damaged to such an extent that Landlord, in Landlord's sole discretion, desires to raze or remodel the Building or Center, then the Lease shall terminate on the date of such fire, act of God or other casualty or damage, and Tenant shall pay the Monthly Fixed Rent and any Additional Rent apportioned to the time of such fire or casualty and shall surrender possession of said Premises to Landlord. If, however, the Premises, in the sole and unfettered discretion of Landlord, can be repaired with reasonable promptness, and in no event longer than ninety (90) days, so as to be in as good condition as they are on the Commencement Date, the Lease shall not be affected except that Monthly Fixed Rent and any Additional Rent shall be apportioned or suspended while such repairs are being made, provided however, if the Premises cannot be repaired in ninety (90) days, then in such event, Tenant, at Tenant's option, shall have the right to terminate this Lease without further recourse to Landlord or Tenant.

18. LIABILITY OF LANDLORD.

(a) NO LIABILITY. Unless the same shall be the result of Landlord's or Landlord's agents' or employees' negligent or intentional acts or omissions with regard to the Building's roof, structural portions, and/or common areas, Landlord shall not be liable to Tenant, its employees, representatives, agents, business invitees, licensees, customers, clients, family members, trespassers, patrons or guests for any damage, compensation or claim arising from: (1) the necessity of repairing and/or replacing any portion of the Premises or the Building; (2) the interruption in the use of the Premises by Tenant, by
accident or damage resulting from the use or operation, non-use or non-operation, (by Landlord, Tenant, or any other person or persons whatsoever) of heating, cooling, electrical, air conditioning, painting or plumbing equipment or apparatus; (3) and/or the termination of this Lease by reason of the destruction of the Premises and/or Building; and (4) any act or conduct of any other tenant or patron of the Center, or act or conduct of any other tenant’s employees, representatives, agents, business invitees, licensees, customers, clients, family members, trespassers, patrons or guests.

(b) This section further absolves the Landlord of any liability for any damages, compensation or claim sustained or brought by or against Tenant as the result of any fire, robbery, theft, mysterious disappearance and/or other casualty, unless the same shall be the result of Landlord’s or Landlord’s agents’ or employees’ negligent or intentional acts or omissions.

(c) This section further absolves the Landlord of any liability for any damages, compensation or claim sustained or brought by the Tenant as the result of any leakage, from whatever source including the Building’s roof, or from water, rain, snow or other substance or material in any part or portion of the Premises or the Building, or from any and all drains, pipes or plumbing work in the Premises or the Building, unless the same shall be the result of Landlord’s or Landlord’s agents’ or employees’ negligent or intentional acts or omissions.

(d) Unless the same shall be the result of Landlord’s or Landlord’s agents’ or employees’ negligent or intentional acts or omissions, Landlord has no liability for any claims made or damages sustained to Tenant’s contents, goods, property, store equipment, inventory or personal effects stored or placed in the Premises by Tenant. Any contents, goods, property, store equipment, inventory or personal effects, stored or placed by the Tenant in or about the Premises or Building, shall be at the risk of the Tenant, and the Landlord shall not in any manner be held responsible therefore. Tenant, at Tenant’s own option, shall carry the necessary insurance for all its goods, property, store equipment, inventory and/or personal effects as Tenant deems appropriate.

(e) The employees of the Landlord are prohibited from receiving any packages or other articles delivered to the Building or Tenant.
(f) Indemnity.

(i) Tenant hereby agrees to indemnify and hold Landlord harmless from and against any cost, damage, claim, liability or expense (including attorneys' fees and costs) incurred by or claimed against Landlord, directly or indirectly, as a result of or in any way arising from Tenant's use and/or occupancy of the Premises and/or Building or in any other manner which relates to the Tenant's occupancy of the Premises and/or Building.

(ii) Landlord hereby agrees to indemnify and hold Tenant harmless from and against any cost, damage, claim, liability or expense (including attorneys' fees and costs) incurred by or claimed against Tenant, directly or indirectly, as a result of or in any way arising from Landlord's use, occupancy, or management of the Premises, Building, or Center.

(g) This Section 18 of this Lease shall be deemed controlling in the event of any ambiguity or conflict with any other paragraph, section or language herein.

19. NO WAIVER. The failure of Landlord or Tenant to insist upon a strict performance of any terms, conditions and covenants herein, shall not be deemed a waiver of any rights or remedies that Landlord or Tenant has or may have under this Lease, and shall not be deemed a waiver of any subsequent breach or default in the terms, conditions and covenants herein contained.

20. EMINENT DOMAIN. If the whole of the Premises and/or Building leased to Tenant shall be taken by public authority under the power of eminent domain, then the terms of this Lease shall cease on the date possession is assumed by any such public authority. Monthly Fixed Rent and Additional Rent shall be pro rated and any unearned Monthly Fixed Rent or Additional Rent paid or credited in advance shall be refunded to Tenant by Landlord. If any part of the Premises shall be taken by public authority under the power of eminent domain, from that day, Landlord or Tenant, regardless of the taking of actual possession by such public authority, shall have the right to cancel this Lease upon thirty (30) days written notice to the other, and declare the same null and void. From that day, Landlord or Tenant shall also have the right to continue in possession of the remainder of Tenant's leasehold in the Premises,
if any, under the terms herein provided, except that the Monthly Fixed Rent and any Additional Rent shall be reduced in proportion to the portion of the Premises taken by eminent domain. Tenant shall notify Landlord in writing within thirty (30) days after notification by the Landlord and/or such public authority of the intention to take a portion of the Premises leased to Tenant of its intention to cancel the Lease; otherwise the Lease shall continue on the terms and conditions hereby stated as to the portion not taken for the remainder of the Term; provided however, Tenant is able to continue to operate Tenant's business in the same and full manner just prior to the taking. Except as provided below, Tenant shall not be entitled to receive any part of any award or awards that may be made to or received by Landlord. Tenant agrees that Landlord, as the result of Landlord's ownership of the Building, will have no responsibility for any and all damages, seen and unforeseen, which are or may be sustained by Tenant should the Premises and/or Building be taken, in whole or in part, by a public authority under the power of eminent domain. Tenant, at its own expense, may take independent proceedings against the public authority exercising the power of eminent domain to prove and establish any damage Tenant may have sustained to its leasehold interest in the Premises as well as any relocation and/or moving expenses, business losses and business good will recoverable by Tenant. Tenant expressly waives any and all rights which it may be able to assert, directly or indirectly, against the Landlord in the event the Premises, in whole or in part, are taken by eminent domain.

**21. CHANGE IN OWNERSHIP.**

Tenant agrees that in the event that the Building is sold, transferred or otherwise conveyed, or in the event of any change of legal title or equitable ownership to the Building, this Lease, shall continue in full force and effect and shall be assigned to the new owner of the Building and the new owner shall assume all of the Landlord's rights and obligations hereunder. Tenant agrees that all obligations herein undertaken by Landlord, shall be transferred to such purchaser or assignee, and in such event, and provided that Landlord transfers Tenant's security deposit to such purchaser or assignee, all of Landlord's obligations shall terminate and Landlord shall be released and relieved from any and all liability and responsibility to Tenant hereunder for all damages and claims of Tenant arising under and/or by this Lease whether known
or unknown at the time of sale, transfer or other conveyance by Landlord, and Tenant shall look solely to such purchaser or assignee for the performance of said obligations or for the enforcement thereof.

22. ENTIRETY AND SEVERABILITY.

This Lease represents the entire agreement between the Landlord and Tenant, and shall be binding upon the respective heirs, executors, administrators, successors, assigns and agents of the Landlord and Tenant. There are no collateral or oral agreements or understandings, and this Lease shall not be modified in any manner except by an instrument in writing executed by Landlord and Tenant. If any term or provision of this Lease or application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid, or unenforceable, shall not be affected thereby and each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

23. NOTICES.

Any notice provided for herein shall be given by certified or registered mail, postage prepaid, addressed to Sam Cimino at 175 Bridge Street, Morton, PA 19070; and if to Tenant at the Premises.

24. SUBORDINATION.

Upon request of the Landlord, Tenant will subordinate its rights hereunder to the lien of any mortgage or mortgages, or the lien resulting from any other method of financing or refinancing, now or hereafter in force against the land and/or Building of which the Premises are a part or against any buildings hereafter placed upon the land of which the Premises are a part of, and to all advances made or hereunder to be made upon the security thereof, provided that each mortgagee enters into a written agreement with Tenant pursuant to which such mortgagee agrees not to disturb the Tenant’s possession of the Premises so long as Tenant shall faithfully and in a timely manner discharge and perform the obligations of Tenant under this Lease.
25. DEFAULT OF TENANT.

(a) Events of Default. If Tenant shall: (i) fail to pay any monthly installment of Monthly Fixed Rent (as required by Section 2 hereof) or shall fail to timely make any other payment required by the terms and provisions hereof and any cure period has expired (although no legal or formal demand has been made therefore); or (ii) violate or fail to perform any of the other terms, conditions, covenants or agreements herein made by Tenant; or (iii) abandon or vacate the Premises without Landlord's consent, or (iv) make or consent to an assignment for the benefit of creditors or a common law composition of creditors, or a receiver of Tenant's assets is appointed, or Tenant files a voluntary petition in any bankruptcy or insolvency proceedings, or an involuntary petition in any bankruptcy or insolvency proceeding is filed against Tenant and not discharged by Tenant within sixty (60) days, or Tenant is adjudicated a bankrupt; or (v) if any other violation of this Lease shall continue for a period of time greater than thirty (30) days after written notice from Landlord (provided, however, that if such cure is of a nature that it cannot through the exercise of diligent and reasonable efforts be completed within said thirty (30) days, then the time frame shall be extended if Tenant promptly commences the cure within said thirty (30) day period and thereafter diligently pursues the cure to completion), then, and in any of said enumerated events, this Lease shall, at the sole option of Landlord, cease and terminate and the provisions of this Section 25 shall automatically operate as a notice to quit. Any notice to quit, or of Landlord's intention to reenter is hereby expressly waived by Tenant and Landlord may proceed to recover possession under and by virtue of the provisions of the laws of the State of Pennsylvania or by such other proceedings, including immediate re-entry and possession, as may be applicable. Notwithstanding the preceding sentence, any reentry by Landlord shall be subject to (and in compliance with) the Cannabis Dispensary Laws and subject to privacy restrictions under HIPAA and state laws. In addition, no computer servers, desktop stations, laptops, files or other personal property which could reasonably be expected to contain customer information shall become the property of or shall be disposed of by Landlord. In the event any such failure to timely pay rent, any amounts due hereunder, or other default on the part of Tenant occurs two (2) times in any twelve (12) month period, Tenant agrees that Landlord
shall not be required during the remainder of the term of this Lease to send written notice before proceeding with its remedies under this Section 25. If Landlord elects to terminate this Lease, everything contained in this Lease on the part of Landlord to be done and performed shall cease without prejudice, except for the right of Landlord to recover from Tenant all Monthly Fixed Rent and Additional Rent accrued up to the time of termination or recovery of possession by Landlord, whichever is later. Should this Lease be terminated before the expiration of the term of this Lease by reason of Tenant's default as hereinabove provided, or if Tenant shall abandon or vacate the Premises before the expiration or termination of the term of this Lease, the Premises may be re-let by Landlord for such rent and upon such terms as are commercially reasonable and, if the full rental hereinabove provided (together with any of the costs, expenses or damages indicated and provided for herein) shall not be realized by Landlord, Tenant shall be liable for all damages sustained by Landlord, including without limitation, deficiency in rent, reasonable attorneys' fees and costs, brokerage fees, and expenses of placing the Premises and/or Building in suitable rentable condition, to be determined by Landlord in accordance with the circumstances as they then and there exist. Any damage or loss of rent sustained by Landlord may be recovered by Landlord, at Landlord's option, at the time of the re-letting, or in separate actions, from time to time, as said damage shall have been made more easily ascertainable by successive re-letting, or, at Landlord's option, may be deferred until the expiration of the term of this Lease, in which event Tenant hereby agrees that the cause of action shall not be deemed to have accrued until the date of expiration of said term. The provisions contained in this paragraph shall be in addition to and shall not prevent the enforcement of any claim Landlord may have against Tenant for anticipatory breach of the unexpired term of this Lease.

(b) Waiver. If, under the provisions hereof, Landlord shall institute proceedings against Tenant and a compromise or settlement thereof shall be made, the same shall not constitute a waiver of any other covenant, condition or agreement herein contained, nor of any of Landlord's rights hereunder. No waiver by Landlord of any breach of any covenant, condition or agreement herein contained shall operate as a waiver of such covenant, condition, or agreement itself, or of any subsequent breach thereof. No payment
by Tenant or receipt by Landlord of a lesser amount than the monthly installment of rent herein required shall be deemed to be other than on account of the earliest required rent, or amount due, nor shall any endorsement or statement on any check or letter accompanying a check for payment of rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such rent or to pursue any other remedy provided in this Lease. Notwithstanding anything contained herein to the contrary, neither re-entry by Landlord or acceptance by Landlord of keys to the Premises from Tenant shall be considered an acceptance or a surrender and/or waiver of Tenant's obligations under this Lease at that time of re-entry or acceptance of keys from Tenant by Landlord.

(c) Right of Landlord to Cure Tenant's Default. If Tenant defaults in the making of any payment or in the doing of any act herein required to be made or done by Tenant, then Landlord may, but shall not be required to, make such payment or do such act, and charge the amount of the expense thereof, if made or done by Landlord, with interest thereon at the rate per annum which is greater than the prime rate then in effect from the date paid by Landlord to the date of payment thereof by Tenant; provided, however, that nothing herein contained shall be construed or implemented in such a manner to allow Landlord to charge or receive interest in excess of the maximum legal rate then allowed by law. Such payment by Landlord and interest thereon shall constitute Additional Rent hereunder due and be payable with the next monthly installment of Annual Fixed Rent. The making of such payment by Tenant or the taking of such action by Landlord shall not operate to cure such default or to stop Landlord from the pursuit of any remedy to which Landlord would otherwise be entitled.

d) Acceleration of Rent and Additional Rent. In the event that Tenant is in default of any term or condition hereunder, and Tenant refuses to cure said default after notice, Landlord may, to the fullest extent permitted by law, accelerate any and all amounts due and payable under this Lease.

e) Re-Entry and Repossession. In the event of default, of any term or condition hereunder, Landlord specifically reserves its right to re-enter the Premises and take possession of the Premises by changing the locks on the Tenant's leasehold, to the fullest extent permitted by law, and Tenant hereby
waives any and all required notice of demand, presentment, or other authority, in the event of forcible repossesssion by Landlord. Notwithstanding the preceding sentence, any reentry by Landlord shall be subject to (and in compliance with) the Cannabis Dispensary Laws and subject to privacy restrictions under HIPAA and state laws. In addition, no computer servers, desktop stations, laptops, files or other personal property which could reasonably be expected to contain customer information shall become the property of or shall be disposed of by Landlord. Further, Tenant waives any and all rights to claim any damages for lost revenue, business interruption and any and all other claims for damages, as a result of Landlord's repossesssion and re-entry.

26. BROKERAGE. Each of the parties hereby represents and warrants that there are no claims for brokerage commissions or finder's fees in connection with the execution of this Lease. Landlord and Tenant hereby agree to indemnify and hold the other party harmless against and from all liabilities arising from any claims for brokerage commissions or finder's fees.

27. QUIET ENJOYMENT. Landlord covenants that if Tenant is not in default with respect to any covenants, conditions and/or provisions of this Lease to be performed by Tenant, Tenant shall peaceably and quietly occupy and enjoy the full possession and use of the Premises.

28. GOVERNING LAW. This Lease and the parties' respective rights and obligations hereunder, shall be governed by and construed in accordance with the laws of the State of Pennsylvania.

29. ADDITIONAL TERMS. As used herein, the neuter gender shall be construed as feminine or masculine gender, singular or plural, as the case may be.

30. MECHANIC'S LIENS. Any mechanics lien filed against the Premises for work or materials furnished to either Landlord or Tenant shall be discharged by such respective party responsible therefore prior to the commencement of any legal action to perfect the lien. Notice of any intent to file a lien or a default received or known to either party shall be forthwith given to the other party as soon as practicable.
31. COUNTERPARTS. This Lease may be executed in any number of counterparts and each of such counterparts shall, for all purposes, be deemed an original and all such counterparts shall together constitute one and the same agreement. Execution copies of this Lease may be delivered by facsimile or email, and the parties hereto agree to accept and be bound by facsimile signatures or scanned signatures transmitted via email hereto, which signatures shall be considered as original signatures with the transmitted Lease having the binding effect as an original signature on an original document. Neither party may raise the use of a facsimile machine or scanned document or the fact that any signature was transmitted through the use of a facsimile machine or email as a defense to the enforcement of this Lease.

32. DISPENSARY PERMIT CONTINGENCY.

(a) The parties acknowledge and agree that Tenant must obtain all necessary permits, variances and governmental approvals for the lawful construction and operation of Tenant's business at the Premises, including but not limited to Tenant obtaining and maintaining a license issued by the State of Pennsylvania to dispense cannabis pursuant to the Cannabis Dispensary Laws (collectively, a "Dispensary Permit"). Tenant shall, at Tenant's sole cost and expense, apply for the Dispensary Permit as soon as practicable and shall thereafter diligently pursue such Dispensary Permit. Landlord agrees to cooperate with Tenant, at no cost to Landlord, in Tenant's efforts to obtain the Dispensary Permit and to execute any necessary applications for the Dispensary Permit.

(b) Notwithstanding anything contained in this Lease to the contrary, the parties acknowledge and agree that Tenant's obligations under this Lease are contingent upon Tenant obtaining Final Issuance of a Dispensary Permit (as defined below). If Tenant is unable to obtain Final Issuance of a Dispensary Permit following the execution of this Lease, initial term of 6 months followed by a month to month term until such time that the Tenant receives the Final Issuance of a Dispensary Permit, ("Dispensary Permit Period"), then Tenant may deliver written notice to Landlord terminating this Lease (a "Termination Notice"). If Tenant fails to timely deliver a Termination Notice to Landlord prior to expiration of the Dispensary Permit Period, then Tenant will be deemed to have obtained Final Issuance of a Dispensary Permit and this Lease will continue in full force and effect but no longer subject to the
contingency set forth in this Section 32. If Tenant timely delivers a Termination Notice, this Lease shall terminate as of the date of the Termination Notice, and neither party shall have any further obligations hereunder.

(c) As used in this Lease, “Final Issuance of a Dispensary Permit” means (1) issuance of the Dispensary Permit to Tenant, and (2) (i) any applicable appeal period relating to such issuance (or lack thereof) has expired or, (ii) if administrative proceedings or litigation have been filed against Tenant or against the issuance of the Dispensary Permit, or by Tenant relating to issuance of the Dispensary Permit for the Premises, entry of a final, non-appealable judgment has been entered in Tenant’s favor.

33. ATTORNEYS and ATTORNEYS’ FEES. Tenant hereby agrees and warrants that Tenant will be liable to for any and all reasonable attorneys’ fees, costs, and/or services required in the enforcement of any term or condition of this Lease. Further, the parties represent and warrant that they have been given the full and fair opportunity to discuss this Lease with any attorney of their choice, and hereby agree to waive any rule of law which would require the construction of this Lease, or any part of it, against the entity drafting the Lease. The parties hereby agree and warrant that this Lease does in fact represent an arms’ length business transaction.

34. ACCORD and SATISFACTION. No acceptance by Landlord of an amount less than the Monthly Fixed Rent or Additional Rent due under this Lease shall be deemed to be other than a payment on account of the earliest such rents or other payments then due or in arrears, nor shall any endorsement or statement on any check or letter accompanying such payment be effective to constitute an accord and satisfaction, or any other form of notice required hereunder.

35. HAZARDOUS MATERIALS. During the term of this Lease, Tenant shall not cause the Premises to be in violation of any environmental laws, and shall hold Landlord fully harmless for any and all costs, expenses, fines and any related expenditure and/or liability directly or indirectly based on, or arising or resulting from (a) the actual or alleged presence of hazardous materials at the Building which is caused or permitted by Tenant and (b) any environmental claim relating in any way to Tenant’s operation or use of the Premises.
36. RULES and REGULATIONS. Tenant understands and agrees that its business will be a part of the Center, and as such will reflect upon the reputation, good will and success of the Center. Accordingly, Tenant agrees to abide by and strictly comply with the rules and regulations which have been stated in this Lease, as well as those rules and regulations which Landlord, in its reasonable discretion, may implement in writing from time to time in the future. By signing this Lease, Tenant represents and warrants that it has reviewed the rules and regulations and understands them, and will abide by them throughout the course and tenure of this Lease. Landlord represents and warrants that such rules and regulations shall not conflict with the terms of this Lease (unless as may be required by governmental regulation or unless Tenant consents thereto), shall be reasonable and customary for a first class building in Concordville, Pennsylvania, shall not materially increase Tenant’s financial obligations under this Lease, and shall not otherwise materially and adversely interfere with Tenant’s use, access, visibility, or parking. Landlord agrees that it will not unreasonably discriminate against Tenant in the enforcement of such rules and regulations.

37. ABANDONMENT. It is hereby agreed and understood by the parties that should the Tenant be in an event of default, and the Tenant shall leave behind any items, property or materials whatsoever, including but not limited to, trade fixtures and any items installed or placed in the unit by the Tenant, any such items, property or materials shall be deemed abandoned if they are not removed from the Premises within thirty (30) days of an event of default unless the parties reach a different understanding set forth in writing; provided, however, no computer servers, desktop stations, laptops, files or other personal property which could reasonably be expected to contain customer information shall become the property of or shall be disposed of by Landlord. It is understood by the parties that this is a mutual promise and the consideration for this promise forms, in part, the consideration and mutual promises which support this Lease.

Intending to be legally bound, and with a full and complete understanding of this Lease and all of its provisions, Landlord and Tenant agree for themselves, their respective heirs, administrators, executors,
successors and assigns, to the terms and conditions set forth herein and, in witness whereof, this Lease has been duly executed by Landlord and Tenant the day and year first written above.
IN WITNESS WHEREOF, the undersigned have executed this Lease of the day and year first written above.

Tenant:  
Brandywine Valley Patient Care, LLC

By: Charles A. McCormick 3/1/2017

Charles A. McCormick  
100 E. Pembrey Dr.  
Pembrey  
Wilmington, DE 19803

By: William J. McCormick 3/1/2017

William J. McCormick  
112 St. Andrews Dr.  
Avondale PA 19311

By:  
Brandywine Valley Patient Care LLC  
112 St. Andrews Dr.  
Avondale PA 19311

Landlord:  
Concordville Professional Center, Inc.,  
a Pennsylvania corporation

By: Philip G. Fraley 3/1/2017

Philip G. Fraley  
DOH REDACTION

By: Sam Cimino 3/1/2017

Sam Cimino  
DOH REDACTION

Witness:  
Printed Name: Lawrence Richelli

Witness: Nancy Fraley  
Printed Name: Nancy Fraley
Section 9 – Employee Qualifications, Description of Duties, and Training

A. Please provide a description of the duties, responsibilities and roles of each principal, financial backer, operator and employee.

DISPENSARY APPLICANT affirms that each principal, financial backer, operator and employee are of good moral character.

1. Principal #1 RPh, MBA — President/CEO (Principal, Financial Backer, Operator)

Principal #1 is the founder and owner of Redacted in Redacted. He is a graduate of the University of the Sciences Philadelphia College of Pharmacy and Science. He holds an MBA from the University of Delaware Alfred Lerner College of Business. He has been a licensed pharmacist in Delaware and Pennsylvania since 1988. He has worked in retail pharmacy and Long Term Care pharmacy his entire career.

During his career prior to opening his own pharmacy 6 years ago he held several positions with the Redacted organizations as a staff pharmacist, pharmacy manager, and pharmacy district manager. He worked as a pharmacy district manager for seven years. He was responsible for managing operations at 24 retail pharmacy locations in Pennsylvania, Delaware, and New Jersey with revenue in excess of $80 million. He has had extensive experience opening several pharmacies in Redacted and Redacted counties. His responsibilities included preparing the successful applications for licensing from the Pennsylvania State Board of Pharmacy and the Federal Drug Enforcement Agency obtaining DEA licenses for his pharmacy locations. He was also responsible for ensuring all of the pharmacies were compliant with the facility and security requirements in order to pass the opening licensing inspection from the board of pharmacy.

Principal #1 has extensive knowledge of required inventory control, drug storage, and security requirements for controlled substances for licensed pharmacies. He worked closely with Loss Prevention officers within his organization to prevent internal and external threats of drug diversion. He also worked closely with Delaware officers of Narcotics and Dangerous Drugs led by Mr. David Dryden RPh, J.D. on suspected diversion cases within the state. He has attended Drug Diversion programs offered in Delaware from 2002-2006 led by local and federal law enforcement officers and pharmaceutical industry executives to increase awareness of diversion for pharmacists. He continues to work with the Delaware State Drug Diversion unit with Officer Donna Farra on diversion cases within New Castle County Delaware where his pharmacy is located.

Principal #1 launched a startup independent retail pharmacy in Delaware in 2011. He is the sole owner/President of Redacted in Delaware. He saw a need in his community to provide patients with a level of health care that wasn’t being met by the chain drug stores. His pharmacy focuses on improved health outcomes for his patients. His pharmacy provides patients with medication therapy management programs, med synchronization programs, medication compliance
packaging, and immunization programs. In the six years since opening his own pharmacy he has grown his business into a profitable multi million dollar operation that has become an integral part of his community. His pharmacy provides prescription services to retail and Long Term Care patients. His pharmacy also provides human and veterinary compounding preparations for his clients. He has developed an extensive community outreach program for his pharmacy. Redacted is active in sponsoring local schools, community and church organizations, and little league baseball teams. The company also sponsors a youth summer camp for the local United Cerebral Palsy organization.

Principal #1 will assume day to day operational responsibility for the dispensary. He will serve as the pharmacist in charge for the primary dispensary location. His management and ownership skills will enable him to operate this dispensary to grow into a profitable business just as he has done with his own pharmacy location. His extensive knowledge of running a startup healthcare business will enable the company to meet the challenges of growing the business over the first 1 2 years to address capital expenditure requirements and burn rate of committed capital until profitability is achieved at the primary dispensary location. He also has extensive knowledge of security requirements and standard operating procedures for a facility dispensing controlled substances. His pharmaceutical knowledge will also address the ability to make medical marijuana recommendations for his patients that will involve a comprehensive medical and drug utilization history. Principal #1 will complete the required four hours of pharmacist continuing education credits to meet the requirement for the dispensary application.

2. Principal #2 —Chief Operating Officer (Principal, Financial Backer, Operator)

Principal #2 has over 29 years of experience in the financial services and real estate consulting industries. He is a graduate of the University of Delaware with a degree in Consumer Economics.

Principal #2 is currently co owner and managing director of Redacted Corporation which provides real estate short sale services successfully closing over in real estate transactions since inception. He launched the start up operations of the company in 2005 with his wife, and co founder, in an emerging market and grew the business to be the industry’s leader in states including Delaware, Pennsylvania, Maryland, and Virginia.

Principal #2 serves as Treasurer/Chief Operating Officer responsible for all the daily operations of the company. He developed and implemented all of the business processes, financial accounting, regulatory compliance, sales, marketing, and IT policies in the company. He also developed the new employee training program for the organization.

He is viewed by the industry as a knowledge expert on the short sale market. He is a member of many local industry organizations and teaches continuing education courses to members of those organizations.
Principal #2 has also held a variety of senior executive leadership positions in the financial services industry with management and profit & loss responsibilities in businesses ranging from national sales organizations, served in business development roles and helped launch several start up businesses. He has extensive experience in business process analysis, planning, budgeting, employee training and sales management over the course of his career.

As Vice President of Bank Outsourcing at Redacted Company from 2001 to 2005, Principal #2 was one of the first employees hired and was a member of the senior leadership team as the company grew to over 60 employees before his departure to start Redacted. He helped develop the business processes, sales & marketing policies and headed the Bank Outsourcing division responsible for hiring, sales management, business development, and client development. Redacted is still thriving today through a series of mergers which occurred after Principal #2’s departure.

Prior to helping launch Redacted Company, Principal #2 launched the Redacted for Redacted in Redacted, now known as Redacted Bank. He served as the business development officer for all vendor programs establishing the product offerings throughout the entire bank footprint in 5 states. Principal #2 left the organization with Redacted to help start Redacted Company. Redacted was Redacted’s first client.

Principal #2 also served in a number of Business Development roles for a short time in his career working for Redacted software consulting organizations in start up environments during the height of the technology boom.

Principal #2 served as Vice President of Program Management for Redacted Services, which is an international organization and subsidiary of Redacted of the Netherlands. In this role Principal #2 managed the two largest client relationships of the company responsible for over $450 million in annual sales. Redacted is an industry leader in the marketplace.

Principal #2 will serve as Chief Operating Officer of the dispensary with the primary responsibilities of implementing the financial accounting, marketing, human resources, sales and employee training initiatives of the organization. He will also serve as Affirmative Action Officer and Outreach Officer, with direct responsibility for establishing the relationships with partner organizations to carry out the company’s goals for employee and supplier diversity and community outreach. This role includes establishing company benchmarks, measurement and reporting on the success of these programs.

3. Redacted – Financial Backer – No duties, responsibilities or roles
4. Redacted – Financial Backer – No duties, responsibilities or roles
Next Big Crop (Consultants)

DISPENSARY APPLICANT’s management team works closely with Denver based marijuana consulting firm Next Big Crop. The management team chose Next Big Crop for their hands on experience in the design, construction, and operation of marijuana cultivation facilities within tightly regulated markets. They have experience consulting for marijuana growers, processors, and dispensaries in Colorado, Canada, Nevada, Maryland, Hawaii, and Illinois. Next Big Crop focuses on sustainable, efficient designs with an emphasis on compliance, safety, product consistency and traceability. They have industry experience building dispensaries across the US, and they will assist in the construction, training, and start up operations of the facility.

Members of the Next Big Crop team include:

5. Rich Cardinal — Managing Director

Rich has assisted with the design of the facility, as well as the procedures that will be implemented there. He will use his experience launching cultivation, processing and dispensary facilities in other states to aid in the startup of DISPENSARY APPLICANT’s facility, including: construction, employee hiring and training, production schedules, equipment and supply procurement, and general consultation.

6. Clay Brier — Project Manager

Clay’s duty as an external Consulting Compliance Director (CCD), is to bring an unadulterated, unbiased compliance service to DISPENSARY APPLICANT. Primarily, he will advise DISPENARY APPLICANT on hiring, training, management of compliance activities, state required Electronic Tracking System and Point of Sale / Inventory Management system implementation. He will design, write and oversee the creation of standard operating procedures and policies, as well as, act as compliance liaison between the Department and Upper Management. He will enforce regulations, both state and local and update procedures accordingly. He will help ensure that the DISPENSARY APPLICANT complies with all state and local regulations including auditing the electronic tracking system, maintaining accurate records, inspections and training staff as required. He is expected to perform regular audits and perform duties in each department. If the state licensing authorities request an inspection, he will aid the Principals throughout.

7. Robert Hansen – Consultant Specialist

Rob’s day to day functions as an external consulting specialist are to implement, enforce and audit policies and procedures that come from the external Consulting Compliance Director (CCD) as well as from upper management, and the Department. He will lead and develop training courses provided by the CCD, as well as, participate in and evaluate audits. As a specialist in dispensary operations, Rob will enforce policies and procedures both internal/external and those delineated by the Department. As a specialist in six sigma process improvement, Rob will also ensure that processes and procedures are updated regularly to maintain compliance with the Act and regulations and that the processes and procedures promote good business practices.
8. Jacob Goldfarb – Consultant Specialist

Jacob functions as an external consulting specialist helping to implement, enforce and audit policies and procedures that come from the external Consulting Compliance Director (CCD) as well as from upper management, and the Department. He will lead and develop audit protocols provided by the CCD, as well as, participate in and evaluate internal employee training. As a specialist in dispensary operations, Jacob will enforce policies and procedures both internal/external and those delineated by the Department. As a specialist in six sigma process improvement, Jacob will also ensure that processes and procedures are updated regularly to maintain compliance with the Act and regulations and that the processes and procedures promote good business practices.

A. Please describe the employee qualifications of each principal and employee. (Cont’d)

1. Principal #1 RPh, MBA — President (Principal)

Principal #1 is the founder and owner of Redacted in Redacted. He is a graduate of the University of the Sciences Philadelphia College of Pharmacy and Science. He holds an MBA from the University of Delaware Alfred Lerrner College of Business. He has been a licensed pharmacist in Delaware and in Pennsylvania since 1988. He has worked in retail pharmacy and Long Term Care pharmacy his entire career.

During his career prior to opening his own pharmacy six years ago, he held several positions with the Redacted organizations as a staff pharmacist, pharmacy manager, and pharmacy district manager. In his role as a pharmacy district manager he had extensive experience opening several pharmacies in Redacted and Redacted counties. His responsibilities included preparing the successful applications for licensing from the Pennsylvania State Board of Pharmacy and the Federal Drug Enforcement Agency. He was also responsible for ensuring all of the pharmacies were compliant with the facility and security requirements in order to pass the opening licensing inspection from the Board of Pharmacy.

Principal #1 has extensive knowledge of required inventory control, drug storage, and security requirements for controlled substances for licensed pharmacies. He worked closely with Loss Prevention officers within his organization to prevent internal and external threats of drug diversion. He also works closely with Delaware officers of Narcotics and Dangerous Drugs on suspected diversion cases within the state. He has attended Drug Diversion programs led by local and federal law enforcement and pharmaceutical industry executives.
2. **Principal #2 — Chief Operating Officer (Principal, Financial Backer, Operator)**

Principal #2 has over 18 years experience in the financial services industry and 15 years of experience in real estate consulting and investment. He is a graduate of the University of Delaware with a degree in Consumer Economics.

Principal #2 is currently co-owner and managing director of Redacted Corporation which provides real estate short sale services and has processed over $420 million in real estate transactions since inception. He launched the start up operations of the company in an emerging market and grew the business to be the industry’s leader in states including Delaware, Pennsylvania, Maryland, and Virginia.

He has also held a variety of senior executive leadership positions in the financial services industry with management and profit & loss responsibilities in businesses ranging from

3. **Physician’s Assistant**

The Physician Assistant / Certified Registered Nurse Practitioner is responsible for assisting the Pharmacist with all day to day activities. He/she will compile and maintain both physical and digital records of the quantity, type and value of medical marijuana products while assisting the Pharmacist with all dispensing of medical marijuana products. In addition, the Physician Assistant / Certified Registered Nurse Practitioner is responsible for inputting data into the required electronic tracking systems, performing audits and reconciliations.

4. **Certified Registered Nurse Practitioner**

The Physician Assistant / Certified Registered Nurse Practitioner is responsible for assisting the Pharmacist with all day to day activities. He/she will compile and maintain both physical and digital records of the quantity, type and value of medical marijuana products while assisting the Pharmacist with all dispensing of medical marijuana products. In addition, the Physician Assistant / Certified Registered Nurse Practitioner is responsible for inputting data into the required electronic tracking systems, performing audits and reconciliations.

C. Please describe the steps the applicant will take to assure that each principal and employee will meet the two-hour training requirement under the Act and regulations.

Each principal and employee are required to complete the two hour training course prior to starting initial operation of the facility. Once the facility is operational, each employee who physically handles medical marijuana must successfully complete the two hour training course no later than 90 days after commencing employment.

We will maintain a log of attendance records for principals and employees who have attended
the Department’s 2 hour training course and we shall make this available for inspection by the Department and its authorized agents upon request. After 90 days of employment, no principal or employee may handle marijuana unless they have successfully completed the Department’s two hour training course.

Training

Each principal is required to complete the four hour training course prior to starting initial operation of the facility. In addition, a physician assistant or a certified registered nurse practitioner must successfully complete the four hour training course prior to commencing employment. Successful completion of the course required under subsection (c) shall be approved as continuing education credits as determined by:

1. The State Board of Medicine and the State Board of Osteopathic Medicine.
2. The State Board of Pharmacy.
3. The State Board of Nursing.

Appropriate and thorough training is the backbone of DISPENSARY APPLICANT operations. In addition to the benefits garnered by the employee, DISPENSARY APPLICANT benefits by:

1. Improving processes
2. Reducing waste
3. Lowering costs
4. Facilitating and identifying training opportunities
5. Engaging staff
6. Setting organization wide direction

Each respective System Owner ensures this, and all DISPENSARY APPLICANT SOPs and ADs remain up to date and compliant with DISPENSARY APPLICANT Quality Objectives and regulatory expectations. DISPENSARY APPLICANTs Quality Assurance Program:

1. Develops all training materials
2. Tracks and monitors training procedures
3. Ensures all employees have been qualified to execute their job description

All DISPENSARY APPLICANT employees are hired based on their abilities to perform their tasks as per documented process without deviation, while minimizing risks of the process. Employment screening includes, but is not limited to, examination of resume and experience compared to the potential employee’s job description. Potential employees need not meet all requirements, so long as they can be trained in the processes related to the job description.

New employees at DISPENSARY APPLICANT undergo New Hire Orientation, which shall be completed within the first 10 days of employment. New Hire Orientation is an introduction to the DISPENSARY APPLICANT teams, facilities, and processes from a high level perspective. Orientation training includes discussions on the importance and relevance of the employee
meeting employer and customer standards, Quality Management Program standards, and how their work affects quality objectives, as well as the Quality Management Program, System, and Policy training.

1. New employee paperwork
2. Key Fob Access Assignment
3. Timeclock

Following Orientation, newly hired employees shall perform Job Specific Training for all relevant SOPs and ADs related to the employee’s Job Description. Job Specific Training must be completed before the employee engages in Job Specific Duties. During the time of training, employees shall be limited to Emergency & Safety and Cleaning related activities, as defined in their respective SOPs. No employee can proceed beyond Emergency & Safety and Cleaning Duties, until they have been trained on all aspects of these SOPs.

On the Job Training (OJT) is performed to ensure that an employee is knowledgeable in all areas of their job function and their roles within DISPENSARY APPLICANT. The Employee Training Chart lists all “task specific” requirements, related to each respective area/department. When an employee has been qualified to perform a specific task, the task is marked off within the Employee Training Chart. The employee’s manager is responsible for ensuring the employee is qualified to perform any/all tasks undertaken, in the line of work.

Employee Training Records shall include:
1. Type of training
2. Method of training
3. Duration of training
4. Date of completion
5. Location of training
6. Name of the instructor

Any third party training shall be documented by certificates of training from the provider of training and certification. All Employee Training Records shall be maintained within the QA Training File. Employees may request their records to be copied.

Management shall perform a quarterly review and re-certification of employees, as needed. Annual employee evaluations are performed to ensure competency. Evaluations shall establish goals for continuous improvement of employee competency and abilities, as well as their progression and improvement.

Training may include tests or other measures to ensure that employees understand the processes/procedures. The tests shall be graded, and have minimum requirements for passing. In the event that competency has not been demonstrated, an employee shall be required to develop a plan of improvement that includes the reasoning for the importance of the training relative to the process.
All Training related activities will be sequentially performed and signed off, as per the employee’s Job Description, on the Employee Training Chart. All Training Documentation shall be kept within the individual employee’s training folder, alongside their Personnel File. All employees must be fully trained within their job description. SOPs shall be read and understood, prior to job specific training, outlined in the applicable ADs. Training on job specific ADs will proceed as follows:

1. Read by the employee.
2. Signed off by the employee.
3. Demonstrated by a manager/trainer.
4. Performed by the untrained employee under management/trainer supervision.
5. Signed off by the manager/trainer.
7. Tested on their knowledge of the process on a quarterly, semi annually, and/or annual basis.

Employees shall undergo Quality Management Program and Systems training as applicable. Quality Management System Owners are responsible for documentation of all training, and ensuring that employees are competent in their respective areas. Quality Management Training will be applied on an as needed basis.
Attachment F: Affidavit of Business History

Instructions:

- Each principal or operator of the applicant must complete the Affidavit of Business History.
- Execute the affidavit and save as a PDF file called "Attachment F," using the appropriate file name format. A cover sheet is not needed.
Affidavit of Business History

State of __DELAWARE__
County of __NEW CASTLE__

The undersigned, __Charles McCormick__, hereby certifies the following:

During the 10 years preceding the filing date of the initial permit application, the following principal(s), operator(s), financial backer(s) and employee(s), have held a position of management or ownership of a controlling interest in any other business in this Commonwealth or any other jurisdiction involving the manufacturing or distribution of medical marijuana or a controlled substance:

<table>
<thead>
<tr>
<th>Name of individual</th>
<th>Role (principal, operator, financial backer or employee)</th>
<th>Business name and address</th>
<th>Position of management or ownership of a controlling interest</th>
<th>Dates</th>
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<tbody>
<tr>
<td>CHARLES MCCORMICK</td>
<td>PRINCIPAL</td>
<td>FIRST STATE PHARMACY INC</td>
<td>DOH REDACTED</td>
<td>JULY 2011-PRESENT</td>
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<td>1707 FOULK RD</td>
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<td>WILMINGTON, DE 19803</td>
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</tr>
</tbody>
</table>

I hereby certify that I am authorized to execute this affidavit on behalf of the applicant and that the information contained herein is true and correct and that there is no misrepresentation, falsification or omissions in this affidavit. I am further aware that any false or misleading statement or omitted information is punishable under the applicable provisions of 18 Pa. C.S. Ch. 49 (relating to falsification and intimidation).

__Charles McCormick, Principal__
Signature of Affiant and Title

2/3/2017
Date

Sworn to and subscribed before me this __23rd__ day of __February__ 2017.

__Michael J. Martin__
Notary Public

MY COMMISSION EXPIRES:

A photocopy, facsimile or other electronic version of this document shall be accepted as an original signature.
Affidavit of Business History

State of Delaware
County of Newcastle

The undersigned, William McCormick, hereby certifies the following:

During the 10 years preceding the filing date of the initial permit application, the following principal(s), operator(s), financial backer(s) and employee(s), have held a position of management or ownership of a controlling interest in any other business in this Commonwealth or any other jurisdiction involving the manufacturing or distribution of medical marijuana or a controlled substance:

<table>
<thead>
<tr>
<th>Name of individual</th>
<th>Role (principal, operator, financial backer or employee)</th>
<th>Business name and address</th>
<th>Position of management or ownership of a controlling interest</th>
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</tbody>
</table>

I hereby certify that I am authorized to execute this affidavit on behalf of the applicant and that the information contained herein is true and correct and that there is no misrepresentation, falsification or omissions in this affidavit. I am further aware that any false or misleading statement or omitted information is punishable under the applicable provisions of 18 Pa. C.S. Ch. 49 (relating to falsification and intimidation).

William 2/23/17
Signature of Affiant and Title Date

Sworn to and subscribed before me this 23 day of February 2017.

Notary Public

A photocopy, facsimile or other electronic version of this document shall be accepted as an original signature.
Attachment G: Affidavit of Criminal Offense

Instructions:
- Each principal or operator of the applicant must complete the Affidavit of Criminal Offense.
- Execute the affidavit as instructed and save as a PDF file called “Attachment G,” using the appropriate file name format. A cover sheet is not needed.
Affidavit of Criminal Offense

State of     DAKOTA     )
County of     NEW CASTLE    )

The undersigned, ________________ Principal #1, hereby certifies the following by checking the boxes below:

Principal(s):

☑ No principal(s) listed in this permit application have been convicted of a criminal offense graded higher than a summary offense.

☐ One or more principals listed in this permit application have been convicted of a criminal offense graded higher than a summary offense.

If one or more principal(s) listed in this permit application has been convicted of a criminal offense graded higher than a summary offense, please provide below the name(s) of the principal(s) and the offense(s) of which one or more principal(s) was convicted.

Name(s): ____________________________________________

Offense(s): _________________________________________

Operator(s):

☑ No operator(s) listed in this permit application have been convicted of a criminal offense graded higher than a summary offense.

☐ One or more operator(s) listed in this permit application has been convicted of a criminal offense graded higher than a summary offense.

If one or more operator(s) listed in this permit application has been convicted of a criminal offense graded higher than a summary offense, please provide below the name(s) of the operator(s) and the offense(s) of which one or more operator(s) was convicted.

Name(s): ____________________________________________

Offense(s): _________________________________________

Financial Backer(s):

☑ No financial backer(s) listed in this permit application have been convicted of a criminal offense graded higher than a summary offense.
☐ One or more financial backer(s) listed in this permit application have been convicted of a criminal offense graded higher than a summary offense.

If one or more financial backer(s) listed in this permit application have been convicted of a criminal offense graded higher than a summary offense, please provide below the name(s) of the financial backer(s) and the offense(s) of which one or more financial backer(s) was convicted.

Name(s): __________________________________________
Offense(s): ________________________________________

[Signature]
[Date: 3/23/2017]

Sworn to and subscribed before me this 27th day of February, 2017.

[Notary Public]

MY COMMISSION EXPIRES:

A photocopy, facsimile or other electronic version of this document shall be accepted as an original signature.
Affidavit of Criminal Offense

State of ____________________________
County of ____________________________

The undersigned, ____________________________, hereby certifies the following by checking the boxes below:

Principal(s):

☐ No principal(s) listed in this permit application have been convicted of a criminal offense graded higher than a summary offense.

☐ One or more principals listed in this permit application have been convicted of a criminal offense graded higher than a summary offense.

If one or more principal(s) listed in this permit application has been convicted of a criminal offense graded higher than a summary offense, please provide below the name(s) of the principal(s) and the offense(s) of which one or more principal(s) was convicted.

Name(s): __________________________________________
Offense(s): _______________________________________

Operator(s):

☑ No operator(s) listed in this permit application have been convicted of a criminal offense graded higher than a summary offense.

☐ One or more operator(s) listed in this permit application has been convicted of a criminal offense graded higher than a summary offense.

If one or more operator(s) listed in this permit application has been convicted of a criminal offense graded higher than a summary offense, please provide below the name(s) of the operator(s) and the offense(s) of which one or more operator(s) was convicted.

Name(s): __________________________________________
Offense(s): _______________________________________

Financial Backer(s):

☑ No financial backer(s) listed in this permit application have been convicted of a criminal offense graded higher than a summary offense.
☐ One or more financial backer(s) listed in this permit application have been convicted of a criminal offense graded higher than a summary offense.

If one or more financial backer(s) listed in this permit application have been convicted of a criminal offense graded higher than a summary offense, please provide below the name(s) of the financial backer(s) and the offense(s) of which one or more financial backer(s) was convicted.

Name(s): __________________________________________
Offense(s): _______________________________________

PRINCIPLE #2
Signature of Affiant and Title
Date

2.23.17

Sworn to and subscribed before me this 23rd day of February 2017.

[Signature]
Notary Public

MY COMMISSION EXPIRES:

A photocopy, facsimile or other electronic version of this document shall be accepted as an original signature.
ATTACHMENT I-2: AFFIDAVIT OF CAPITAL SUFFICIENCY FOR A DISPENSARY PERMIT APPLICANT

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF HEALTH

AFFIDAVIT OF CAPITAL SUFFICIENCY

State of Pennsylvania
County of Chester

I/WE William McCormick

For the following applicant:
Brandywine Valley Patient Care LLC

hereby certify that the Applicant named has at least $150,000 on deposit with one or more financial institutions:
I hereby certify that I am authorized to execute this affidavit on behalf of the applicant and that the information contained herein is true and correct and that there is no misrepresentation, falsification or omissions in this affidavit. I am further aware that any false or misleading statement or omitted information is punishable under the applicable provisions of 18 Pa. C.S. Ch. 49 (relating to falsification and intimidation).

[Signature of Affiant and Title]

Sworn to and subscribed before me this 14th day of March, 2017.

[Notary Public]

MY COMMISSION EXPIRES:

[Stamp]

A photocopy, facsimile or other electronic version of this document shall be accepted as an original signature.
Instructions:
- Provide a sample label for each medical marijuana product you expect to produce
- Complete this cover sheet. Scan this sheet and the sample labels and save it as a PDF file called “Attachment J,” using the appropriate file name format

**Attachment J: Sample Medical Marijuana Product Label**

**Business Name, as it appears on the applicant’s certificate of incorporation, charter, bylaws, partnership agreement or other official documents:**

**Dispensary**

**Trade names and DBA (doing business as) names:**

**Principal Business Address:**

**City:** [REDACTED]  **State:** [REDACTED]  **Zip Code:** [REDACTED]

**Phone:** [REDACTED]

See Section 13  Labelling of Medical Marijuana Products
Attachment K: Release Authorization

Instructions:

- Execute the following release authorization
- Scan the completed and executed release authorization below save it as a PDF file called "Attachment K," using the appropriate file name format. No cover sheet is needed.
RELEASE AUTHORIZATION

TO: ____________________________

(Do not write above this line - For Department of Health Only)

FROM: ____________________________

PRINCIPLE #1

Applicant's Name

I, ____________________________, by and on behalf of the undersigned applicant, have filed a permit application with the Pennsylvania Department of Health ("Department"). I certify that I am authorized by the applicant to submit this Release Authorization on its behalf and to bind the applicant to all provisions within this Release Authorization. I understand that the applicant is seeking the granting of a privilege and acknowledge that the burden of proving the applicant's qualifications and suitability for a favorable determination is at all times the burden of the applicant.

I understand that a background investigation may be conducted by the Department pursuant to its statutory duty to investigate the character, honesty, integrity and suitability of myself and any entity with which I am associated. I further understand and agree that I am voluntarily executing this Release Authorization to expressly authorize and permit the Department to obtain any and all information it deems necessary, and accept any risk of adverse public notice, embarrassment, criticism, or other action or financial loss which may result from action with respect to this permit application.

The rights and powers herein are granted to facilitate the background investigation being conducted by the Department at my request and on behalf of the applicant and is not otherwise intended to create or establish a legal or fiduciary relationship between the Department, its agents and employees, and me. I hereby acknowledge that no such relationship exists.

1. I hereby authorize and request every person, firm, company, corporation, board, association or institution of any kind, and every Federal, state or local government entity, including but not limited to any court, law enforcement agency, criminal justice agency or probation department, without exception, both foreign and domestic, to whom this Release Authorization is presented having any knowledge, information, documents, forms, photographs, computer files, accounts, ledgers or other items about, relating to or concerning the applicant and to fully discuss with and answer any inquiry made by any duly authorized investigator of the Pennsylvania Department of Health.

2. If this Release Authorization is presented to any brokerage firm, bank, savings and loan, or other financial institution or officer of same, I hereby authorize and request any and all documents, records or correspondence pertaining to the applicant, including but not limited to past loan information, notes, checking account records, savings deposit records, safe deposit box records, passbook records and general ledger folio sheets.

3. I hereby authorize an agent of the Department to obtain and review copies of any and all documents, records or correspondence pertaining to myself and the applicant, and I hereby authorize any Federal, state or municipal agency or body, law enforcement agency or criminal justice agency or department, tax agency or authority, regulatory agency, authority or body, to make full and complete disclosure of any and all information and documents including, but not limited to, documents and information otherwise privileged or not subject to public disclosure, as well as other information on file or available concerning the applicant.

4. This Release Authorization extends to the review and copy of any information protected by law or contact from disclosure, privilege or obligation.

5. I do for the applicant, as well as for myself, my heirs, executors, administrators, successors and assigns, hereby release, remise, exonerate and forever discharge the Department, its members, agents and employees, the Commonwealth of Pennsylvania and its instrumentalities, and any agents and employees
thereof, from any and all liabilities including but not limited to all manner of actions, causes of action, suits, debts, judgments, executions, claims, and demands whatsoever, known and unknown, in law or equity, which exist now or in the future against those entities and persons other than relating to a willfully unlawful disclosure or publication of material or information acquired during my investigation.

6. I do for the applicant, as well as for myself, my heirs, administrators, successors and assigns, hereby release, remise, exonerate and forever discharge every person, firm, company, corporation, board, association or institution of any kind, and every Federal, state or local government entity, including but not limited to every court, law enforcement agency, criminal justice agency or probation department, without exception, both foreign and domestic, to whom this request is presented, and any agents or employees thereof, from any and all liabilities, including but not limited to all manner of actions, causes of action, suits, debts, judgments, executions, claims and demands whatsoever, known or unknown, in law or equity, which exist now or in the future against those entities and persons to whom this request is presented, and any agents or employees thereof, arising out of or by reason of the furnishing or inspection of documents, records or other information released in compliance with a request made pursuant to, or as a result of, having been presented with, this Release Authorization.

7. The applicant agrees to indemnify and hold harmless the Department, its officials and employees and every person, firm, company, corporation, board, association or institution of any kind, and every Federal, state or local government agency, to whom this request is presented and form and against all claims, damages, losses, and expenses including reasonable attorneys' fees arising out of or by reason of, the acts permitted and provided for in the Release Authorization.

8. I agree that a reproduction of this request by photocopy, facsimile or other similar process shall be for all intents and purposes as valid as the original.

IN WITNESS WHEREOF, I have executed this Release on this 23rd day of Feb., 2017.

Authorized Signatory

STATE OF __________  )
COUNTY OF __________ ) ss:

On this 23rd day of February 2017, before me, a Notary Public, personally appeared
(known to me or satisfactorily proven) to be the person whose name is subscribed in this Release, and acknowledged that he/she executed the same for the purposes herein contained.

IN WITNESS THEREOF, I hereunto set my hand and official seal.

Notary Public

MY COMMISSION EXPIRES: 12/1/18
RELEASE AUTHORIZATION

TO: ________________________________________

(Do not write above this line – For Department of Health Only)

FROM: ________________________________________

DISPENSARY APPLICANT

Applicant’s Name

PRINCIPLE #2

I, ________________________________________, by and on behalf of the undersigned applicant, have filed a
permit application with the Pennsylvania Department of Health ("Department"). I certify that I am authorized by the
applicant to submit this Release Authorization on its behalf and to bind the applicant to all provisions within this
Release Authorization. I understand that the applicant is seeking the granting of a privilege and acknowledge that the
burden of proving the applicant’s qualifications and suitability for a favorable determination is at all times the burden
of the applicant.

I understand that a background investigation may be conducted by the Department pursuant to its statutory duty to
investigate the character, honesty, integrity and suitability of myself and any entity with which I am associated. I
further understand and agree that I am voluntarily executing this Release Authorization to expressly authorize and
permit the Department to obtain any and all information it deems necessary, and accept any risk of adverse public
notice, embarrassment, criticism, or other action or financial loss which may result from action with respect to this
permit application.

The rights and powers herein are granted to facilitate the background investigation being conducted by the
Department at my request and on behalf of the applicant and is not otherwise intended to create or establish a legal
or fiduciary relationship between the Department, its agents and employees, and me. I hereby acknowledge that no
such relationship exists.

1. I hereby authorize and request every person, firm, company, corporation, board, association or institution of
any kind, and every Federal, state or local government entity, including but not limited to every court, law
enforcement agency, criminal justice agency or probation department, without exception, both foreign and
domestic, to whom this Release Authorization is presented having any knowledge, information, documents,
forms, photographs, computer files, accounts, ledgers or other items about, relating to or concerning the
applicant and to fully discuss with and answer any inquiry made by any duly authorized investigator of the
Pennsylvania Department of Health.

2. If this Release Authorization is presented to any brokerage firm, bank, savings and loan, or other financial
institution or officer of same, I hereby authorize and request any and all documents, records or
 correspondence pertaining to the applicant, including but not limited to past loan information, notes, checking
account records, savings deposit records, safe deposit box records, passbook records and general ledger
folio sheets.

3. I hereby authorize an agent of the Department to obtain and review copies of any and all documents, records
or correspondence pertaining to myself and the applicant, and I hereby authorize any Federal, state or
municipal agency or body, law enforcement agency or criminal justice agency or department, tax agency or
authority, regulatory agency, authority or body, to make full and complete disclosure of any and all
information and documents including, but not limited to, documents and information otherwise privileged or
not subject to public disclosure, as well as other information on file or available concerning the applicant.

4. This Release Authorization extends to the review and copy of any information protected by law or contact
from disclosure, privilege or obligation.

5. I do for the applicant, as well as for myself, my heirs, executors, administrators, successors and assigns,
hereby release, remise, exonerate and forever discharge the Department, its members, agents and
employees, the Commonwealth of Pennsylvania and its instrumentalities, and any agents and employees
thereof, from any and all liabilities including but not limited to all manner of actions, causes of action, suits, debts, judgments, executions, claims, and demands whatsoever, known and unknown, in law or equity, which exist now or in the future against those entities and persons other than relating to a willfully unlawful disclosure or publication of material or information acquired during my investigation.

6. I do for the applicant, as well as for myself, my heirs, administrators, successors and assigns, hereby release, remise, exonerate and forever discharge every person, firm, company, corporation, board, association or institution of any kind, and every Federal, state or local government entity, including but not limited to every court, law enforcement agency, criminal justice agency or probation department, without exception, both foreign and domestic, to whom this request is presented, and any agents or employees thereof, from any and all liabilities, including but not limited to all manner of actions, causes of action, suits, debts, judgments, executions, claims and demands whatsoever, known or unknown, in law or equity, which exist now or in the future against those entities and persons to whom this request is presented, and any agents or employees thereof, arising out of or by reason of the furnishing or inspection of documents, records or other information released in compliance with a request made pursuant to, or as a result of, having been presented with, this Release Authorization.

7. The applicant agrees to indemnify and hold harmless the Department, its officials and employees and every person, firm, company, corporation, board, association or institution of any kind, and every Federal, state or local government agency, to whom this request is presented and form and against all claims, damages, losses, and expenses including reasonable attorneys' fees arising out of or by reason of, the acts permitted and provided for in the Release Authorization.

8. I agree that a reproduction of this request by photocopy, facsimile or other similar process shall be for all intents and purposes as valid as the original.

IN WITNESS WHEREOF, I have executed this Release on this 23rd day of February, 2017.

PRINCIPLE #2
Authorized Signatory

STATE OF __________________________
COUNTY OF __________________________

On this 23rd day of February, 2017, before me, a Notary Public, personally appeared
(name known to me or satisfactorily proven) to be the person whose
name is subscribed in this Release, and acknowledged that he/she executed the same for the purposes
herein contained.

IN WITNESS THEREOF, I hereunto set my hand and official seal.

PRINCIPLE #2
Notary Public

MY COMMISSION EXPIRES:
RELEASE AUTHORIZATION

TO: ____________________________  
(Do not write above this line - For Department of Health Only)

FROM: _________________________

Dispensary Applicant

Applicant’s Name

I, _____________________________ by and on behalf of the undersigned applicant, have filed a permit application with the Pennsylvania Department of Health (“Department”). I certify that I am authorized by the applicant to submit this Release Authorization on its behalf and to bind the applicant to all provisions within this Release Authorization. I understand that the applicant is seeking the granting of a privilege and acknowledge that the burden of proving the applicant’s qualifications and suitability for a favorable determination is at all times the burden of the applicant.

I understand that a background investigation may be conducted by the Department pursuant to its statutory duty to investigate the character, honesty, integrity and suitability of myself and any entity with which I am associated. I further understand and agree that I am voluntarily executing this Release Authorization to expressly authorize and permit the Department to obtain any and all information it deems necessary, and accept any risk of adverse public notice, embarrassment, criticism, or other action or financial loss which may result from action with respect to this permit application.

The rights and powers herein are granted to facilitate the background investigation being conducted by the Department at my request and on behalf of the applicant and is not otherwise intended to create or establish a legal or fiduciary relationship between the Department, its agents and employees, and me. I hereby acknowledge that no such relationship exists.

1. I hereby authorize and request every person, firm, company, corporation, board, association or institution of any kind, and every Federal, state or local government entity, including but not limited to every court, law enforcement agency, criminal justice agency or probation department, without exception, both foreign and domestic, to whom this Release Authorization is presented having any knowledge, information, documents, forms, photographs, computer files, accounts, ledgers or other items about, relating to or concerning the applicant and to fully discuss with and answer any inquiry made by any duly authorized investigator of the Pennsylvania Department of Health.

2. If this Release Authorization is presented to any brokerage firm, bank, savings and loan, or other financial institution or officer of same, I hereby authorize and request any and all documents, records or correspondence pertaining to the applicant, including but not limited to past loan information, notes, checking account records, savings deposit records, safe deposit box records, passbook records and general ledger folio sheets.

3. I hereby authorize an agent of the Department to obtain and review copies of any and all documents, records or correspondence pertaining to myself and the applicant, and I hereby authorize any Federal, state or municipal agency or body, law enforcement agency or criminal justice agency or department, tax agency or authority, regulatory agency, authority or body, to make full and complete disclosure of any and all information and documents including, but not limited to, documents and information otherwise privileged or not subject to public disclosure, as well as other information on file or available concerning the applicant.

4. This Release Authorization extends to the review and copy of any information protected by law or contact from disclosure, privilege or obligation.

5. I do for the applicant, as well as for myself, my heirs, executors, administrators, successors and assigns, hereby release, remise, exonerate and forever discharge the Department, its members, agents and employees, the Commonwealth of Pennsylvania and its instrumentalities, and any agents and employees.
thereof, from any and all liabilities including but not limited to all manner of actions, causes of action, suits, debts, judgments, executions, claims, and demands whatsoever, known and unknown, in law or equity, which exist now or in the future against those entities and persons other than relating to a willfully unlawful disclosure or publication of material or information acquired during my investigation.

6. I do for the applicant, as well as for myself, my heirs, administrators, successors and assigns, hereby release, remise, exonerate and forever discharge every person, firm, company, corporation, board, association or institution of any kind, and every Federal, state or local government entity, including but not limited to every court, law enforcement agency, criminal justice agency or probation department, without exception, both foreign and domestic, to whom this request is presented, and any agents or employees thereof, from any and all liabilities, including but not limited to all manner of actions, causes of action, suits, debts, judgments, executions, claims and demands whatsoever, known or unknown, in law or equity, which exist now or in the future against those entities and persons to whom this request is presented, and any agents or employees thereof, arising out of or by reason of the furnishing or inspection of documents, records or other information released in compliance with a request made pursuant to, or as a result of, having been presented with, this Release Authorization.

7. The applicant agrees to indemnify and hold harmless the Department, its officials and employees and every person, firm, company, corporation, board, association or institution of any kind, and every Federal, state or local government agency, to whom this request is presented and form and against all claims, damages, losses, and expenses including reasonable attorneys’ fees arising out of or by reason of, the acts permitted and provided for in the Release Authorization.

8. I agree that a reproduction of this request by photocopy, facsimile or other similar process shall be for all intents and purposes as valid as the original.

IN WITNESS WHEREOF, I have executed this Release on this 27 day of February, 2017.

[Signature]

Financial Backer #1

STATE OF

COUNTY OF

On this 27 day of February, 2017, before me, a Notary Public, personally appeared

[Signature]

Financial Backer #1

ACKNOWLEDGED that he/she executed the same for the purposes hereof.

IN WITNESS THEREOF, I hereunto set my hand and official seal.

[Signature]

Notary Public

MY COMMISSION EXPIRES: 04/07/2020

[Notary Seal]
RELEASE AUTHORIZATION

TO: ____________________________________________________________
(Do not write above this line – For Department of Health Only)

FROM: _________________________________________________________
Financial Backer #2
Applicant’s Name

I, and on behalf of the undersigned applicant, have filed a permit application with the Pennsylvania Department of Health ("Department"). I certify that I am authorized by the applicant to submit this Release Authorization on its behalf and to bind the applicant to all provisions within this Release Authorization. I understand that the applicant is seeking the granting of a privilege and acknowledge that the burden of proving the applicant's qualifications and suitability for a favorable determination is at all times the burden of the applicant.

I understand that a background investigation may be conducted by the Department pursuant to its statutory duty to investigate the character, honesty, integrity and suitability of myself and any entity with which I am associated. I further understand and agree that I am voluntarily executing this Release Authorization to expressly authorize and permit the Department to obtain any and all information it deems necessary, and accept any risk of adverse public notice, embarrassment, criticism, or other action or financial loss which may result from action with respect to this permit application.

The rights and powers herein are granted to facilitate the background investigation being conducted by the Department at my request and on behalf of the applicant and is not otherwise intended to create or establish a legal or fiduciary relationship between the Department, its agents and employees, and me. I hereby acknowledge that no such relationship exists.

1. I hereby authorize and request every person, firm, company, corporation, board, association or institution of any kind, and every Federal, state or local government entity, including but not limited to every court, law enforcement agency, criminal justice agency or probation department, without exception, both foreign and domestic, to whom this Release Authorization is presented to have any knowledge, information, documents, forms, photographs, computer files, accounts, ledgers or other items about, relating to or concerning the applicant and to fully discuss with and answer any inquiry made by any duly authorized investigator of the Pennsylvania Department of Health.

2. If this Release Authorization is presented to any brokerage firm, bank, savings and loan, or other financial institution or officer of same, I hereby authorize and request any and all documents, records or correspondence pertaining to the applicant, including but not limited to past loan information, notes, checking account records, savings deposit records, safe deposit box records, passbook records and general ledger folio sheets.

3. I hereby authorize an agent of the Department to obtain and review copies of any and all documents, records or correspondence pertaining to myself and the applicant, and I hereby authorize any Federal, state or municipal agency or body, law enforcement agency or criminal justice agency or department, tax agency or authority, regulatory agency, authority or body, to make full and complete disclosure of any and all information and documents including, but not limited to, documents and information otherwise privileged or not subject to public disclosure, as well as other information on file or available concerning the applicant.

4. This Release Authorization extends to the review and copy of any information protected by law or contact from disclosure, privilege or obligation.

5. I do for the applicant, as well as for myself, my heirs, executors, administrators, successors and assigns, hereby release, remise, exonerate and forever discharge the Department, its members, agents and employees, the Commonwealth of Pennsylvania and its instrumentalities, and any agents and employees.
thereof, from any and all liabilities including but not limited to all manner of actions, causes of action, suits, debts, judgments, executions, claims, and demands whatsoever, known and unknown, in law or equity, which exist now or in the future against those entities and persons other than relating to a willfully unlawful disclosure or publication of material or information acquired during my investigation.

6. I do for the applicant, as well as for myself, my heirs, administrators, successors and assigns, hereby release, remise, exonerate and forever discharge every person, firm, company, corporation, board, association or institution of any kind, and every Federal, state or local government entity, including but not limited to every court, law enforcement agency, criminal justice agency or probation department, without exception, both foreign and domestic, to whom this request is presented, and any agents or employees thereof, from any and all liabilities, including but not limited to all manner of actions, causes of action, suits, debts, judgments, executions, claims and demands whatsoever, known or unknown, in law or equity, which exist now or in the future against those entities and persons to whom this request is presented, and any agents or employees thereof, arising out of or by reason of the furnishing or inspection of documents, records or other information released in compliance with a request made pursuant to, or as a result of, having been presented with, this Release Authorization.

7. The applicant agrees to indemnify and hold harmless the Department, its officials and employees and every person, firm, company, corporation, board, association or institution of any kind, and every Federal, state or local government agency, to whom this request is presented and form and against all claims, damages, losses, and expenses including reasonable attorneys’ fees arising out of or by reason of, the acts permitted and provided for in the Release Authorization.

8. I agree that a reproduction of this request by photocopy, facsimile or other similar process shall be for all intents and purposes as valid as the original.

IN WITNESS WHEREOF, I have executed this Release on this 13th day of March, 2017.

Authorized Signatory

STATE OF Delaware
COUNTY OF New Castle

On this 13th day of March, 2017, before me, a Notary Public, personally appeared

Financial Backer #2

(know to me or satisfactorily proven) to be the person whose name is subscribed in this Release, and acknowledged that he/she executed the same for the purposes herein contained.

IN WITNESS THEREOF, I hereunto set my hand and official seal.

Notary Public

MY COMMISSION EXPIRES: March 10, 2018

KATHRYN C. O'SHEA
NOTARY PUBLIC
STATE OF DELAWARE
My Commission Expires March 10, 2018
Attachment L: Applicant Priorities for Multiple Applications

Instructions:
- This attachment is for applicants who are submitting multiple medical marijuana organization permit applications. Use this attachment to indicate your priorities for which medical marijuana regions or counties you prefer for issuance of a permit. Not providing Attachment L as part of your medical marijuana organization permit application indicates that you have no preference.
- If you submit this form more than once, the last form the Department receives will represent your prioritization. This form cannot be submitted without being part of an application.
- If you elect to submit this attachment, please scan the completed form and save it as a PDF file called “Attachment L,” using the appropriate file name format.

| Business Name, as it appears on the applicant’s certificate of incorporation, charter, bylaws, partnership agreement or other official documents: |
| Trade names and DBA (doing business as) names: |
| Principal Business Address: |
| City: |
| Phone: |

A. Priorities for Multiple Grower/Processor Permit Applications

Please check one of the following:
- ☐ The applicant would like to make the Department aware of the applicant’s priorities as listed below.
- ☐ The applicant has no preference regarding medical marijuana regions.

<table>
<thead>
<tr>
<th>MEDICAL MARIJUANA REGION</th>
<th>PRIORITY (If you intend to submit a permit application for more than one medical marijuana region, please rank your preferred region from 1-6, with 1 being the highest ranking)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1- Southeast</td>
<td>Priority _</td>
</tr>
<tr>
<td>2- Northeast</td>
<td>Priority ___</td>
</tr>
<tr>
<td>3- Southcentral</td>
<td>Priority _</td>
</tr>
<tr>
<td>4- Northcentral</td>
<td>Priority ___</td>
</tr>
<tr>
<td>5- Southwest</td>
<td>Priority ___</td>
</tr>
<tr>
<td>6- Northwest</td>
<td>Priority ___</td>
</tr>
</tbody>
</table>
B. Priorities for Multiple Dispensary Permit Applications

Please check one of the following:

- The applicant would like to make the Department aware of the applicant’s priorities as listed below
- The applicant has no preference regarding county

<table>
<thead>
<tr>
<th>MEDICAL MARIJUANA REGION</th>
<th>For each region for which you plan to submit multiple applications, please indicate the counties in order of priority, with 1 being the highest</th>
</tr>
</thead>
</table>
| 1- Southeast             | Berks  
|                          | Bucks  
|                          | Chester  
|                          | Delaware  
|                          | Lancaster  
|                          | Montgomery  
|                          | Philadelphia  |
| 2- Northeast             | Lackawanna  
|                          | Lehigh  
|                          | Luzerne  
|                          | Northampton  |
| 3- Southcentral          | Blair  
|                          | Cumberland  
|                          | Dauphin  
|                          | York  |
| 4- Northcentral          | Centre  
|                          | Lycoming  |
| 5- Southwest             | Allegheny  
|                          | Butler  
|                          | Washington  
|                          | Westmoreland  |
| 6- Northwest             | Erie  
|                          | McKean  |
DOH REDACTED
C O M M O N W E A L T H   O F   P E N N S Y L V A N I A
D E P A R T M E N T   O F   S T A T E

03/02/2017

TO ALL WHOM THESE PRESENTS SHALL COME, GREETING:

Brandywine Valley Patient Care, LLC

I, Pedro A. Cortés, Secretary of the Commonwealth of Pennsylvania, do hereby certify that the foregoing and annexed is a true and correct copy of

Creation Filing filed on Feb 3, 2017 - Pages (2)

which appear of record in this department.

IN TESTIMONY WHEREOF, I have heretounto set my hand and caused the Seal of the Secretary's Office to be affixed, the day and year above written

[Signature]

Secretary of the Commonwealth

Certification Number: TSC170302090333-1

Verify this certificate online at http://www.corporations.pa.gov/orders/verify.aspx
PENNSYLVANIA DEPARTMENT OF STATE
BUREAU OF CORPORATIONS AND CHARITABLE ORGANIZATIONS

Certificate of Organization
Domestic Limited Liability Company

Return document by mail to:
William McCormick
873 E. Baltimore Pike, P.O. Box 483
Kennett Square, PA 19348

Return document by email to:

Read all instructions prior to completing. This form may be used for fee: $125

In compliance with the requirements of 15 Pa.C.S. § 8913 (relating to certificate of organization), the undersigned desiring to organize a limited liability company, hereby certifies that:

1. The name of the limited liability company (designator is required, i.e., "company", "limited" or "limited liability company" or abbreviation):
   Brandywine Valley Patient Care, LLC

2. The (a) address of the limited liability company's initial registered office in this Commonwealth or (b) name of its commercial registered office provider and the county of venue is:
   (Complete (a) or (b) -- not both)

   (a) Number and Street City State Zip County

   (b) Name of Commercial Registered Office Provider
       e/o: M. Burr Keln Company
       County

   (Philadelphia)

3. The name and address, including street and number, if any, of each organizer is (all organizers must sign on page 2):
   Name
   William McCormick
   Address
   873 E. Baltimore Pike, P.O. Box 483
   Kennett Square, PA 18348
   Kennett Square, PA 19348

PA DEPT. OF STATE
FEB 3 2017

PA DEPT. OF STATE
FEB 22 2017
4. **Strike out if inapplicable term**  
A member's interest in the company is to be evidenced by a certificate of membership interest.

5. **Strike out if inapplicable:**  
Management of the company is vested in a manager or managers.

6. The specified effective date, if any is: 01/29/2017  
(MM/DD/YYYY and hour, if any)

7. **Strike out if inapplicable:** The company is a restricted professional company organized to render the following restricted professional service(s):  
Health Care

8. For additional provisions of the certificate, if any, attach an 8½ x 11 sheet.

IN TESTIMONY WHEREOF, the organizer(s) has (have) signed this Certificate of Organization this  
26th day of January, 2017

[Signature]

[Signature]

[Signature]
<table>
<thead>
<tr>
<th>Date</th>
<th>Opening Time</th>
<th>Midday Time</th>
<th>Closing Time</th>
<th>Remarks/Corrective Action (Manager Must Sign Off)</th>
<th>Initials</th>
</tr>
</thead>
<tbody>
<tr>
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<td>Cleared by:</td>
<td>Cleared by:</td>
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</tbody>
</table>
# DISPENSARY APPLICANT Complaint Form

<table>
<thead>
<tr>
<th>Field</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Today's Date</td>
<td></td>
</tr>
<tr>
<td>Date of Complaint</td>
<td></td>
</tr>
<tr>
<td>Employee Name</td>
<td></td>
</tr>
<tr>
<td>Employee Badge #</td>
<td></td>
</tr>
<tr>
<td>Employee Address</td>
<td></td>
</tr>
<tr>
<td>Employee Contact Info</td>
<td></td>
</tr>
<tr>
<td>Please describe the nature of</td>
<td></td>
</tr>
<tr>
<td>the complaint, name of the</td>
<td></td>
</tr>
<tr>
<td>person(s) who were subject of</td>
<td></td>
</tr>
<tr>
<td>the complaint and any action</td>
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<tr>
<td>need to investigate details.</td>
<td></td>
</tr>
<tr>
<td>Employee Signature</td>
<td></td>
</tr>
<tr>
<td>Date:</td>
<td></td>
</tr>
<tr>
<td>Complaint Received By:</td>
<td></td>
</tr>
<tr>
<td>Date:</td>
<td></td>
</tr>
<tr>
<td>Notes From HR</td>
<td></td>
</tr>
</tbody>
</table>
Complaints, Adverse Events, Recalls, and Quarantines

SOP 1.0

DISPENSARY APPLICANT, Confidential

Effective Date: Implementation Date:
Subject Matter Expert: Quality Assurance:

DOH REDACTION
Confidentiality Statement and Legal Disclaimer

The contents of this operations manual are confidential. Unauthorized reproduction or distribution of this operations manual or any of its contents in any form or under any circumstances without prior written consent from the CEO, COO, CFO, Compliance Officer or another senior member of the management team is prohibited. All recipients are responsible for returning all copies of the Operations Manual immediately upon request of the DISPENSARY APPLICANT.
DISPENSARY APPLICANT
Dispensary Operations Manual
**DISPENSARY APPLICANT Emergency Contact**

In case of EMERGENCY, dial 911

<table>
<thead>
<tr>
<th>Name</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Police</td>
<td></td>
</tr>
<tr>
<td>Fire Department</td>
<td></td>
</tr>
<tr>
<td>Urgent Care</td>
<td></td>
</tr>
<tr>
<td>Owner</td>
<td></td>
</tr>
<tr>
<td>General Manager</td>
<td></td>
</tr>
<tr>
<td>Compliance Officer</td>
<td></td>
</tr>
</tbody>
</table>
EMPLOYEE DISCIPLINARY ACTION FORM

Employee: ___________________________ Date of Warning: ___________________________
Department: ___________________________ Supervisor: ___________________________

TYPE OF VIOLATION:                  WARNING:

☐ Attendance ☐ Carelessness ☐ Disobedience Violation Date: ___________________________
☐ Safety ☐ Tardiness ☐ Work Quality Violation Time: (a.m. / p.m.) ___________________________
☐ Other ☐ _______________ Place Violation Occurred: ___________________________

EMPLOYER STATEMENT

______________________________

EMPLOYEE STATEMENT

______________________________

WARNING DECISION

Approved by: ___________________________ Name: ___________________________ Title: ___________________________ Date: ___________________________

List All Previous Warnings (when warned and by whom):

Previous Warning: 1st Warning
   Date: ___________________________ Verbal: ___________________________ Written: ___________________________

Previous Warning: 2nd Warning
   Date: ___________________________ Verbal: ___________________________ Written: ___________________________

Previous Warning: 3rd Warning
   Date: ___________________________ Verbal: ___________________________ Written: ___________________________

I have read this "warning decision". I understand it and have received a copy of the same.

Employee Signature: ___________________________ Date: ___________________________

Signature of person who prepared warning: ___________________________ Date: ___________________________

Supervisor’s Signature: ___________________________ Date: ___________________________

COPY DISTRIBUTION

☐ Employee ☐ HR Dept ☐ Supervisor
DISPENSARY APPLICANT :: Employee File Checklist

_______ Employee Handbook Acknowledgment Signed
_______ Copy of Identification/Driver’s License
_______ Copy of MED Badge
_______ W-4, W-2
_______ Application/Resume
_______ Direct Deposit Form
_______ New Hire Form
_______ Emergency Contact Form

TO BE PLACED IN EMPLOYEE FILE
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© Dispensary Applicant, LLC 2017
Welcome to DISPENSARY APPLICANT, LLC!

Whether you have just joined our staff or have been at DISPENSARY APPLICANT, LLC for a while, we are confident that you will find our company a dynamic and rewarding place to work. We consider the employees of DISPENSARY APPLICANT, LLC our most valuable resource and look forward to a productive and successful association. This handbook has been written to serve as the guide for the employer/employee relationship.

There are several things to keep in mind about this handbook. First, it contains only general information and guidelines. It is not intended to be comprehensive or to address all the possible applications of, or exceptions to, the general policies and procedures described. For that reason, if you have any questions concerning eligibility for a particular benefit or the applicability of a policy or practice to you, you should address your specific questions to the Human Resource (HR) department. Neither this handbook nor any other company document confers any contractual right, either express or implied, to remain in the company's employ. Nor does it guarantee any fixed terms and conditions of your employment. Your employment is not for any specific time and may be terminated at will with or without cause and without prior notice by the company, or you may resign for any reason at any time. No supervisor or other representative of the company (except the owner) has the authority to enter into any agreement for employment for any specified period of time or to make any agreement contrary to the above.

The procedures, practices, policies and benefits described here may be modified or discontinued from time to time. We will make our best efforts to inform staff of any changes as they occur.

This handbook and the information in it should be treated as confidential. No portion of this handbook should be disclosed to others, except DISPENSARY APPLICANT, LLC’s employees or others affiliated with DISPENSARY APPLICANT, LLC whose knowledge of the information is required in the normal course of business.

Some subjects described in this handbook are covered in detail in official policy documents. Refer to these documents for specific information because the handbook only briefly summarizes those guidelines and benefits. Please note that the terms of the written insurance policies are controlling and override any statements made in this or other documents.

Let’s Grow Together,

DISPENSARY APPLICANT, LLC

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DISPENSARY APPLICANT, LLC Values

Our values are very important to the growth of the company. Please follow best practices to maintain values that contribute to the DISPENSARY APPLICANT, LLC staff and facility. DISPENSARY APPLICANT, LLC’s values are as follows:

1. Respect for patient and employee privacy, safety and dignity
2. Respect for the trust the patient places in our medical marijuana therapies
3. Respect for the regulatory apparatus that permits our business to operate and the hard work that makes us thrive
4. The spirit of innovation
5. The scientific method
6. The belief and idea that every employee can contribute positively to our vision and mission
7. Respect for the facilities and resources that are available to utilize

A Note on Medical Cannabis

DISPENSARY APPLICANT, LLC would like to thank its employees for showing the dedication and level of professionalism required to operate in the legal cannabis industry. Cannabis is quickly gaining support around the country as more and more success cases with respect to cannabis’ many healing properties come to light.

That being said, we take our industry very seriously. We realize that until cannabis is rescheduled on the Federal level, our ability to provide customers with cannabis is a privilege, not a right. Therefore, we expect each and every one of our employees to operate within the rules and regulations set forth by the Pennsylvania Department of Health. Furthermore, we encourage our employees to familiarize themselves with the medical cannabis regulations. These regulations can be found on the Pennsylvania Department of Health’s website.

Cannabis is still a Schedule 1 narcotic under Federal law. In states where cannabis is not recognized for its recreational/medical use, possession of any amount for a first offense can mean up to one (1) year of jail time. Up until now, the current administration has allowed states, and rightfully so, the ability to govern themselves when it comes to cannabis. However, this has not stopped the Drug Enforcement Administration (DEA) from cracking down on legal cannabis operations in other states.

While DISPENSARY APPLICANT, LLC believes that we will still be able to operate under Pennsylvania state law, it is our responsibility to let our employees know that what our company does is illegal under Federal law and all employees may be subject to any and all penalties inherent.
Cannabis Use and Possession on Premises

No use or possession of cannabis is allowed at any time. As we all are here in support of medical use of cannabis, there are no exceptions to using cannabis during your shift or on the premises. Do not bring your personal cannabis onto the property of DISPENSARY APPLICANT, LLC for any reason. Action will be taken in accordance with the DISPENSARY APPLICANT, LLC Disciplinary Action Policy.

Tobacco Use on Premises

Please be respectful of DISPENSARY APPLICANT, LLC’s premises and only use tobacco in the designated smoking area. Action will be taken in accordance with the Disciplinary Action Policy if use of tobacco is in non-designated areas. Employees must wash their hands after using tobacco and tobacco products. (See the Sanitation section of the DISPENSARY APPLICANT, LLC SOP Manual for proper hand washing practices).

Equal Opportunity Employer

DISPENSARY APPLICANT, LLC is an equal opportunity employer. DISPENSARY APPLICANT, LLC will not discriminate against a job applicant or an employee because of the person’s race, color, religion, sex (including pregnancy), national origin, age, disability or genetic information.

1. Potential employees will need to provide two (2) forms of government identification on the date of hire. Acceptable forms of identification are:
   i) State issued ID
   ii) Passport
   iii) Birth certificate
2. Potential employees will need to prove eligibility to work in the United States and must complete the following forms:
   i) W-4 - employee’s withholding allowance certificate
   ii) I-9 - employment eligibility certification
   iii) DISPENSARY APPLICANT, LLC New Hire Form
   iv) Direct Deposit Authorization Form (if requested)
   v) Non-Disclosure Agreement
   vi) Emergency Contact Form

Badge Requirements

The Department requires that all employees working in a medical marijuana facility have an employee identification badge/number. It is each employee’s responsibility to obtain and renew his or her badge.
The Department requires that all employees working in a medical marijuana facility have an employee identification badge/number. It is each employee’s responsibility to obtain and renew his or her badge.

Overview of Badge Process:
- All DISPENSARY APPLICANT employees must submit to a criminal history record check and submit their fingerprints to the Pennsylvania State Police.
- The Pennsylvania State Police or its authorized agent will then submit the fingerprints to the Federal Bureau of Investigation for the purpose of identity verification and to obtain a current record of criminal arrests and convictions.
- The Department will use this criminal history background check information to determine the character, fitness and suitability to serve as an employee of DISPENSARY APPLICANT.
- An individual cannot be affiliated with any medical marijuana organization if they have been convicted of a criminal offense relating to the sale or possession of illegal drugs, narcotics or controlled substances.

Personal Responsibilities with Badge

As an employee of DISPENSARY APPLICANT, LLC, you are required to have a badge prior to employment.
1. It is your responsibility to pay attention to the expiration of your Badge.
2. You are required to report any law infractions within ten (10) days to management to be reported to the Department.
3. Your badge must be visible at all times while on the premises. If you do not have your badge you are not able to work.

Training

DISPENSARY APPLICANT, LLC will provide all appropriate training to new employees including, but not limited to:
1. Safe equipment operation
2. Detailed day-to-day operational policies and procedures
3. Personal protective equipment (PPE) policies and procedures as stated in the PPE section of the DISPENSARY APPLICANT, LLC SOP Manual
4. Emergency and evacuation policies and procedures

Employee Evaluation

Staff will engage in a mandatory employee evaluation following ninety (90) days from date of hire. Your Manager will meet with you to discuss your performance at DISPENSARY APPLICANT, LLC and evaluate job tasks, identify and correct weaknesses, recognize and encourage strengths, and other areas of
importance as decided moving forward. The ninety (90)-day performance review discussion serves as an important check-point for employees. It provides an opportunity to receive feedback on initial performance, reinforcing the things that are going well and giving new employees a chance to make changes early. Ultimately, the ninety (90)-day review sets the employee up for success and gives DISPENSARY APPLICANT, LLC the opportunity to decide the value of the working relationship.

Open Door Policy

DISPENSARY APPLICANT, LLC is committed to implementing and upholding an open door policy for our employees and managers. This is intended to maintain a transparent work environment, where every employee has the opportunity to speak up to department managers, directors or company owners without fear of repercussion.

If any area of an employee’s work is causing concern, employees have the responsibility and right to address that concern with a manager. By listening to our employees, DISPENSARY APPLICANT, LLC is able to improve performance, address complaints, and foster employee understanding of the rationale for practices, processes, and decisions.

Confidentiality

Privacy and confidentiality are important aspects of customer service, and all of DISPENSARY APPLICANT, LLC’s employees have an obligation to use discretion when discussing company matters with any third party. Employees must not use any information gained by your employment at DISPENSARY APPLICANT, LLC for personal gain, nor should any employee do anything which would create, or appear to create, a conflict of interest. Employees are required to sign a legally binding Non-Disclosure Agreement prior to employment.

Safety, Working Conditions, and Responsibilities

Safety in the workplace is our top priority. Every employee has a responsibility to safety, and is expected to maintain safe behavior, a safe environment, and safe working practices/habits, so as not to endanger or potentially endanger the safety of themselves, their co-workers, and/or the customers. Violations of our safety policy are grounds for disciplinary action up to and or including termination.

Should you notice anything in the workplace that might cause a safety hazard, report it immediately to a manager. All employees are required to do the following:

1. Report all unsafe conditions to your Manager immediately.
2. Report all accidents and injuries to your Manager immediately, even the slightest ones.
3. Check all equipment before using it.
4. Do not operate faulty or damaged equipment or tools and notify your supervisor immediately with any hazards.
5. Do not overload electrical outlets.
Examples of other safety hazards include:
- Any malfunctioning or broken equipment;
- Lights or lighting fixtures that are either out or not working properly Overloaded electrical outlets;
- Improper use of extension cords;
- Debris or liquids that may cause a trip, slip or fall;
- Anything that could potentially cause an accident or fire; and
- Any person or persons behaving in an unsafe manner that could cause accident or injury to either themselves or others.

DISPENSARY APPLICANT shall maintain its facility in a sanitary condition to limit the potential for contamination or adulteration of the medical marijuana stored in or dispensed at the facility. The following apply:

1. Trash shall be properly removed.
2. Floors, walls and ceilings shall be kept in good repair.
3. Adequate protection against pests shall be provided through the use of integrated pest management practices and techniques that identify and manage pest problems, and the regular disposal of trash to prevent infestation.
4. Toxic cleaning compounds, sanitizing agents, solvents and pesticide chemicals must be labeled and stored in a manner that prevents contamination of medical marijuana and in a manner, that otherwise complies with other applicable laws and regulations.

An employee shall otherwise conform to sanitary practices while on duty, including the following:

1. Maintaining adequate personal hygiene.
2. Washing hands thoroughly in an adequate hand washing area before starting work and at any other time when hands may have become soiled or contaminated and at all times before dispensing medical marijuana to a patient or caregiver.

If an employee is suspected of violating DISPENSARY APPLICANT, LLC’s safety protocols and/or is in gross negligence of DISPENSARY APPLICANT, LLC’s policies and procedures, he/she may be subject to disciplinary action.

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Employee Meetings

Mandatory meetings may be held weekly. Employees required to attend these meetings are:
1. Pharmacists/Managers
2. Physicians Assistants / Certified Registered Nurse Practitioners

What is Covered in Employee Meetings?

DISPENSARY APPLICANT, LLC encourages employee engagement within all employee meetings. Employees should take the opportunity during these meetings for the following:
1. Open safety discussions including observations, concerns and incident evaluations (if applicable)
2. Tasks to be completed that week
3. Specific areas of focus, including, but not limited to:
   i) Process improvement;
   ii) Training; and
   iii) Questions or concerns from employees.
4. Additionally, weekly meetings will be held every Tuesday morning at 10:00 a.m. These meetings will be used to summarize the week’s events and confirm the schedule for employees working on the weekend.
5. At its discretion, DISPENSARY APPLICANT, LLC may choose to schedule and hold additional meetings as owners and managers see fit. If an employee feels the need to schedule and hold additional meetings, they shall request one from their department manager. If that manager deems the meeting applicable, he or she is responsible for scheduling and attendance.

Personal Appearance/Hygiene

DISPENSARY APPLICANT, LLC’s employees represent the company and our image on and off the clock. Neatness and professionalism in dress and good personal hygiene are expected of all employees. Employees should always present themselves in appropriate attire and groomed in a suitable manner. Supervisors and department managers are to provide the necessary direction and remedial action if an employee’s personal appearance and/or hygiene do not positively reflect the image of DISPENSARY APPLICANT, LLC.

It is expected that each employee will take proper measures before entering the facility to prevent accidental contamination, including showering before a shift, wearing fresh and clean clothes to work,
and frequently washing one's hands. The DISPENSARY APPLICANT, LLC hand washing procedure is detailed in the DISPENSARY APPLICANT, LLC Sanitation SOP.

**Uniform and Dress Code**

Upon hire you will be issued a set of DISPENSARY APPLICANT, LLC uniforms. It is the employee’s responsibility to place soiled uniforms in the appropriate bin for service. Employees are responsible for the cost of replacing lost or damaged uniforms if due to the employee’s negligence.

All DISPENSARY APPLICANT, LLC’s employees with duties within the dispensary and supporting areas are required to wear:

1. DISPENSARY APPLICANT, LLC uniforms to be changed into before starting a shift;
2. DISPENSARY APPLICANT, LLC issued shoes that are only to be worn inside the dispensary area and sterilized at the end of each shift in the designated area;

Further detail of DISPENSARY APPLICANT, LLC’s sanitation procedures can be found in the Sanitation section of the DISPENSARY APPLICANT, LLC SOP Manual.

DISPENSARY APPLICANT, LLC intends to maintain a professional appearance with all management and employees. Management and employees are expected to wear business casual clothes when working within the front office. Management and employees working in the dispensary are expected to dress with Dickies button down long sleeve shirts and slacks with a lab coat over it. If management and employees are working in the front office, t-shirts are not allowed, business casual is required.

Management and employees are expected to maintain good standards of hygiene, frequently washing hands and bathing prior to entering the facility. Detailed information can be found within the DISPENSARY APPLICANT, LLC Sanitation SOP.

**Attendance and Punctuality**

All DISPENSARY APPLICANT, LLC employees are expected to show up 10 minutes before the beginning of their shift. This allows employees to change into the required uniform and punch in on the time clock before beginning work. If an employee expects they will arrive later than the start of their scheduled shift, an effort is to be made to let that employee’s supervisor know as soon as possible. “No Call / No Show” is grounds for disciplinary actions.

**Facility Hours**

Hours of operation are posted in the employee break room. Operating hours are 8:30 a.m. – 7:00 p.m. six (6) days a week, except for holidays as outlined in the Holidays section of this handbook. Our hours of operation fall within the Department of Health’s accepted range of operating hours however, these hours may be subject to change in accordance with our Township regulations.
Parking

Generally, parking is on a “first come, first serve” basis at DISPENSARY APPLICANT, LLC’s facility, unless otherwise noted. Department managers will notify their employees as to the approved parking spaces.

Salary Administration

DISPENSARY APPLICANT, LLC has adopted the following salary administration and time management protocols for hourly and salaried staff:

1. Hourly Staff
   i) Non-exempt staff members are those who are compensated by the hour. Upon hiring, employees will be issued a time clock PIN. He/she must punch in at the start of the workday and punch out at the end of the workday. At the end of each work week, a Manager must review the weekly time card to certify that the time recorded is accurate. As an hourly staff member of DISPENSARY APPLICANT, LLC, you will receive one-half (½) day per month personal time off (PTO) after being an employee for more than ninety (90) days. Please follow the Absent Request Form guidelines and request off two (2) weeks prior to the date you will be absent or if absent more than three (3) days, we ask to be notified twenty-one (21) days prior to when you will be absent.

2. Salaried Staff
   i) Exempt staff members are those who are compensated with a salary. Salary employees typically aren’t required to maintain a record of their hours worked, however department managers may request salary employees to do so at their discretion. As a salaried staff member of DISPENSARY APPLICANT, LLC, you will receive one (1) day per month PTO after being an employee for more than ninety (90) days. Please follow the Absent Request Form guidelines and request off two (2) weeks prior to the date you will be absent or if absent more than three (3) days, we ask to be notified twenty-one (21) days prior to when you will be absent.

Overtime

Prior to working any hours beyond the established schedule for any department, members must have prior approval of the Manager. Vacation days, personal days and paid holidays count for the purpose of calculating overtime.

DISPENSARY APPLICANT, LLC’s employees are given breaks during a daily shift. You are entitled to an uninterrupted, duty-free lunch break for thirty (30) minutes every five (5) hours you work. Lunch breaks are automatically deducted from your hours without having to punch out. Employees may take designated breaks in the employee break area or eat off premises. Employees are required to clock out for lunch and clock back in when returning from lunch. In addition, employees electing to eat off premises are required to change out of their work attire before leaving and must change into a fresh uniform prior
to re-entry for that day. Employees are also entitled to one (1) compensated ten (10) minute break in the middle of every four (4) hour work period. Please reference the Pennsylvania Labor Laws for more information.

The use of day(s) designated as one of the following during a given work week does not count toward overtime or compensatory time.

1. Sick  
2. Bereavement  
3. Jury duty  
4. Other obligations

Non-exempt staff receive overtime compensation for hours worked in excess of forty (40) per week in each pay period at the rate of one-and-one-half (1-1/2) times the regular hourly rate. Hours worked beyond the standard work week must be approved in advance by the appropriate Manager.

Reducing Pay for Hours Not Worked (Docking)

Fair Labor Standards Act (FLSA). The FLSA establishes minimum wage, overtime pay, equal pay, record keeping, and child labor standards for employees who are covered by the Act. Pursuant to the FLSA, non-exempt employees are entitled to a mandated minimum wage, as well as overtime pay of not less than one-and-one-half (1-1/2) times their regular hourly rate for all hours worked in excess of eighty (80) in their pay period.

1. If you are hourly, your pay may be reduced (docked) for such reasons as absences in excess of accrued leave or sick time, tardiness, early departure, disciplinary suspension or absences without sufficient notification or justification. If you are salary, your pay may be reduced (docked) for:
   i) Absences from work for one (1) or more full days for personal reasons, other than sickness or disability;
   ii) Absences of one (1) or more full days occasioned by sickness or disability (including work-related accidents) if the deduction is made in accordance with applicable DISPENSARY APPLICANT, LLC policy and/or practice regarding sick days, disability leave, or workers’ compensation. Deductions may be made for full-day absences for which an employee receives such disability coverage. Deductions may also be made for full-day absences if an employee has not yet qualified as being eligible for otherwise applicable sickness or disability coverage, and if the employee has exhausted the leave allowed under such coverage;
   iii) Offsets of military pay received by an employee for a particular week for absences occasioned by military leave;
   iv) Penalties imposed for infractions of safety rules;
   v) Unpaid disciplinary suspensions of one (1) or more full days imposed in good faith for infractions of workplace conduct rules and imposed pursuant to a written policy applicable to all employees;
   vi) Absences during the initial or terminal week of employment; and/or
   vii) Absences that constitute unpaid leave under the Family and Medical Leave Act.
**Improper Docking Complaints**

DISPENSARY APPLICANT, LLC is committed to proper pay practices and policies. If an employee’s pay is found to have been incorrectly docked, DISPENSARY APPLICANT, LLC will reimburse the employee for any improper deductions and will make a good faith effort to ensure that any future deductions are in accordance with the law. Employees who believe that their pay has been improperly docked may follow the **Staff Complaint Procedure** as defined in the DISPENSARY APPLICANT, LLC **Employee Handbook**, or may utilize our HR department.

**Promotion and Transfers**

DISPENSARY APPLICANT, LLC will conduct **biannual employee reviews** that will be performed by the CEO, COO or Manager. If the CEO believes an employee has gone above and beyond in fulfillment of their duties, he/she may make a recommendation to the respective manager, to conduct an employee review prior to the scheduled review date.

If an employee wishes to transfer departments he or she may do so with the permission of management.

**Performance Appraisal Program**

You are to participate with your immediate Manager in the performance appraisal process at least once a year. You may be asked to complete a self-appraisal, which will be discussed in a private meeting. Your Manager then is to prepare a written appraisal of your performance. The discussion includes reviewing previous feedback about job performance as well as planning for **professional development**. Professional development may include participating in professional organizations, attending professional conventions, and reading professional literature clearly related to professional development. In addition, your job can often serve as a source for professional development when new assignments and increased responsibilities widen or enhance your current skills. It is appropriate to discuss work-related subjects that interest you during the appraisal meeting.

**Compensation (Withholdings and Deductions)**

Paychecks are distributed to departments on the 1st and 15th of every month and cannot be issued prior to the normal pay date. Paychecks are subject to the deductions authorized by the individual and required by law. Presently, DISPENSARY APPLICANT, LLC is required by law to deduct:

1. Federal income tax;
2. Social Security tax;
3. Medicare and Medicaid; and
4. Pennsylvania state personal income tax.
Direct Deposit Program

You may elect to have your paycheck deposited on the scheduled payday by DISPENSARY APPLICANT, LLC directly to your account in an approved banking institution. The banking institution in which the account is maintained must be a member of the National Automated Clearing House Association. Deposits can be made in only one (1) banking institution and in only one (1) account in the banking institution. Partial deposits will not be permitted; that is, the total net pay must be deposited to one (1) account. To participate, you must complete the Employee Direct Deposit Authorization Agreement, which is available in the HR department. You will receive a paystub in lieu of a paycheck. The paystub will list withholdings and deductions.

Employee Conduct

DISPENSARY APPLICANT, LLC promotes the principle that every person brings unique qualities and talents to the company and that every individual should be treated in a respectful manner. All members of the company are expected to conduct themselves with professionalism, personal integrity, and respect for the rights, differences and dignity of others. These standards of personal conduct apply to all communications, whether oral, written, or in gestures. Employees are also expected to treat the property of both the company and other employees with appropriate care and respect.

Employees (including Managers) at DISPENSARY APPLICANT, LLC may be subject to disciplinary actions should an incident occur. Typical incidents warranting disciplinary actions include, but are not limited to:

1. Tardiness
2. Absenteeism
3. Insubordination
4. Quality of Work
5. Quantity of Work
6. Neatness
7. Safety
8. Drug or Alcohol
9. Carelessness

Discipline and Termination

In the event of an action that warrants discipline, the Manager where the incident occurred is to meet with that employee and fill out DISPENSARY APPLICANT, LLC Notice of Disciplinary Action Form. The penalty for such action shall be decided by the Manager. Penalties shall be given out in a manner commensurate to the action. DISPENSARY APPLICANT, LLC’s disciplinary action plan is implemented in the following documented order:

1. Verbal warning
2. Written warning
3. Termination

All employees at DISPENSARY APPLICANT, LLC are expected to adhere to DISPENSARY APPLICANT, LLC’s policies and procedures at all times. These policies and procedures are in place for the safety and security of our employees and our company; to ensure our clients are presented with the highest quality product at all times.

No Call / No Show

This refers to an incident where an employee scheduled to work on a certain day/time and does not report for duty without prior notice to his/her department manager. Disciplinary action for this type of an incident is as follows:
   1. Verbal warning
   2. Written warning
   3. Termination

Insubordination

Employees who act in an unprofessional manner, whether in defiance of a Manager or coworker, and/or who refuses to obey an order, shall be subject to disciplinary action in accordance with the severity of the incident. Incidents will be handled on a case-by-case basis. Employees and Managers are within their right to file an official dispute should he/she feel it is necessary.

Quality and Quantity of Work

In order to provide our clients with the highest quality finished product, every employee at DISPENSARY APPLICANT, LLC is expected to perform his/her duties in a manner consistent with DISPENSARY APPLICANT, LLC’s standards. If an employee is not performing their duties in this way, they may be subject to disciplinary actions. Penalties for such actions are as follows.
   1. Verbal warning
   2. Written warning
   3. Termination

Sexual Harassment

DISPENSARY APPLICANT, LLC is committed to providing a workplace that is free from sexual harassment. Sexual harassment in the workplace is against the law and will not be tolerated. If DISPENSARY APPLICANT, LLC determines that an allegation of sexual harassment is credible, it will take prompt and appropriate corrective action.
1. What Is Sexual Harassment?
   i) Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature constitute sexual harassment;
   ii) An employment decision affecting an individual that was made because the individual submitted to or rejected unwelcome conduct; or
   iii) Unwelcome conduct that unreasonably interferes with an individual's work performance or creates an intimidating, hostile, or abusive work environment.

2. Certain behaviors, such as conditioning promotions, awards, training or other job benefits upon acceptance of unwelcome actions of a sexual nature, are always wrong. Unwelcome actions such as the following are inappropriate and, depending on the circumstances, may in and of themselves meet the definition of sexual harassment or contribute to a hostile work environment:
   i) Sexual pranks, or repeated sexual teasing, jokes, or innuendo, in person or via e-mail;
   ii) Verbal abuse of a sexual nature;
      1. Touching or grabbing of a sexual nature;
      2. Repeatedly standing too close to or brushing up against a person;
      3. Repeatedly asking a person to socialize during off-duty hours when the person has said no or has indicated he or she is not interested (supervisors in particular should be careful not to pressure their employees to socialize);
      4. Giving gifts or leaving objects that are sexually suggestive;
      5. Repeatedly making sexually suggestive gestures;
      6. Making or posting sexually demeaning or offensive pictures, cartoons or other materials in the workplace; and/or
      7. Off-duty, unwelcome conduct of a sexual nature that affects the work environment.

3. A victim of sexual harassment can be a man or a woman. The victim can be of the same sex or opposite sex as the harasser. The harasser can be a supervisor, co-worker, other DISPENSARY APPLICANT, LLC employee, or a non-employee who has a business relationship with DISPENSARY APPLICANT, LLC.

4. All employees are expected to take appropriate measures to prevent sexual harassment. Unwelcome behavior of a sexual nature should be stopped before it becomes severe or pervasive and rises to a violation of law.

**DISPENSARY APPLICANT, LLC’s Responsibilities under the Sexual Harassment Policy**

If DISPENSARY APPLICANT, LLC receives an allegation of sexual harassment, or has reason to believe sexual harassment is occurring, it will take the necessary steps to ensure that the matter is promptly investigated and addressed. If the allegation is determined to be credible, DISPENSARY APPLICANT, LLC will take immediate and effective measures to end the unwelcome behavior. DISPENSARY APPLICANT, LLC is committed to take action if it learns of possible sexual harassment, even if the individual does not wish to file a formal complaint.

The CEO and COO are the main contact points for questions or concerns about sexual harassment. DISPENSARY APPLICANT, LLC has responsibility for investigating or overseeing investigations of
alleged sexual harassment. DISPENSARY APPLICANT, LLC is committed to ensuring that all investigations of sexual harassment are conducted in a prompt, thorough, and impartial manner.

Supervisors and other responsible DISPENSARY APPLICANT, LLC officials who observe, are informed of, or reasonably suspect incidents of possible sexual harassment must immediately report such incidents to HR, which will either initiate or oversee a prompt investigation. Failure to report such incidents to HR will be considered a violation of this policy and may result in disciplinary action. The HR department will provide guidance as needed on investigating and handling the potential harassment. Supervisors should take effective measures to ensure no further apparent or alleged harassment occur pending completion of an investigation.

DISPENSARY APPLICANT, LLC will seek to protect the identities of the alleged victim and harasser, except as reasonably necessary (for example, to complete an investigation successfully). DISPENSARY APPLICANT, LLC will also take the necessary steps to protect from retaliation those employees who in good faith report incidents of potential sexual harassment. It is a violation of both federal law and this policy to retaliate against someone who has reported possible sexual harassment. Violators may be subject to discipline.

Employees who have been found by the DISPENSARY APPLICANT, LLC to have subjected another employee to unwelcome conduct of a sexual nature, whether such behavior meets the legal definition of sexual harassment or not, will be subject to disciplinary or other appropriate management action. Discipline will be appropriate to the circumstances, ranging from a letter of reprimand up to, and including, termination. A verbal or written admonishment, while not considered formal discipline, may also be considered.

**Employees’ Rights and Responsibilities under the Sexual Harassment Policy**

Any employee who believes he or she has been the target of sexual harassment is encouraged to inform the offending person orally or in writing that such conduct is unwelcome and offensive and must stop.

1. In such case in which the employee does not wish to communicate directly with the offending person, or if such communication has been ineffective, the employee should report allegations of sexual harassment to his or her immediate supervisor or manager.
2. Employees are encouraged to report the unwelcome conduct as soon as possible to a DISPENSARY APPLICANT, LLC official. It is usually most effective – although it is not required – that the official be within the employee’s supervisory chain.

In addition to reporting sexual harassment concerns to a DISPENSARY APPLICANT, LLC official, employees who believe they have been subjected to sexual harassment may elect to pursue resolution in several ways, including:

1. Mediation;
2. Direct confrontation;
3. Direct resolution; and/or
4. Internal committee.
Violence in the Workplace

As part of DISPENSARY APPLICANT, LLC’s commitment to providing a safe work environment, violent behavior (including physical force, making threatening statements, or behavior which gives employees a reasonable cause to believe that he/she is at risk for injury), will not be tolerated and will result in immediate termination of employment.

No person shall engage in any improper activity that may create or constitute a hazard to him/herself, or any other worker. Improper activities include, but are not limited to: horseplay, scuffling, fighting, hitting, scratching or possession and/or use of a weapon. Employees are prohibited from threatening violence towards a client, vendor or fellow employee. It is the responsibility of all employees to report violent or unsafe acts including threats made against an employee once they become aware of that threat by contacting a Manager. If an incident should occur, an official investigation will be conducted and appropriate action(s) will be taken.

Mediation

Mediation is an informal way to resolve office problems using a trained mediator who facilitates communication between the parties to the dispute. If an employee chooses to attempt resolution through mediation, management is obligated by DISPENSARY APPLICANT, LLC policy to send a representative to the table. If a resolution is not reached, the parties may continue to pursue their rights in any other appropriate forum. Employees may ask for the assistance of a mediator by contacting HR or a Manager.

All DISPENSARY APPLICANT, LLC employees, including but not limited to staff, supervisors, and senior officials, are required to comply with this policy. Employees are also expected to behave professionally, and to exercise good judgment in work-related relationships, whether with fellow employees, business colleagues, or members of the public with whom they come into contact in the course of official duties.

Drug and Alcohol Policy

DISPENSARY APPLICANT, LLC is a drug-free workplace. The purpose of this policy is to ensure the safety of all employees and to promote productivity. This policy applies to all employees, managers, contractors and temporary workers.

Substances covered under this policy include alcohol, cannabis, illegal drugs, inhalants, and prescription and over-the-counter drugs. DISPENSARY APPLICANT, LLC reserves the right to inspect the premises for these substances. We also reserve the right to conduct alcohol and drug tests at any time. We may terminate employment if this policy is violated, an employee refuses to be tested or an employee provides false information.
Definitions under the Drug and Alcohol Policy

A “substance” includes alcohol, cannabis, illegal drugs, inhalants, and prescription and over-the-counter drugs. An “illegal drug” is any substance that is illegal to use, possess, sell, or transfer. “Drug paraphernalia” are any items used or intended for use in making, packaging, concealing, injecting, inhaling, or consuming illegal drugs or inhalants. A “prescription drug” is a drug that can be obtained only by means of a licensed physician's prescription. An “inhalant” is any substance that produces mind-altering effects when inhaled.

Employees are considered “under the influence” if any substance:
1. Impairs your behavior or your ability to work safely and productively;
2. Results in a physical or mental condition that creates a risk to your own safety, the safety of others or company property; and/or
3. Is shown to be present in your body, by laboratory evidence, in more than an identifiable trace.

Employees must follow these rules while you are on company premises and while you conduct company business. “Company premises” include DISPENSARY APPLICANT, LLC’s buildings, grounds, parking lots, and company vehicles. The following rules apply to any place you conduct company business, including a company vehicle or your own vehicle:
1. Employees may not use, possess, or be under the influence of alcohol on company premises.
2. Employees may not use, possess, or be under the influence of cannabis or illegal drugs.
3. Employees may not sell, buy, transfer, or distribute any illegal or prescription drugs. It is against the law to do so, and such actions will be reported to the authorities.
4. Employees may not use, possess, sell, buy, transfer, or distribute drug paraphernalia.
5. Employees may not use or be under the influence of inhalants.

Rules regarding Prescription or Over-the-Counter Drugs

1. You may use a prescription drug only if a licensed health care provider prescribed it for you within the last year.
2. You may use prescription or over-the-counter drugs only if they do not generally affect your ability to work safely.
3. You must follow directions, including dosage limits and usage cautions.
4. You must keep these drugs in their original containers or bring only a single-day supply.

DISPENSARY APPLICANT, LLC reserves the right to consult with a doctor to determine if a prescription or over-the-counter drug may create a risk if employees use it on the job. DISPENSARY APPLICANT, LLC may change employee’s work duties or restrict him/her from working while using a prescription or over-the-counter drug that creates such a risk.

Employees may not use machinery (including company vehicles) while taking prescription or over-the-counter drugs that may impair their ability to work safely. Employees must cooperate with any
investigation into substance abuse or may face immediate termination. An investigation may include tests to detect the use of alcohol, drugs, or inhalants.

**Disciplinary Actions for Violation of BVPC, LLC’s Drug and Alcohol Policy**

Prior to hiring, all DISPENSARY APPLICANT, LLC employees must read and sign an agreement regarding our Drug and Alcohol Policy. DISPENSARY APPLICANT, LLC takes our Drug and Alcohol Policy very seriously. If an employee is suspected of being intoxicated on the premises, disciplinary actions will be taken. If an employee is under the influence of drugs or alcohol, and a safety violation occurs that results in the injury of an employee, the benefits of the employee at fault may be reduced, per federal labor laws.

**Complaint and Dispute Resolution Policy**

The procedures outlined in the **Complaint and Dispute Resolution Policy** template will help departments properly and effectively deal with complaints or grievances from employees, managers and contractors. This will help reduce the incidents of more serious disputes. Not dealing with complaints quickly and effectively often reflects on the integrity and reputation of the department(s) and can have implications for DISPENSARY APPLICANT, LLC as a whole. Employee or Manager grievances about complaints often affect the morale and efficiency of any organization, particularly if management is slow to react. DISPENSARY APPLICANT, LLC views complaints as a type of performance indicator and uses them constructively to improve its company’s services and relationships.

**Complaint Procedure**

Complaints should be in writing, preferably using a standard form such as the DISPENSARY APPLICANT, LLC **Complaint Form**. If necessary, help can be provided to complainants, in order to help express their concerns in an appropriate manner. DISPENSARY APPLICANT, LLC has established and maintained a **Complaint Register** to record:

1. The date the complaint was made;
2. The name, address and telephone number of the complainant;
3. The nature of the complaint;
4. The name of the person or persons who were the subject of the complaint; and
5. Any action taken to investigate a complaint, details of the findings and the date and manner by which the complainant was informed of the result.

**Dispute Resolution**

Dispute resolution refers to the processes by which disputes are brought to an end. This can occur through the following methods:
1. A negotiated outcome, where the parties concerned sort things out themselves;
2. A mediated outcome, where the parties use the services of an independent mediator to help them arrive at an agreement; or
3. An arbitrated or adjudicated outcome, where an independent arbitrator or court determines how the dispute is to be resolved, and makes a binding decision or order to this effect.

Problems and disputes can occur from time to time between businesses, their customers, suppliers, and/or employees within any type of organization. Most problems and disputes can be resolved quickly and efficiently with a common sense approach. Unresolved disputes and grievances, however, can be very costly to everybody involved, both financially and indirectly through other areas, including: reduced morale, erosion of confidence and trust in working relationships, loss of reputation, lost opportunities for future work, and the destruction of business relationships. It is generally beneficial, and preferable, to solve disputes internally with as little fuss, disruption and distress as possible. Following the Complaint and Dispute Resolution Policy can be a good way to take emotion out of workplace problems. Such a policy will ensure that problems are handled in a professional and structured manner, and will often enable solutions with minimal impact, monetary loss, or damage to business relationships. The policy is based on best practice, and is intended to cover all types of disputes that may occur in relation to the company’s operations, whether internal or external.

DISPENSARY APPLICANT, LLC has developed their Complaint and Dispute Resolution Policy to provide a clear set of standards by which to effectively and fairly respond to complaints in a professional, timely and cost effective manner. A structured complaint and dispute resolution process, with a focus on effective resolution at an early stage, helps to minimize disruption in the workplace and to avoid many of the costs outlined above. DISPENSARY APPLICANT, LLC’s Complaint and Dispute Resolution Policy is an independent and objective system that includes a written policy that sets out how complaints and disputes are handled, including:
   1. How to lodge a complaint or dispute;
   2. Time frames for decisions regarding complaints;
   3. Information to be provided to complainants, and;
   4. Options available when a complaint or dispute is not resolved.

Effective communication of DISPENSARY APPLICANT, LLC’s Complaint and Dispute Resolution Policy shall be distributed to department members, employees, suppliers and contractors.

Resolving Disputes

DISPENSARY APPLICANT, LLC’s HR department will provide the following in event of a dispute:
   1. Appointment of an independent person (e.g. the departments external Dispute Resolution Officer/Mediator) to deal with, or advise on the dispute;
   2. A process to bring the parties together to help resolve the dispute at an early stage;
   3. A process to ensure that all parties receive a full and fair opportunity to present their case;
   4. Referral of unresolved disputes to an external dispute resolution body for dispute settlement;
   5. A review of policies and procedures which may have contributed to the dispute in order to minimize a recurrence.
Retaliation

No one shall be retaliated against for, in good faith, raising a complaint of a violation of a DISPENSARY APPLICANT policy, participating in the complaint resolution process (whether as a complainant, a witness, an investigator, or in any other capacity), or opposing a violation of a DISPENSARY APPLICANT policy. Retaliation is any adverse action, harassment, threats or other conduct that would discourage a reasonable person from making a complaint or otherwise participating in a complaint resolution process. Retaliation may occur even where there is no finding of a policy violation, and a complaint of retaliation will be addressed independently through DISPENSARY APPLICANT’s complaint and dispute resolution process.

Employee Benefits

Other than the ability to accrue PTO, benefits are not available at this time.

Leave of Absence

If you need to request a leave of absence that falls in one of the following categories: Medical, Personal (longer than three (3) days), Family, Military, you must notify your Manager. Unless it is impossible to do so, employees are required to provide notice of their intent to take leave at least twenty-one (21) days prior to the start of the leave.

Workers’ Compensation

DISPENSARY APPLICANT, LLC has engaged Specialty Insurance Partners 1221 Lake Plaza Drive, Suite D, Colorado Springs CO 80906 to insure its workers’ compensation liabilities. The following is required when you are involved in a work related incident, and/or you sustain a work related injury.

1. All work related incidents/accidents involving injury or possible injury must be reported to your supervisor immediately.
2. All treatment for work related injuries are provided through the approved list of preferred providers.

Holidays

The following days are observed unpaid holidays for DISPENSARY APPLICANT, LLC:

1. Memorial Day (last Monday in the month of May)
2. Independence Day (July 4)
3. Labor Day (first Monday in the month of September)
4. Thanksgiving
5. Christmas
6. New Year’s Day
7. Martin Luther King Day

**Jury Duty**

Employees must give the jury summons to the manager at least one (1) week prior to jury duty service; however, we appreciate as much notice as possible. Jury duty is unpaid.

**DISPENSARY APPLICANT, LLC – General Policies**

The following are general policies of DISPENSARY APPLICANT, LLC that are not otherwise covered in this manual:

1. All employees MUST have permission by a Manager before leaving the property during your scheduled shift.
2. Employees are not permitted to eat in the dispensary area but are permitted to have covered or sealed drinks in designated areas.
3. Employees are not permitted to discuss their pay/compensation with other employees.
4. DISPENSARY APPLICANT, LLC does not expect any employee to be mistreated or abused by fellow staff members or customers. If an employee feels uncomfortable around fellow staff members, or a client is displaying inappropriate behavior, the employee is to excuse themselves from the service area and immediately report the situation at hand to a manager.
5. Managers may reduce staff by using the “early out” when warranted.
6. Employees are not permitted to use the business computers for personal use. No games or any type or software is permitted to be installed or used on any of DISPENSARY APPLICANT, LLC’s equipment.
7. Fax machines are for company business only. Employees are not permitted to send or receive any faxes.
8. Theft of goods, money, clients or business information, are grounds for immediate termination.
9. Refusal to follow assignments or instructions by Managers is deemed insubordination.
10. Falsifying documents or records is not permitted.
11. Failure to report for your scheduled shift or walking off the job is prohibited.
12. Violating any of DISPENSARY APPLICANT, LLC’s policies or procedures is prohibited.
13. Failure to maintain a satisfactory performance review will lead to termination.
14. Insubordination or improper conduct, misconduct, or willful misconduct is cause for termination.
15. Failure to follow DISPENSARY APPLICANT, LLC’s dress code is subject to disciplinary action up to and including termination.
16. Bringing or concealing any firearms on any DISPENSARY APPLICANT, LLC property is grounds for immediate termination.
17. Behaving in an unsafe manner is prohibited.
18. Behaving in an unprofessional manner to clients or other employees is not permitted.
19. Disturbing the harmonious working environment is not permitted.
20. Discourteousness to staff or clients is not permitted.

**Whistleblower Policy**

A “whistleblower” discloses information he or she reasonably believes will result in:

1. A violation of any law, rule or regulation;
2. Gross mismanagement;
3. An abuse of authority;
4. A substantial and specific danger to public health; and/or
5. A substantial and specific danger to public safety.

If an employee has knowledge and/or a concern of illegal, dishonest, or fraudulent activity, the employee is to contact his/her immediate supervisor or manager. The employee must exercise sound judgment to avoid baseless allegations. An employee who intentionally files a false report of wrongdoing will be subject to discipline up to and including termination.

1. Whistleblower protections are provided in two important areas – confidentiality and against retaliation. Insofar as possible, the confidentiality of the whistleblower will be maintained. However, identity may have to be disclosed in order to conduct a thorough investigation, to comply with the law, and to provide accused individuals their legal rights of defense. DISPENSARY APPLICANT, LLC will not retaliate against a whistleblower with a credible report. Retaliation includes, but is not limited to;
   i) Adverse employment action such as termination;
   ii) Compensation decreases;
   iii) Poor work assignments; and/or
   iv) Threats of physical harm.
2. Any whistleblower who believes he/she is being retaliated against must contact the general manager immediately. The right of a whistleblower for protection against retaliation does not include immunity for any personal wrongdoing that is alleged and investigated.

**Visitor Admittance**

Generally, visitors are not allowed to DISPENSARY APPLICANT, LLC’s facility due to the sensitive nature of our operation. However, certain exceptions will be made to client, contractors and family members provided employees get express consent from a Manager. We reserve the right to refuse visitors at any time.

**Personal Phone Calls**

Personal phone calls, incoming or outgoing, are not tolerated. Employees will not be interrupted to take personal phone calls unless it is an emergency.
Personal Information

All employees are responsible to promptly notify the company of any changes in personal data. Personal mailing address, telephone numbers, number and names of dependents, legal name, marital status, individuals to be contacted in the event of an emergency and other pertinent information needed to keep your personal data current. Personal information will not be provided for any outside requests without employee approval. If any personal data has changed, please notify your Manager or HR immediately.

Emergency Contact Information

In the event of an emergency, please refer to the Emergency Call List, as posted in the Employee Break Room.
## DISPENSARY APPLICANT

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# Employee Performance Review

**Employee Information**

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**Performance Evaluation**

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**Overall Rating**

**Opportunities for Development**

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**Reviewers Comments**

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By signing this form, you confirm that you have discussed this review in detail with your supervisor. Signing this form does not necessarily indicate that you agree with this performance evaluation.

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Week Total: ____________________________
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COMMONWEALTH OF PENNSYLVANIA

DEPARTMENT OF STATE

03/02/2017

TO ALL WHOM THESE PRESENTS SHALL COME, GREETING:

Brandywine Valley Patient Care, LLC

I, Pedro A. Cortés, Secretary of the Commonwealth of Pennsylvania, do hereby certify that the foregoing and annexed is a true and correct Index and Docket report which appear of record in this department.

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the Seal of the Secretary's Office to be affixed, the day and year above written.

Pedro A. Cortés
Secretary of the Commonwealth

Certification Number: TSC170302090336-1
Verify this certificate online at http://www.corporations.pa.gov/orders/verify.aspx
Examination of the indices in the Department of State on the above date show a Professional Limited Liability Company was filed on February 03, 2017 entitled:

**Brandywine Valley Patient Care, LLC**

Entity # 6507635

Citizenship: Domestic

With Address At: , ,

**Filing History:**

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Verify this certificate online at https://www.corporations.pa.gov/order/verify
Green Waste

Standard Operating Procedure
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DISPENSARY APPLICANT Green Waste Disposal Procedure
Reporting Waste
## DISPENSARY APPLICANT Incident Report Form

**Instructions:** In the event of an unusual incident that requires documentation and reporting, such as an injury, chemical spill, or inventory control deviation, notify a supervisor, if any, by the end of the working day, and submit a written report using this form. Retain a copy of this report on file and make it available to the Department immediately upon request.

Describe the event or incident. Include the date, time, location, perpetrator, nature of incident, witnesses, and if there were any injuries or violations of policies or procedures:

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<th>Description</th>
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Explain what immediate action was taken (include the person’s name to be contacted):

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<th>Action</th>
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Agencies / individuals notified (specify name and phone number):

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<th>Agency/individual</th>
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Response actions planned (by whom and anticipated result):

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Licensee / Supervisor comments:

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<th>Comments</th>
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Report submitted by (name / title):

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Report reviewed by (name / title):

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Additional notes:

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<th>Notes</th>
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<td>Item:</td>
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<tr>
<td>Starting Weight:</td>
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Withdrawals
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<tr>
<th><strong>Investigator’s name and Department issued badge number</strong> (Compliance Officer)</th>
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<th><strong>Explain the discrepancy that is being investigated.</strong></th>
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<th><strong>Employees involved (names and Department issued badge number)</strong></th>
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<tr>
<th><strong>Investigator’s notes of what happened, why it happened, and what corrective action will be taken.</strong></th>
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<tr>
<th><strong>Investigator’s signature to confirm that this investigation is closed and the corrective action was taken. Provide notes if the corrective action was changed or redacted.</strong></th>
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**DISPENSARY APPLICANT**

Investigation Form
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<tr>
<th>Employee</th>
<th>Date</th>
<th>Media Management Service</th>
<th>Cleaning Service</th>
<th>Sample Service</th>
<th>Notes</th>
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LEASE

THIS LEASE AGREEMENT (hereinafter "Lease") is hereby made and entered into this first day of March, 2017, by and between CONCORDVILLE PROFESSIONAL CENTER, INC., a Pennsylvania corporation (hereinafter "Landlord"), and Brandywine Valley Patient Care, LLC, a Pennsylvania corporation ("Tenant"), with a business address of 790 Baltimore Pike, Unit 3, Concordville, Pennsylvania 19331 (hereinafter "Tenant").

WITNESSETH, that Landlord hereby leases to Tenant and Tenant hereby leases from Landlord, premises consisting of twenty-five hundred square feet situated in (the "Premises") of the building commonly known as Concordville Professional Center (the "Center") located at 790 Baltimore Pike, Concordville, Pennsylvania 19331 (the "Building"). The Lease shall be subject to the following terms and conditions.

1. TERM.

(a) The initial term ("Initial Term"), of this Lease shall be on a month to month basis for a period of at least 6 months or until such time that the Tenant receives the Final Issuance of a Dispensary Permit. Once the Dispensary Permit is awarded the Tenant agrees to a lease for a period of three (3) years, commencing on the date Tenant receives the Final Issuance of a Dispensary Permit (as hereinafter defined) (the "Commencement Date") and ending on the date that is thirty-six (36) months thereafter (the "Expiration Date", as may be extended as hereinafter set forth).

(b) Tenant may extend this Lease upon the expiration of the Initial Term, for two (2) extended periods of five (5) years each ("Additional Terms") (the Initial Term, together with the Additional Terms, are collectively the "Term"), provided that this Lease is then in full force and effect and there exists no uncured event of default. The Additional Terms shall be upon the same terms and conditions as under the Initial Term, except that the Monthly Fixed Rent shall be as set forth in Section 2. Tenant’s exercise of the option for the first Additional Term, to be effective,
must be by notice mailed by Tenant to Landlord three (3) months prior to expiration of the Initial Term. Tenant's exercise of the option for the second Additional Term, to be effective, must be by notice mailed by Tenant to Landlord three (3) months prior to expiration of the first Additional Term.

2. RENT. Tenant agrees to pay Landlord, without any demand, deduction or offset for any reason whatsoever (unless expressly provided for in this Lease), Monthly Fixed Rent in the following amounts, payable monthly in advance on the first of every month: 

In addition, Tenant shall pay Landlord the monthly cost of pumping the holding tank serving the Premises. Tenant hereby covenants and agrees to pay the Monthly Fixed Rent, and any other sums payable to Landlord hereunder when due. Any and all payments (other than Monthly Fixed Rent) required to be made by Tenant pursuant to this Lease shall be deemed additional rent ("Additional Rent"). Time is of the essence with respect to all payments due hereunder. Upon default by Tenant in the payment of any sums payable hereunder, Landlord shall be immediately entitled to all rights and remedies set forth in Section 25 herein. If Monthly Fixed Rent or Additional Rent are not paid within five (5) days of their due date, a late payment charge of $ DOH REDACTED shall be added to the amount due and shall be added to Tenant's monthly balance due and owing. Such late charge shall constitute Additional Rent hereunder and shall be immediately due and payable. Tenant will also pay a charge of $ DOH REDACTED for each returned check, plus late charges.
3. SECURITY DEPOSIT. There shall be a security deposit of [REDACTED] paid to Landlord upon execution of the Lease. The security deposit shall be returned to Tenant within thirty (30) days after the expiration or earlier termination of the Term, unless a shorter time period is required by applicable law.

4. USE OF PREMISES. Tenant may use and occupy said Premises for the following purpose: as a medical cannabis dispensary pursuant to the Pennsylvania Medical Marijuana Act and the Pennsylvania Department of Health’s Medical Marijuana Program and any successor law, regulations and policies allowing for the state-legalized sale and distribution of cannabis under Pennsylvania law (collectively, the “Cannabis Dispensary Laws”), and any other lawful use (the “Permitted Use”). Tenant agrees that it:

(a) will not in connection with the Premises conduct or permit to be conducted any auction, fire, bankruptcy or going out of business sale, or similar type sale.

(b) will not use or permit the use of any apparatus for sound and/or light reproduction or transmission, including loudspeakers, in such manner that the sounds so transmitted shall be audible beyond the interior of the Premises.

(c) will not distribute at the Center or in any part thereof any handbills or other advertising or notices, and will not conduct or permit any activities that might constitute a nuisance or which are otherwise not generally considered appropriate in accordance with the standards of operation for the Center established by Landlord. Landlord represents and warrants to Tenant that Tenant’s Permitted Use does not, and will not be deemed to, violate the provisions of this Section 4(c).

(d) will keep all mechanical apparatus free of vibration and noise which may be transmitted beyond the confines of the Premises.

(e) will not cause or permit strong, unusual or offensive sound, sights, odors, fumes, dust or vapors to emanate from the Premises. Landlord represents and warrants to Tenant that Tenant’s Permitted Use does not, and will not be deemed to, violate the provisions of this Section 4(e).
(f) Tenants will keep the inside and outside of all glass in the doors and windows of the Premises clean and will replace any cracked or broken glass with glass of the same kind, size and quality will maintain the interior of the Premises at its own expense in a clean, orderly and sanitary condition and free of insects, rodents, vermin and other pests.

(g) will not burn or permit undue accumulation of garbage, trash or refuse and will remove the same from the Premises at Tenant's sole expense, and will keep such refuse in proper containers until so removed, and will not deposit any inappropriate materials or substances into the sewer lines.

(h) will comply with all applicable state and local environmental and other laws, rules, regulations, guidelines, judgments, or orders and all recommendations of any public or private agency having authority over insurance rates with respect to the use or occupancy of the Premises by Tenant.

(i) will keep the storefront sign and display windows lighted during all hours in which the Premises are open for business.

(j) will provide all security within its Premises as it deems appropriate.

(k) will not use the malls or sidewalks adjacent to the Premises for solicitations, vending or sales of merchandise.

(l) will not use the parking area to park vehicles for advertisement or storage, and will require all employees to park in the rear of the building during normal business hours.

(m) will not, without obtaining Landlord's prior written approval, which approval shall not be unreasonably withheld, conditioned, or delayed, install any storage or propane tank, whether above or underground at the Premises or in the Center.

(n) will not perform any work of any nature whatsoever to the roof, exterior wall or any of the structural portions of the Building or Premises, except as may specifically be set forth below in this Lease.

5. HOLDING OVER. In the event that Tenant shall not immediately surrender the Premises upon the Expiration Date (as may be extended), and illegally remains in the Premises, Tenant shall, by
virtue of the provisions hereof, become a tenant on a month-to-month basis, at two times (2) the Monthly Fixed Rent, in addition to any Additional Rent due hereunder. Tenant, as a monthly tenant, shall be subject to all of the terms, conditions, covenants and agreements of this Lease.

6. UTILITIES. Tenant shall pay, when due, all utility charges (including, but not limited to, initial connection and/or disconnection charges). Tenant shall also be responsible for placing all trash securely in dumpsters provided by Tenant. No trash is to be imported from outside sources by Tenant, or Tenant’s employees, agents, representatives, invitees, licensees, patrons, customers, clients, or guests. Failure to comply with proper use of provided dumpsters will be considered a violation of this Lease.

7. REAL ESTATE TAXES AND COMMON AREA MAINTENANCE CHARGES. Tenant shall not be responsible for any real estate taxes assessed against the Premises, Building, or Center, nor for any common area maintenance charges, except as set forth in section (2) two, above regarding the first and second additional terms. Landlord shall promptly pay when due all real estate taxes assessed against the Premises, Building, and Center.

8. MAINTENANCE.

(a) Landlord agrees, at its sole cost and expense, keep, maintain, repair and replace in good and tenantable condition, and perform any repairs, improvements, or alterations to, the structural elements and capital items of the Center, Building, and Premises, including, without limitation, the structural columns and supports, the roof, exterior walls, and the foundations of the Building, floor slabs, footings, roof membrane, roof gutters, and other structural portions of the Building, excluding exterior doors and windows, except to the extent the condition requiring such repairs resulted from the negligence or willful misconduct of Tenant. Tenant may give Landlord notice of such repairs as may be required under the terms of this Section 8(a), and Landlord shall proceed forthwith to effect the same with reasonable diligence, but in no event later than thirty (30) days after having received notice (or such greater period of time as is reasonably necessary to complete such repairs in the event such repairs are not susceptible of completion within thirty (30) days, provided Landlord shall, following receipt of such notice from Tenant,
promptly commence such repairs and diligently prosecute the same to completion). In the event of an emergency posing an imminent risk of property damage to the Premises or Tenant's personal property located thereon or personal injury, Tenant shall have the right, but not the obligation, to undertake immediate repairs of such nature as would normally be Landlord's responsibility, but only to the extent necessary to address the emergency, and notify Landlord promptly after such repairs have been undertaken (including, without limitation, notice by telephone, to the extent reasonably practicable). If Landlord fails to repair any portion of the Building or Premises which is Landlord's responsibility, within the thirty (30) day period set forth above (or such greater period of time as is reasonably necessary to complete such repairs in the event such repairs are not susceptible of completion within thirty (30) days, provided that following receipt of such notice from Tenant, Landlord promptly commences such repairs and diligently prosecutes the same to completion), Tenant may (but shall not be obligated to) perform the repairs or maintenance and Landlord shall reimburse Tenant for the reasonable cost of such repairs within thirty (30) days following Landlord's receipt from Tenant of invoices or other reasonable evidence of the amount of such costs. If Landlord fails to reimburse Tenant for the reasonable cost of such repairs, Tenant may offset said amount against Monthly Fixed Rent. Landlord represents and warrants that the Premises will be delivered to Tenant with all plumbing, electrical, heating, air conditioning, ventilation, and other mechanical systems in good working order.

(b) Tenant agrees, at Tenant's expense, to keep the interior of the Premises, and all heating, air conditioning, painting, lighting, electrical and plumbing and any other equipment and systems in or serving the Premises exclusively in clean, neat and good order, repair and condition, including any and all maintenance and repair and/or replacements. In the case of a full HVAC system replacement Tenant and Landlord agree to share the cost of replacement, if less than one year of the execution of this lease. At Tenant's expense, Tenant agrees to keep all glass, including windows, doors and skylights, clean and in good condition, and to promptly replace any glass that may be damaged or broken with glass of the same quality. Tenant agrees to keep the sidewalks, curbs and/or stairs, if applicable, servicing the Premises reasonably free from any debris whatsoever, including ice and snow which is the responsibility of the
Tenant. Tenant further agrees to store all trash, refuse and any other such materials within the Premises and to attend to the prompt disposal thereof in Tenant's dumpsters.

9. COMPLIANCE WITH LAW. Tenant agrees: to make all repairs, alterations, additions or replacements to the Premises required by any law or ordinance, or any order or regulation of any public authority; to use and occupy the Premises and conduct its business at the Premises in accordance with all applicable State and local laws (including State and local rules, ordinances, and regulations); to keep the Premises equipped with any and all safety appliances or safety procedures required by law, now or hereinafter enacted, or required because of Tenant's use; to procure any licenses and permits required for any such use; to pay all municipal, county or state taxes assessed against the personal property of any kind owned by or placed in, upon or about the Premises or Building by Tenant; and to comply with the orders and regulations of all governmental authorities. Notwithstanding anything in this Lease to the contrary.

10. SIGNS. Tenant may at its expense, with the written consent of Landlord, which consent shall not be unreasonably withheld, conditioned, or delayed, remove or erect such signs on said Premises as shall be necessary to advertise its business, provided that it complies with all applicable City, County and State laws, ordinances, and regulations relating thereto, including those concerned with the issuance of licenses or permits for the erection of signs, the payment of annual inspection fees, and the removal of signs. At the termination of the Lease, Tenant shall remove all signs erected by it, and, within fifteen (15) days, repair any and all damage caused thereby. If Tenant violates any provision of this paragraph, Landlord may, at Tenant's expense, take whatever action is necessary to remedy the same and collect the expense and costs thereof as Additional Rent. The Landlord will provide a space over the entrance of the unit for Tenant's sign and on the marquee. The Tenant, at Tenant's expense, will provide the sign over the entrance and the insert for the marquee sign. Landlord shall provide Tenant with the Landlord's sign requirements/measurements which are similar or consistent with those provided to and required of other tenants in the Building or in the Center.
11. ASSIGNMENT AND SUBLETTING.

(a) Tenant shall not be permitted to assign or sublet this Lease, in whole or in part, or grant any license or concession for all or any part thereof, without the prior written consent of Landlord. If such assignment or subletting by Tenant is permitted by Landlord at any time during this Lease term, Tenant shall not be relieved, under any circumstances, from any primary liability for any obligations under this Lease. Tenant is prohibited from and agrees not to transfer, disregard or dishonor any primary liability under this Lease under any circumstances whatsoever. Tenant shall provide a copy to the Landlord of any contractual or lease agreement which Tenant seeks to enter with regard to any assignment or subletting of the Premises. In the event that the amount of the rent to be paid to the Tenant by the assignee or sub lessee is greater than the rent required to be paid by the Tenant to the Landlord pursuant to this Lease, Tenant shall immediately pay over to Landlord, upon demand, any such excesses as is received by Tenant from such assignee or sub lessee. An assignment or subletting for the benefit of Tenant's creditors or otherwise by operation of law shall not be effective to transfer, vitiate or assign Tenant's primary liability under this Lease. Any transfer, whether by sale, merger, assignment or otherwise, of the controlling ownership interests in the Tenant shall not, in any event, relieve the Tenant of its primary liability under this Lease.

12. SURRENDER OF PREMISES. Tenant shall surrender the Premises to Landlord at the termination of this Lease in the same condition and repair as existed on the Commencement Date, reasonable wear and tear, and broom clean.

13. ADVERTISEMENT FOR SALE OR FOR RENT. Landlord shall have the right, during the last three (3) months of the Term to place on any portion of the exterior of the Premises, signs or bill-boards indicating that the Premises are "For Sale" or "For Rent", but such signs shall be of such
size and so placed as not to materially interfere with Tenant's occupancy and Tenant's operation of Tenant's business. During said period, interested persons shall be admitted at reasonable hours of the day with reasonable notice to Tenant to view the said Premises; provided, however, such entry shall be subject to the provisions of Section 16 of this Lease.

14. ALTERATIONS.

(a) Tenant shall not make any structural alterations, additions or improvements to the said Premises and/or Building without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned, or delayed. In no event shall any such structural alteration, addition, or improvement weaken the structure of or impair said Premises and/or Building. Any alteration, addition, or improvement to the Premises and/or Building shall be done in accordance with the applicable City, County and State laws and ordinances, and building and zoning rules and regulations. Tenant hereby expressly assumes full responsibility for all damages and injuries, foreseen and unforeseen, which may result to any person or property by reason of or resulting from any alterations, additions or improvements made by Tenant, or at Tenant's authorization(s), to the Premises and/or Building, and shall hold Landlord harmless with respect thereto for all damages and claims, including, but not limited to, all reasonable attorneys' fees and costs. If Tenant does undertake any alterations, including partitions, Tenant shall be responsible, at Tenant's own cost, and within fifteen (15) days of the expiration date, for the removal of any such alterations, if Landlord so demands, and to return the Premises to its condition as of the Commencement Date of this Lease, reasonable wear and tear and damage by fire or casualty excepted. Tenant shall have the right to install, at Tenant's sole cost and expense, closed circuit television and security and surveillance services and equipment within and to the Premises, and any other security devices and personnel required for Tenant to comply with the Cannabis Dispensary Laws.

(b) Tenant shall not place a load upon the floor of the Premises exceeding the floor load per square foot which such floor was designed to carry or which is allowed by law. Machines, fixtures and mechanical equipment shall be placed and maintained by Tenant at Tenant's expense in settings sufficient to absorb and prevent vibration, noise and annoyance. Any moving of such equipment shall be at the sole
risk and hazard of Tenant, and Tenant will indemnify and save Landlord harmless against and from any liability, loss, injury, claim or suit resulting directly or indirectly from such moving.

(c) All fixtures, equipment, improvements and appurtenances attached to or built into the Premises prior to or during the Term of this Lease (collectively, “Fixtures”), whether by Landlord at its expense or at the expense of Tenant or by Tenant, shall be and remain part of the Premises and shall not be removed by Tenant at the end of the Term unless otherwise expressly provided in this Lease. All electrical, plumbing, heating and sprinkling systems, fixtures and outlets, vaults, paneling, molding, ventilating, silencing, air-conditioning and cooling equipment, shall be deemed to be Fixtures. All removable electrical fixtures, drinking or tap water facilities, furniture, cases, ovens, refrigerator/freezers, or trade fixtures or business equipment shall not be deemed to be Fixtures and may (and at the request of Landlord, shall) be removed by Tenant upon the condition that such removal shall not materially damage the Premises or the Center and that the cost of repairing any damage to the Premises or the Center arising from such removal shall be the responsibility of the Tenant.

15. INSURANCE.

(a) Insurance Rating; liability insurance must be provided by a carrier whose AM Best rating is "A" or better. Landlord shall, at all times during the Term, maintain insurance on the Building insuring against loss or damages to the Building from fire in an amount sufficient to replace the Building. Landlord shall not carry any insurance for any of Tenant's property, contents, business reputation or business interruption and Tenant understands that Landlord offers no such insurance coverage to Tenant. Tenant is hereby advised to seek its own insurance coverage in this regard.

(b) Liability Insurance. Tenant shall, during the Term, keep in full force and effect a policy of public liability and property damage insurance with respect to the Premises, in amounts not less than [REDACTED] for each occurrence and [REDACTED] aggregate of public liability insurance. The policy shall name the Landlord, or any persons, firms or corporations designated by the Landlord and the Tenant as insureds. It shall contain a clause that the insurer will not cancel or change the insurance, without first giving the Landlord thirty (30) days prior written notice. The Tenant will be insured for plate glass
replacement of store front glass. Copies of all insurance policies required hereunder, or certificates of insurance reflecting all insurance coverage required hereunder, shall be delivered to the Landlord within ten (10) days of the Commencement Date. Failure to do so shall constitute a material breach and default of this Lease. As set forth more fully above and also in Section 18 herein, Tenant, at its own option, shall carry any and all insurance for goods, property, store equipment, inventory, and/or personal effects placed in or servicing the Premises.

(c) The certificate holder, Concordville Professional Center, Inc., PO Box 466, 790 Baltimore Pike, Concordville, PA 19331, must be named as an additional insured to all liability policies of the Tenant, including general liability, auto liability, and umbrella liability, and the certificate of insurance shall show in the “description of operations” box that Landlord has been added by endorsement as additional insured to the policies above.

(d) Tenant shall furnish Landlord with certificates of all insurance required by this Section 15. If Tenant does not maintain such insurance in full force and effect, Landlord may notify Tenant in writing of such failure and if Tenant does not deliver to Landlord within ten (10) days after such notice, certification showing all insurance to be in full force and effect, Landlord may at its option, take out the necessary insurance to comply with the provisions hereof and pay the premiums on the items specified in such notice and Tenant covenants thereon demand to reimburse and pay Landlord any amounts paid or expended in the amount of the insurance premiums required hereby and specified in notice, with interest thereon at the rate of eight (8) percent per annum from the date of such payment by Landlord until repaid by Tenant.

16. INSPECTION. Tenant agrees that Landlord has the right, but not the obligation, to inspect and monitor the Premises (in compliance with the Cannabis Dispensary Laws) and Tenant's use of the Premises in order to confirm Tenant's compliance with the terms and representations of this Lease. In addition, in compliance with the Cannabis Dispensary Laws, Landlord or Landlord's agents shall have the right to enter the Premises at all reasonable times to examine the same, to show it to prospective tenants and purchasers or to make such repairs, alterations, improvements or the additions as Landlord may deem
necessary or desirable. Entry by Landlord shall not constitute a constructive eviction or entitle Tenant to an abatement or reduction of Monthly Fixed Rent. Notwithstanding the above, in accordance the Cannabis Dispensary Laws, Landlord must be accompanied by authorized Tenant personnel while inspecting limited access areas. In compliance with the Cannabis Dispensary Laws, Landlord may photograph or video-record in any medium the activities of Tenant, subject to privacy restrictions under HIPAA and state laws and so long as such visual records are not provided to anyone with an interest in possessing Tenant's trade secrets (other than government employees).

17. FIRE, ACT OF GOD OR CASUALTY. In the event the said Premises and/or Building are totally destroyed by fire, act of God or other casualty or are damaged to such an extent that Landlord, in Landlord's sole discretion, desires to raze or remodel the Building or Center, then the Lease shall terminate on the date of such fire, act of God or other casualty or damage, and Tenant shall pay the Monthly Fixed Rent and any Additional Rent apportioned to the time of such fire or casualty and shall surrender possession of said Premises to Landlord. If, however, the Premises, in the sole and unfettered discretion of Landlord, can be repaired with reasonable promptness, and in no event longer than ninety (90) days, so as to be in as good condition as they are on the Commencement Date, the Lease shall not be affected except that Monthly Fixed Rent and any Additional Rent shall be apportioned or suspended while such repairs are being made, provided however, if the Premises cannot be repaired in ninety (90) days, then in such event, Tenant, at Tenant's option, shall have the right to terminate this Lease without further recourse to Landlord or Tenant.

18. LIABILITY OF LANDLORD.

(a) NO LIABILITY. Unless the same shall be the result of Landlord's or Landlord's agents' or employees' negligent or intentional acts or omissions with regard to the Building's roof, structural portions, and/or common areas, Landlord shall not be liable to Tenant, its employees, representatives, agents, business invitees, licensees, customers, clients, family members, trespassers, patrons or guests for any damage, compensation or claim arising from: (1) the necessity of repairing and/or replacing any portion of the Premises or the Building; (2) the interruption in the use of the Premises by Tenant, by
accident or damage resulting from the use or operation, non-use or non-operation, (by Landlord, Tenant, or any other person or persons whatsoever) of heating, cooling, electrical, air conditioning, painting or plumbing equipment or apparatus; (3) and/or the termination of this Lease by reason of the destruction of the Premises and/or Building; and (4) any act or conduct of any other tenant or patron of the Center, or act or conduct of any other tenant's employees, representatives, agents, business invitees, licensees, customers, clients, family members, trespassers, patrons or guests.

(b) This section further absolves the Landlord of any liability for any damages, compensation or claim sustained or brought by or against Tenant as the result of any fire, robbery, theft, mysterious disappearance and/or other casualty, unless the same shall be the result of Landlord's or Landlord's agents' or employees' negligent or intentional acts or omissions.

(c) This section further absolves the Landlord of any liability for any damages, compensation or claim sustained or brought by the Tenant as the result of any leakage, from whatever source including the Building's roof, or from water, rain, snow or other substance or material in any part or portion of the Premises or the Building, or from any and all drains, pipes or plumbing work in the Premises or the Building, unless the same shall be the result of Landlord's or Landlord's agents' or employees' negligent or intentional acts or omissions.

(d) Unless the same shall be the result of Landlord's or Landlord's agents' or employees' negligent or intentional acts or omissions, Landlord has no liability for any claims made or damages sustained to Tenant's contents, goods, property, store equipment, inventory or personal effects stored or placed in the Premises by Tenant. Any contents, goods, property, store equipment, inventory or personal effects, stored or placed by the Tenant in or about the Premises or Building, shall be at the risk of the Tenant, and the Landlord shall not in any manner be held responsible therefore. Tenant, at Tenant's own option, shall carry the necessary insurance for all its goods, property, store equipment, inventory and/or personal effects as Tenant deems appropriate.

(e) The employees of the Landlord are prohibited from receiving any packages or other articles delivered to the Building or Tenant.
(f) **Indemnity.**

(i) Tenant hereby agrees to indemnify and hold Landlord harmless from and against any cost, damage, claim, liability or expense (including attorneys' fees and costs) incurred by or claimed against Landlord, directly or indirectly, as a result of or in any way arising from Tenant's use and/or occupancy of the Premises and/or Building or in any other manner which relates to the Tenant's occupancy of the Premises and/or Building.

(ii) Landlord hereby agrees to indemnify and hold Tenant harmless from and against any cost, damage, claim, liability or expense (including attorneys' fees and costs) incurred by or claimed against Tenant, directly or indirectly, as a result of or in any way arising from Landlord's use, occupancy, or management of the Premises, Building, or Center.

(g) This Section 18 of this Lease shall be deemed controlling in the event of any ambiguity or conflict with any other paragraph, section or language herein.

19. **NO WAIVER.** The failure of Landlord or Tenant to insist upon a strict performance of any terms, conditions and covenants herein, shall not be deemed a waiver of any rights or remedies that Landlord or Tenant has or may have under this Lease, and shall not be deemed a waiver of any subsequent breach or default in the terms, conditions and covenants herein contained.

20. **EMINENT DOMAIN.** If the whole of the Premises and/or Building leased to Tenant shall be taken by public authority under the power of eminent domain, then the terms of this Lease shall cease on the date possession is assumed by any such public authority. Monthly Fixed Rent and Additional Rent shall be pro rated and any unearned Monthly Fixed Rent or Additional Rent paid or credited in advance shall be refunded to Tenant by Landlord. If any part of the Premises shall be taken by public authority under the power of eminent domain, from that day, Landlord or Tenant, regardless of the taking of actual possession by such public authority, shall have the right to cancel this Lease upon thirty (30) days written notice to the other, and declare the same null and void. From that day, Landlord or Tenant shall also have the right to continue in possession of the remainder of Tenant's leasehold in the Premises,
if any, under the terms herein provided, except that the Monthly Fixed Rent and any Additional Rent shall be reduced in proportion to the portion of the Premises taken by eminent domain. Tenant shall notify Landlord in writing within thirty (30) days after notification by the Landlord and/or such public authority of the intention to take a portion of the Premises leased to Tenant of its intention to cancel the Lease; otherwise the Lease shall continue on the terms and conditions hereby stated as to the portion not taken for the remainder of the Term; provided however, Tenant is able to continue to operate Tenant's business in the same and full manner just prior to the taking. Except as provided below, Tenant shall not be entitled to receive any part of any award or awards that may be made to or received by Landlord. Tenant agrees that Landlord, as the result of Landlord's ownership of the Building, will have no responsibility for any and all damages, seen and unforeseen, which are or may be sustained by Tenant should the Premises and/or Building be taken, in whole or in part, by a public authority under the power of eminent domain. Tenant, at its own expense, may take independent proceedings against the public authority exercising the power of eminent domain to prove and establish any damage Tenant may have sustained to its leasehold interest in the Premises as well as any relocation and/or moving expenses, business losses and business good will recoverable by Tenant. Tenant expressly waives any and all rights which it may be able to assert, directly or indirectly, against the Landlord in the event the Premises, in whole or in part, are taken by eminent domain.

21. CHANGE IN OWNERSHIP.

Tenant agrees that in the event that the Building is sold, transferred or otherwise conveyed, or in the event of any change of legal title or equitable ownership to the Building, this Lease, shall continue in full force and effect and shall be assigned to the new owner of the Building and the new owner shall assume all of the Landlord's rights and obligations hereunder. Tenant agrees that all obligations herein undertaken by Landlord, shall be transferred to such purchaser or assignee, and in such event, and provided that Landlord transfers Tenant's security deposit to such purchaser or assignee, all of Landlord's obligations shall terminate and Landlord shall be released and relieved from any and all liability and responsibility to Tenant hereunder for all damages and claims of Tenant arising under and/or by this Lease whether known
or unknown at the time of sale, transfer or other conveyance by Landlord, and Tenant shall look solely to such purchaser or assignee for the performance of said obligations or for the enforcement thereof.

22. ENTIRETY AND SEVERABILITY.

This Lease represents the entire agreement between the Landlord and Tenant, and shall be binding upon the respective heirs, executors, administrators, successors, assigns and agents of the Landlord and Tenant. There are no collateral or oral agreements or understandings, and this Lease shall not be modified in any manner except by an instrument in writing executed by Landlord and Tenant. If any term or provision of this Lease or application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid, or unenforceable, shall not be effected thereby and each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

23. NOTICES.

Any notice provided for herein shall be given by certified or registered mail, postage prepaid, addressed to Sam Cimino at 175 Bridge Street, Morton, PA 19070; and if to Tenant at the Premises.

24. SUBORDINATION.

Upon request of the Landlord, Tenant will subordinate its rights hereunder to the lien of any mortgage or mortgages, or the lien resulting from any other method of financing or refinancing, now or hereafter in force against the land and/or Building of which the Premises are a part or against any buildings hereafter placed upon the land of which the Premises are a part of, and to all advances made or hereunder to be made upon the security thereof, provided that each mortgagee enters into a written agreement with Tenant pursuant to which such mortgagee agrees not to disturb the Tenant’s possession of the Premises so long as Tenant shall faithfully and in a timely manner discharge and perform the obligations of Tenant under this Lease.
25. DEFAULT OF TENANT.

(a) Events of Default. If Tenant shall: (i) fail to pay any monthly installment of Monthly Fixed Rent (as required by Section 2 hereof) or shall fail to timely make any other payment required by the terms and provisions hereof and any cure period has expired (although no legal or formal demand has been made therefore); or (ii) violate or fail to perform any of the other terms, conditions, covenants or agreements herein made by Tenant; or (iii) abandon or vacate the Premises without Landlord's consent, or (iv) make or consent to an assignment for the benefit of creditors or a common law composition of creditors, or a receiver of Tenant's assets is appointed, or Tenant files a voluntary petition in any bankruptcy or insolvency proceedings, or an involuntary petition in any bankruptcy or insolvency proceeding is filed against Tenant and not discharged by Tenant within sixty (60) days, or Tenant is adjudicated a bankrupt; or (v) if any other violation of this Lease shall continue for a period of time greater than thirty (30) days after written notice from Landlord (provided, however, that if such cure is of a nature that it cannot through the exercise of diligent and reasonable efforts be completed within said thirty (30) days, then the time frame shall be extended if Tenant promptly commences the cure within said thirty (30) day period and thereafter diligently pursues the cure to completion), then, and in any of said enumerated events, this Lease shall, at the sole option of Landlord, cease and terminate and the provisions of this Section 25 shall automatically operate as a notice to quit. Any notice to quit, or of Landlord's intention to reenter is hereby expressly waived by Tenant and Landlord may proceed to recover possession under and by virtue of the provisions of the laws of the State of Pennsylvania or by such other proceedings, including immediate re-entry and possession, as may be applicable. Notwithstanding the preceding sentence, any reentry by Landlord shall be subject to (and in compliance with) the Cannabis Dispensary Laws and subject to privacy restrictions under HIPAA and state laws. In addition, no computer servers, desktop stations, laptops, files or other personal property which could reasonably be expected to contain customer information shall become the property of or shall be disposed of by Landlord. In the event any such failure to timely pay rent, any amounts due hereunder, or other default on the part of Tenant occurs two (2) times in any twelve (12) month period, Tenant agrees that Landlord
shall not be required during the remainder of the term of this Lease to send written notice before proceeding with its remedies under this Section 25. If Landlord elects to terminate this Lease, everything contained in this Lease on the part of Landlord to be done and performed shall cease without prejudice, except for the right of Landlord to recover from Tenant all Monthly Fixed Rent and Additional Rent accrued up to the time of termination or recovery of possession by Landlord, whichever is later. Should this Lease be terminated before the expiration of the term of this Lease by reason of Tenant's default as hereinabove provided, or if Tenant shall abandon or vacate the Premises before the expiration or termination of the term of this Lease, the Premises may be re-let by Landlord for such rent and upon such terms as are commercially reasonable and, if the full rental hereinabove provided (together with any of the costs, expenses or damages indicated and provided for herein) shall not be realized by Landlord, Tenant shall be liable for all damages sustained by Landlord, including without limitation, deficiency in rent, reasonable attorneys' fees and costs, brokerage fees, and expenses of placing the Premises and/or Building in suitable rentable condition, to be determined by Landlord in accordance with the circumstances as they then and there exist. Any damage or loss of rent sustained by Landlord may be recovered by Landlord, at Landlord's option, at the time of the re-letting, or in separate actions, from time to time, as said damage shall have been made more easily ascertainable by successive re-letting, or, at Landlord's option, may be deferred until the expiration of the term of this Lease, in which event Tenant hereby agrees that the cause of action shall not be deemed to have accrued until the date of expiration of said term. The provisions contained in this paragraph shall be in addition to and shall not prevent the enforcement of any claim Landlord may have against Tenant for anticipatory breach of the unexpired term of this Lease.

(b) Waiver. If, under the provisions hereof, Landlord shall institute proceedings against Tenant and a compromise or settlement thereof shall be made, the same shall not constitute a waiver of any other covenant, condition or agreement herein contained, nor of any of Landlord's rights hereunder. No waiver by Landlord of any breach of any covenant, condition or agreement herein contained shall operate as a waiver of such covenant, condition, or agreement itself, or of any subsequent breach thereof. No payment
by Tenant or receipt by Landlord of a lesser amount than the monthly installment of rent herein required shall be deemed to be other than on account of the earliest required rent, or amount due, nor shall any endorsement or statement on any check or letter accompanying a check for payment of rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such rent or to pursue any other remedy provided in this Lease. Notwithstanding anything contained herein to the contrary, neither re-entry by Landlord or acceptance by Landlord of keys to the Premises from Tenant shall be considered an acceptance or a surrender and/or waiver of Tenant's obligations under this Lease at that time of re-entry or acceptance of keys from Tenant by Landlord.

(c) **Right of Landlord to Cure Tenant's Default.** If Tenant defaults in the making of any payment or in the doing of any act herein required to be made or done by Tenant, then Landlord may, but shall not be required to, make such payment or do such act, and charge the amount of the expense thereof, if made or done by Landlord, with interest thereon at the rate per annum which is greater than the prime rate then in effect from the date paid by Landlord to the date of payment thereof by Tenant; provided, however, that nothing herein contained shall be construed or implemented in such a manner to allow Landlord to charge or receive interest in excess of the maximum legal rate then allowed by law. Such payment by Landlord and interest thereon shall constitute Additional Rent hereunder due and be payable with the next monthly installment of Annual Fixed Rent. The making of such payment by Tenant or the taking of such action by Landlord shall not operate to cure such default or to stop Landlord from the pursuit of any remedy to which Landlord would otherwise be entitled.

d) **Acceleration of Rent and Additional Rent.** In the event that Tenant is in default of any term or condition hereunder, and Tenant refuses to cure said default after notice, Landlord may, to the fullest extent permitted by law, accelerate any and all amounts due and payable under this Lease.

e) **Re-Entry and Repossession.** In the event of default, of any term or condition hereunder, Landlord specifically reserves its right to re-enter the Premises and take possession of the Premises by changing the locks on the Tenant's leasehold, to the fullest extent permitted by law, and Tenant hereby
waives any and all required notice of demand, presentment, or other authority, in the event of forcible repossession by Landlord. Notwithstanding the preceding sentence, any reentry by Landlord shall be subject to (and in compliance with) the Cannabis Dispensary Laws and subject to privacy restrictions under HIPAA and state laws. In addition, no computer servers, desktop stations, laptops, files or other personal property which could reasonably be expected to contain customer information shall become the property of or shall be disposed of by Landlord. Further, Tenant waives any and all rights to claim any damages for lost revenue, business interruption and any and all other claims for damages, as a result of Landlord's repossession and re-entry.

26. BROKERAGE. Each of the parties hereby represents and warrants that there are no claims for brokerage commissions or finder's fees in connection with the execution of this Lease. Landlord and Tenant hereby agree to indemnify and hold the other party harmless against and from all liabilities arising from any claims for brokerage commissions or finder's fees.

27. QUIET ENJOYMENT. Landlord covenants that if Tenant is not in default with respect to any covenants, conditions and/or provisions of this Lease to be performed by Tenant, Tenant shall peaceably and quietly occupy and enjoy the full possession and use of the Premises.

28. GOVERNING LAW. This Lease and the parties' respective rights and obligations hereunder, shall be governed by and construed in accordance with the laws of the State of Pennsylvania.

29. ADDITIONAL TERMS. As used herein, the neuter gender shall be construed as feminine or masculine gender, singular or plural, as the case may be.

30. MECHANIC'S LIENS. Any mechanics lien filed against the Premises for work or materials furnished to either Landlord or Tenant shall be discharged by such respective party responsible therefore prior to the commencement of any legal action to perfect the lien. Notice of any intent to file a lien or a default received or known to either party shall be forthwith given to the other party as soon as practicable.
31. COUNTERPARTS. This Lease may be executed in any number of counterparts and each of such counterparts shall, for all purposes, be deemed an original and all such counterparts shall together constitute one and the same agreement. Execution copies of this Lease may be delivered by facsimile or email, and the parties hereto agree to accept and be bound by facsimile signatures or scanned signatures transmitted via email hereto, which signatures shall be considered as original signatures with the transmitted Lease having the binding effect as an original signature on an original document. Neither party may raise the use of a facsimile machine or scanned document or the fact that any signature was transmitted through the use of a facsimile machine or email as a defense to the enforcement of this Lease.

32. DISPENSARY PERMIT CONTINGENCY.

(a) The parties acknowledge and agree that Tenant must obtain all necessary permits, variances and governmental approvals for the lawful construction and operation of Tenant's business at the Premises, including but not limited to Tenant obtaining and maintaining a license issued by the State of Pennsylvania to dispense cannabis pursuant to the Cannabis Dispensary Laws (collectively, a "Dispensary Permit"). Tenant shall, at Tenant's sole cost and expense, apply for the Dispensary Permit as soon as practicable and shall thereafter diligently pursue such Dispensary Permit. Landlord agrees to cooperate with Tenant, at no cost to Landlord, in Tenant's efforts to obtain the Dispensary Permit and to execute any necessary applications for the Dispensary Permit.

(b) Notwithstanding anything contained in this Lease to the contrary, the parties acknowledge and agree that Tenant's obligations under this Lease are contingent upon Tenant obtaining Final Issuance of a Dispensary Permit (as defined below). If Tenant is unable to obtain Final Issuance of a Dispensary Permit following the execution of this Lease, initial term of 6 months followed by a month to month term until such time that the Tenant receives the Final Issuance of a Dispensary Permit, ("Dispensary Permit Period"), then Tenant may deliver written notice to Landlord terminating this Lease (a "Termination Notice"). If Tenant fails to timely deliver a Termination Notice to Landlord prior to expiration of the Dispensary Permit Period, then Tenant will be deemed to have obtained Final Issuance of a Dispensary Permit and this Lease will continue in full force and effect but no longer subject to the
contingency set forth in this Section 32. If Tenant timely delivers a Termination Notice, this Lease shall terminate as of the date of the Termination Notice, and neither party shall have any further obligations hereunder.

(c) As used in this Lease, "Final Issuance of a Dispensary Permit" means (1) issuance of the Dispensary Permit to Tenant, and (2) (i) any applicable appeal period relating to such issuance (or lack thereof) has expired or, (ii) if administrative proceedings or litigation have been filed against Tenant or against the issuance of the Dispensary Permit, or by Tenant relating to issuance of the Dispensary Permit for the Premises, entry of a final, non-appealable judgment has been entered in Tenant's favor.

33. ATTORNEYS and ATTORNEYS' FEES. Tenant hereby agrees and warrants that Tenant will be liable to for any and all reasonable attorneys' fees, costs, and/or services required in the enforcement of any term or condition of this Lease. Further, the parties represent and warrant that they have been given the full and fair opportunity to discuss this Lease with any attorney of their choice, and hereby agree to waive any rule of law which would require the construction of this Lease, or any part of it, against the entity drafting the Lease. The parties hereby agree and warrant that this Lease does in fact represent an arms' length business transaction.

34. ACCORD and SATISFACTION. No acceptance by Landlord of an amount less than the Monthly Fixed Rent or Additional Rent due under this Lease shall be deemed to be other than a payment on account of the earliest such rents or other payments then due or in arrears, nor shall any endorsement or statement on any check or letter accompanying such payment be effective to constitute an accord and satisfaction, or any other form of notice required hereunder.

35. HAZARDOUS MATERIALS. During the term of this Lease, Tenant shall not cause the Premises to be in violation of any environmental laws, and shall hold Landlord fully harmless for any and all costs, expenses, fines and any related expenditure and/or liability directly or indirectly based on, or arising or resulting from (a) the actual or alleged presence of hazardous materials at the Building which is caused or permitted by Tenant and (b) any environmental claim relating in any way to Tenant's operation or use of the Premises.
36. RULES and REGULATIONS. Tenant understands and agrees that its business will be a part of the Center, and as such will reflect upon the reputation, good will and success of the Center. Accordingly, Tenant agrees to abide by and strictly comply with the rules and regulations which have been stated in this Lease, as well as those rules and regulations which Landlord, in its reasonable discretion, may implement in writing from time to time in the future. By signing this Lease, Tenant represents and warrants that it has reviewed the rules and regulations and understands them, and will abide by them throughout the course and tenure of this Lease. Landlord represents and warrants that such rules and regulations shall not conflict with the terms of this Lease (unless as may be required by governmental regulation or unless Tenant consents thereto), shall be reasonable and customary for a first class building in Concordville, Pennsylvania, shall not materially increase Tenant’s financial obligations under this Lease, and shall not otherwise materially and adversely interfere with Tenant’s use, access, visibility, or parking. Landlord agrees that it will not unreasonably discriminate against Tenant in the enforcement of such rules and regulations.

37. ABANDONMENT. It is hereby agreed and understood by the parties that should the Tenant be in an event of default, and the Tenant shall leave behind any items, property or materials whatsoever, including but not limited to, trade fixtures and any items installed or placed in the unit by the Tenant, any such items, property or materials shall be deemed abandoned if they are not removed from the Premises within thirty (30) days of an event of default unless the parties reach a different understanding set forth in writing; provided, however, no computer servers, desktop stations, laptops, files or other personal property which could reasonably be expected to contain customer information shall become the property of or shall be disposed of by Landlord. It is understood by the parties that this is a mutual promise and the consideration for this promise forms, in part, the consideration and mutual promises which support this Lease.

Intending to be legally bound, and with a full and complete understanding of this Lease and all of its provisions, Landlord and Tenant agree for themselves, their respective heirs, administrators, executors,
successors and assigns, to the terms and conditions set forth herein and, in witness whereof, this Lease has been duly executed by Landlord and Tenant the day and year first written above.

[Signature Page Follows]
IN WITNESS WHEREOF, the undersigned have executed this Lease of the day and year first written above.

Tenant:  
Brandywine Valley Patient Care, LLC

By: Charles A. McCormick 3/1/2017  
Charles A. McCormick  
100 E. Pembrey Dr.  
Pembrey  
Wilmington, DE 19803

By: William J. McCormick 3/1/2017  
William J. McCormick  
112 St. Andrews Dr.  
Avondale PA 19311

By: Brandywine Valley Patient Care LLC 3/1/2017

Landlord:  
Concordville Professional Center, Inc.,  
a Pennsylvania corporation

By: Philip G. Fraley 3/1/2017  
Philip G. Fraley

By: Sam Cimino 3/1/2017

By:  

Witness:  
Printed Name:  

Witness: Nancy Fraley  
Printed Name: Nancy Fraley
LOAN AGREEMENT AND REVOLVING LINE OF CREDIT
PROMISSORY NOTE

March 15, 2017

FOR VALUE RECEIVED, the undersigned, Brandywine Valley Patient Care, LLC, a Pennsylvania limited liability company whose principal place of business is [REDACTED] (the "Borrower") promises to pay to the order of David H Geiger III, an individual whose address is 1702 North Park Dr Wilmington DE 19806 (the "Lender") at such other place as Lender may, from time to time designate in writing, the principal sum of [REDACTED] or so much of that sum as may be advanced under this Revolving Credit Promissory Note ("Note") by Lender, with principal and interest thereon payable as specified in this Note.

RECITALS

WHEREAS, Borrower has requested that Lender provide a revolving line of credit, and Lender is willing to provide such credit on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the covenants and conditions, representations and warranties, and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by all parties hereto, Borrower and Lender hereby agree as follows:

1. Revolving Credit. Lender hereby establishes for a period extending to December 31, 2020 (the "MATURENITY DATE") a revolving line of credit (the "CREDIT LINE") for Borrower in the principal amount of [REDACTED] (the "CREDIT LIMIT"). All sums advanced on the Credit Line or pursuant to the terms of this Agreement (each an "ADVANCE") shall become part of the principal. The principal balance of this Note represents a revolving credit, all or any part-of which may be advanced to Borrower, repaid by Borrower, and re-advanced to Borrower from time to time, subject to the Lenders ability to loan and subject to the other terms hereof and the conditions contained...
in the Loan Agreement, and provided that Borrower shall not be entitled to any Advances which would cause the principal and accrued interest balance outstanding at any one time to exceed the CREDIT LIMIT. This Note also evidences any other sums payable under the Loan Agreement or any document securing this Note.

2. Interest Rate. Interest on this Note shall accrue from and after the date of each transaction, whether a payment, additional payment, or additional advance, at the following rates:

a. For all advances representing a principal balance of DOH REDACTED or less, interest shall accrue a rate of DOH REDACTED per annum of the ending balance calculated on the last day of each month.

b. For advances representing a principal balance of DOH REDACTED or more, interest shall accrue a rate of DOH REDACTED per annum of the ending balance calculated on the last day of each month. Under no circumstances will the Interest Rate be more than the maximum rate allowed by applicable law and shall automatically be adjusted to that maximum rate if lower than the Interest Rate.

3. Requests for Advances. Advances may be made by Lender at the oral or written request of Charles McCormick or William McCormick, who are authorized to request Advances. Each request by Borrower for an Advance shall constitute a reaffirmation, as of the date of such request, of all of the representations and warranties of Borrower contained in this Agreement. Subject to the terms and conditions contained herein, Borrower shall have the right to obtain Advances, repay Advances and obtain additional Advances; however, all of the Advances hereunder shall be viewed as a single loan.

4. Payment and Maturity Date. Principal and interest shall be payable as follows:

[Signature]

[Signature]
a. In arrears, beginning on the fifteenth (15th) day of January, 2018, and on the fifteenth (15th) day of each month thereafter until this Note matures, in consecutive equal monthly installments of principal and interest sufficient to pay off the loan by the maturity date; and

b. On December 31, 2020 (the “Maturity Date”), the entire unpaid principal amount and any accrued interest accrued remaining unpaid and all other sums due, subject to the Loan Agreement.

5. Prepayment/Termination/Cancellation. Borrower may from time to time, prepay all or part of the outstanding balance of the Loan without penalty. Lender may, at any time, terminate and/or withdraw this Loan Agreement by providing Borrower with written notice of the termination. Within 60 days of the termination of this Loan Agreement by Lender, Borrower must repay the entire amount due under this Loan Agreement.

6. Optional Conversion: Lender shall have the option to convert any outstanding amount of the loan into equity within the Company. The conversion shall be at the option of both Parties, in writing, upon terms mutually agreeable to the Parties.

7. Default and Acceleration. If any payment required by this Note is not paid when due, and such non-payment continues for thirty (30) days after written notice from Lender, this Note shall be in default. Upon default, the entire principal amount outstanding and accrued interest thereon may be accelerated, at the option of the Holder. To exercise this option, Lender shall give Borrower a written Notice of Default and Acceleration specifying the amount of the nonpayment and/or the nature of the non-monetary default, and the date for payment of such nonpayment which date shall not be less than thirty (30) days for a monetary default and for cure of non-monetary default, from the date such Notice is mailed or otherwise delivered to Borrower. Borrower may reinstate the terms of this Note, as such was immediately before the Notice, by timely payment of the amount of nonpayment and/or timely cure of the non-monetary default as specified in the Notice of
Default and Acceleration. Unless so reinstated, the indebtedness shall bear interest at the increased rate of [DOH REDACTED] per annum from the date of the default. Lender shall be entitled to collect all reasonable costs and expenses of collection and/or suit, including, but not limited to, reasonable attorney fees.

_________________________
Borrower: [Signature]
Lender: [Signature]

8. Governing Law; Jurisdiction. This Note is to be governed according to the laws of Pennsylvania.

9. Binding Effect. This Note shall be binding upon Borrower and its successors and assigns and shall inure to the benefit of Lender, and any subsequent holders of this Note, and their successors and assigns.

10. Notice. All notices required or permitted in connection with this Note shall be given at the place and in the manner provided in the Loan Agreement for the giving of notices.

11. Business Purpose; Time. The undersigned hereby represents that the proceeds of the Revolving Line of Credit evidenced by this Note will be used for a commercial or business purpose. Time is of the essence with regard to the performance of the obligations of the Borrower in this Note and each and every term, covenant and condition herein by or applicable to Borrower.

12. Interpretation and Incorporation. As used in this Note, the term "Lender" shall include each subsequent transferee and/or owner of this Note, whether taking by endorsement or otherwise. As used in this Note, the word "include(s)" means "include(s), without limitation", and the word "including" means "including, but not limited to".

13. Multiple Counterparts. This Agreement may be executed in any number of counterparts and the signatures delivered by electronically or by telecopy, each of which shall be an original, with the same effect as
if the signatures thereto and hereto were upon the same instrument.

14. Entire Agreement. This Agreement contains the entire agreement between the parties with respect to the transactions herein, and there is no agreement or understanding, oral or written, which is not set forth herein. Except as set forth herein, no party is making any representation or warranty to any other party. This Agreement may be amended or modified only by written document signed by the parties.

15. Headings. Section headings are not to be considered a part of this Agreement and are not intended to be a full and accurate description of the contents hereof.

16. Warranty of Authority. The undersigned individually warrants and represents that they are authorized to execute this Agreement and to bind the Party for whom they are signing and that each such Party has taken all actions to authorize the execution of this Agreement and to perform the terms and conditions set forth herein including, without limitation, all applicable and necessary corporate action.

17. Unsecured Note. Lender hereby acknowledges that this Note and Loan Agreement is an unsecured revolving line of credit. This Note shall in no way indicate an ownership interest in any equipment, assets, or business owned in whole or in part by the Borrower.

3
Borrower: ___________ Lender: ___________

[Signature Page Follows]

4
Borrower: ___________ Lender: ___________
IN WITNESS WHEREOF, Borrower has duly executed this Note as of the day and year first above written.

BORROWER:
Brandywine Valley Patient Care, LLC
By: Name: Charles McCormick Title: President
By: Name: William McCormick Title: Chief Operating officer

[Lender's signature]

LENDER: David H Geiger III
By: [Lender's signature]

Borrower: [Borrower's signature] Lender: [Lender's signature]
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<td>Are Electronic Tracking System uploads entered correctly physically and electronically?</td>
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<td>Are reconciles completed everyday?</td>
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<td>Negative in Electronic Tracking System?</td>
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<td>Electronic Menus last updated?</td>
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<td>Are recreational taxes current in IMS?</td>
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<td>Are absence request forms filled correctly?</td>
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<td>Is the Camera Access filled correctly?</td>
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<td>Is the Camera authorized users up-to-date?</td>
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<td>Are dispensary questionnaires filled out for all current and potential clients?</td>
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<td>Is the emergency call list visible and up-to-date?</td>
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<td>Are all employee timesheets physically logged and on file?</td>
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<td>Are all employees signed-off of all training documents?</td>
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<td>Are all cameras operational?</td>
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<td>Have the scales been calibrated within a year?</td>
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<td>Is the security access list up-to-date?</td>
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<td>Is the security access log filled correctly?</td>
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<td>Is the waste log identical to the Waste report in Electronic Tracking System?</td>
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<td>Are all safety logs on file appropriately?</td>
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<td>Is the employee list up-to-date and correct?</td>
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<td>Are all incident reports logged on incident report forms and filed electronically and physically?</td>
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<td>Are sanitation logs for hand washing facilities, trash removal, and the office and retail store filled out correctly?</td>
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**Grade:** 80.00%
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<th>Physical Weight</th>
<th>INVENTORY TRACKING SYSTEM</th>
<th>IMS</th>
<th>Overall Accuracy of IMS</th>
<th>Variance ETS</th>
<th>Variance IMS</th>
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<th>Date</th>
<th>Coupon</th>
<th>Discrepancy</th>
<th>Who is at fault</th>
<th>Notes</th>
<th>Correct Coupons</th>
<th>Coupon Uses</th>
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<th>Manifests Listed in Electronic Tracking System (manifest number)</th>
<th>Physical Manifest on Hand</th>
<th>Physical Manifest Signed and Dated Correctly</th>
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New Team Member Checklist

EMPLOYEE INFORMATION

Name: ___________________________ Start date: ___________________________
Position: ___________________________ Manager: ___________________________

Application Process

- Application
- Resume
- First round interview
- Second round interview
- Offer Letter / Rejection

POLICIES

☐ Review key policies.

- Anti-harassment
  - Vacation and sick leave
  - FMLA/leaves of absence
  - Holidays
  - Time and leave reporting
  - Overtime
  - Performance reviews
  - Dress code
- Personal conduct standards
- Progressive disciplinary actions
- Security
- Confidentiality
- Safety
- Emergency procedures
- Visitors
- E-mail and Internet use

ADMINISTRATIVE PROCEDURES

☐ Review general administrative procedures.

- Two forms of Identification
- I-9 form
- Emergency Contact form
- Office/desk/work station
- Keys
- Mail (incoming and outgoing)
- Shipping (FedEx, DHL, and UPS)
- Business cards
- Purchase requests
- Email Account
- Employee Handbook
- NDA form
- Telephones
- Building access cards
- Conference rooms
- Picture ID badges
- Expense reports
- Office supplies

INTRODUCTIONS AND TOURS
☐ Give introductions to department staff and key personnel during tour.

☐ Tour of facility, including:
  ○ Restrooms
  ○ Mail rooms
  ○ Copy centers
  ○ Fax machines
  ○ Bulletin board
  ○ Parking
  ○ Printers
  ○ Office supplies
  ○ Kitchen
  ○ Coffee/vending machines
  ○ Cafeteria
  ○ Emergency exits and supplies

POSITION INFORMATION

☐ Introductions to team.
☐ Review initial job assignments and training plans.
☐ Review job description and performance expectations and standards.
☐ Review job schedule and hours.
☐ Review payroll timing, time cards (if applicable), and policies and procedures.

COMPUTERS

☐ Hardware and software reviews, including:
  ○ Email
  ○ Microsoft Office
  ○ Data on shared drives
  ○ Databases
  ○ Internet
DISPENSARY APPLICANT
New Hire Form

Name ________________________________

Date of Birth _____________________________

Date of Hire ______________________________

Social Security ____________________________

E-mail _________________________________

Phone _________________________________

Gender _________________________________

Starting Wage _____________________________

Position ________________________________
NON-DISCLOSURE AGREEMENT

THIS NON-DISCLOSURE AGREEMENT (the “Agreement”) is entered into on this ___ day of ____________, 2015 by and between; DISPENSARY APPLICANT (the “Disclosing Party”), and __________________________________________________________ with an address at __________________________________________________________ (the “Recipient” or the “Receiving Party”).

I. RECITALS

WHEREAS, the Recipient wishes to receive certain trade secrets, confidential and proprietary information (hereinafter collectively “information”) pertaining to the Disclosing Parties gardening methods, strategies, plans and other compilations of data. This exchange includes all communication of information between the parties in any form whatsoever, including visual, oral, written and machine readable form, pertaining to the above; and

WHEREAS, the Recipient wishes to receive the information for the sole purpose of __________________________________________________________; and

WHEREAS, the Disclosing Party is willing to disclose the information and the Recipient is willing to receive the information on the terms and conditions set forth herein.

THEREFOR, the Disclosing Party and the Recipient agree as follows:

1. That the disclosure of information by the Disclosing Party is in strictest confidence and thus the Recipient will:
   a. Not disclose to any other person the information and use at least the same degree of care to maintain the information secret as the Recipient uses in maintaining as secret its own secret information, but always at least a reasonable degree of care;
   b. USE THE INFORMATION ONLY FOR THE ABOVE LISTED PURPOSE
   c. Restrict disclosure of the information solely to those employees of the Recipient having a need to know such information in order to accomplish the purpose stated above;
   d. Advise each such employee, before he or she receives access to the information, of the obligations of the Recipient under this Agreement and require each such employee to maintain those obligations;
   e. Within thirty (30) days following the request of the Disclosing Party, return to the Disclosing Party all documentation, copies, notes, diagrams, computer memory media and other materials containing any portion of the information, or confirm to the Disclosing Party, in writing, the destruction of such materials; and
   f. Immediately upon sale of the Recipient or merger of the Recipient with a third party, return the Disclosing Party all documentation, copies, notes, diagrams, computer memory
media and other materials containing any portion of the information, or confirm to the 
Disclosing Party, in writing, the destruction of such materials.

2. This Agreement imposes no obligation on the Recipient with respect to any portion of 
the information received from the Disclosing Party which (a)(1) was known to the Recipient 
prior to disclosure by the Disclosing Party and (2) as to which the Recipient has no obligation not 
to disclose or use it, (b) is lawfully obtained by the Recipient from a third party under no 
obligation of confidentiality, (c) is or becomes generally known or available other than by 
unauthorized disclosure, (d) is independently developed by the Recipient, or (e) is generally 
disclosed by the Disclosing Party to third parties without any obligation to the third parties.

3. All information provided by the Disclosing Party to the Recipient shall be deemed 
CONFIDENTIAL.

4. The information shall remain the sole property of the Disclosing Party.

5. COMPANY DOES NOT MAKE ANY REPRESENTATION WITH RESPECT TO AND DOES NOT 
WARRANT ANY INFORMATION PROVIDED UNDER THIS AGREEMENT, BUT SHALL FURNISH SUCH 
IN GOOD FAITH WITHOUT RESTRICTING THE GENERALITY OF THE FOREGOING, THE DISCLOSING 
PARTY DOES NOT AKE ANY REPRESENTATIONS OR WARRANTIES, WHETHER WRITTEN OR ORAL, 
STATUTORY, EXPRESS OR IMPLIED WITH RESPECT TO THE INFORMATION WHICH MAY BE 
PROVIDED HEREUNDER, INCLUDING WITHOUT LIMITATION, ANY WARRANTY OF 
MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE. THE DISCLOSING PARTY SHALL 
NOT BE LIABLE FOR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY NATURE 
WHATSOEVER RESULTING FROM RECEIPT OR USE OF THE INFORMATION BY THE RECIPIENT.

6. In the event of a breach or threatened breach or intended breach of this Agreement by 
the Recipient, the Disclosing Party, in addition to any other rights and remedies available to it at 
law or in equity, shall be entitled to preliminary and final injunctions, enjoining and restraining 
such breach or threatened breach or intended breach.

7. The validity, construction and performance of this Agreement are governed by the laws 
of the State of Colorado.

8. The rights and obligations of the parties under this Agreement may not be sold, assigned 
or otherwise transferred.

9. If any arbitration, litigation or other legal proceeding relating to this Agreement occurs, 
the prevailing party shall be entitled to recover from the other party (in addition to any other 
relief awarded or granted) its reasonable costs and expenses, including attorney’s fees, incurred 
in the proceeding.

This Agreement is binding upon the Disclosing Party and the Recipient and upon the directors, officers, 
employees and agents of each. This Agreement is effective as of the later date of execution and will 
continue indefinitely, unless terminated on thirty (30) days written notice by either party. However, the
Recipients obligations of confidentiality and restrictions on use of the information disclosed by the Disclosing Party shall survive termination of this Agreement.

**DISPENSARY APPLICANT (The “Disclosing Party”)**

By: ________________________________  Date:  ___________________
Title: ______________________________

**The Recipient**

DISPENSARY APPLICANT: ________________________________

By: ________________________________  Date:  ___________________
  **Signature**
  ______________

  **Print Name**

Title: ______________________________
LIMITED LIABILITY COMPANY AGREEMENT

OF

DISPENSARY APPLICANT

This Limited Liability Company Agreement (the “Agreement”) of a limited liability company organized under the laws of the Commonwealth of Pennsylvania (the “Company”), made as of the ___ day of March, 2017 is entered into by and among (the “Manager”) and each of the other parties hereto on the date hereof, as Members, and such other parties who may become Members of the Company in accordance herewith, all as named from time to time on the books and records of the Company and as shall be identified on the Members’ Schedule maintained by the Manager as amended from time to time in accordance herewith (each, a “Member” and, collectively, the “Members”) and and (collectively referred to herein as the “Initial Class B Members”)

BACKGROUND

WHEREAS, the Company was formed under the laws of the Commonwealth of Pennsylvania by the filing of a Certificate of Organization (the “Certificate”) with the Department of State of the Commonwealth of Pennsylvania on February 3, 2017 and the Company was formed pursuant to and in accordance with the Act (as defined below); and

WHEREAS, the Members desire to enter into this Agreement setting forth the terms and conditions governing the operation and management of the Company.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Members and the Manager, intending to be legally bound hereby, agree as follows:

ARTICLE I

DEFINITIONS

For purposes of this Agreement, the following terms not defined elsewhere have the following meanings:

“Act” means the Pennsylvania Limited Liability Company Act of 1994, as amended from time to time.

“Additional Member” has the meaning set forth in Section 4.1(b).

“Adjusted Capital Account Deficit” means, with respect to any Member, the deficit balance, if any, in such Member’s Capital Account as of the end of the relevant Fiscal Year, after giving effect to the following adjustments:

(i) Credit to such Capital Account any amounts which such Member is obligated to restore pursuant to any provision of this Agreement or is deemed obligated to restore pursuant to the penultimate sentences of Regulation §§1.704-2(g)(l) and 1.704-2(i)(5); and

The foregoing definition of “Adjusted Capital Account Deficit” is intended to comply with the provisions of §1.704-1(b)(2)(ii)(d) of the Regulations and shall be interpreted consistently therewith.

“Affected Member” has the meaning set forth in Section 16.1.

“Affected Member’s Appraisal” has the meaning set forth in Section 16.2.

“Affected Member’s Appraiser” has the meaning set forth in Section 16.2.

“Affiliate” means a Family Member or a trust for the benefit of such Member or other Person or for the benefit of a Family Member of such Member or other Person, or any Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with such Member or other Person. For the purpose of this definition, the term “control” means, with respect to any Person, the beneficial ownership of more than 50% of the equity or voting interests in such Person.

“Aggregate Capital Contribution” means, with respect to any Member, such Member’s initial Capital Contribution to the Company, plus all additional Capital Contribution(s) to the Company by such Member, less any return of capital by the Company to such Member.

“Agreement” has the meaning set forth in the preamble.

“Applicable Law” means all applicable provisions of: (a) constitutions, treaties, statutes, laws (including the common law), rules, regulations, decrees, ordinances, codes, proclamations, declarations or orders of any Governmental Authority, (b) any consents or approvals of any Governmental Authority, and (c) any orders, decisions, advisory or interpretative opinions, injunctions, judgments, awards, decrees of, or agreements with, any Governmental Authority.

“Approved Sale” has the meaning set forth in Section 12.3(a).

“Award Agreement(s)” has the meaning set forth in Section 4.2(c)(iv).

“Bankruptcy” means an adjudication of bankruptcy or the entry of an order for relief or the filing of a voluntary case or petition under the federal bankruptcy law or any state or local bankruptcy law, and, in addition, any other status constituting bankruptcy within the meaning of the Act.

“Business” means the pursuit of Licenses and/or the identification, development and operation of licensed cannabis dispensaries in the Commonwealth of Pennsylvania.

“Cannabis Act” means PA Senate Bill 3, as amended or supplemented from time to time, all laws, rules and regulations promulgated thereunder, and any successor laws, rules and regulations thereto.

“Capital Account” has the meaning set forth in Section 4.5.

“Capital Contribution” means the amount of money and the agreed fair market value of other property (net of any liabilities secured by such property that the Member is considered to assume or take subject to under Code Section 752) contributed by a Member to the Company pursuant to this Agreement.

“Cause” means an act of fraud or willful misconduct by the Manager in the performance of its duties as Manager under this Agreement, provided that an action will not be deemed “willful”
unless done or omitted to be done by the Manager not in good faith and without reasonable belief that its action or inaction was in the best interest of the Company.

“Certificate” has the meaning set forth in the Background.

“Class” has the meaning set forth in Section 4.2.

“Class A Member” means a Member who owns Class A Units. For the avoidance of doubt, any reference herein to a Class A Member shall apply only to such Member’s ownership of Class A Units and not to any other Units such Member may own.

“Class A Unit” has the meaning set forth in Section 4.2(a).

“Class B Member” means a Member who owns Class B Units. For the avoidance of doubt, any reference herein to a Class B Member shall apply only to such Member’s ownership of Class B Units and not to any other Units such Member may own.

“Class B Unit” has the meaning set forth in Section 4.2(b).

“Class C Unit” has the meaning set forth in Section 4.2(c).

“Class C Liquidation Value” means, as of the date of determination and with respect to the relevant series of Class C Units to be issued, the aggregate amount that would be distributed to the Members pursuant to Section 8.2 if, immediately prior to the issuance of the relevant series of Class C Units, the Company sold all of its assets for Fair Market Value and immediately liquidated, the Company’s debts and liabilities were satisfied, and the proceeds of the liquidation were distributed pursuant to Section 11.3.

“Code” means the Internal Revenue Code of 1986, as it may be amended or replaced from time to time.

“Commitment” means, with respect to any Member, the total Capital Contribution agreed to be made by such Member pursuant to the purchase of such Member’s Units in the Company, as set forth in the Subscription Agreement executed by such Member and reflected on the Schedule of Members, as amended from time to time in accordance herewith, unreduced by Capital Contributions.

“Company Appraisal” has the meaning set forth in Section 16.2.

“Company Business” has the meaning set forth in Section 2.3.

“Company Minimum Gain” has the meaning set forth in sections 1.704-2(b)(2) and 1.704-2(d) of the Regulations.

“Company Profits” and “Company Losses” means, for each fiscal year or other period, an amount equal to the Company’s taxable income or loss for such year or period, determined by the Company’s accountants in accordance with Section 703(a) of the Code (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 shall be included in taxable income or loss), with the following adjustments:

(i) Such taxable income or loss shall be increased by the amount of all income during such period that is exempt from U.S. federal income tax and not otherwise taken into account in computing Company Profit or Company Loss pursuant to this paragraph;

(ii) Such taxable income or loss shall be decreased by the amount of all expenditures made by the Company during such period which are described in Section 705(a)(2)(B)
or treated as so described pursuant to Regulations Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Company Profit or Company Loss pursuant to this paragraph;

(iii) In the event that the Gross Asset Value of any Company asset is adjusted pursuant to this Agreement, the amount of such adjustment shall be treated as an item of gain or loss from the disposition of such asset and shall be taken into account for purposes of computing Company Profit or Company Loss;

(iv) Gain or loss resulting from any disposition of property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Gross Asset Value of the property disposed of, notwithstanding that the adjusted tax basis of such property differs from its Gross Asset Value;

(v) In lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such year, computed in accordance with the definition of “Depreciation”; and

(vi) Any items which are specially allocated pursuant to the provisions of Section 7.2 shall not be taken into account in computing Company Profit or Company Loss.

“Convertible Securities” has the meaning set forth in Section 13.1(a).

“Company Subsidiary” means any Person: (i) more than 50% of the outstanding voting securities of which are at the time controlled directly or individually by the Company or (ii) with respect to which the Company possesses, directly or indirectly, control over the management and affairs of such Person.

“Compelled Member” has the meaning set forth in Section 12.3(a).

“Depreciation” means, for each year, an amount equal to the depreciation, amortization, or other cost recovery deduction allowable with respect to an asset for such year, except that if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such year, Depreciation shall be an amount that bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization, or other cost recovery deductions for such year bears to such beginning adjusted tax basis, provided, however, that if the adjusted basis for federal income tax purposes of an asset at the beginning of such year is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the Manager.

“Distributable Cash” means, for any period, all cash and cash equivalents of the Company received during such period plus any cash on hand at the beginning of such period, minus the sum of: (a) all expenditures paid by the Company during the period (excluding depreciation or other noncash expenses, but including capital expenditures), (b) any amortization of principal payments made on any loan of the Company, (c) an amount necessary to pay all liabilities of the Company then due and owing, including, without limitation, all loans to the Company and all advances made by any Member to the Company, and (d) reserves of the Company for the operation of the Company’s business, liabilities of the Company not yet due and future or contingent liabilities of the Company, and future growth, acquisition and expansion needs of the Company as the Manager may reasonably determine in good faith to be necessary or appropriate in its sole and absolute discretion. Notwithstanding the preceding sentence, Capital Contributions shall not be taken into account in computing Distributable Cash for any period.
“Election Notice” has the meaning set forth in Section 13.3.

“Excluded Units” means (i) any Units issuable pursuant to any reclassification or subdivision of, or as a dividend or other distribution on, the Units, (ii) any Units issuable as consideration for the acquisition by the Company of another business entity or interest therein (including, without limitation, a joint venture or strategic alliance) by merger, stock purchase, purchase of substantially all the assets or other business combination or investment, (iii) any Units issuable to directors, officers, employees or consultants of the Company as compensation in connection with their service to the Company, including under equity incentive plans or as profits interests and (iv) any Units issuable to lessors, financial institutions or similar entities, or other Persons, in each case, primarily for business purposes, including licensing or research or development activities, provided that the principal purpose of such transaction is not to raise capital through the issuance or sale of equity securities.

“Fair Market Value” as of any date means the purchase price that a willing buyer having all relevant knowledge would pay a willing seller in an arm’s-length transaction, as determined by the Manager in its sole and absolute discretion based on such factors as the Manager considers relevant.

“Family Member” means with respect to any Member or other Person, the spouse, lineal descendant, ancestor or sibling (whether by blood or adoption), or the spouse of such lineal descendant, ancestor or sibling (whether by blood or adoption), of such Member or other Person.

“Fiscal Year” means the taxable year which, unless the Code requires a different period, is (i) the calendar year, or (ii) any portion of the period described in clause (i) of this sentence for which the Company is required to allocate Company Profit, Company Loss and other items of Company income, gain, loss or deduction pursuant to Article VII.

“Gross Asset Value” means, with respect to any asset, the asset’s adjusted basis for federal income tax purposes, except as follows:

(i) The initial Gross Asset Value of any asset contributed by a Member to the Company shall be the gross fair market value of such asset, as determined by the Manager in its reasonable discretion;

(ii) The Gross Asset Values of all the Company Assets shall be adjusted to equal their respective gross fair market values (taking Code Section 7701(g) into account), as determined by the Manager in its reasonable discretion as of the following times: (A) the acquisition of an additional Unit in the Company by any new or existing Member, (B) the distribution by the Company to a Member of more than a de minimis amount of Property with respect to the repurchase of a Unit by the Company, (C) the liquidation of the Company within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g), and (D) upon the withdrawal of a Member from the Company; provided, however, that an adjustment described in subparagraphs (A) and (B) and (D) of this paragraph shall be made only if the Manager reasonably determines that such adjustment is necessary to reflect the relative economic interests of the Members in the Company;

(iii) The Gross Asset Value of any item of the Company Assets distributed to any Member shall be adjusted to equal the gross fair market value (taking Code Section 7701(g) into account) of such asset on the date of distribution as determined by the Manager in its reasonable discretion; and
(iv) The Gross Asset Values of the Company Assets shall be increased or decreased to reflect any adjustments to the adjusted basis of such assets pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m).

(v) If the Gross Asset Value of an asset has been determined or adjusted pursuant to subparagraph (i), (ii) or (iv) above, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Company Profits and Company Losses.

“Governmental Authority” means the Commonwealth of Pennsylvania, any county, city or political subdivision thereof, or any agency or instrumentality of the Commonwealth of Pennsylvania or such county, city or political subdivision, or any Pennsylvania state court of competent jurisdiction.

“Initial Notice” has the meaning set forth in Section 12.2.

“Involuntary Transfer” means an event such that the Units owned by any Member shall be subject to sale or other transfer by reason of (a) Bankruptcy proceedings, whether voluntary or involuntary, (b) distribution of marital property following divorce, or (c) distraint, levy, execution or other involuntary transfer.

“Issuance Notice” has the meaning set forth in Section 13.2.

“License” means any dispensary license contemplated for issuance at any time under the Cannabis Act.

“Liquidation Event” means a liquidation of the Company or any other corporate transaction by which the Company disposes of substantially all of its assets, incorporates or merges or consolidates into another company.

“Manager” has the meaning set forth in Section 3.1.

“Member Nonrecourse Debt” has the meaning set forth in section 1.704-2(b)(4) of the Regulations.

“Members’ Schedule” has the meaning set forth in Section 4.1.

“Member Nonrecourse Debt Minimum Gain” means an amount, with respect to each Member Nonrecourse Debt, equal to the Company Minimum Gain that would result if such Member Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with section 1.704-2(i)(3) of the Regulations.

“Member Nonrecourse Deductions” has the meaning set forth in sections 1.704-2(i)(l) and 1.704-2(i)(2) of the Regulations.

“Membership Interest” means the right and interest of a Member in the Company to any and all benefits to which such Member may be entitled under the Act and this Agreement (based on the type, class and series of Unit or Units held by such Member), including, but not limited to: (a) the transferring interest and governance interest, (b) voting rights of a Member, (c) rights of a Member in distributions, and (d) allocations of Profits and Losses, together with all obligations of such Member to comply with the terms and provisions of this Agreement.

“Nonrecourse Deductions” has the meaning set forth in sections 1.704-2(b)(1) and 1.704-2(c) of the Regulations.
“Nonrecourse Liability” has the meaning set forth in section 1.704-2(b)(3) of the Regulations.

“Non-Transferring Member” has the meaning set forth in Section 12.2.

“Offer” has the meaning set forth in Section 12.2.

“Offeree” has the meaning set forth in Section 13.1(a).

“Offered Interests” has the meaning set forth in Section 12.2.

“Offered Securities” has the meaning set forth in Section 13.1(a).

“Offering Expenses” shall mean any fees, costs or expenses incurred in connection with the offering of Membership Interests, including, without limitation, printing, travel, filing fees, legal and accounting fees and expenses.

“Participating Member” has the meaning set forth in Section 13.1(b).

“Percentage Interest” means (a) with respect to a particular Class or Series of Units, a Member’s holding of such Units or Series of Units expressed as a fraction, the numerator of which is the number of Units of such Class or Series of which such Member is the record owner divided by the aggregate number of issued and outstanding Units of such Class or Series, and (c) with respect to all Units (irrespective of Class or Series), a Member’s holding of Units expressed as a fraction, the numerator of which is the number Units of which such Member is the record owner divided by the aggregate number of issued and outstanding Units; provided that Restricted Class C Units shall not be included in any such calculation of Percentage Interest.

“Permitted Transfer” means any sale, assignment or other transfer of any portion of a Member’s Membership Interest (i) to another Member; (ii) to a Family Member or a trust for the benefit of such Member or such Member’s Family Member; (iii) to a Member’s beneficial owners; or (iv) to a Person which is established solely for a Member’s estate planning purposes and is under the control of such Member and/or such Member’s Family Member, each such transaction being a “Permitted Transferee”). For the purpose of this definition, the term “control” means, with respect to any Person, the beneficial ownership of 100% of the equity or voting interests in such Person.

“Person” means any person, firm, corporation, general partnership, limited partnership, limited liability company, limited liability partnership, association, trust, estate, custodian, nominee, joint venture, foreign business organization or other individual or entity.

“Prime Rate” means the prime rate of interest published from time to time in The Wall Street Journal.

“Profits Interest” has the meaning set forth in Section 4.2(c)(ii).

“Project” means the pursuit of cannabis dispensary licenses, and the identification, development and operation of cannabis dispensary facilities in the Commonwealth of Pennsylvania.

“Redeemed Units” has the meaning set forth in Section 16.1.

“Redemption” has the meaning set forth in Section 16.1.

“Redemption Notice” has the meaning set forth in Section 16.1.

“Redemption Price” has the meaning set forth in Section 16.2.

“Redemption Trigger” has the meaning set forth in Section 16.1.
“Regulations” means the proposed, final or temporary regulations promulgated from time to time by the United States Treasury Department under the Code.

“Regulatory Allocations” has the meaning set forth in Section 7.2.

“Required Records” has the meaning set forth in Section 10.1.

“Restricted Class C Units” has the meaning set forth in Section 4.2(c)(iv).

“Return Notice” has the meaning set forth in Section 12.2.

“Safe Harbor Election” has the meaning set forth in Section 4.2(c)(iii).

“Schedule of Members” shall mean a list of the name, address and Commitment, if applicable, of the Manager and each Member, a copy of which shall be made available to any requesting Member.

“Series” has the meaning set forth in Section 4.2(c)(i).

“Service Providers” has the meaning set forth in Section 4.2(c).

“Subscription Agreement” shall mean the subscription agreements entered into by the Company and the Manager with the Members in connection with their purchase of Member Interests.

“Target Balance” has the meaning set forth in Section 7.1.

“Tax Distributions” shall have the meaning set forth in Section 8.1 hereof.

“TMP” has the meaning set forth in Section 10.3.

“Transferring Member” has the meaning set forth in Section 12.2.

“Unit” or “Units” has the meaning set forth in Section 4.2.

“Unsuitability Event” means, with respect to a particular Member: (a) the Manager determines, in its sole and absolute discretion, that the Company’s affiliation with the Member or any of its Affiliates or equity holders may: (i) threaten the ability of the Company or the Project to obtain or retain any license, permit, approval or other entitlement that the Company or the Project holds or applies for in any jurisdiction, (ii) violate any Applicable Law, or (iii) harm the business and affairs of the Project; (b) the Company or any of its Affiliates or equity holders, receives correspondence or information from any Governmental Authority or any other governmental authority or agency indicating that the Member or any of its Affiliates or equity holders is not suitable to hold a direct or indirect equity interest in the Company under Applicable Law; or (c) the Manager determines, in its sole and absolute discretion, that the Member or any of its equity holders has breached any of the representations, warranties, covenants or agreements set forth in Section 9.1, Section 9.2 or Section 9.3 of this Agreement.

“Voting Members” means the Class A Member and Class B Members.

“Voting Units” means Class A Units and Class B Units.

ARTICLE II

CONTINUATION OF LIMITED LIABILITY COMPANY

2.1 Formation. The Company was formed on February 3, 2017, as a limited liability company under the laws of the Commonwealth of Pennsylvania. The Certificate is on file in the
office of the Secretary of State of the Commonwealth of Pennsylvania. The rights and liabilities of
the Members shall be as provided under the Act, the Certificate and this Agreement.

2.2 **Name.** The name of the Company is [DISPENSARY APPLICANT] and all
business of the Company shall be conducted in such name.

2.3 **Purpose.** The purpose of the Company is (a) to engage in the Project (the
"Company Business"), and (b) engaging in any lawful act or activity for which limited liability
companies may be formed under the Act.

2.4 **Location.** The principal place of business of the Company is [COMPANY LOCATION]
or such other principal place of business as the Manager may from time to time determine. The Company may have, in addition to such office, such other offices
and places of business at such locations, both within and outside of the Commonwealth of
Pennsylvania, as the Manager may from time to time determine.

2.5 **Registered Office.** The Company’s registered office is c/o [COMPANY LOCATION]. The registered office of the Company may be changed from
time to time by filing the necessary documents pursuant to the Act.

2.6 **Qualifications.** The Manager shall qualify the Company to do business in each
jurisdiction where the activities of the Company make such qualification necessary or where it is
necessary in order to preserve the limited liability of the Members. The Manager may appoint agents
for service of process in all other jurisdictions in which the Company shall conduct business.

2.7 **Term.** The Company will have perpetual existence unless dissolved in accordance
with the terms of this Agreement.

**ARTICLE III**

**MANAGEMENT**

3.1 **Management of the Company.** The powers of the Company shall be exercised by
and under the authority of, and the business and affairs of the Company shall be managed under the
direction of, a manager (the "Manager"). Except as specifically authorized by the Manager, no
Member, in its capacity as such, shall have the authority to bind the Company. The initial Manager shall be [DISPENSARY APPLICANT]

3.2 **Powers of the Manager.** Except as otherwise provided herein, the Manager (acting
on behalf of the Company) shall have the right, power and authority in the management of the
business and affairs of the Company to do or cause to be done any and all acts, at the expense of the
Company, deemed by the Manager to be necessary or appropriate to effectuate the business, purpose
and affairs of the Company. The power and authority of the Manager shall include, without
limitation, the power and authority on behalf and at the expense of the Company to do the following:

(a) Admit an Additional Member, or approve the resignation or withdrawal of a
Member, or approve the sale, assignment, encumbrance or other transfer of all or any portion of a
Member’s Units, in accordance with this Agreement.

(b) Create additional Classes or Series of Units of the Company.

(c) Deal with the assets of the Company for all proper Company purposes and
authorize the execution, delivery, performance and carrying out of any and all contracts and
agreements for such purposes.
(d) Acquire for Company purposes, by purchase, lease or otherwise, any property or assets of any kind and character, including but not limited to Investments, and take title thereto in the name of the Company or in the name of any Person, as nominee, to hold for the account of the Company.

(e) Apply proceeds of any sale, exchange, or mortgage, pledge or other disposition of Company assets to payment of liabilities of the Company and/or pay, collect, compromise, arbitrate or otherwise adjust any and all other claims or demands of or against the Company or hold such proceeds against the payment of contingent liabilities, known or unknown.

(f) Purchase and maintain, at the expense of the Company, liability, indemnity and any other insurance (including, without limitation, errors and omissions insurance and insurance to cover the obligations of the Company under Article XIII hereof), sufficient to protect the Company, the Manager, the Members, the officers or any other Person, from those liabilities and hazards which may be insured against in the conduct of the business and in the management of the business and affairs of the Company.

(g) Borrow money or obtain credit in such amounts, on such terms and conditions, at such rates of interest and upon such other terms and conditions as the Manager deems appropriate, from banks, other lending institutions or any other Person, including the Members, for any purpose of the Company, and in connection with such loans, pledge, assign or otherwise encumber or alienate any or all of the Company assets, including any income therefrom, to secure or provide for the repayment thereof. As between any lender and the Company, it shall be conclusively presumed that the proceeds of such loans are to be and will be used for the purposes authorized herein and that the Manager has the full power and authority to borrow such money and to obtain such credit.

(h) Assume obligations, enter into contracts, including contracts of guaranty or suretyship, incur liabilities, lend money and otherwise use the credit of the Company to secure any of the obligations, contracts or liabilities of the Company, by mortgage, pledge or other encumbrance of all and any part of the property and income of the Company.

(i) Make, execute, assign and acknowledge on behalf of the Company any and all documents or instruments of any kind which the Manager may deem necessary or appropriate in carrying out the purposes and business of the Company, including, without limitation, powers of attorney, indemnification agreements, contracts of sale, deeds, options, loan obligations, mortgages, deeds of trust, notes, documents or instruments of any kind or character, and amendments thereto, any of which may contain confessions of judgment against the Company. Any person dealing with the Manager shall not be required to determine or inquire into the authority or power of the Manager to bind the Company or to execute, acknowledge or deliver any and all documents in connection therewith.

(j) Invest funds of the Company in interest-bearing accounts and investments including, without limitation, obligations of the federal, state and local governments and their agencies, mutual funds (including money market funds), time deposits, commercial paper and certificates of deposit of commercial banks, savings banks or savings and loan associations.

(k) Make any election on behalf of the Company as is or may be permitted under the Code or under the taxing statute or rule of any state, local, foreign, or other jurisdiction, and to supervise the preparation and filing of all tax and information returns which the Company may be required to file.
(l) Request, demand, collect and receive all payments due to the Company, institute legal proceedings in the name of the Company for the collection thereof, settle or compromise all such legal proceedings and any other disputes with respect thereto, and incur such expenses in connection therewith as the Manager shall determine to be necessary or appropriate, which expenses may include the costs of counsel for any such matter.

(m) Employ and engage agents, employees, advisers, consultants and counsel (including any custodian, investment adviser, accountant, attorney, corporate fiduciary, bank or other financial institution or any other agents, employees or Persons who may serve in such capacity for the Manager) to carry out any activities which the Manager is authorized or required to carry out or conduct under this Agreement, including, without limitation, a Person who may be engaged to undertake some or all of the management, financial accounting and record keeping or other duties of the Manager, to indemnify such Persons against liabilities incurred by them in acting in such capacities on behalf of the Company, and to rely on the advice given by such Persons, it being agreed and understood that the Manager shall not be responsible for any acts or omissions of any such Persons and shall assume no obligations in connection therewith other than the obligation to use due care in the selection thereof.

(n) Qualify the Company to do business in any state, territory, dependency or foreign country.

(o) In general, exercise in full all of the powers of the Company, and do any and all acts and conduct all proceedings and execute all rights and privileges, contracts and agreements of any kind whatsoever, although not specifically mentioned in this Agreement, that the Manager, in its sole discretion, may deem necessary or appropriate to the conduct of the business and affairs of the Company or to carry out the purposes of the Company. The expression of any power or authority of the Manager in this Agreement shall not in any way limit or exclude any other power or authority which is not specifically or expressly set forth in this Agreement.

3.3 Powers Reserved by the Members.

(a) Without the consent of the Voting Members holding a majority of the Percentage Interests of the Voting Units, the Manager shall not have the authority on behalf of the Company to:

(i) do any willful act in contravention of this Agreement;

(ii) perform any act that would subject the Members to personal liability in any jurisdiction;

(iii) take any action, including but not limited to, the filing of an IRS Form 8832, Entity Classification Election, which would cause the Company to be taxed other than as a “partnership” for federal income tax purposes.

(b) In addition to the powers reserved by the Members according to this Section 3.3(a), the Manager shall not alter in any material respect the rights and preferences of any existing Class or Series of Units of the Company without the prior written consent of the Member(s) holding a majority of the Class or Series of Units adversely affected thereby.

3.4 Selection and Term of Service. The Manager may be removed by consent of the Voting Members for Cause or upon the sale of a majority of the voting or economic interests in the Manager (if not a natural person) to a third party not otherwise a Permitted Transferee or upon the death or disability of the Manager if a natural person. Any vacancy occurring in the office of the Manager resulting from the dissolution, resignation or removal of the Manager shall be filled by
selection at any annual or special meeting of the Voting Members called for such purpose. The Manager selected to fill a vacancy shall be selected for the term specified by the Members at such meeting.

3.5 **Transactions With Interested Persons.** No transaction between the Company and one or more of its Members, Manager or officers or between the Company and any other business entity in which one or more of its Members, Manager or officers has an interest shall be void or voidable solely for this reason, or solely because the Member, Manager or officer is present at or participates in the meeting which authorizes the contract or transaction, or solely because his or their votes are counted for such purpose.

3.6 **Compensation and Reimbursement of the Manager.** The Manager shall not be entitled to compensation for serving as Manager, but the Manager shall be entitled to certain fees for providing services to the Company other than in its capacity as the Manager and to reimbursement for reasonable third party expenses (but not overhead expenses) incurred in managing the Company.

3.7 **Time Devoted to Company.** The Manager shall devote such time to the Company business as it deems necessary to manage and supervise the Company business and affairs in an efficient manner; but nothing in this Agreement shall preclude the employment of any agent, third party or affiliate to manage or provide other services with respect to the Company’s assets or business as the Manager shall determine.

3.8 **Liability of a Manager.** The Manager shall not be liable for the debts, liabilities, contracts or other obligations of the Company. Neither the Manager nor any officer, member, employee, agent, representative or Affiliate of the Company or the Manager shall have any liability to the Company or any Member for any loss, cost or expense suffered or incurred by the Company or any Member that arises out of or relates to any action or inaction of any of the Manager or other Person if such action or omission to act was undertaken in good faith upon a determination that such course of conduct did not constitute gross negligence or willful misconduct on the part of the Manager or other Person.

**ARTICLE IV**

**CAPITAL MATTERS AND MEMBERSHIP**

4.1 **Membership Interests; Additional Members.**

(a) The Membership Interests of the Members shall be represented by issued and outstanding Units, which may be divided into one or more types, classes or series. Each type, class or series of Units shall have the privileges, preferences, duties, liabilities, obligations and rights, including voting rights, if any, set forth in this Agreement with respect to such type, class or series. The Company is hereby authorized, subject to Article XIII, to authorize and issue or sell to any Person any new type, class or series of Units not otherwise described in this Agreement. The Manager is hereby authorized subject to Article XIII, to amend this Agreement to reflect such issuance and to fix the relative privileges, preferences, duties, liabilities, obligations and rights of any such Units, including the number of such Units to be issued, the preferences (with respect to Distributions, in liquidation or otherwise) over any other Units, and any contributions required to be made in connection therewith. The Manager shall maintain a schedule of all Members, their respective mailing addresses and the amount and series of Units held by them, the form of which is attached hereto as Schedule A (the “Members’ Schedule”), and shall update the Members’ Schedule upon the issuance or Transfer of any Units to any new or existing Member. A copy of the Members’ Schedule as of the execution of this Agreement is attached hereto as Schedule A.
(b) **Admission of Members.** The Manager may, from time to time, after the date hereof and subject to Section 12.2 hereof, permit any existing Member to increase its Commitment or admit one or more new Members (“Additional Member†”). Each such Additional Member shall execute and deliver to the Company a counterpart of this Agreement and a Subscription Agreement, thereby evidencing such Additional Member’s agreement to be bound by and comply with the terms and provisions hereof as if such Additional Member was an original signatory to this Agreement, and the Schedule of Members shall be amended to reflect such Additional Member’s Commitment and admission to the Company and the additional Commitment of any existing Member. The Manager will determine the price at which the Company’s Units will be sold by the Company.

4.2 **Units.** The Company’s Membership Interests shall initially be divided into three separate and distinct classes of Units (“Units”) in the Company (each, a “Class” of Units), each of which shall carry the rights, preferences and privileges set forth herein.

(a) **Class A Units.** The Company is hereby authorized to issue a class of Units designated as “Class A Units” and as of the date hereof, 2,500 Class A Units are authorized and 1,300 Class A Units are issued and outstanding to the Class A Member in the amounts set forth on the Members’ Schedule opposite each Class A Member’s name. The Class A Member shall have one vote for each Class A Unit held on all matters required to be voted on by the Members.

(b) **Class B Units.** The Company is hereby authorized to issue a class of Units designated as “Class B Units” and as of the date hereof, 2,000 Class B units are authorized and 650 Class B Units are issued and outstanding. Class B Units shall be nonvoting and except as provided in Section 3.3(b), Members holding Class B Units shall not be entitled to vote on any matter submitted to a vote of the Members, either individually or as a class or series, in respect of the Class B Units owned by them.

(c) **Class C Units.**

(i) The Company is hereby authorized to issue a class of Units designated as “Class C Units”, which shall be denominated in one or more series (“Series”) (Series C-1, Series C-2, etc.) to Members, Managers, officers, employees, consultants or other service providers of or to the Company or any Company Subsidiary (collectively, without regard to whether the recipient personally provides services to the Company or any Company Subsidiary, “Service Providers”), on such terms and conditions as the Manager may determine in its sole and absolute discretion from time to time. The Company is hereby authorized to issue 500 Class C Units and as of the Effective Date, no Class C Units were issued and outstanding.

(ii) Class C Units are intended to constitute “partnership interests transferred in connection with the performance of services” within the meaning of the “safe harbor” proposal expressed in Notice 2005-43 or Proposed Regulation Section 1.83-3(l) (the “Proposed Safe Harbor”) to the extent the Internal Revenue Service hereafter finalizes or permits taxpayers to rely on the Proposed Safe Harbor. Class C Units shall have an initial Capital Account equal to zero and have rights to and limitations on distributions such that, upon issuance, such Units (within the reasonable judgment of the Manager) constitute “Profits Interests” for United States federal income tax purposes, including by establishing a Class C Liquidation Amount for each Series of Class C Units denominated pursuant to this Agreement that must be made with respect to all or one or more specified classes of equity interests outstanding immediately prior to the issuance of such Series before the holders thereof may receive any distributions pursuant to Section 11.3. Issuances of Class C Units pursuant to this Section 3.2(c) are intended to be nontaxable to their recipients to the fullest extent permitted by law. The recipient of a Class C Unit that is subject to a substantial risk of forfeiture within the meaning of Section 83 of the Code shall be entitled to make an election under
Section 83(b) of the Code reporting a zero value for the Class C Unit. The Company and all Members shall (i) treat such Class C Units as outstanding for tax purposes, (ii) treat such holder of Class C Units as a member of the Company for U.S. Federal income tax purposes with respect to such Class C Units, and (iii) file all U.S. Federal tax returns and reports consistently with the foregoing. Notwithstanding anything contained in this Section 3.2(c), none of the Company or any Member makes any representation as to the tax consequences of the issuance of the Class C Units pursuant to this Section 3.2(c). The Manager shall have the power to amend the provisions of this Section 3.2(c) to achieve the “profits interest” treatment intended by this Agreement, including that any Class C Units that are granted in exchange for services provided or to be provided to the Company are intended to be “profits interests” when issued for United States federal income tax purposes.

(iii) The Members agree that, in the event the Internal Revenue Service finalizes the regulations set forth in or permits taxpayers to rely on the Proposed Safe Harbor, the Company shall be authorized and directed to make the election described therein (the “Safe Harbor Election”), and the Company and each Member (including any person to whom an interest in the Company is transferred in connection with the performance of services) agrees to comply with all requirements of the Safe Harbor with respect to all interests in the Company transferred in connection with the performance of services while the Safe Harbor Election remains effective. The TMP shall be authorized to prepare, execute, and file the Safe Harbor Election.

(iv) In connection with the issuance of any Series of Class C Units, the Manager is hereby authorized to negotiate and enter into grant or award agreements with each Service Provider to whom it grants such Series (such agreements, “Award Agreements”). Each Award Agreement shall include such terms, conditions, rights and obligations as may be determined by the Manager, in its sole and absolute discretion, consistent with the terms herein. The Manager shall establish the Class C Liquidation Amount and such vesting criteria for the Class C Units as it determines in its sole and absolute discretion and shall include such Class C Liquidation Amount and vesting criteria in the applicable Award Agreement for any grant of a Series. As used in this Agreement, any Class C Units that have not vested pursuant to the terms of an Award Agreement are referred to as “Restricted Class C Units.” Class C Units shall be nonvoting and except as provided in Section 3.3(b), Members holding Class C Units shall not be entitled to vote on any matter submitted to a vote of the Members, either individually or as a class or series, in respect of the Class C Units owned by them. The Class C Units will be junior in liquidation, redemption and other rights and preferences to other Units to the extent set forth herein or in an Award Agreement.

4.3 Certificates. At the discretion of the Manager, the Units in the Company may be represented by a certificate. The exact contents of a certificate shall be determined by the Manager.

4.4 Ownership Exhibit.

(a) The name and present mailing address of each Member, the current number and Class or Series of Units held by each Member and the Percentage Interest of each Member are as set forth next to each Member’s respective name on the Members’ Schedule, attached hereto. The Company will maintain in its books and records an updated schedule of the aggregate Capital Contributions of each Member and the current Capital Accounts (as defined below) of each Member, and any changes thereto.

(b) The Company shall be entitled to treat the person in whose name any Unit(s) stand on the books of the Company as the absolute owner thereof, and shall not be bound to recognize any equitable or other claim to, or interest in, such Unit or Units on the part of any other person.
4.5 **Capital Accounts.** A single, separate capital account shall be maintained for each Member in accordance with the Regulations issued under Section 704(b) of the Code (each such account, a “Capital Account”) and this Section 4.5.

(a) To each Member’s Capital Account there shall be credited the amount of cash and the Gross Asset Value of any asset transferred by the Member to the Company as a Capital Contribution, such Member’s allocated share of Company Profits, any items in the nature of income or gain which are specially allocated pursuant to this Agreement and which would otherwise be included in the computation of Company Profits and Company Losses, and the amount of any Company liabilities assumed by such Member or which are secured by any property of the Company distributed to such Member.

(b) From each Member’s Capital Account there shall be debited the amount of cash and the Gross Asset Value of any property of the Company distributed to such Member pursuant to any provision of this Agreement, such Member’s allocated share of Company Losses, any items in the nature of expenses or losses which are specially allocated pursuant to this Agreement and which would otherwise be included in the computation of Company Profits and Company Losses, and the amount of any liabilities of such Member assumed by the Company or which are secured by any property contributed by such Member to the Company.

(c) In determining the amount of any liability for purposes of this Section 4.4, there shall be taken into account Code Section 752(c) and any other applicable provisions of the Code and Regulations.

(d) Upon a transfer of any Unit in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred Unit.

(e) The foregoing provisions of this Section 4.5 and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Regulations §1.704-1(b), and shall be interpreted and applied in a manner consistent with such Regulations. The Manager shall (i) make any adjustments that are necessary or appropriate to maintain equality between the aggregate Capital Accounts of the Members and the amount of capital reflected on the Company’s balance sheet, as computed for book purposes, in accordance with Regulations §1.704-l(b)(2)(iv)(q), and (ii) make any appropriate modifications in the event unanticipated events might otherwise cause this Agreement not to comply with Regulations §1.704-1(b). In the event that the Manager determines that it is prudent to modify the manner in which Capital Accounts or any debits or credits thereto are computed in order to comply with such Regulations, the Manager may make such modifications.

4.6 **Capital Contribution.** Each of the Members shall be deemed to have made Capital Contributions in the amounts set forth on the Schedule of Members. Except as set forth in the Subscription Agreements and as set forth in the Schedule of Members, no Member shall be required to make any additional Capital Contributions to the Company. Any future Capital Contributions made by any Member shall only be made with the consent of the Manager and in connection with a future issuance of units in accordance with Section 4.1(b).

4.7 **Reserved.**

4.8 **No Restoration of Deficit Capital Accounts.** Notwithstanding anything in this Agreement to the contrary, no Member shall be required at any time to make additional Capital
Contributions to the Company to restore any deficit balance in its Capital Account or to fund any operating expenses.

4.9 No Right to Interest or Return on Capital. Except as set forth herein, no Member shall be entitled to any return of or interest on Capital Contributions to the Company. No Member shall have any liability for the repayment of the Capital Contribution of any other Member and each Member shall look only to the assets of the Company for return of its Capital Contribution.

4.10 Loans to the Company. Without in any way limiting the authority of the Manager to cause the Company to borrow funds from an unaffiliated third party (instead of, or in addition to, any loan(s) of the type contemplated by this Section 4.10), any Member or Affiliate of a Member may, with the consent of the Manager, lend or advance money to the Company; provided, that such a loan shall be on terms and conditions not less favorable than those available from unaffiliated third parties for similar loans. If a Member, with the consent of the Manager, shall make any loan or loans to the Company or advance money on its behalf, the amount of such loan or advance shall not be treated as a Capital Contribution to the Company and shall not increase such Member’s Capital Account but shall instead be treated as a debt due from the Company to a creditor as to all parties and as for all purposes to the fullest extent permitted by law. Any such loan shall be a debt of the Company to such Member and shall be payable or collectible only out of the Company property in accordance with the terms and conditions upon which such loan was made and shall bear interest at a rate at least equal to the applicable federal rate as defined in Section 1274(d) of the Code unless such requirement is waived by the Manager. Any such loan shall be subject to the highest priority permitted by law as to the creditors of the Company.

4.11 Permitted Outside Activities. Subject to any other provisions in this Agreement to the contrary and to outstanding agreement between the Company and/or its Affiliates and the Member, each Member acknowledges that (a) the business of the Company may involve business dealings with other businesses in which a Member or an Affiliate of a Member has an interest, (b) each Member and his Affiliates may maintain such other interests and activities, and (c) the Company and the Members each waives any rights he might otherwise have to share or participate in such other interests or activities of any other Member or any Affiliate of another Member.

4.12 Liability of Members. No Member, in its capacity as such, shall be liable for the debts, liabilities, contracts or other obligations of the Company except to the extent of any unpaid Capital Contributions such Member has agreed to make to the Company. No Member shall be required to make any loans to the Company, except as may be agreed between a Member and the Company, with approval of the Manager. The Company shall indemnify and hold harmless a Member if such Member becomes liable, notwithstanding the first sentence of this Section 4.12 for any debt, liability, contract or other obligation of the Company, except to the extent expressly provided in the first sentence of this Section 4.12.

4.13 Rights of Members. If a Member ceases to be a Member for any reason, including, without limitation, as a result of death, dissolution or Bankruptcy, such Member or its personal representative or estate, as applicable, shall be entitled to receive distributions on account of its Membership Interest and, except as expressly provided herein, such Member and its personal representative or estate shall have no other rights with respect to the Company including, without limitation, the right to receive the fair value of its Membership Interest and the right to vote on any matter reserved to the Members.

4.14 Book-Ups.
(a) The Gross Asset Values (as reduced by Depreciation) of all Company assets may be adjusted to equal their respective gross fair market values as determined by the Manager in its good faith judgment as of the following times: (i) the acquisition of additional Units by any new or existing Member in exchange for more than a de minimis Capital Contribution; (ii) the distribution by the Company to a Member of more than a de minimis amount of Company property as consideration for a Membership Interest; and (iii) the liquidation of the Company within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g); provided, however, that adjustments pursuant to clauses (i) and (ii) above shall be made only if the Manager reasonably determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Members in the Company.

(b) The Gross Asset Values of Company assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Section 734(b) or Section 743(b) of the Code, but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m) and Section 754 of the Code; provided, however, that Gross Asset Values shall not be adjusted pursuant to this Section 4.14 to the extent the Manager determines that an adjustment pursuant to Section 4.7(a) above is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment pursuant to this Section 4.14.

(c) If the Gross Asset Value of an asset has been adjusted pursuant to subparagraphs (a) or (b) of this Section 4.14, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Company Profits and Company Losses.

ARTICLE V

MEETINGS OF MEMBERS

5.1 Meetings. A meeting of the Voting Members may be called for any purpose or purposes by the Manager. At such meeting, the Voting Members shall transact such business as may properly be brought before the meeting. Except as specifically set forth in this Agreement, no action of the Voting Members shall be approved without the consent of the Manager.

5.2 Place of Meetings. Meetings of Voting Members shall be held at such places, within or outside of the Commonwealth of Pennsylvania, as may from time to time be fixed by the Manager or as shall be specified or fixed in the respective notices thereof.

5.3 Notice of Meetings. Written or printed notice stating the place, day and hour of each meeting of the Voting Members and the purpose or purposes for which the meeting is called, shall be delivered not less than two (2) nor more than forty-five (45) days before the date of the meeting, in accordance with Section 17.2, by or at the direction of the Manager, to each Voting Member entitled to vote at the meeting.

5.4 Quorum of and Action by Members. The presence of a majority of the Percentage Interests of the Voting Members, represented in person or by proxy, shall constitute a quorum at each meeting of Voting Members for the transaction of business, except as otherwise provided by the Act. The Voting Members represented in person or by proxy at a meeting of Voting Members at which a quorum is not present may adjourn the meeting until such time and to such place as may be determined by a vote of a majority of the Percentage Interests represented in person or by proxy at
that meeting. At any such adjourned meeting at which a quorum shall be present or represented, any business may be transacted that might have been transacted at the meeting as originally convened.

5.5 Voting by Members. Except as otherwise provided herein, all actions and votes of the Voting Members regarding matters not specifically relating to a particular class or series, shall be by the majority of the Percentage Interests of Voting Members and not on a per capita basis. All actions and votes of Voting Members regarding matters specifically relating to a particular class or series shall be by the majority of the Percentage Interests of the class(es) or series affected thereby and not on a per capita basis. At any meeting of the Voting Members, every Voting Member having the right to vote shall be entitled to vote either in person or by proxy executed in writing by such Voting Member. A telegram, telex, cablegram or similar transmission by the Voting Member, or an electronic transmission by the Voting Member, or a photographic, photostatic, facsimile or similar reproduction of a writing executed by the Member, shall be treated as an execution in writing for purposes of this Section 5.5. No proxy shall be valid after 11 months from the date of its execution unless otherwise provided in the proxy. Each proxy shall be revocable unless the proxy form conspicuously states that the proxy is irrevocable and the proxy is coupled with an interest. Each proxy shall be delivered to the Manager prior to or at the time of the meeting.

5.6 Action Without a Meeting; Telephone Meetings. Any action required by the Act or this Agreement to be taken at any meeting of the Voting Members, or any action which may be taken at any meeting of Voting Members (including, with respect to a particular series or class of Units) may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing setting forth the action so taken shall be signed by the Member or Members holding not less than the minimum Percentage Interests that would be necessary to authorize or take such action at a meeting at which all of the Members were present. A telegram, telex, cablegram or similar transmission by a Member, or an electronic transmission by a Member, or a photographic, photostatic, facsimile or similar reproduction of a writing signed by a Member, shall be regarded as signed by the Member for purposes of this Section 5.6. Subject to the provisions of Applicable Law and this Agreement regarding notice of meetings, Members may participate in and hold a meeting by using conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a telephone meeting pursuant to this Section 5.6 shall constitute presence in person at such meeting, except when a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting was not lawfully called or convened.

ARTICLE VI

OFFICERS

6.1 Officers. The Manager may designate one or more individuals (who may or may not be Members) to serve as officers of the Company. The Company shall have such officers as the Manager may from time to time determine, which officers may (but need not) include a Chairman, a President, one or more Vice Presidents (and in case of each such Vice President, with such descriptive title, if any, as the Manager shall deem appropriate), a Secretary, an Assistant Secretary, a Treasurer and an Assistant Treasurer. Any two or more offices may be held by the same person. The initial officers of the Company (the “Initial Officers”) shall be as follows:

President – Principal #1

Chief Operating Officer – Principal #2
6.2 **Compensation.** The compensation, if any, of all officers of the Company shall be fixed from time to time by the Manager, provided however, that no salaries shall be paid to any officers of the Company prior to the award of a License and the opening of a cannabis dispensary in the Commonwealth of Pennsylvania (the “Commencement of Operations”). Following the Commencement of Operations, the salaries of each of the Initial Officers shall be as follows:

(a) In the initial twelve (12) months following Commencement of Operations, each of the Initial Officers shall receive an annual salary of \[\text{Salary} \].

(b) Thereafter, the salaries of the Initial Officers shall be determined by the Manager, in its sole discretion, based upon profitability of the Company.

6.3 **Term of Office; Removal; Filling of Vacancies.** Each officer of the Company shall hold office until his successor is chosen and qualified in his stead or until his earlier death, resignation, retirement, disqualification or removal from office. Any officer designated by the Manager may be removed at any time by the Manager whenever in its judgment the best interests of the Company will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Designation of an officer shall not of itself create contract rights. If the office of any officer becomes vacant for any reason, the vacancy may be filled by the Manager.

6.4 **Powers and Duties.** The several officers of the Company shall perform such duties and services and exercise such further powers as may be provided by statute, the Certificate or this Agreement, or as the Manager may from time to time determine or as may be assigned to them by any competent superior officer. In addition to the designation of officers and the enumeration of their respective duties, services and powers, the Manager may grant powers of attorney to individuals to act as agents for or on behalf of the Company, to do any act which would be binding on the Company, to incur any expenditures on behalf of or for the Company, or to execute, deliver and perform any agreements, acts, transactions or other matters on behalf of the Company. Such powers of attorney may be revoked or modified as deemed necessary by the Manager.

**ARTICLE VII**

**ALLOCATIONS OF COMPANY PROFITS AND COMPANY LOSSES**

7.1 **Allocation of Company Profits and Company Losses.** After giving effect to the special allocations set forth in Section 7.2 and Section 7.3 and subject to Section 11.3 and Section 7.4, Company Profits and Company Losses for any Fiscal Year shall be allocated to the Members as follows:

(a) The Company Losses for each Fiscal Year (or portion thereof) shall be allocated:

   (i) *first*, to those Members with a positive Capital Account, in proportion to their respective Capital Accounts, until such time as the Members’ Capital Accounts equal zero; and

   (ii) *second*, to the Class A Member, Class B Members and Class C Members *pro rata* in proportion to their respective Percentage Interests.

(b) The Company Profits for each Fiscal Year (or portion thereof) shall be allocated:

   (i) *first*, to the Members in an amount equal to the aggregate amount of Company Losses previously allocated to the Members pursuant to Section 7.1(a)(i) shall be allocated
to the Members in the same proportion as the previous Company Losses were allocated to the Members pursuant to Section 7.1(a)(i); *provided, however, that* the aggregate Company Profits allocated to the Members pursuant to this Section 7.1(b)(i) shall not exceed the aggregate Company Losses previously allocated to the Members pursuant to Section 7.1(a)(i);

(ii) *second*, to the Class A Member and each Initial Class B Member in an amount equal to the amounts to be distributed to such Persons in accordance with Section 8.2(a) until the aggregate amount allocated under this Section 7.1(b)(ii) equals $325,000; and

(iii) *third*, to the Class A Member, Class B Members and Class C Members *pro rata* in proportion to their respective Percentage Interests.

7.2 Regulatory Allocations. The following special allocations (the “Regulatory Allocations”) shall be made in the following order and priority:

(a) Minimum Gain Chargeback. Except as otherwise provided in Regulations §1.704-2(f), notwithstanding any other provision of this Section 7.2, if there is a net decrease in Company Minimum Gain during any Fiscal Year, each Member shall be specially allocated items of Company income and gain for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount equal to such Member’s share of the net decrease in Company Minimum Gain, determined in accordance with Regulations §1.704-2(g). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with Regulations §1.704-2(f)(6) and §1.704-2(j)(2). This Section 7.2(a) is intended to comply with the minimum gain chargeback requirement in Regulations §1.704-2(f) and shall be interpreted consistently therewith.

(b) Member Minimum Gain Chargeback. Except as otherwise provided in Regulations §1.704-2(i)(4), notwithstanding any other provision of this Section 7.2, if there is a net decrease in Member Nonrecourse Debt Minimum Gain attributable to a Member Nonrecourse Debt during any Fiscal Year, each Member who has a share of the Member Nonrecourse Debt Minimum Gain attributable to such Member Nonrecourse Debt, determined in accordance with Regulations §1.704-2(i)(5), shall be specially allocated items of Company income and gain for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount equal to such Member’s share of the net decrease in Member Nonrecourse Debt, determined in accordance with Regulations §1.704-2(i)(4). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with §§1.704-2(i)(4) and 1.704-2(j)(2) of the Regulations. This Section 7.2(b) is intended to comply with the minimum gain chargeback requirement in Regulations §1.704-2(i)(4) and shall be interpreted consistently therewith.

(c) Qualified Income Offset. If any Member unexpectedly receives any adjustments, allocations or distributions described in Regulations §§1.704-l(b)(2)(ii)(d)(4), (5), or (6), which create or increase an Adjusted Capital Account Deficit for such Member for any Fiscal Year, then items of Company income and gain (consisting of a pro rata portion of each item of Company income, including gross income, and gain for such year and, if necessary, for subsequent years) shall be specially allocated to such Member in an amount and manner sufficient to eliminate, to the extent required by the Regulations, the Adjusted Capital Account Deficit so created as quickly as possible. It is the intent that this Section 7.2(c) be interpreted as a “qualified income offset” and as otherwise necessary to comply with the alternate test for economic effect set forth in Regulations §1.704-l(b)(2)(ii)(d).
(d) **Loss Allocation Limitation.** Notwithstanding anything to the contrary in this Agreement, the Losses allocated pursuant to Section 7.1 hereof shall not exceed the maximum amount of Losses that can be so allocated without causing any Member to have an Adjusted Capital Account Deficit at the end of any Fiscal Year. In the event that some, but not all, of the Members would have an Adjusted Capital Account Deficit as a consequence of an allocation of Losses pursuant to Section 7.1 hereof, the limitation set forth in the preceding sentence shall be applied on a Member by Member basis so as to allocate the maximum permissible Losses to each Member consistent with Regulations §1.704-1(b)(2)(ii)(d). If any Member would have an Adjusted Capital Account Deficit at the end of any Fiscal Year which is in excess of the sum of any amount, if any, that such Member is obligated to restore to the Company under Regulations §1.704-1(b)(2)(ii)(c) and such Member’s share of Company Minimum Gain as defined in Regulations §1.704-2(g)(1) and Member Minimum Gain as determined pursuant to Regulations §1.704-2(i) (which are also treated as obligations to restore in accordance with Regulations §1.704-1(b)(2)(ii)(d)), the Capital Account of such Member shall be specially credited with items of Company income (including gross income) and gain in the amount of such excess as quickly as possible.

(e) **Nonrecourse Deductions.** Nonrecourse Deductions for any Fiscal Year shall be specially allocated to the Members in proportion to their respective Percentage Interests.

(f) **Member Nonrecourse Deductions.** Any Member Nonrecourse Deductions for any Fiscal Year shall be specially allocated to the Member who bears the economic risk of loss with respect to the Member Nonrecourse Debt to which such Member Nonrecourse Deductions are attributable in accordance with Regulations §1.704-2(i)(1).

(g) **Section 754 Adjustments.** To the extent an adjustment to the adjusted tax basis of any Company asset, pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Regulations §1.704-1(b)(2)(iv)(m)(2) or Regulations §1.704-1(b)(2)(iv)(m)(4), to be taken into account in determining Capital Accounts as the result of a distribution to a Member in complete liquidation of such Member’s interest in the Company, the amount of such adjustment to Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be specially allocated to the Members in accordance with their interests in the Company in the event Regulations §1.704-1(b)(2)(iv)(m)(2) applies, or to the Member to whom such distribution was made in the event Regulations §1.704-1(b)(2)(iv)(m)(4) applies.

7.3 **Curative Allocations.** The allocation provisions herein are intended to comply with applicable provisions of the Code and the Regulations, including Regulations promulgated under Section 704 of the Code, and shall be interpreted and applied in a manner consistent with such statutory and regulatory provisions. Notwithstanding any other provisions of this Article VII (other than the Regulatory Allocations), the Regulatory Allocations shall be taken into account in allocating subsequent Company Net Profits, Company Net Losses and items of income, gain, loss and deduction among the Members so that, to the extent possible, the net amount of such allocations of subsequent Company Net Profits, Company Net Losses and other items and the Regulatory Allocations to each Member shall be equal to the net amount that would have been allocated to each such Member pursuant to the provisions of this Article VII if the Regulatory Allocations had not occurred. For purposes of applying the foregoing sentence, allocations pursuant to this Section 7.3 shall be made only to the extent the Manager reasonably determines that such allocations will otherwise be inconsistent with the economic agreement among the Members.

(a) For any Membership Interest not owned for the entire Fiscal Year or other period, Company Profits and Company Losses for such Fiscal Year or other period shall be prorated
based upon the proportion that the number of days such Membership Interest is owned during such period bears to the total number of days constituting such period.

7.4 **Other Allocation Rules.**

(a) If any Unit is Transferred, or the Percentage Interest of a Member is increased or decreased by reason of the admission of a new Member, the removal of a Member or otherwise, during any Fiscal Year, the Company shall make an interim closing of its books as of such date of transfer, admission, or other event and shall allocate Net Profit or Net Loss or items thereof based on such interim closing in accordance with Code Section 706.

(b) The Members agree to be bound by the provisions of this Article VII in reporting their share of Company Profit and Company Loss for income tax purposes.

(c) Solely for purposes of determining a Member’s proportionate share of the “excess nonrecourse liabilities” of the Company within the meaning of Treasury Regulations Section 1.752-3(a)(3), the Members’ interests in the Company Profits shall be deemed to be in proportion to their respective Percentage Interests.

(d) To the extent permitted by Treasury Regulations Section 1.704-2(h)(3), the Board of Managers shall endeavor to treat Distributions as having been made from the proceeds of a Nonrecourse Liability or a Member Nonrecourse Debt only to the extent that such Distributions would create or increase an Adjusted Capital Account Deficit for any Member.

7.5 **Tax Allocations.** For each Fiscal Year, items of taxable income, deduction, gain, loss or credit shall be allocated for income tax purposes among the Members in the same manner as their corresponding book items were allocated pursuant to Section 7.1, Section 7.2, Section 7.3 and Section 11.3 for such Fiscal Year, as modified by the following principles:

(a) In accordance with Code Section 704(c) and the Treasury Regulations thereunder, income, gain, loss, and deduction with respect to any Property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such Property to the Company for federal income tax purposes and its initial Gross Asset Value;

(b) In the event the Gross Asset Value of any of the Company Assets is adjusted pursuant to subparagraph (ii) of the definition of Gross Asset Value, subsequent allocations of income, gain, loss, and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its Gross Asset Value as provided under Code Section 704(c) and the Treasury Regulations promulgated thereunder;

(c) Unless otherwise provided herein, any elections or other decisions relating to allocations under this Section 7.5 shall be made by the Board of Managers in any manner that reasonably reflects the purpose and intent of this Agreement; provided, however, that the “traditional method” pursuant to Treasury Regulation Section 1.704-3(b) shall be used; and

(d) Allocations pursuant to this Section 7.5 are solely for purposes of federal, state, and local taxes and shall not affect, or in any way be taken into account in computing, any Member’s Capital Account or share of Company Profit, Company Loss, other items, or Distributions pursuant to any provision of this Agreement.
ARTICLE VIII

DISTRIBUTIONS

8.1 Tax Distributions. Subject to this Section 8.1, the Manager may, in its sole discretion, distribute (to the extent of cash available as determined by the Manager in its sole discretion) to each Member in cash, with respect to each Fiscal Year, either during such year or within ninety (90) days thereafter, an amount equal to the aggregate state and federal income tax liability such Member would have incurred as a result of such Member’s ownership of its interest in the Company, calculated (i) as if such Member’s aggregate allocations from the Company were taxable at the maximum marginal income tax rates provided for with respect to natural persons under applicable U.S. federal and Pennsylvania state income tax laws and considering the character of the Company items of profit or gain, as determined from time to time by the Manager after consulting with accountants to the Company and (ii) as if such aggregate allocations from the Company were, for such year, the sole source of income and loss for such Member (such distributions being referred to herein as “Tax Distributions”). Tax Distributions made to any Member with respect to each Fiscal Year shall be reduced by: (A) the amount of any other cash distributions made by the Company to such Member during such Fiscal Year or within ninety (90) days thereafter, provided, however, that for purposes of this clause, any Tax Distribution made within ninety (90) days after the beginning of any Fiscal Year with respect to a prior year shall not be accounted for as a Tax Distribution for the Fiscal Year in which it was made, and (B) any amount paid or required to be paid by the Company on account of, or with respect to, any Member pursuant to any Withholding Tax Act (as hereafter defined) attributable to such Member’s allocable share of Company income or gain for such Fiscal Year.

8.2 Distributions of Distributable Cash. Distributions of Distributable Cash shall be made in such amounts, if any, and at such times, if any, as the Manager shall determine in its sole and absolute discretion. The amounts distributable hereunder shall be calculated by the Manager immediately prior to the distribution. Distributions of Distributable Cash shall be made to the Members in the following order and priority:

(a) first, 50% of Distributable Cash to the Class A Member and 25% to each Initial Class B Member, until the Class A Member and Initial Class B Members have received the aggregate amount of [REDACTED];

(b) thereafter, to the Class A Member, Class B Members and Class C Members, pro rata, in proportion to their respective Percentage Interests.

8.3 Limitations on Distributions to Class C Members. Notwithstanding the provisions of Section 8.2, no distribution shall be made to a Class C Member on account of any Restricted Class C Units or in a manner inconsistent with such Class C Member’s Award Agreement.

8.4 Distributions in Kind. Except as otherwise provided by this Agreement, Distributions of Property may be made in cash or in kind as determined by the Manager. Immediately prior to any distribution of Property to be made pursuant to Section 8.4 in kind, the value of the Property shall be adjusted to its Gross Asset Value.

8.5 Taxes Withheld. Unless treated as a Tax Payment Loan (as hereinafter defined), any amount paid by the Company for or with respect to any Member on account of any withholding tax or other tax payable with respect to the income, profits or distributions of the Company pursuant to the Code, the Treasury Regulations, or any state or local or foreign statute, regulation or ordinance
requiring such payment (a “Withholding Tax Act”) shall be treated as a distribution to such Member for all purposes of this Agreement, consistent with the character or source of the income, profits or cash which gave rise to the payment or withholding obligation. To the extent that the amount required to be remitted by the Company under the Withholding Tax Act exceeds the amount of cash otherwise currently available for distribution to such Member, the excess shall constitute a loan from the Company to such Member (a “Tax Payment Loan”) which shall be payable upon demand and shall bear annual interest, from the date that the Company makes the payment to the relevant taxing authority, at the Prime Rate plus two (2) percentage points compounded monthly. So long as any Tax Payment Loan or the interest thereon remains unpaid, the Company shall make future distributions due to such Member under this Agreement by applying the amount of any such distribution first to the payment of any unpaid interest on all Tax Payment Loans of such Member and then to the repayment of the principal of all Tax Payment Loans of such Member.

The Manager shall have the authority to take all actions which it reasonably believes to be necessary to enable the Company to comply with the provisions of any Withholding Tax Act applicable to the Company and to carry out the provisions of this Section. Nothing in this Section shall create any obligation on the Manager to advance funds to the Company or to borrow funds from third parties in order to make any payments on account of any liability of the Company under a Withholding Tax Act.

8.6 Limitations on Distributions. A Member may not receive a distribution from the Company to the extent that, after giving effect to the distribution, all liabilities of the Company, other than liability to the Members on account of their Capital Contributions, would exceed the fair value of the Company’s assets.

8.7 Prohibited Distributions. Notwithstanding any provision of this Agreement to the contrary, no distribution shall be made if prohibited by the Act.

ARTICLE IX

REPRESENTATIONS, NARRATIVES AND COVENANTS OF MEMBERS

9.1 Representations and Warranties of Members. By executing and delivering this Agreement or a joinder agreement to this Agreement upon admission as a Member, each Member, whether admitted as of the date hereof or pursuant to Section 4.1(b), represents and warrants to the Company that:

(a) The Units have not been registered under the Securities Act or the securities laws of any other jurisdiction, are being issued in reliance upon federal and state exemptions for transactions not involving a public offering, and cannot be disposed of unless: (i) they are subsequently registered or exempted from registration under the Securities Act, and (ii) all of the provisions of this Agreement have been fully complied with;

(b) Such Member is an “accredited investor” within the meaning of Rule 501 promulgated under the Securities Act;

(c) Such Member’s Units are being acquired for its own account solely for investment and not with a view to resale or distribution thereof;

(d) Such Member has conducted its own independent review and analysis of the business, operations, assets, liabilities, results of operations, financial condition and prospects of the Company and the Project and such Member acknowledges that it has been provided adequate access to the personnel, properties, premises and records of the Company for such purpose;
(e) The determination of such Member to acquire Units has been made by such Member independent of any other Member and independent of any statements or opinions as to the advisability of such purchase or as to the business, operations, assets, liabilities, results of operations, financial condition and prospects of the Company or the Project that may have been made or given by any other Member or by any agent or employee of any other Member;

(f) Such Member has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of an investment in the Company and making an informed decision with respect thereto;

(g) Such Member is able to bear the economic and financial risk of an investment in the Company for an indefinite period of time;

(h) The execution, delivery and performance of this Agreement: (i) have been duly authorized by such Member, (ii) do not require such Member to obtain any consent or approval that has not been obtained by such Member, and (iii) do not contravene, and will not result in a default in a material respect under, any provision of any law or regulation applicable to such Member or any governing documents, agreement or instrument to which such Member is a party or by which such Member is bound; and

(i) This Agreement is valid, binding and enforceable against such Member in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws of general applicability relating to or affecting creditors’ rights or general equity principles (regardless of whether considered at law or in equity).

(j) None of the foregoing representations and warranties shall replace, diminish or otherwise adversely affect any Member’s representations, warranties, covenants and agreements made by it in any Subscription Agreement or Award Agreement, as applicable, and any such representations, warranties, covenants and agreements shall be in addition to, and not in limitation of, those contained in any such Subscription Agreement or Award Agreement.

9.2 Additional Regulatory Representations and Warranties. By executing and delivering this Agreement or a Joinder Agreement, as applicable, each Member, whether admitted as of the date hereof or pursuant to Section 4.1(b), represents and warrants to the Company that:

(a) if the Member is a natural person, the Member is at least 21 years of age and has never been subject to any criminal action under the law of the Commonwealth of Pennsylvania or any other state, the United States or a military, territorial or tribal authority, whether for a felony or misdemeanor, which is related to a crime of moral turpitude, or which involved illegal drugs, or which related to the provision of marijuana for medical purposes, including any action against an organization providing marijuana for medical purposes in which the Member was an equity owner or served as an officer and which resulted in a conviction, guilty plea, or plea of nolo contendere, or an admission of sufficient facts;

(b) neither the Member nor any equity holder, director or officer of the Member has been convicted of a violation of a controlled substance law;

(c) if the Member is an entity, then each equity holder, director and officer of the Member is at least 21 years of age and neither the Member nor any such equity holder, director or officer of the Member has ever been subject to any criminal action under the law of the Commonwealth of Pennsylvania or any other state, the United States or a military, territorial or tribal authority, whether for a felony or misdemeanor, which is related to a crime of moral turpitude, or which involved illegal drugs, or which related to the provision of marijuana for medical purposes,
including any action against an organization providing marijuana for medical purposes in which the Member or any equity holder, director or officer of the Member, either was an equity owner or served as executives and which resulted in a conviction, guilty plea, or plea of nolo contendere, or an admission of sufficient facts;

(d) neither the Member nor any equity holder, director or officer of the Member has ever been subject to any civil or administrative action under the law of the Commonwealth of Pennsylvania or any other state, the United States or a military, territorial or tribal authority, relating to his or her profession, or occupation or fraudulent practices, including but not limited to, fraudulent billing practices;

(e) neither the Member nor any equity holder, director or officer of the Member has ever served as an equity holder, officer or director for any entity or organization that has had its license or other authority to cultivate, harvest, process or dispense cannabis or a product containing cannabis suspended or revoked in any state;

(f) neither the Member nor any equity holder, director or officer of the Member is a physician, or is the spouse of a physician, currently certifying or planning to certify patients to use medical cannabis in the Commonwealth of Pennsylvania;

(g) neither the Member nor any equity holder, director or officer of the Member currently owes any tax liability to any Government Authority; and

(h) the Member is not aware of any fact or circumstance that could reasonably be expected to: (i) cause the Member to be ineligible to acquire or maintain a Membership Interest in the Company, or (ii) result in the occurrence of an Unsuitability Event with respect to the Member.

9.3 Additional Regulatory Covenants and Agreements.

(a) Each Member shall immediately notify the Company in the event that any of the representations and warranties under Section 9.1 or 9.2 becomes inaccurate at any time in the future, or if any Governmental Authority or other governmental agency or authority commences or threatens to commence any legal proceeding in which it alleges that the Member or any equity holder, director or officer of the Member has: (i) committed a felony or any other act that violates any Applicable Law, or (ii) committed any other act, or omitted to commit any act, that could: (A) threaten the ability of the Company to obtain or retain any license, permit, approval or other entitlement that the Company holds or applies for in any jurisdiction, or (B) harm the business and affairs of the Company.

(b) Each Member agrees, on behalf of itself and each of its equity holders, managers, directors and officers, to: (i) comply at all time with all Applicable Laws applicable to the Company, and (ii) promptly provide the Company or any Governmental Authority, as the case may be, with all information, documents and certifications, including audited financial statements, tax returns, background information and fingerprints, that the Company or such Governmental Authority may request in order to enable the Company or the Member to comply with Applicable Law.

9.4 Non-Competition and Non-Solicitation.

(a) In light of each Member’s access to Confidential Information and position of trust and confidence with the Company, each Member hereby agrees that, during the period that it is a Member and for a period of two (2) years thereafter (the “Restricted Period”), such Member will not: (a) render services or give advice to, or affiliate with (as an officer, director, employee, equity holder, partner, consultant or otherwise) any Competitor or any division or business segment of any Competitor, or (b) directly or indirectly, through one or more of any of its respective Affiliates, own,
manage, operate, control or participate in the ownership, management, operation or control of any Competitor or any division or business segment of any Competitor; provided, however, that nothing in this Section 9.4(a) shall prohibit a Class B Member or Class C Member, or any of their respective Permitted Transferees or Affiliates, from acquiring or owning, directly or indirectly:

(i) Up to five percent (5%) of the aggregate voting securities of any Competitor that is a publicly-traded Person; or

(ii) Up to five percent (5%) of the aggregate voting securities of any Competitor that is not a publicly-traded Person, so long as neither such Member nor any of its Permitted Transferees, directly or indirectly through one or more of their respective Affiliates, designates a member of the board of directors (or similar body) of such Competitor or its Affiliates or is granted any other governance rights with respect to such Competitor or its Affiliates (other than customary governance rights granted in connection with the ownership of debt securities).

For purposes of this Section 9.4, “Competitor” means any Person, other than the Company or any Company Subsidiary, or any of their respective Affiliates, that is engaged, directly or indirectly, in whole or in part, in the Business.

(b) In light of each Member’s access to Confidential Information and position of trust and confidence with the Company, each Member further agrees that, during the Restricted Period, such Member will not, directly or indirectly through one or more of any of its respective Affiliates: (i) hire or solicit, or encourage any other Person to hire, retain or solicit, any individual who has been employed by or provided services to the Company or any Company Subsidiary within one (1) year prior to the date of such hiring, retention or solicitation, (ii) encourage any such individual to leave such employment with the Company or any Company Subsidiary or cease or limit the provision of any services to the Company or any Company Subsidiary, or (iii) solicit or entice, or attempt to solicit or entice, any clients, customers or suppliers of the Company or any Company Subsidiary for purposes of diverting their business or services from the Company.

(c) If any court of competent jurisdiction determines that any of the covenants set forth in this Article IX, or any part thereof, is unenforceable because of the duration or geographic scope of such provision, such court shall have the power to modify any such unenforceable provision in lieu of severing such unenforceable provision from this Agreement in its entirety, whether by rewriting the offending provision, deleting any or all of the offending provision, adding additional language to this Article IX or by making such other modifications as it deems warranted to carry out the intent and agreement of the parties as embodied herein to the maximum extent permitted by Applicable Law. The parties hereto expressly agree that this Agreement as so modified by the court shall be binding upon and enforceable against each of them.

ARTICLE X

ACCOUNTING AND TAX MATTERS; REPORTS; BANKING

10.1 Books and Records. The Manager shall keep or cause to be kept books of account for the Company in accordance with the terms of this Agreement and the Act. The Manager shall cause the following records to be kept at the Company’s registered office (the “Required Records”).

(a) A current list of the full names and last known addresses of all of the Members.
(b) A copy of this Agreement and the Certificate and all amendments thereto, together with executed copies of any powers of attorney pursuant to which any certificate was executed.

(c) Promptly after becoming available, copies of the Company’s federal, state and local income tax returns and reports, if any, for each year.

(d) True and full information regarding the amount of cash and a description and statement of the agreed value of any other property or services contributed by each Member and which each Member has agreed to contribute in the future, and the date on which each became a Member.

Any Member may inspect the Required Records during ordinary business hours upon reasonable request for a proper business purpose and, in furtherance thereof, may copy the Required Records at such time at the Member’s expense.

10.2 **Tax Returns.** The Company shall prepare or cause to be prepared and timely filed all federal, state and local income and other tax returns and reports as may be required as a result of the business of the Company. Within 90 days after the end of each fiscal year of the Company, the Company shall cause to be delivered to each Person who was a Member at any time during the Fiscal Year such information with respect to the Company as may be necessary for the preparation of each Member’s federal, state and local income tax (or information) returns, including a statement showing each Member’s share of income, gain or loss, and credits for such fiscal year.

10.3 **Tax Matters Partner.** The Manager shall designate a Member as the “partnership representative” as defined under Section 6223 of the Code (“TMP”). If such Member should fail or refuse to act as such, then the Manager shall designate another of the Members as the TMP. A TMP may be removed, and a successor TMP be selected, by the Manager. The Company will reimburse the TMP for any and all reasonable out-of-pocket costs and expenses (including reasonable attorneys’ and other professional fees) incurred by it in its capacity as TMP. Each Member who elects to participate in Company administrative tax proceedings will be responsible for its own expenses incurred in connection with such participation. In addition, the cost of any adjustments to a Member (including the TMP) and the cost of any resulting audits or adjustments of a Member’s tax return will be borne solely by the affected Member (including the TMP). The Company will indemnify, defend and hold the TMP harmless from and against any loss, liability, damage, cost or expense (including reasonable attorneys’ fees) sustained or incurred as a result of any act or decision concerning Company tax matters and within the scope of such Member’s responsibilities as TMP, so long as such act or decision was not the result or willful or wanton misconduct or negligence or in beach of any of the provisions of this Agreement.

10.4 **Tax Elections.** The TMP shall make or cause to be made such accounting and tax elections as directed by the Manager.

10.5 **Bank Accounts; Investment of Company Funds.** The Manager shall cause one or more accounts to be maintained in the name of the Company in one or more banks, which accounts shall be used for the payment of expenditures incurred in connection with the business of the Company and in which shall be deposited any and all receipts of the Company. All amounts deposited in such accounts shall be and remain the property of the Company and shall be received, held and disbursed for the purposes specified in this Agreement. There shall not be deposited in any of such accounts any funds other than funds belonging to the Company, and no other funds shall in any way be commingled with such funds. The Manager may invest the Company funds in any manner which the Manager deems appropriate.
ARTICLE XI

TERM, DISSOLUTION, LIQUIDATION AND TERMINATION

11.1 **Term.** The Company shall continue until terminated pursuant to statute or any provision of this Agreement.

11.2 **Dissolution.** The Company shall be dissolved upon the first occurrence of any of the following:

(a) The Company receives a final, non-appealable notice from the Department of Health of the Commonwealth of Pennsylvania that all of its applications for Licenses to operate the Business have been denied.

(b) The entry of a decree of judicial dissolution under the Act.

(c) At the direction of the Manager, in its sole discretion.

(d) If the Company has only one Member, the death, retirement, resignation, expulsion, Bankruptcy or dissolution of such Member or the occurrence of any other event which terminates the continued membership of such Member in the Company, unless within 90 days after the occurrence of the event the personal representative of such Member agrees in writing to continue the business of the Company and to the admission of such personal representative or his nominee or designee to the Company as a Member effective as of the occurrence of the event. If the Company has more than one Member, the death, retirement, resignation, expulsion, Bankruptcy or dissolution of any Member or any other event which terminates the continued membership of a Member in the Company shall not cause the Company to be dissolved or its affairs to be wound up, and the Company shall be automatically continued without dissolution.

11.3 **Liquidation and Termination.** Upon dissolution of the Company, the Manager shall act as liquidator or may appoint in writing one or more liquidators who shall have full authority to wind up the affairs of the Company and make final distributions as provided herein. The liquidator shall continue to operate the Company with all of the power and authority of the Manager. The steps to be accomplished by the liquidator are as follows:

(a) As promptly as possible after dissolution and again after final liquidation, the liquidator, if requested by the Manager, shall cause a proper accounting to be made by the Company’s independent accountants of the Company’s assets, liabilities and operations through the last day of the month in which the dissolution occurs or the final liquidation is completed, as appropriate.

(b) After making payment or provision for all debts and liabilities of the Company, including debts and liabilities to Members, the liquidator shall sell all properties and assets of the Company for cash as promptly as is consistent with obtaining the best price therefor. All gain, loss and amount realized on such sales shall be allocated to the Members as provided in this Agreement, and the Capital Accounts of the Members shall be adjusted accordingly. The liquidator shall then distribute the proceeds of such sales to the Members as follows:

(i) first, to the Class A Member, Class B Members and Class C Member, pro rata, in accordance with the positive balances in their respective Capital Accounts, as determined after taking into account all Capital Account adjustments for the taxable year of the Company during which the liquidation of the Company occurs;
(ii) thereafter, to the Class A Member, Class B Members and Class C Members, pro rata, in proportion to their respective Percentage Interests.

(c) Except as expressly provided herein, the liquidator shall comply with any applicable requirements of the Act, including, without limitation, Sections 18-801, 18-803 and 18-804 thereof, and all other applicable laws pertaining to the winding up of the affairs of the Company and the final distribution of its assets.

(d) The distribution of cash and/or property to the Members in accordance with the provisions of this Section 11.3 shall constitute a complete return to the Members of their capital contributions and a complete distribution to the Members of their interest in the Company and all Company property.

ARTICLE XII

TRANSFER OF MEMBERSHIP INTERESTS; RESIGNATION

12.1 Transfer of Membership Interests. Except in the case of a Permitted Transfer, or pursuant to Section 12.2, no Member may, without the prior consent of the Manager, voluntarily or involuntarily sell, assign, encumber or otherwise transfer all or any portion of his Membership Interest, except, and subject to Article XVI, as follows:

(a) In the case of incompetency of a Member, his Membership Interest shall vest in his personal representative and, in the case of death, in his beneficiaries.

(b) In the case of Bankruptcy of a Member, his Membership Interest shall vest in the trustee, receiver or administrator of the bankrupt’s estate.

12.2 Right of First Refusal.

(a) Notice of Proposed Transfer. Subject to compliance with all other applicable transfer restrictions contained herein, if any Member (a “Transferring Member”) desires to transfer any of such Transferring Member’s Units or any rights therein (the “Offered Interests”) to any Person (other than to a Permitted Transferee) (an “Offer”), then, prior to entering into any agreement with any other Person to transfer such Member’s Units, the Transferring Member will provide written notice of such Offer to the Company Members by written notice (the “Initial Notice”) (and the Company shall in turn transmit the Initial Offer to each of the non-transferring Members (the “Non-Transferring Members”)) stating the Units such Transferring Member desires to transfer, the proposed purchase price stated in the Offer, the other material terms of transfer, and the name of the proposed transferee of such Offered Interests. If the Offer price consists in part or in whole of consideration other than cash, then the Transferring Member will provide such information, to the extent reasonably available to the Transferring Member, relating to such non-cash consideration. The Initial Notice shall constitute an offer by such Transferring Member to sell all of the Offered Interests to the Company and the Non-transferring Members for the price and on the terms and conditions set forth in the Initial Notice (provided that if the Offer price consists of non-cash consideration, the Company and the Non-Transferring Members may substitute cash in lieu thereof.) The Company and any Non-Transferring Members shall then give written notice (the “Return Notice”) of the maximum number of such Offered Interests they wish to acquire at the price and on the other terms of the Offer. The determination by the Company whether to purchase any of the Offered Interests being transferred by the Transferring Member shall be made by the disinterested members of the Manager.
(b) Right of First Refusal. The Company shall first be entitled to purchase any or all of the Offered Interests by delivery of the Return Notice to the Transferring Member and Non-Transferring Member within thirty (30) days of receipt of the Initial Notice. If the Company elects to purchase fewer than all of the Offered Interests or fails to timely deliver Return Notice, the Non-Transferring Members shall be entitled to acquire the balance of the Offered Interests remaining in proportion to their respective Percentage Interests among all Non-Transferring Members by delivering a Return Notice to the Company, and the Transferring Member within forty-five (45) days of receipt of the Initial Notice. If any Non-Transferring Member fails to purchase such non-Transferring Member’s Proportionate Percentage of the Offered Interests, each purchasing Non-Transferring Member (an “ELECTING MEMBER”), who shall be entitled to purchase such Offered Interests as are not purchased by such other Non-Transferring Member, up to the maximum amount of additional Offered Interests specified in their subsequent Return Notice, in the proportion in which the Units owned by such Electing Member bears to the total number of Units owned by all Electing Members, by delivery of a subsequent Return Notice to the Company and the Transferring Member within sixty (60) days from the receipt of the Initial Notice.

(c) Payment. The Company shall, at the close of the sixty (60) day period provided in Section 12.2(b) for delivery of the Return Notice, confirm by written notice the Offered Interests to be acquired by the Company and, if any, by the Non-Transferring Members. Payment for such Offered Interests shall be delivered within thirty (30) days thereafter at the price and on the terms specified in the Offer, against receipt from the Transferring Member of the Offered Interests being purchased, duly assigned for transfer, free and clear of all liens, restrictions, claims and encumbrances.

(d) Right to Sell. If, at the close of the sixty (60) day period provided in Section 12.2(b) for delivery of the Return Notice, the Company and the Non-Transferring Members have not sent Return Notices of their intention to acquire, in the aggregate, all of the Offered Interests, the options exercised by the Company and the Non-Transferring Members shall be disregarded, and the Transferring Member, subject to compliance with Section 12.4, shall have sixty (60) days to transfer all but not less than all of the Offered Interests specified in the Initial Notice to the proposed transferee set forth in the Initial Notice, at the same price and on the same terms and conditions set forth in the Initial Notice. After the expiration of such sixty (60) day period, the Transferring Member may not transfer such Offered Interests unless and until they are again offered to the Company and any Non-Transferring Members under the procedures specified in this Section 12.2, where applicable.

12.3 Drag Along Rights.

(a) The Class A Member shall have the right to cause the transfer of the entire Company to one or more Persons who are not Members of Affiliates of the Class A Member in one transaction or a series of related transactions (including by way of a Transfer of all outstanding Units or Membership Interests, a merger, a consolidation, or a sale of all of the Company assets) (an “APPROVED SALE”) in which case the Class A Member shall provide written notice thereof to the Company and all other Members (the “COMPELLED MEMBERS”), which notice shall describe the Approved Sale and specify the rights that are exercisable by the Class A Member pursuant to this Section 12.3, whereupon each Compelled Member will participate in, vote for (if applicable), consent to (if applicable) and raise no objections to, such Approved Sale, as more particularly set forth in this Section 12.3. Without limiting the generality of the foregoing, each Compelled Member hereby agrees that at any meeting or vote of the Members, however called, where an Approved Sale is being considered, it will (if applicable) vote all Units that are beneficially and/or of record owned by it: (i) in favor of all actions to approve the Approved Sale and any actions required in furtherance thereof,
and (ii) against any actions to not approve the Approved Sale and any other actions that are intended, or could reasonably be expected, to impede, interfere with, delay, postpone, or adversely affect the contemplated Approved Sale. The aggregate proceeds of the Approved Sale shall be distributed in accordance with the order and priority set forth in Section 8.1 and Section 8.2. The Approved Sale shall require that each Compelled Member be entitled to receive the same consideration form, payment terms, and security as is received by the Class A Member in connection with the Approved Sale. Notwithstanding anything to the contrary contained herein, without the approval of the Manager, no definitive transaction agreement relating to an Approved Sale shall be executed by the Company.

(b) If the Approved Sale is structured as a merger (including one where the Company is the surviving entity) or consolidation, each Compelled Member will, in addition to voting in favor of the Approved Sale (if applicable), waive any dissenter’s rights, appraisal rights or similar rights in connection with such merger or consolidation (if applicable) and will not otherwise exercise any such right (if applicable). If such Approved Sale is structured as a Transfer of Units or equity securities of the Company, each Compelled Member will agree to sell all of its Units on the terms and conditions of the Approved Sale except as expressly contemplated hereby and that, for the avoidance of doubt, the aggregate proceeds of the Approved Sale shall be distributed in accordance with the order and priority set forth in Section 8.1 and Section 8.2. A Transfer made pursuant to an Approved Sale shall not be subject to the right of first refusal set forth in Section 12.2.

(c) In connection with an Approved Sale, no Member shall be required to undertake any agreement or obligation or to make any representation or warranty, except for the following: (i) each Member shall be required to make representations and warranties with respect to such Member and such Member’s title to and ownership of Units, (ii) each Member shall be required to deliver such Member’s Units in connection with an Approved Sale and execute any documents in furtherance thereof, and (iii) each Member shall enter into and be bound by the pro rata indemnification described below. With respect to any obligation that relates solely to a particular Member, such as indemnification with respect to representations or warranties given by a Member regarding such Member’s title to and ownership of Units, only such Member shall be liable. Each Member shall be obligated to join on a pro rata basis (based on the consideration to be received by the Member in the Approved Sale) in any indemnification that the Members collectively are required to provide in connection with the Approved Sale; provided, however, that the Members will each use their commercially reasonable efforts to obtain several, and not joint, liability among them and, in the event such efforts fails, enter into a contribution agreement among themselves with respect to joint and several liability among them.

(d) The Members will bear their pro rata share (based upon the proceeds to be received by the Members) of the costs of any Transfer of Units in an Approved Sale incurred by the Class A Member to the extent that such costs are incurred generally for the benefit of all Members, and are not otherwise paid or reimbursed by the Company or the acquiring party. For purposes of this Section 12.3(d), costs incurred by the Class A Member in exercising reasonable efforts in furtherance of the consummation of an Approved Sale shall be deemed to be for the benefit of all Members. Costs incurred by the Class A Member on their own behalf will not be considered costs of an Approved Sale.

12.4 Substitution of Members. An assignee of a Membership Interest may become a substituted Member subject to the following terms, conditions and limitations:

(a) the assigning Member has complied with the provisions of this Article XII;
(b) the assignee has paid to the Company all costs and expenses incurred in connection with such assignee’s substitution as a Member, which costs and expenses shall include, without limitation, all legal and accounting fees and expenses incurred by the Company or its counsel and all costs incurred in amending this Agreement and in preparing, filing, recording and publishing any certificates and instruments necessary or appropriate in connection therewith; and

(c) the assignee will have executed and delivered such instruments and documents, in form and content reasonably satisfactory to the Manager as the Manager may deem reasonably necessary, advisable or appropriate to effect the substitution of such assignee as a Member, including but not limited to a joinder agreement to this Agreement by which the assignee agrees to be bound by all of the terms and condition set forth herein.

The Company and the Members will be entitled to consider the owner of any Units as set forth in the Required Records of the Company as the absolute owner thereof for all purposes. None of the Company, the Manager or the Members will incur any liability for distributions of cash or other property made in good faith to the owner of an interest in the Company until such time as a written assignment of such Units has been received and accepted by the Manager and recorded on the books of the Company. In the event of an assignment by a Member, allocations between the assignor and assignee of deductions, credits and income of the Company for federal, state and local income tax purposes shall be based on the portion of the year during which the assignor and assignee each owned such Units, unless the Manager determines, in its sole discretion, to close the books on the date of such assignment.

12.5 Resignation of a Member. No Member shall be entitled to resign or withdrawal from the Company prior to the dissolution and winding up of the Company in accordance with Article XI. Any attempt to resign or withdraw from the Company in violation of this Section 12.4 shall be ineffective.

ARTICLE XIII

PREEMPTIVE RIGHTS

13.1 Preemptive Rights.

(a) If, at any time after the date hereof, the Company proposes to issue or sell (including out of treasury) any Units (other than Excluded Units), any debt or equity securities which by their terms are convertible into or exchangeable for Units (“Convertible Securities”) or any other right to acquire such Units or Convertible Securities (any of the foregoing, the “Offered Securities”), to any Person (an “Offeree”), such issuance to the Offeree shall be subject to the preemptive right to purchase of each Member as set forth below in this Article XIII.

(b) The Company shall offer to sell to each Member, and each Member shall have the right, but not the obligation, to purchase from the Company, up to that amount of the Offered Securities proposed to be issued by the Company equal to the aggregate amount of such Offered Securities multiplied by such Member’s Percentage Interest. If any Member shall decline to purchase the full amount of Offered Securities which it is entitled to purchase pursuant to the preceding sentence, then each Member that has agreed to purchase the full amount of Offered Securities which they are entitled to purchase pursuant to the preceding sentence (a “Participating Member”) shall further be entitled to purchase up to that amount of the remaining Offered Securities equal to the proportion that such Participating Member’s Percentage Interest bears to the aggregate Percentage Interest of all Participating Members, being one hundred percent (100%).
13.2 The Company shall give each Member at least fifteen (15) days’ prior written notice of any proposed issuance of Offered Securities, which notice shall disclose in reasonable detail the proposed terms and conditions of such issuance, including the amount of the Offered Securities to be issued, the terms thereof, the purchase price therefor and a summary of other materials terms of the proposed issuance (the “Issuance Notice”).

13.3 Each Member shall be entitled to purchase its portion of the Offered Securities as determined pursuant to Section 13.1(b), at the same price, on the same terms and at the same time as the Offered Securities are issued to the Offeree (or if all Offered Securities have been agreed to be purchased by the Members, at the same price, on the same terms and at the same time as the Offered Securities are sold to the other Members) by the delivery of a written notice to the Company within ten (10) days after the delivery of the Issuance Notice of the Member’s election to purchase such Offered Securities (the “Election Notice”); provided, that if there shall be any Offered Securities which the Members have initially not elected to purchase pursuant to Section 13.1(b), then the Company shall give further notices to the Participating Members that are entitled to purchase the remaining Offered Securities, and such Participating Members shall have an additional five (5) days after the delivery of such notice to deliver a written notice to the Company of such Member’s election to purchase any remaining Offered Securities.

13.4 If the Members elect to purchase less than all of the Offered Securities, the Company may issue such remaining Offered Securities to the Offeree at the same price and on the same terms as set forth in the Issuance Notice within one hundred twenty (120) days following the date of delivery of the Issuance Notice (or such earlier or later date agreed to by the Company and the Members, acting on the basis of a majority of the Percentage of Members participating in such purchase). If the Company does not consummate the issuance of all or part of the remaining Offered Securities to the Offeree on or before such date, the rights provided in this Article XIII shall be deemed to be revived and such Offered Securities shall not be offered unless first re-offered to the Members in accordance with this Article XIII.

13.5 For the avoidance of doubt, the right of a Class C Member to participate in this Article XIII shall not include such Class C Member’s Restricted Class C Units.

ARTICLE XIV

INDEMNIFICATION OF MEMBERS, OFFICERS AND OTHER PERSONS

14.1 Indemnification.

(a) The Company shall indemnify each Manager, Member and officer of the Company and shall have the power to indemnify any employee or agent of the Company who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a Manager, Member, officer, employee or agent of the Company, or is or was serving in some other capacity on behalf of the Company, against expenses (including attorneys’ fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding, to the fullest extent now or hereafter permitted under the Act.

(b) To the extent that a Manager, Member, officer, employee or agent of the Company has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to Section 14.1(a) above, or in defense of any claim, issue or matter therein, he shall be
indemnified against expenses (including attorneys’ fees) actually and reasonably incurred by him in connection therewith.

(c) Any indemnification of an employee or agent of the Company under Section 14.1(a) (unless required by Section 14.1(b)) shall be made by the Company only as authorized in a specific case upon a determination that indemnification of the employee or agent is proper in the circumstances because he has acted in good faith and not in violation of this Agreement and/or his employment or other service agreement. Such determination shall be made (i) by the Manager if it is not party to such action, suit, or proceeding, even though less than a quorum, or (ii) if there is no such Manager, or such Manager so directs, by independent legal counsel in a written opinion.

(d) Expenses (including attorneys’ fees) actually and reasonably incurred by a Manager, Member or officer in defending a civil, criminal, administrative or investigative action, suit or proceeding for which such Manager, Member or officer could be entitled to indemnification under this Article XIV, may be paid by the Company in advance of the final disposition of such action, suit or proceeding, upon receipt of an undertaking by or on behalf of such Manager, Member or officer to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Company as authorized hereby. Such expenses (including attorneys’ fees) actually and reasonably incurred by other employees may be so paid upon such terms and conditions, if any, as the Manager deems appropriate.

(e) Except as otherwise provided under the Act, the indemnification and advancement of expenses provided by this Article XIV shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any of the provisions of the Certificate, this Agreement, any other agreement, any vote of the Members or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office.

(f) The indemnification and advancement of expenses provided or granted pursuant to this Article XIV, shall, unless otherwise provided when authorized or ratified, continue as to a Person who has ceased to be a Manager, Member, officer, employee or agent of the Company and shall inure to the benefit of the heirs, executors and administrators of such a Person.

14.2 Amendment. The provisions of Section 14.1 relating to indemnification and to the advancement of expenses shall constitute a contract between the Company and each of its Managers, Members and officers which may be modified as to any Manager, Member or officer only with that Person’s consent or as specifically provided in this Section 14.2. Notwithstanding any other provision of this Agreement relating to its amendment generally, any termination, modification or amendment of Section 14.1 which is adverse to any Manager, Member or officer shall apply to such Manager, Member or officer only on a prospective basis, and shall not limit the rights of persons covered by Section 14.1 to indemnification or to the advancement of expenses with respect to any action or failure to act occurring prior to the time of such termination, modification, or amendment.

ARTICLE XV

CONFIDENTIALITY

15.1 Confidentiality.

(a) Confidentiality Agreement.

(i) Each Member acknowledges that it may have access to and become acquainted with proprietary information and confidential information belonging to the Company that
is not generally known to the public. In addition, each Member acknowledges that: (i) the Company has invested, and continues to invest, substantial time, expense and specialized knowledge in developing its Confidential Information, (ii) the Confidential Information provides the Company with a competitive advantage over others in the marketplace, and (iii) the Company would be irreparably harmed if the Confidential Information were disclosed to competitors or made available to the public. Except as expressly permitted under this Agreement, each Member agrees that, during the period commencing on the date such Person first becomes a Member and ending on the fifth (5th) anniversary of the date such Person ceases to be a Member, such Member shall keep confidential any and all Confidential Information provided to the Member by the Company or any of the Company’s representatives, regardless of the form of communication. No Member shall, directly or indirectly, publish, disclose, distribute or disseminate or use, including for personal, commercial or proprietary advantage or profit or otherwise, any Confidential Information of which such Member is or becomes aware. Each Member in possession of Confidential Information shall take all appropriate steps to safeguard such information and to protect it against disclosure, misuse, espionage, loss and theft.

(ii) As used in this Agreement, the term “Confidential Information” shall include, but not be limited to: (a) all information regarding the Company’s or the Project’s horticulture genetics, breeding and biotechnology, agriculture and cultivation processes, refining and/or extracting processes, packaging, drying, security, storage and product preparation; (b) all financial, technical, commercial and other information concerning, among other things, the Company’s or the Project’s business, technologies, strategies, financial position, operations, assets, financial information, financial data, research and development plans, methods and data, scientific and technical data, manufacturing and production data, business development, marketing and sales plans and data, and the identities of, discussions with and the course of dealing with any actual and prospective customers, contractors, vendors and other suppliers; (c) all information regarding the Company’s or the Project’s inventions, ideas, research and development, patents, trademarks, trade secrets and copyrights, and applications therefor, technical information, computer programs, software, information technology systems, policies, procedures, methodologies, innovations, software tools, know-how, knowledge, designs, drawings, specifications, concepts, data, reports, processes, techniques and documentation; (d) all notes, analyses, compilations, forecasts, studies, interpretations, and other documents that contain, reflect or are based upon, in whole or in part, any information of the Company or the Project; and (e) any other information of the Company not available to the general public, whether written or oral, whether received by the Member prior to, on or after the effective date of this Agreement, that the Member knows or has reason to know the Company would like to treat as confidential for any purpose, such as maintaining a competitive advantage or avoiding undesirable publicity. Failure to mark or identify any Confidential Information as “confidential” or “proprietary” shall not affect its status as Confidential Information under the terms of this Agreement.

ARTICLE XVI

REDEMPTION RIGHT

16.1 Redemption Right. In the event of an Unsuitability Event with respect to any Member or Affiliate of such Member (the “Affected Member”) and after the expiration of any applicable cure periods for the event giving rise to the Unsuitability Event (the “Redemption Trigger”), the Company shall promptly redeem (the “Redemption”) the lesser of: (a) all Units held by the Affected Member, or (b) that portion of such Units necessary to cure the event giving rise to the Unsuitability Event (the “Redeemed Units”) in accordance with the provisions of this Article
XVI. If the event giving rise to the Unsuitability Event is capable of being cured, the Company shall provide written notice to the Affected Member describing the Unsuitability Event and setting forth the cure period. If the event giving rise to the Unsuitability Event is not capable of being cured, such Unsuitability Event shall be deemed to be the Redemption Trigger. The determination of whether an Unsuitability Event is capable of being cured and, if it is, the applicable cure period for the Unsuitability Event shall be made by the Manager in its sole and absolute discretion.

16.2 Redemption Procedure.

(a) Upon the occurrence of the Redemption Trigger, the Company shall promptly redeem the Redeemed Units from the Affected Member at a redemption price (the “Redemption Price”) equal to the lower of: (i) the Fair Market Value of the Redeemed Units, or (ii) the maximum amount permitted to be paid for the Redeemed Units under Applicable Law (the lower of the values in subparagraphs (i) and (ii), the “Company Appraisal”). For the avoidance of doubt, any Member’s Restricted Class C Units shall be forfeited without consideration. The Company shall provide written notice (the “Redemption Notice”) to the Affected Member within thirty (30) days after the Company first has knowledge that the Redemption Trigger has occurred. The Redemption Notice shall set forth the Redemption Price and the time, place and manner of payment. Upon issuance of the Redemption Notice by the Company to the Affected Member, and without any action on the part of the Affected Member: (i) the Redeemed Units shall immediately terminate, (ii) the Redeemed Units shall no longer be owned beneficially or of record by the Affected Member, and (iii) the Affected Member shall cease to be a Member and have no rights with respect to such Redeemed Units other than the right to receive payment of the Redemption Price from the Company.

(b) If the Affected Member disagrees with the Company Appraisal, the Affected Member may, at the Affected Member’s expense, retain an appraiser (the “Affected Member’s Appraiser”) who shall deliver to the Company an appraisal of the value of the Redeemed Units within thirty (30) days after receipt of the Redemption Notice (the “Affected Member’s Appraisal Deadline”). If the Affected Member’s Appraiser computes a value of the Redeemed Units (the “Affected Member’s Appraisal”) that is within five percent (5%), plus or minus, of the Redemption Price, the Company Appraisal will be the Redemption Price. If the Affected Member’s Appraisal is not within five percent (5%) of the Company Appraisal, then the Manager and the Affected Member’s Appraiser will select a second appraiser, at the joint expense of the Company and the Affected Member, who will calculate the value of the Redeemed Units within thirty (30) days of the Affected Member’s Appraisal Deadline (the “Second Appraisal”). If the Affected Member’s Appraisal is within five percent (5%), plus or minus, of the Second Appraisal, then the Second Appraisal will be used as the Redemption Price. If the Affected Member’s Appraisal is not within five percent (5%), plus or minus, of the Second Appraisal, then the Redemption Price will be the average of the three appraisals. The Redemption Price shall be payable, in the sole discretion of the Managers, by wire transfer of immediately available funds to an account designated by such Affected Member or by making and delivering a promissory note to the Affected Member in the principal amount of the Redemption Price, which shall be payable in no more than twenty-four (24) equal monthly installments and shall bear interest at a fixed rate equal to the prime lending rate in effect on the last business day prior to the date of the Redemption Notice at the principal bank used by the Company for banking and borrowing purposes. The closing of the Redemption shall occur within one-hundred twenty (120) days of the Redemption Trigger at the principal executive office of the Company or on such other date and at such other location as the Company and such Member may agree. The Affected Member shall deliver to the Company such customary agreements, certificates and/or instruments as the Company may reasonably request, duly executed, transferring title to the Redeemed Units to the Company, free and clear of all liens and encumbrances.
ARTICLE XVII

MISCELLANEOUS

17.1 Amendments. This Agreement may be modified or amended from time to time upon recommendation by the Manager and then with the approval of the Voting Members holding not less than a majority of Percentage Interests of all Voting Members; provided that if any amendment would disproportionately materially adversely affect one class or series of Units relative to another series or class of Units, then the consent of the holders of a majority of the Percentage Interests of such series or Class (excluding Restricted Class C Units) shall be required.

17.2 Manner of Giving Notice. Except as otherwise expressly provided in this Agreement, all notices, demands, requests, or other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be sent by certified mail, postage prepaid, return receipt requested; by an overnight express courier service that provides written confirmation of delivery; by facsimile with confirmation; or by PDF. Any notice so given shall be deemed to be delivered on the second business day after the same is deposited in the United States mail, on the next business day if sent by overnight courier, or on the same business day if sent by facsimile or PDF before the close of business.

17.3 Waiver of Notice. Whenever any notice is required to be given to any Member under the provisions of the Act, the Certificate or this Agreement, a waiver thereof in writing signed by the Person or Persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Attendance by a Member at a meeting of the Members shall constitute a waiver of notice of such meeting, except where a Member attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

17.4 Waiver. No failure or delay on the part of a Member in exercising any right, power or privilege hereunder, and no course of dealing between the Members or between a Member and the Company shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein expressly provided are cumulative and not exclusive of any other rights or remedies which a Member would otherwise have at law or in equity.

17.5 Severability. If any provision of this Agreement or the application thereof to any person or circumstances shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

17.6 Binding Agreement. Subject to the restrictions on transfers set forth herein, this Agreement shall inure to the benefit of and be binding upon the Members and their respective heirs, executors, legal representatives, successors and assigns. None of the provisions of this Agreement are intended to be, nor shall they be construed to be, for the benefit of any third party; provided, however, that the provisions of Article XIV shall inure to the benefit of the heirs of any indemnified Person. Whenever, in this Agreement, a reference to any party or Member is made, such reference shall be deemed to include a reference to the permitted heirs, executors, legal representatives, successors and assigns of such party or Member.

17.7 Gender, Etc. Words used herein, regardless of the number and gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context requires.
17.8 **Further Actions.** Each Member hereby agrees to hereafter execute and deliver such further instruments and do such further acts and things as may be required or appropriate to carry out the intent and purpose of this Agreement and which are consistent with the terms hereof.

17.9 **Counterparts.** This Agreement may be executed in one or more counterparts with each such counterpart deemed to be an original hereof and all of such counterparts deemed to be one and the same Agreement.

17.10 **Entire Agreement.** This Agreement contains the entire agreement among the parties hereto with respect to the Company. Except as otherwise provided herein, no variations, modifications or changes herein nor any waiver of any provision hereof shall be binding unless set forth in a document duly approved by the Manager executed by or on behalf of the holders of a majority of the Percentage Interests. In addition to any amendments otherwise authorized hereby, this Agreement may be amended from time to time by the Manager without the consent of the Members to cure any ambiguity or correct or supplement any provision hereof which may be inconsistent with any other provision hereof, or correct any printing, stenographic or clerical errors or omissions.

17.11 **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, without regard to any conflict of law provision.
IN WITNESS WHEREOF, the undersigned, intending to be legally bound have executed this instrument as of the day and year first above written.

COMPANY:

By: DISPENSARY APPLICANT

By: DISPENSARY APPLICANT

By: __________________________________________
Name: ________________________________________
Title: _________________________________________

MEMBERS:

By: DISPENSARY APPLICANT

By: __________________________________________
Name: ________________________________________
Title: _________________________________________

By: FINANCIAL BACKER #2

By: FINANCIAL BACKER #2

By: FINANCIAL BACKER #1
IN WITNESS WHEREOF, the undersigned, intending to be legally bound have executed this instrument as of the day and year first above written.

COMPANY:

BRANDYWINE VALLEY PATIENT CARE, LLC

By: BVPC HOLDINGS, LLC

By: Charles McCormick
Name: Charles McCormick
Title: President

MEMBERS:

BVPC Holdings, LLC

By: William McCormick
Name: William McCormick
Title: Chief Operating Officer

DG3 LLC

By: David Geiger
Name: David Geiger
Title: Owner

Albert F. Carter, III
IN WITNESS WHEREOF, the undersigned, intending to be legally bound have executed this instrument as of the day and year first above written.

COMPANY:
BRANDYWINE VALLEY PATIENT CARE, LLC
By: BVPC HOLDINGS, LLC

By: Charles McGreevy
Name: Charles McGreevy
Title: President

MEMBERS:
BVPC Holdings, LLC

By: William McGreevy
Name: William McGreevy
Title: Chief Operating Officer

By: David Geiger
Name: David Geiger
Title:

Albert F. Carter, III
SCHEDULE A
MEMBERS, MEMBERSHIP INTERESTS & CAPITAL CONTRIBUTIONS

Name & Address of Member
BVPC Holdings, LLC
873 E Baltimore Pike, Box 463
Kennett Square, PA 19348

DG3 LLC

Alfred F. Carter, III

DOH REDACTED

DOH REDACTED

ACTIVE44634325.v2-3/5/17
Charles McCormick  RPh, MBA

Charles McCormick is the founder and owner of First State Pharmacy in Wilmington Delaware. He is a graduate of the University of the Sciences -Philadelphia College of Pharmacy and Science. He holds an MBA from the University of Delaware Alfred Lerner College of Business. He has been a licensed pharmacist in Delaware and Pennsylvania since 1988. He has worked in retail pharmacy and Long Term Care pharmacy his entire career.

During his career prior to opening his own pharmacy 6 years ago he held several positions with the Happy Harry's Inc/ Walgreens organization as a staff pharmacist, pharmacy manager, and pharmacy district manager. He worked as a pharmacy district manager for seven years. He was responsible for managing operations at 24 retail pharmacy locations in Pennsylvania, Delaware, and New Jersey with revenue in excess of $80 million. He has had extensive experience opening several pharmacies in Chester and Delaware counties. His responsibilities included preparing the successful applications for licensing from the Pennsylvania State Board of Pharmacy and the Federal Drug Enforcement Agency obtaining DEA licenses for his pharmacy locations. He was also responsible for ensuring all of the pharmacies were compliant with the facility and security requirements in order to pass the opening licensing inspection from the board of pharmacy.

Mr. McCormick has extensive knowledge of required inventory control, drug storage, and security requirements for controlled substances for licensed pharmacies. He worked closely with Loss Prevention officers within his organization to prevent internal and external threats of drug diversion. He also worked closely with Delaware officers of Narcotics and Dangerous Drugs led by Mr. David Dryden RPh, J.D. on suspected diversion cases within the state. He has attended Drug Diversion programs offered in Delaware from 2002-2006 led by local and federal law enforcement officers and pharmaceutical industry executives to increase awareness of diversion for pharmacists. He continues to work with the Delaware State Drug Diversion unit with Officer Donna Farra on diversion cases within New Castle County Delaware where his pharmacy is located.

Mr. McCormick launched a startup independent retail pharmacy in Delaware in 2011. He is the sole owner/President of First State Pharmacy Inc in Delaware. He saw a need in his community to provide patients with a level of health care that wasn't being met by the chain drug stores. His pharmacy focuses on improved health outcomes for his patients. His pharmacy provides patients with medication therapy management programs, med synchronization programs, medication compliance packaging, and immunization programs. In the six years since opening his own pharmacy he has grown his business into a profitable multi-million dollar operation that has become an integral part of his community. His pharmacy provides prescription services to retail and Long Term Care patients. His pharmacy also provides human and veterinary compounding preparations for his clients. He has developed an extensive community outreach program for his pharmacy. First State Pharmacy is active in sponsoring local schools, community and church organizations, and little league baseball teams. The company also sponsors a youth summer camp for the local United Cerebral Palsy organization.
Mr. McCormick will assume day to day operational responsibility for the dispensary. He will serve as the pharmacist in charge for the primary dispensary location. His management and ownership skills will enable him to operate this dispensary to grow into a profitable business just as he has done with his own pharmacy location. His extensive knowledge of running a startup healthcare business will enable the company to meet the challenges of growing the business over the first 1-2 years to address capital expenditure requirements and burn rate of committed capital until profitability is achieved at the primary dispensary location. He also has extensive knowledge of security requirements and standard operating procedures for a facility dispensing controlled substances. His pharmaceutical knowledge will also address the ability to make medical marijuana recommendations for his patients that will involve a comprehensive medical and drug utilization history. Mr. McCormick has seen firsthand in his practice the impact that the opioid epidemic has had on patients. One his objectives in starting the dispensary business is to give patients searching for alternative treatment options for pain a chance to remove their dependence on opioids and improve their health outcomes and quality of life. Mr. McCormick will complete the required 4 hours of pharmacist continuing education credits to meet the requirement for the dispensary application.
William McCormick has over 29 years of experience in the financial services and real estate consulting industries. He is a graduate of the University of Delaware with a degree in Consumer Economics.

Mr. McCormick is currently co-owner and managing director of CK Capital Management Corporation which provides real estate short sale services successfully closing in real estate transactions since inception. He launched the start-up operations of the company in 2005 with his wife, and co-founder, in an emerging market and grew the business to be the industry’s leader in states including Delaware, Pennsylvania, Maryland, and Virginia.

Mr. McCormick serves as Treasurer/Chief Operating Officer responsible for all the daily operations of the company. He developed and implemented all of the business processes, financial accounting, regulatory compliance, sales, marketing, and IT policies in the company. He also developed the new employee training program for the organization.

He is viewed by the industry as a knowledge expert on the short sale market. He is a member of many local industry organizations and teaches continuing education courses to members of those organizations.

Mr. McCormick has also held a variety senior executive leadership positions in the financial services industry with management and profit & loss responsibilities in businesses ranging from . He has managed national sales organizations, served in business development roles and helped launch several start-up businesses. He has extensive experience in business process analysis, planning, budgeting, employee training and sales management over the course of his career.

As Vice President of Bank Outsourcing at Partners Equity Capital Company from 2001 to 2005, Mr. McCormick was one of the first employees hired and was a member of the senior leadership team as the company grew to over 60 employees before his departure to start CK Capital Management. He helped develop the business processes, sales & marketing policies and headed the Bank Outsourcing division responsible for hiring, sales management, business development, and client development. Partners Equity Capital Company is still thriving today through a series of mergers which occurred after Mr. McCormick’s departure.

Prior to helping launch Partners Equity Capital Company, Mr. McCormick launched the Vendor Capital Equipment Finance Business for Commerce Bank in New Jersey, now known as TD Bank. He served as the business development officer for all vendor programs establishing the product offerings throughout the entire bank footprint in 5 states. Mr. McCormick left the organization with Commerce Bank’s Capital Equipment Finance President to help start Partners Equity Capital Company. Commerce Bank was Partners Equity Capital Company’s first client.

Mr. McCormick also served in a number of Business Development roles for a short time in his career working for CRM software consulting organizations in start-up environments during the height of the technology boom.

Mr. McCormick served as Vice President of Program Management for De Lage Landen Financial Services, which is an international organization and subsidiary of Rabo Bank of the Netherlands. In this role Mr. McCormick managed the two largest client relationships of the company responsible for over in annual sales. De Lage Landen Financial Services is an industry leader in the marketplace.
Mr. McCormick will serve as Chief Operating Officer of the dispensary with the primary responsibilities of implementing the financial accounting, marketing, human resources, sales and employee training initiatives of the organization. He will also serve as Affirmative Action Officer and Outreach Officer, with direct responsibility for establishing the relationships with partner organizations to carry out the company’s goals for employee and supplier diversity and community outreach. This role includes establishing company benchmarks, measurement and reporting on the success of these programs.
TO WHOM IT MAY CONCERN:

MAUREEN T KANE
BRANCH MANAGER
MEDICAL CANNABIS SUPPLY AGREEMENT

THIS MEDICAL CANNABIS SUPPLY AGREEMENT (the “Agreement”) is made as of this ______ day of ____________, 2021 (the “Effective Date”), by, and between, Grower-Processor (GP), a limited liability company organized under the laws of the State of Pennsylvania, with its principal place of business at Saxton, Pennsylvania and Dispensary Applicant, a Delaware County organized under the laws of the Pennsylvania with its principal place of business at __________________________ (hereinafter “Purchaser”). Purchaser and Grower-Processor are collectively referred to herein as “the Parties,” each individually a “Party”.

BACKGROUND

Grower-Processor is, or expects to be, a licensed grower of medical cannabis in the State of Pennsylvania, and Purchaser is, or expects to be, a licensed dispensary and/or processor of medical cannabis in Pennsylvania. Grower-Processor and Purchaser wish to enter into a long term agreement whereby GP will sell medical cannabis products to Purchaser at a set price set forth on the Schedules to this Medical Cannabis Supply Agreement. GP agrees to sell to Purchaser, and Purchaser agrees to purchase, the products described below on Schedule A, subject to the terms and conditions contained in this Agreement, for distribution by Purchaser.

AGREEMENT

1. Purchase and Sale Obligations.

1.1 General. GP hereby agrees to sell, and Purchaser agrees to purchase, the medical cannabis products specified on Schedule A (Products & Strains) attached to this Agreement and incorporated herein by this reference (the “Products”).

1.2 Minimum Purchase Commitment. Purchaser agrees to order from GP for delivery during the Term (as defined in Section 11.a), so long as said product is available, the minimum amount of Products as is specified on Schedule B attached hereto and incorporated herein (the “Designated Minimum Purchase Commitment”).

1.3 Governmental Rules and Regulations. GP’s obligation to ship orders to Purchaser under this Agreement shall be subject to and contingent upon GP’s right and ability to cultivate medical cannabis in the Pennsylvania, to make such sales, and to maintain required licenses and permits, under all applicable decrees, statutes, rules and regulations of the Pennsylvania Department of Health and any other State or local government and/or agency with competent jurisdiction presently in effect or which may be in effect hereafter.

Purchaser: __________________ Date ____________

GP: __________________ Date ____________
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To: The Department of Health
Date: March, 20th 2017

From: Brandywine Valley Patient Care, LLC
Address: 790 Baltimore Pike Unit 3 Concordville, PA 19331

RE: Request for Safety Insert Approval

To whom it may concern,

Brandywine Valley Patient Care, LLC has developed a Safety Insert for approval by the Department.

Department regulations require that we obtain prior written approval of the content of any safety insert to be given to patient and/or caregivers. Requirements outlined by the Department in the Act and regulations have been clearly included on the safety insert as of the most recent regulations at the time of this letter. We await further instruction to make adjustments and amendments to the safety insert content per Department rulings.

Included is our Safety Insert prototype displaying required information and intended design for additional clarity.

We believe in being as transparent and compliant as possible with the Department and any other applicable law enforcement agencies.

Thank you for your consideration of this request.

Sincerely,

Chas McCormick
CEO
Brandywine Valley Patient Care, LLC
Dear (Name)

We regret to inform you that your employment with DISPENSARY APPLICANT is hereby terminated immediately.

Despite verbal and written warnings about your performance, you have not obtained the performance objectives we set on (Date) and reviewed again on (Date). Please return your desk key and id badge to the security desk.

As part of your separation from DISPENSARY APPLICANT and per company policy, we will be providing you with (How long) severance pay. Please also note that all other benefits will end on the termination date including your health and dental insurance.

DISPENSARY APPLICANT wishes you the best in your future employment.

Sincerely,

(Signature)
**Training Log**

**Training Date:**

**Training Delivered By:**

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Visitor Log SOP

SOP 1.0

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DISPENSARY APPLICANT, Confidential

Effective Date: Implementation Date:
Subject Matter Expert: Quality Assurance:
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Waste Log
Dear [Dispensary Applicant],

Per your request, we have reviewed the location of the proposed dispensary at [Redacted] and its proximity to the nearest existing school or day care facility. To the best of our knowledge utilizing on-line mapping, the nearest school or day care facility to your proposed location is as follows:

[Redacted]

Approximately 2,700 feet away.

I attest that to the best of our knowledge, there is no school or day care facility within 1,000 feet from your proposed dispensary at [Redacted].

Sincerely,

Maurice P. (P.J.) Close, P.E.
Principal

Kelly & Close Engineers
1786 Wilmington Pike
Glen Mills, Pennsylvania 19342
610.358.9363  fax 610.358.9376
Bill Freeborn

For over three decades, Bill Freeborn has been a leader in both the public and private sectors. As Senior Vice president with Corporation Service Company (CSC), he oversaw sales, marketing, brand and product development across the organization. CSC, a privately owned and highly respected legal service organization, provides matter management, corporate compliance, and trustee services to companies and law firms worldwide. Under Bill’s leadership, the company grew dramatically from [DELETED] revenue at the time of his exit. Among other roles in the public sector, his record includes service as Assistant Secretary of State and Director of Delaware’s Division of Corporations where he introduced innovative technologies to the state’s delivery of corporate and legal services.

Active politically, Bill has worked closely with leaders of both parties serving in staff and/or advisory roles to Presidents George H.W. Bush, George W. Bush and Delaware Governors, Pete Du Pont, Michael Castle and Jack Markell.

Bill now actively serves as Executive Vice President of the Delaware Contractors Association while providing advisory and financial support to the successful development of early-stage companies. Among his many interests include cannabis product companies exploring cannabinoid extraction, research and product development for nutraceutical and pharmaceutical uses. He has been an active member of the First State Innovation angel network, and a participant in Early Stage East and the Mid Atlantic Angel Investment Network while serving as a board member and advisor for numerous marketing and tech companies.

Bill is a graduate of Colgate University with a concentration in Economics. He received additional graduate training at Harvard’s Kennedy School of Government and Stanford University’s Executive Program in Finance.
John McCarthy Bio– Advisory Board

Pharmaceutical Sales and Marketing Executive

John McCarthy is a sales and marketing executive with 30 years of experience in the pharmaceutical industry with AstraZeneca. He is a graduate of Baylor University with a degree in Biology.

Mr. McCarthy has worked in a global role as leader of commercial operations over the past 4 years and is currently VP Global Digital. His digital teams have developed several services for cancer patients including a first in class patient support program for lung cancer patients (see LVNGwith.com). In previous roles in the US, Mr. McCarthy served as head of commercial operations and the sales and marketing lead for Nexium in the US, where he grew the brand sales to over *DEACTIVATED*. Importantly, he was also the National Sales Director for Oncology at a time when AstraZeneca launched new medicines for lung cancer and breast cancer. His collective experience brings expertise in sales and marketing in the medical setting as well as designing services to meet patient needs through digital channels.
John O’Brien – Advisory Board

John has had over 30 years’ experience in the pharmaceutical, biotech, biochemical and life sciences sectors. He has held executive positions in general management, sales and marketing, business development, and portfolio investment at the following industry leading, multi-national organizations, Amersham International (GE-Biosciences), ICI and AstraZeneca PLC (AZN).

He retired from Astra Zeneca after 23 years of service. As VP, Oncology US, he had P&L responsibility for a $1Bn business unit. He has led groups in the US, UK, and Sweden that were the commercial interface with the drug discovery and development organization, leading worldwide initiatives that established new practices in personalized medicine and disease area investment strategy. He completed his career as Global VP, Portfolio Investments, reporting to the CEO, establishing and running the Portfolio Investment Board, the final decision making body over all material, R&D and licensing/acquisition investment decisions.

He most recently co-founded ARdVRk Technologies Inc., a leader in augmented and virtual reality solutions for the healthcare and life science industries, and is currently chairman of the board. John is also involved in nonprofit endeavors and currently serves as the Vice Chairman, Board of Directors of the VOOM Foundation, an NGO whose mission is to provide medical and humanitarian aid to Nigeria and its neighbors. He is also on the board of the Wounded Heroes Family Adventures which provides unique experiences and counseling for wounded soldiers and their families.

John also received an appointed by the Governor of Delaware to serve as Vice Chair for the Delaware Science and Technology Council to assist the state in developing strategies to promote economic development. He received his B.S. in Biology from Seton Hall University.
Michael's practice consists of:

- Residential and commercial real estate transactions and real estate litigation, representing lenders, borrowers and title companies
- All aspects of the representation of business owners

**Before Fox Rothschild**

Michael served as General Counsel to R. J. Clark Development Corporation of Rancho Santa Fe, CA, where he was involved in all aspects of commercial real estate development. He was also an adjunct faculty member at Delaware Technical and Community College, teaching Business Law. In 1994, Michael formed a partnership formerly known as Agostini, Levitsky & Isaacs. In 2002 the firm merged with Fox Rothschild.

**Beyond Fox Rothschild**

Michael has lectured on real estate issues to real estate attorneys, title companies and agents in conjunction with the National Business Institute. He also represents children in Family Court as a volunteer through the Delaware Office of the Child Advocate.

**Articles / Publications**

- Author, "Delaware Chancery Court Tackles Fight Over Decades Old Water and Sewer Pipes," *In the Zone* (May 2014)
- Author, "Proposed Legislation in Delaware," *In the Zone* (March 2014)
- Author, "Commercial Brokers' Lien Law Enacted in Delaware," *In the Zone* (April 2013)
- Author, "Fox Rothschild Prevails in Commercial Eviction Action," *In the Zone* (February 2013)
- Author, "Delaware Court Upholds "Homeowners' Defense" in Mechanic's Lien Action ," *In the Zone* (January 2013)
- Author, "New Castle County Reinterprets the Realty Transfer Tax Statute," *In the Zone* (June 2012)
• Author, "Two Recent Delaware Cases Address Issue of Premises Liability," In the Zone (February 2012)

• Author, "Delaware Superior Court Rules on Satisfaction of General Lien on Property Sold at Foreclosure Sale," In the Zone (December 2011)

• Author, "A Note to Sellers – Is Your Mortgage a ‘Purchase Money Mortgage,’" In the Zone (August 2011)

• Author, "Proposed Legislation in Delaware," In the Zone (July 2011)

• Author, "DE Chancery Court Decision Clarifies Title Owner of Church Real Estate," In the Zone (March 2011)

• Author, "Delaware Legislative Update: McCray, et al. v. Fidelity National Title Insurance Company, et al.," In the Zone (September 2010)

• Author, "Proposed Legislation in Delaware - July 2010," In the Zone (July 2010)

• Author, "Case Summary: Hamm v. City of Wilmington," In the Zone (June 2010)

Speaking Engagements / Presentations
• Speaker, "Does a Reverse Mortgage Make Sense for YOU?;" WSFS Bank, Hockessin, DE (October 13, 2010)
Richard A. Sweeny, Esq., CPA is President of RAS Advisors, Inc. a business and tax consulting firm located in Wilmington, Delaware. He has over 30 years’ experience in working with small and mid-size companies in order to achieve their financial goals. Rich is a strategic problem solver for businesses and organizations. His experience includes helping clients navigate through the complexities of IRS Section 280E. Recently he was involved in consulting with investors as pertained to the application and successful rewarding of a grow operation in the State of Maryland. Rich is a graduate of Mount Saint Mary’s College, B.S. Accounting in 1987. Rich received his Juris Doctorate from Widener University School of Law in 1995.
DISPENSARY APPLICANT

Diversity Plan

Annual Diversity Plan 2017

Submitted by:
Diversity Program Champion
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1. Diversity and Inclusion Program

DISPENSARY APPLICANT is committed to supporting and creating a diverse and inclusive workplace. A team that is rich in diverse talents and ideas is the very foundation of our Principles of Community. We are committed to making each member of our DISPENSARY APPLICANT family feel welcomed, respected and supported. Cultivating and championing a diverse team at all levels, including senior leadership, is an integral part of who we are as a company and how we see our future.

1.1 Mission Statement

To strengthen the organization by creating a diverse and inclusive environment, where all associates are encouraged to reach their full potential for the benefit of each employee, partner, our patients and our community. This mission is supported by:

- A powerful commitment to promote a diverse and inclusive organization.
- A program of action, education, and leadership.
- A responsibility to recruit, develop and retain professionals that share our core values regardless of our differences.
- An unwavering commitment to excellence.

1.2 Vision Statement

To create an environment where all associates can be their full authentic selves. When we engage this way, we realize the full potential of our commitment, effectiveness, productivity and motivation in serving our DISPENSARY APPLICANT family, patients and community.

1.3 Principles of Community

The principals, management, staff, patients, vendors and visitors that make up the DISPENSARY APPLICANT community represent many diverse characteristics, beliefs, and affiliations. Recognizing this rich diversity, DISPENSARY APPLICANT seeks to offer all community members an equitable, inclusive, welcoming, secure, responsive and affirming environment that fosters mutual respect, empathy and trust.

To nurture this environment, several principles of community have been established. Adherence to these principles is essential to ensure the integrity of the DISPENSARY APPLICANT’S environment and to achieve the goals of a diverse, open and inclusive community. All members of our community are expected to acknowledge and practice these basic principles:

- We recognize, value, and affirm that our rich diversity contributes to the excellence of the organization and enhances the quality of our patient care. We encourage one another to apply our unique talents in creative and collaborative work, take pride in our various achievements and celebrate our differences.
- We reject all acts of discrimination, including, but not limited to those based on race, ethnicity, gender, age, disability, sexual orientation, gender identity/expression, and religious or political beliefs. We commit ourselves to fostering an atmosphere of equity and inclusion.
- We are committed to providing a welcoming environment where each person can benefit from the highest principles of openness and integrity.
- We affirm the right of freedom of expression and commit to the highest standards of civility and decency. We are committed to maintaining a workplace community where communication is courteous, sensitive, respectful and never demeaning.
• We have empathy for others, and will establish systems which address the needs of the one and the many.

• We affirm that each member of DISPENSARY APPLICANT’S team is expected to work in accord with these principles and to make individual efforts to enhance the quality of the workplace for all.

1.4 DISPENSARY APPLICANT
The purpose of DISPENSARY APPLICANT is to provide quality health care to our patients thereby improving health outcomes and quality of life of those living with chronic conditions. DISPENSARY APPLICANT has been established by a group of professionals with extensive experience in the retail and global pharmaceutical industry with a commitment to becoming the leading medical marijuana dispensary and patient educator in the Pennsylvania market. Our primary dispensary will operate in Delaware County and is located at DISPENSARY APPLICANT’s address in Region 1 - Southeast. Our dispensary operations are expected to open for business by the fourth quarter of 2017. Our company will operate as a professional medical facility with a patient-centric focus on wellness and education. Our pharmacists and other health care professionals in our employ will provide our patients with individualized medical marijuana therapies to treat the qualifying conditions as defined by the legislation.

2. Diversity Plan Overview
Our Diversity Plan has been crafted as a meaningful program and follows a lifecycle focused on the analysis of established goals and continuous improvement efforts. This plan is built upon four pillars, each representing core components of the Affirmative Action Plan as shown in the graphic below.

The four pillars are as follows:
• Recruitment & Employment
• Employee Relations
• Supplier Diversity Plan

The Diversity Plan is built upon four pillars, each representing core components of the Affirmative Action Plan as shown in the graphic below.
3. **Diversity Goals**

- A minimum of 25% of employees represented by minority individuals from diverse racial, ethnic and cultural backgrounds, women, veterans and individuals with disabilities.
- Award a minimum of 30% of all vendor contracts to businesses within the qualifying Diverse Groups through our Supplier Diversity Plan.

4. **Organizational Structure & Governance**

4.1 **Stakeholders**

To execute our Diversity Plan, program Governance will be carried out by the Diversity Program Champion (DPC) in collaboration with senior management as shown in the following diagram.

The Senior Leadership Team consists of CEO and COO. This Leadership Team will add members as the company grows. The COO will perform the role of DPC and will serve as the Affirmative Action Officer. This role along with the senior leadership will determine the annual company goals for diversity and inclusion.

The DPC responsibilities are as follows but not limited to:

- Leading diversity and inclusion initiatives throughout the company
- Ensuring that our plan remains effective during organizational change or growth
- Monitoring and analyzing our program for continuous improvement
- Remaining conversant on diversity-related and team-building topics
- Attending member events through our Diversity Outreach partners

Please note that the full listing of DPC responsibilities are documented within the Affirmative Action Policy Manual.

4.2 **Program Performance Monitoring**

The Senior Leadership Team sets the Diversity and Inclusion goals for the company and meets semiannually for the Diversity Program Performance Meeting. Also in attendance, may be Hiring
Managers as required by the DPC. The intent of this meeting is to review topics including but not limited to:

- Strategic success of initiatives to attract and engage a diverse workforce
- Strategic success towards maintaining an inclusive business culture
- Utilization of the Diverse Participants in the workforce as compared to diversity goals
- Utilization of Diverse Supplier Groups as compared to diversity goals
- Assessment of outreach efforts and their impact on the Plan
- Response Plan strategies if underutilization is identified
- Planning for company activities, team events with the goal of celebrating diversity and inclusion
- Employee feedback assessment from Hiring Managers
- Training and employee professional development roadmap

Please note that in addition to the semiannual schedule for the Diversity Program Performance Meeting, this meeting may also occur in an ad hoc manner should the DPC and Senior Leadership Team wish to have supplemental program discussions. It is important that the key program stakeholders remain on the same page and unified towards adoption across the company.

4.2.1 Monitoring Toolset

The Diversity Plan and its components will be monitored for performance against our internal diversity goals. We will track our program efforts with software tools which are under the direction of the Diversity Program Champion. Our monitoring toolset will include:

- Applicant Tracking System
- Workforce Utilization Record
- Diversity Outreach Log
- Supplier Utilization Record
- Supplier Participation Log
- Employee Training Log

Samples of the toolset can be referenced in subsequent sections of this document under their respective categories. At a minimum, the types of data that will be captured by the toolset will be used to:

- Evaluate the overall program’s successes and strengths as well as barriers or problems
- Analyze the program outreach components for focused improvements to our partner networks and recruiting strategies
- Enhance our employee initiatives
- Create the Workforce Utilization Report upon request by the Department of Health

To determine the levels of program success, analysis of the workforce, supplier and outreach programs will also include comparing our internal metrics against regional census data. This community view will help us determine when our program actions should be adjusted to support underrepresented groups. The following sources beneficial to our community analysis include but are not limited to:

- Pennsylvania Center for Workforce Information & Analysis (website)
  - County Profiles (compilation of selected economic, geographic and demographic data)
  - Labor Force Characteristics Report by County
- Delaware County Workforce Development Board
Radial Analysis Reports (provides statistics within a pre-determined radius of our location)

Note: Please see Appendix A and B for a sample of the reporting mentioned above.

5. Human Resources

The following sets forth methods that DISPENSARY APPLICANT will use to actively attract and maintain a diverse pool of employment candidates. These diverse candidates provide DISPENSARY APPLICANT with the desired depth of talent, skills and potential to ensure a diverse operating environment. We are confident that through utilization of the outreach efforts described below, DISPENSARY APPLICANT will achieve a diverse workforce.

5.1 Recruitment & Employment

DISPENSARY APPLICANT has developed a diversity and inclusion recruiting strategy that includes a focus in the following areas: community stewardship, employment branding and advertising, supply chain relationships, sponsorships and early identification plan to improve employment opportunities within the local community. In each of these areas, we have developed action steps for driving diversity and inclusion for the company.

5.1.1 Community Stewardship

DISPENSARY APPLICANT is committed to working with local community outreach programs to coordinate branding efforts to diverse participants and diverse groups of the population. This will include gender, ethnic backgrounds, ages, national origins, veterans and sexual orientation.

DISPENSARY APPLICANT employs a Universal Search approach that ensures equity and diversity in the recruitment process by announcing opportunities through multiple outlets in Southeast Pennsylvania, Delaware County and surrounding communities via the following channels:

- Associations representing diverse participants (Diversity Partner Network)
- Associations representing diverse groups (Supplier Partner Network)
- Company Website and Social Media Outlets
- Job Fairs
- Professional Organizations
- Publications
- Utilizing our professional networks

DISPENSARY APPLICANT’S Diversity Program Champion liaises directly with different community action partners to develop our partner networks whereby these associates are regularly notified when any employment positions become available or when there is a need for goods or services.

DISPENSARY APPLICANT has created two Diversity Outreach programs:

- Diversity Partner Network for employment opportunities
- Supplier Partner Network for contracted goods or services

5.1.2 Diversity Partner Network

The Diversity Partner Network functions as a system where open employment positions are announced to our partner organizations that provide us access to a strategically diverse population. Thus far, DISPENSARY APPLICANT has actively engaged with the following partners:
• Delaware County Business and Professional Women Council
• Delaware County Workforce Development Board

Additionally, we have researched and identified the following organizations that we will contact to enhance our partner network:

• African American Chamber of Commerce, Pennsylvania, New Jersey and Delaware
• Delaware County Chamber of Commerce
• Greater Philadelphia Veterans Network including GPVN LinkedIn Group and Philly Veterans Job Initiative Website
• National Veteran Owned Business Association

Candidate search communications will be directed through our Diversity Partner Network channels announcing our employment opportunities and requesting referrals for qualified candidates. An example of this type of communication can be referenced below – Sample Outreach Letter.

February 18, 2017

Name
Title
Diverse Partner Organization
Address

Dear <Name>:

DISPENSARY APPLICANT is an Equal Employment Opportunity/Affirmative Action employer. It is our policy to provide equal opportunity to all applicants and to prohibit any discrimination because of race, color, religion, sex, sexual orientation, gender identity, national origin, age, marital status, genetic information, disability or veteran status. Applicants are treated based on their job-related qualifications, ability and performance. To ensure that our EEO policies are carried out, DISPENSARY APPLICANT has implemented an Affirmative Action Plan.

We would appreciate your referral of qualified candidates for any DISPENSARY APPLICANT openings. Candidates may find our current openings by contacting our office directly or visiting our website.

Thank you for your consideration and please feel free to reach out to me with any questions.

Sincerely,

DISPENSARY APPLICANT
Affirmative Action Officer

Sample Outreach Letter

5.1.2.1 Tracking Diversity Partner Outreach
Communications with partners within the Diversity Outreach Network will be captured in the Diversity Outreach Log. It is the responsibility of the DPC to track all outreach efforts, resulting referrals, hires and to identify any additional engagement opportunities. An example of this log is shown below – Sample Diversity Outreach Log.
<table>
<thead>
<tr>
<th>Date of Outreach</th>
<th>Organization Name</th>
<th>Contact Name</th>
<th>Contact Phone</th>
<th>Contact Email</th>
<th>Notes</th>
<th>Number Referrals</th>
<th>Number Hires or Contracts</th>
<th>Event Opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/15/17</td>
<td>African American Chamber of Commerce</td>
<td>&lt;Name&gt;</td>
<td>215-555-5555</td>
<td><a href="mailto:name@aachamber.org">name@aachamber.org</a></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Sample Diversity Outreach Log**

5.1.3 Supplier Partner Network
Like the Diversity Partner Network, DISPENSARY APPLICANT has created a structure for an integrated Supplier Partner Network. For additional details, please refer to the section entitled Supplier Diversity Plan which can be found in a subsequent section in this document.

5.2 Employment & Workplace Branding
All DISPENSARY APPLICANT communications related to Human Resource initiatives, both internal and external to the company, will consistently echo our employer brand built on DISPENSARY APPLICANT’S Principles of Community and commitment to diversity, inclusion and maintaining a work environment that is free of all forms of discrimination. Our Human Resources campaigns will incorporate EEO and diversity statements, diverse imagery and overall brand messaging that supports our Principles of Community. Candidates who visit our website for employment opportunities will find a section outlining our commitment to diversity and inclusion. Ongoing employee communications will include diverse messaging and provide literature in languages other than English, where appropriate.

The following DISPENSARY APPLICANT actions will support Employment & Workplace Branding.

5.2.1 EEO & Diversity Statements
EEO statements will be incorporated into the company website career-related pages and our online Applicant System. Additionally, direct links from our website will be posted to the Department of Labor and a printable copy of the “EEO is Law” poster will also be accessible from our website.

DISPENSARY APPLICANT will display EEO notices in a conspicuous location in the workplace where announcements to applicants and employees are customarily exhibited. This location will be compliant with the Americans with Disabilities Act that requires notices of Federal Laws prohibiting job discrimination be made accessible to applicants and employees with disabilities that limit mobility. Furthermore, these notices will be made available in an accessible format, as needed, to persons with disabilities that limit the capability to see or read. Notices that will be posted include but are not limited to:

- Workplace notice that describes the Federal laws prohibiting job discrimination based on race, color, sex, national origin, religion, age, equal pay, disability or genetic information.
- “EEO is the Law” poster, prepared by the Equal Employment Opportunity Commission (EEOC), summarizes these laws and explains how an employee or applicant can file a complaint if s/he believes that s/he has been the victim of discrimination.

5.2.2 Web Accessibility
DISPENSARY APPLICANT will design its company website to support web accessibility for persons with disabilities that limit their capacity to see or read. The Principles of Accessible Design will be referenced to guide the development that supports Assistive Technology such as screen readers. The design principles include but are not limited to:
• **Appropriate Alternative Text** will provide a textual alternative to non-text content in web pages and is especially helpful for people who are blind and rely on a screen reader to have the content of the website read to them.

• **Appropriate Document Structure** using headings, lists, and other organizational elements will provide meaning and structure to the website pages and their content. This approach can help to facilitate keyboard navigation within the page.

• **Headers for Data Tables** will make it easier for persons using a screen reader to navigate and understand information presented in a table format.

• **Ensure Users Can Complete and Submit Web Forms** for informational requests or when applying for a job. Including labels on all form fields as well as field validation with messaging will assist with recovering from any errors, such as the failure to fill in all required fields.

• **Ensure links make sense out of context** if the link text is read by itself through a screen reader. We will avoid using phrases like "click here" and "more".

• **Include Captions and/or provide transcripts for Videos and live audio** which will assist persons using a screen reader.

• **Ensure accessibility of file downloads**, including PDF files, which must be published to be as accessible as possible. Including a series of tags will make the document more accessible to a person using a screen reader.

• **Allow users to skip repetitive elements on the page** by including navigation links that will allow users to skip to the main content of the page.

• **Do not rely on color alone to convey meaning** as that information may not be available to a person who is colorblind or to persons using a screen reader.

• **Make sure content is clearly written and easy to read**

5.3 **Sponsorships**
DISPENSARY APPLICANT will sponsor events and activities in the community that allow us to have access to diverse populations.

5.4 **Hiring Process**
To attract the most qualified and diverse group of applicants, DISPENSARY APPLICANT will conduct competitive recruitments for all open positions through our broad network of outreach partners and candidate search channels. Interested applicants will officially apply for an open position via our Applicant Tracking System which will be accessed from our company website. Our goal is to ensure diversity and inclusion in our hiring decisions. We will engage a diverse group of skilled interviewers to help us in our candidate selections and we will make certain that all hiring managers are aware of the diversity goals and remain integral in recruiting and hiring a team of diverse personnel. Our Senior Leadership Team will remain extremely involved in our hiring process as an additional screen for diverse talent.

5.4.1 **Tracking Workforce Utilization**
In support of our diversity goals, DISPENSARY APPLICANT will use the Workforce Utilization Record to track the number of persons employed by job category as well as diversity-related attributes of the Diverse Participants’ groups. The Diversity Program Champion will ensure that the Workforce Utilization
Record remains current and accurate so that the utilization target is met or exceeded. The data contained in this record can be easily extracted into any format required by the Department for their Workforce Utilization Report. An example of this record is shown below – Sample Workforce Utilization Record.

### Sample Workforce Utilization Record

<table>
<thead>
<tr>
<th>AAP Year</th>
<th>Job Category</th>
<th>Positions</th>
<th>Men</th>
<th>Women</th>
<th>Veterans</th>
<th>SD Veterans</th>
<th>Minorities</th>
<th>Hispanics or Latino</th>
<th>American Indian or Alaska Native</th>
<th>Asian</th>
<th>Native Hawaiian or Other Pacific Islander</th>
<th>Black or African American</th>
<th>White</th>
<th>Date Hired</th>
<th>Employee Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>Pharmacist</td>
<td>2</td>
<td>3</td>
<td></td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Nurse Practitioner</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Technician</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Totals</td>
<td></td>
<td>4</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**5.5 Employee Relations**

**5.5.1 Policies**

DISPENSARY APPLICANT has developed comprehensive employment policies and programs designed to support work-life balance, promote professional growth, set expectations and encourage engagement. The Employee Handbook is an aggregate publication of the employment policies and procedures created specifically for DISPENSARY APPLICANT. These policies are scripted to be fair and consistent and will be uniformly applied and administered.

The policies contained within the Employee Handbook include but are not limited to attendance, personal conduct, anti-harassment, anti-retaliation as well as a complaint and dispute resolution processes.

**5.5.2 Dispute Resolution**

DISPENSARY APPLICANT recognizes that employee complaints and disputes are to be taken seriously and will conduct a thorough investigation of any submitted complaint or dispute in a timely manner. We will bring the disputing parties together and provide a platform so that all parties can present their case and be heard in full. To mitigate the recurrence of a complaint or dispute, we will review the policies and procedures which may have contributed to the original dispute. Those policies will be revised as required and all employees and management will be made aware of the updated policies through a training session or a team meeting.

**5.6 Training & Professional Development**

The following programs exemplify the training and education available to effectively assist employees at all levels to grow their careers, improve their skills and explore expanded opportunities with the organization. Each of these programs is administered by Human Resources and the Diversity Program Champion. Each employee will be required, as appropriate, to participate in the applicable program:

**5.6.1 New Hire Orientation**

Orientation fosters the engagement of our new hires with innovative yet simple content and strong links to organizational strategies and programs. Newly hired employees will begin work knowledgeable and excited about working for DISPENSARY APPLICANT. Upon completion of orientation, new hires will be equipped to describe and discuss DISPENSARY APPLICANT organizational culture, Principles of Community and our patient-centric methodology for care.
5.6.2 Industry Training
DISPENSARY APPLICANT industry-focused training is required training that we fully support and help to facilitate for our employees. Training includes but is not limited to:

- Department of Health Training for Licensed Medical Professionals
- Department of Health Training for MMJ Employees
- Electronic Tracking System User & Administrator Training

5.6.3 Educational Opportunities
DISPENSARY APPLICANT makes available to all its employees basic online and classroom training tools and initiatives that are geared to assist employees develop basic skills. These trainings include technical training for on the job performance such as:

- Dispensary Technician Certification Training
- Lunch-and-Learn Sessions (Led by Licensed Medical Professional)

5.6.4 Professional Development
DISPENSARY APPLICANT’S business focused training provides employees with a variety of online training resources including but not limited to the following:

- PA Women’s Business Council

Business, Technology and Leadership Training offering various web-based courses focused on business principals, accounting, team building, leadership, Information Technology, marketing, etc.

5.6.5 Performance Appraisal Program
This annual program involves a private meeting between the employee and supervisor where feedback about job performance and plans for specific professional development is discussed.
5.6.6 Diversity & Inclusion Resources
In addition to diversity events and activities hosted by our diversity partner networks, DISPENSARY APPLICANT retains access to diversity resources for our Diversity Program Champion and management to reference.

- Diversity Central
  Training and references specific to the continued improvement of our company diversity plan.

5.6.7 Tracking Employee Training
DISPENSARY APPLICANT will track employee training with the Employee Training Log that also captures certification dates and certification renewal dates.

<table>
<thead>
<tr>
<th>Date</th>
<th>Type of Training</th>
<th>Subject</th>
<th>Training Source</th>
<th>Training Location</th>
<th>Time</th>
<th>Employee Name</th>
<th>Certification Date</th>
<th>Certification Renew Date</th>
</tr>
</thead>
</table>

Sample Employee Training Log

6. Advertising
DISPENSARY APPLICANT will continue to grow our previously mentioned partner networks through resources that connect us with potential employees in Delaware County and the surrounding communities.

To review, our outreach efforts include:

- Associations representing diverse participants (Diversity Partner Network)
- Associations representing diverse groups (Supplier Partner Network)
- Company Website and Social Media Outlets
- Job Fairs
- Professional Organizations
- Publications
- Utilizing our professional networks

7. Supplier Diversity Plan
Our 2017 objective for Supplier Diversity is to increase the number of diverse contracts we engage in with our suppliers. We will focus on identifying women-owned, veteran-owned or other Minority Business Enterprise (MBE) suppliers in the fields including but not limited to:

- IT / Communications – computers, phones, copiers, cash registers
- Furniture
- Security Services
- Surveillance Equipment
- Construction, Plumbing, Electric
- Professional Services

We will infuse diversity in our supply networks, with the same commitment as with our diverse employee base. Our Supplier Diversity Plan seeks to:

- Build a partner network for Diverse Suppliers
• Locate diverse suppliers that are based near our location
• Look to identify suppliers whose ethnicity represents the population surrounding each location
• Help to create and grow opportunities for locally-owned, diverse businesses
• Helping our partners to succeed in their businesses and understand our business

Our diverse supplier partners must hold one or more of the certifications listed below. We encourage all diverse suppliers to maintain their status and meet periodic recertification requirements that may exist.

• Minority Business Enterprise (MBE)
• Women Business Enterprise (WBE)
• Veteran Business Enterprise (VBE)
• Service Disabled Veteran Business Enterprise (SDVBE)
• Historically Underutilized Business Enterprise (HUBZone)
• Lesbian, Gay, Bisexual, Transgender (LGBT)
• Persons with Disabilities (PWD)
• Small Disadvantaged Businesses

7.1 Supplier Diversity Partner Network
As our organization expands, so will our Supplier Partner Network. We have identified and initially engaged with two local councils where we will officially become members upon permit award. Additionally, we have engaged with a diverse-owned grower/processor in our local area. The Diversity Program Champion will work directly with these groups as their dedicated liaison.

• Eastern Minority Supplier Development Council, Philadelphia
• Women’s Business Enterprise Council of PA, DE and Southern NJ
• MedGarden, a woman-owned Grower/Processor applicant in Delaware County

The profiles of the partners that we have initially engaged are as follows:

<table>
<thead>
<tr>
<th>Eastern Minority Supplier Development Council of Philadelphia (EMSDC)</th>
<th>EMSDC has a mission to stimulate and support economic development with minority-owned businesses (Asian, Black, Hispanic, and Native American). Its’ primary focus area is Pennsylvania, Southern New Jersey and Delaware. The council fosters the development of minority business enterprises to better align them with corporations to initiate growth and opportunity through Supplier Diversity channels.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Membership with EMSDC will enable us to take part in educational sessions helping us to develop best practices for our organization and to create benchmarking to track our performance. EMSDC helps companies like ours in planning diverse supplier events and networking opportunities with their members. As a member, we will have access to a database of thousands of certified minority businesses. EMSDC verifies the ownership, operations and control of each business to ensure that the suppliers will meet our compliance standards.</td>
<td></td>
</tr>
<tr>
<td>EMSDC hosts several networking events throughout the year which DISPENSARY APPLICANT will attend to meet and increase our familiarity with the diverse suppliers in their</td>
<td></td>
</tr>
</tbody>
</table>
program. Events include but are not limited to a Business opportunity fair, golf tournaments and special award events which will provide us with ample opportunities to build our diverse supplier network.

**Women’s Business Enterprise Council of PA, DE and Southern NJ (WBEC)**

WBEC is a purchasing council for nationally certified women's business enterprises (WBEs). The Council provides women business enterprise certification, educational, networking, procurement-related, and informational programs and services that foster growth and business opportunities between WBEs and purchasing entities including major corporations and government agencies in Pennsylvania, Delaware and Southern New Jersey.

WBEC also assists corporations in creating and building world class supplier diversity programs. Currently, the WBEC has 1086 certified women business enterprises with revenues of approximately $7 billion and employs 28,000 people.

Membership with WBEC will provide us with access to its network of certified WBEs. WBEC conducts training and certification for its members which ensures the supplier network is qualified for the WBE designation. WBEC also offers multiple networking events throughout the year which DISPENSARY APPLICANT will attend to expand its supplier network focused on supporting WBEs. These events include local networking opportunities, educational seminars and membership/corporate sponsor awards events.

**Grower/Processor Applicant, Delaware County**

GROWER/PROCESSOR APPLICANT is a women-owned, Grower/Processor applicant from Delaware County that we have currently engaged. If both parties are awarded a permit, we will enter a Medical Cannabis Supplier Agreement for the purchase of their therapeutic products.

7.2 Sourcing

Our policy is to solicit multiple vendors utilizing our Universal Sourcing Process for each product or service needed on an annual basis. We will:

- Track the company awards in our Supplier Diversity Record
- Make every effort to meet our annual diversity goals
- Review program metrics on a semiannual basis and will adjust if our goal is not being met

<table>
<thead>
<tr>
<th>AAP Year</th>
<th>Contract Service</th>
<th># Contracts</th>
<th>DB</th>
<th>MOB</th>
<th>SDV/GB</th>
<th>VO/GB</th>
<th>WOB</th>
<th>Total Diverse Awards</th>
<th>NDV</th>
<th>Contract Date</th>
<th>Company Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>Information Tech</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Totals</td>
<td></td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Sample Supplier Diversity Record*
7.3 Structure & Governance
The Diversity Program Champion, who is a member of the Leadership Team, is responsible for the Supplier Diversity Plan. This role will work directly with the CEO to ensure that purchasing needs as well as the importance of the supplier diversity goals and targets are integrated into sourcing decisions. The Leadership Team will meet semiannually for the Diversity Program Performance Meeting and that agenda includes discussions on the challenges and possible resolutions surrounding supplier diversity.

7.4 Sourcing Process
Our sourcing process follows a standard framework:

- Identify Company Needs
- Conduct an RFP (Request for Proposal)
- Evaluate Submitted Proposals
- Contract for Goods or Services

We will vet our vendors to make sure that they meet multiple requirements within each of the Sourcing steps including but not limited to:

- Securing licenses with the regulatory authority in which they will be conducting business
- Obtaining sufficient certificates of insurance
- Submitting their minority business certificate

The DPC will work with our partners to guide them through their part in this sourcing process.

7.5 Supplier Diversity Program Process
The Supplier Diversity Program is managed around five key categories:

- Executive Leadership Commitment
- Clear Policies, Established Roles & Responsibilities
- Tools & Resources
- Measuring Success
- External Engagement

When there is a procurement need, we look to our Supplier Partner Network for bids to fulfill the requirement. If a supplier partner is not competitive enough to win a bid, we plan to offer direct feedback to that supplier to assist them in preparing for future opportunities with us. The feedback may be delivered in the form of a standardized supplier feedback form or by a phone call from the Diversity Program Champion.
7.6 Supplier Training

DISPENSARY APPLICANT is committed to expanding our outreach efforts to find ready, willing, capable and able businesses to assist us with our procurement goals. To that end, we will engage in outreach events and general informational sessions that target the local business community to expand the breadth and depth of our supply chain. We will track the attendance of participants for these events in our Supplier Participation Log which will be managed by the Diversity Program Champion.

<table>
<thead>
<tr>
<th>Event Participation Log</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supplier Partner Network</td>
</tr>
<tr>
<td>Data</td>
</tr>
<tr>
<td>------</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

Sample Participation Log
Appendix

A. Sample County Profile Report

Delaware County Profile

Unemployment Rate, Jan. 2006 to Dec 2016

Local Area Unemployment Statistics

<table>
<thead>
<tr>
<th>Dec 2016</th>
<th>County</th>
<th>PA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unemployment Rate</td>
<td>4.9%</td>
<td>5.6%</td>
</tr>
<tr>
<td>Labor Force</td>
<td>295,800</td>
<td>6,510,000</td>
</tr>
<tr>
<td>Employed</td>
<td>281,300</td>
<td>6,144,000</td>
</tr>
<tr>
<td>Unemployed</td>
<td>14,500</td>
<td>366,000</td>
</tr>
</tbody>
</table>

Notes: Current month’s data are preliminary. Data are Seasonally Adjusted.

Unemployment Compensation Exhaustes

<table>
<thead>
<tr>
<th>Jan 2016 to Dec 2016</th>
<th>Volume</th>
<th>Percent of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-UC Industry</td>
<td>County</td>
<td>PA</td>
</tr>
<tr>
<td>Natural Resources &amp; Mining</td>
<td>0</td>
<td>3,960</td>
</tr>
<tr>
<td>Construction</td>
<td>320</td>
<td>12,130</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>270</td>
<td>17,440</td>
</tr>
<tr>
<td>Trade, Transportation &amp; Utilities</td>
<td>880</td>
<td>21,630</td>
</tr>
<tr>
<td>Information</td>
<td>100</td>
<td>1,800</td>
</tr>
<tr>
<td>Financial Activities</td>
<td>310</td>
<td>5,730</td>
</tr>
<tr>
<td>Professional &amp; Business Services</td>
<td>620</td>
<td>20,240</td>
</tr>
<tr>
<td>Education &amp; Health Services</td>
<td>670</td>
<td>17,250</td>
</tr>
<tr>
<td>Leisure &amp; Hospitality</td>
<td>380</td>
<td>7,610</td>
</tr>
<tr>
<td>Other Services</td>
<td>120</td>
<td>2,000</td>
</tr>
<tr>
<td>Government</td>
<td>40</td>
<td>1,100</td>
</tr>
<tr>
<td>Info Not Available</td>
<td>50</td>
<td>2,310</td>
</tr>
<tr>
<td>Total</td>
<td>4,260</td>
<td>114,000</td>
</tr>
</tbody>
</table>

Note: Percentages less than 0.5% will be displayed as 0.0%. Source: Pennsylvania Unemployment Compensation System

Top 10 Employers by Employment in Q2 of 2016

1. The Boeing Company
2. Crozer-Chester Medical Center
3. Delaware County
4. Amerihealth Mercy Services LLC
5. Wawa Inc
6. United Parcel Service Inc
7. SAP of America Inc
8. Villanova University
9. Federal Government
10. Ewyn

Source: Quarterly Census of Employment and Wages

Income

<table>
<thead>
<tr>
<th>County</th>
<th>PA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per Capita Personal Income</td>
<td>$57,756</td>
</tr>
<tr>
<td>Total Personal Income</td>
<td>$326,589,552</td>
</tr>
<tr>
<td>Median Household Income</td>
<td>$55,123</td>
</tr>
<tr>
<td>Median Family Income</td>
<td>$82,058</td>
</tr>
</tbody>
</table>

Note: Total Personal Income is displayed in thousands.
Note: Median incomes are in 2015 adjusted dollars.
Source: Personal Income - Bureau of Economic Analysis (BEA) - 2015
Source: Median Incomes - U.S. Census 2011-2015 (Tables: B19013 & B19013)
# Delaware County Profile

## Quarterly Census of Employment and Wages, 2015 Annual Averages

<table>
<thead>
<tr>
<th>NAICS</th>
<th>NAICS Description</th>
<th>County</th>
<th>LQ</th>
<th>County</th>
<th>PA</th>
<th>County</th>
<th>PA</th>
<th>County</th>
<th>PA</th>
<th>Wages</th>
</tr>
</thead>
<tbody>
<tr>
<td>00-0000</td>
<td>Total, All Industries</td>
<td>13,805</td>
<td>1.0</td>
<td>217.071</td>
<td>5,691.627</td>
<td>100.0%</td>
<td>100.0%</td>
<td>50,225</td>
<td>52,190</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Agriculture, Forestry, Fishing and Hunting</td>
<td>12</td>
<td>0.13</td>
<td>124</td>
<td>24,294</td>
<td>0.1%</td>
<td>0.4%</td>
<td>32,081</td>
<td>33,669</td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>Mining, Quarrying, and Oil &amp; Gas</td>
<td>8</td>
<td>0.10</td>
<td>124</td>
<td>33,054</td>
<td>0.1%</td>
<td>0.8%</td>
<td>115,422</td>
<td>116,640</td>
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</tr>
<tr>
<td>22</td>
<td>Utilities</td>
<td>28</td>
<td>0.66</td>
<td>880</td>
<td>35,217</td>
<td>0.4%</td>
<td>0.8%</td>
<td>107,314</td>
<td>108,986</td>
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</tr>
<tr>
<td>23</td>
<td>Construction</td>
<td>1,296</td>
<td>11.11</td>
<td>10,318</td>
<td>243,436</td>
<td>4.8%</td>
<td>4.3%</td>
<td>70,201</td>
<td>59,796</td>
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</tr>
<tr>
<td>31-34</td>
<td>Manufacturing</td>
<td>385</td>
<td>0.67</td>
<td>14,574</td>
<td>608,998</td>
<td>6.7%</td>
<td>10.0%</td>
<td>868,675</td>
<td>59,594</td>
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</tr>
<tr>
<td>42</td>
<td>Wholesale Trade</td>
<td>707</td>
<td>0.77</td>
<td>5,633</td>
<td>224,810</td>
<td>3.1%</td>
<td>3.9%</td>
<td>75,948</td>
<td>77,351</td>
<td></td>
</tr>
<tr>
<td>44-45</td>
<td>Retail Trade</td>
<td>1,610</td>
<td>1.02</td>
<td>24,769</td>
<td>537,817</td>
<td>11.4%</td>
<td>11.2%</td>
<td>28,444</td>
<td>27,329</td>
<td></td>
</tr>
<tr>
<td>48-49</td>
<td>Transportation and Warehousing</td>
<td>309</td>
<td>0.90</td>
<td>9,496</td>
<td>277,013</td>
<td>4.4%</td>
<td>4.9%</td>
<td>46,629</td>
<td>47,007</td>
<td></td>
</tr>
<tr>
<td>51</td>
<td>Information</td>
<td>163</td>
<td>0.77</td>
<td>2,594</td>
<td>68,323</td>
<td>1.2%</td>
<td>1.6%</td>
<td>81,916</td>
<td>72,586</td>
<td></td>
</tr>
<tr>
<td>52</td>
<td>Finance and Insurance</td>
<td>876</td>
<td>1.26</td>
<td>12,373</td>
<td>257,584</td>
<td>5.7%</td>
<td>5.5%</td>
<td>103,500</td>
<td>87,427</td>
<td></td>
</tr>
<tr>
<td>53</td>
<td>Real Estate and Rental and Leasing</td>
<td>398</td>
<td>1.10</td>
<td>2,615</td>
<td>62,366</td>
<td>1.2%</td>
<td>1.1%</td>
<td>66,299</td>
<td>56,851</td>
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</tr>
<tr>
<td>54</td>
<td>Professional and Technical Services</td>
<td>1,664</td>
<td>0.79</td>
<td>10,324</td>
<td>341,433</td>
<td>4.8%</td>
<td>6.0%</td>
<td>95,111</td>
<td>97,398</td>
<td></td>
</tr>
<tr>
<td>55</td>
<td>Management of Companies and Enterprises</td>
<td>142</td>
<td>1.26</td>
<td>6,318</td>
<td>132,361</td>
<td>2.9%</td>
<td>2.7%</td>
<td>145,169</td>
<td>130,162</td>
<td></td>
</tr>
<tr>
<td>56</td>
<td>Administrative and Waste Services</td>
<td>834</td>
<td>1.07</td>
<td>12,863</td>
<td>314,339</td>
<td>5.5%</td>
<td>5.6%</td>
<td>43,768</td>
<td>33,813</td>
<td></td>
</tr>
<tr>
<td>61</td>
<td>Educational Services</td>
<td>364</td>
<td>1.36</td>
<td>24,697</td>
<td>477,181</td>
<td>11.4%</td>
<td>8.4%</td>
<td>52,279</td>
<td>53,592</td>
<td></td>
</tr>
<tr>
<td>62</td>
<td>Health Care and Social Assistance</td>
<td>2,181</td>
<td>1.09</td>
<td>41,398</td>
<td>994,804</td>
<td>19.1%</td>
<td>17.5%</td>
<td>44,752</td>
<td>47,871</td>
<td></td>
</tr>
<tr>
<td>71</td>
<td>Arts, Entertainment, and Recreation</td>
<td>197</td>
<td>1.23</td>
<td>4,448</td>
<td>94,960</td>
<td>2.0%</td>
<td>1.7%</td>
<td>28,763</td>
<td>32,030</td>
<td></td>
</tr>
<tr>
<td>72</td>
<td>Accommodation and Food Services</td>
<td>1,088</td>
<td>0.95</td>
<td>16,450</td>
<td>453,913</td>
<td>7.9%</td>
<td>8.0%</td>
<td>17,551</td>
<td>17,279</td>
<td></td>
</tr>
<tr>
<td>81</td>
<td>Other Services (Except Public Administration)</td>
<td>1,439</td>
<td>1.17</td>
<td>8,736</td>
<td>196,436</td>
<td>4.9%</td>
<td>4.7%</td>
<td>32,913</td>
<td>31,470</td>
<td></td>
</tr>
<tr>
<td>92</td>
<td>Public Administration</td>
<td>127</td>
<td>0.82</td>
<td>7,307</td>
<td>235,158</td>
<td>3.4%</td>
<td>4.1%</td>
<td>55,624</td>
<td>56,691</td>
<td></td>
</tr>
</tbody>
</table>

## Company Ownership

<table>
<thead>
<tr>
<th></th>
<th>County</th>
<th>PA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total, All Ownership</td>
<td>13,805</td>
<td>217,071</td>
</tr>
<tr>
<td>Private Ownership</td>
<td>13,469</td>
<td>192,387</td>
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<tr>
<td>Federal Ownership</td>
<td>63</td>
<td>2,072</td>
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<tr>
<td>State Ownership</td>
<td>28</td>
<td>2,367</td>
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<tr>
<td>Local Ownership</td>
<td>245</td>
<td>2,034</td>
</tr>
</tbody>
</table>

Notes: ‘Estab.’—Establishments; ‘LQ’—Location Quotient is the percent of county employment by sector divided by the percent of PA’s employment by sector.

## Occupational Wages, 2015 Annual Averages

<table>
<thead>
<tr>
<th>SOC Code</th>
<th>Major Occupational Group</th>
<th>Entry-Level Wage</th>
<th>Average Wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>00-0000</td>
<td>Total, All Occupations</td>
<td>$21,232</td>
<td>$20,760</td>
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<tr>
<td>11-0000</td>
<td>Management</td>
<td>$64,954</td>
<td>$58,380</td>
</tr>
<tr>
<td>13-0000</td>
<td>Business &amp; Financial Operations</td>
<td>$45,779</td>
<td>$40,600</td>
</tr>
<tr>
<td>15-0000</td>
<td>Computer &amp; Mathematics</td>
<td>$47,914</td>
<td>$45,890</td>
</tr>
<tr>
<td>17-0000</td>
<td>Architecture &amp; Engineering</td>
<td>$51,325</td>
<td>$45,150</td>
</tr>
<tr>
<td>19-0000</td>
<td>Life, Physical &amp; Social Science</td>
<td>$40,649</td>
<td>$36,580</td>
</tr>
<tr>
<td>21-0000</td>
<td>Community &amp; Social Services</td>
<td>$28,611</td>
<td>$26,620</td>
</tr>
<tr>
<td>23-0000</td>
<td>Legal</td>
<td>$39,713</td>
<td>$40,830</td>
</tr>
<tr>
<td>25-0000</td>
<td>Education, Training &amp; Library</td>
<td>$28,051</td>
<td>$26,630</td>
</tr>
<tr>
<td>27-0000</td>
<td>Arts, Design, Entertainment, Sports &amp; Media</td>
<td>$24,160</td>
<td>$23,850</td>
</tr>
<tr>
<td>29-0000</td>
<td>Healthcare Practitioners &amp; Technical</td>
<td>$41,260</td>
<td>$36,630</td>
</tr>
<tr>
<td>31-0000</td>
<td>Healthcare Support</td>
<td>$20,052</td>
<td>$20,040</td>
</tr>
<tr>
<td>33-0000</td>
<td>Protective Service</td>
<td>$19,016</td>
<td>$20,370</td>
</tr>
<tr>
<td>35-0000</td>
<td>Food Preparation &amp; Serving Related</td>
<td>$17,001</td>
<td>$16,990</td>
</tr>
<tr>
<td>37-0000</td>
<td>Building &amp; Grounds Cleaning &amp; Maintenance</td>
<td>$19,783</td>
<td>$18,470</td>
</tr>
<tr>
<td>39-0000</td>
<td>Personal Care &amp; Service</td>
<td>$17,087</td>
<td>$17,140</td>
</tr>
<tr>
<td>41-0000</td>
<td>Sales &amp; Related</td>
<td>$18,229</td>
<td>$17,300</td>
</tr>
<tr>
<td>43-0000</td>
<td>Office &amp; Administrative Support</td>
<td>$23,112</td>
<td>$22,150</td>
</tr>
<tr>
<td>45-0000</td>
<td>Farming, Fishing &amp; Forestry</td>
<td>$16,913</td>
<td>$23,166</td>
</tr>
<tr>
<td>47-0000</td>
<td>Construction &amp; Extraction</td>
<td>$19,827</td>
<td>$29,240</td>
</tr>
<tr>
<td>49-0000</td>
<td>Installation, Maintenance &amp; Repair</td>
<td>$30,515</td>
<td>$27,510</td>
</tr>
<tr>
<td>51-0000</td>
<td>Production</td>
<td>$26,789</td>
<td>$25,550</td>
</tr>
<tr>
<td>53-0000</td>
<td>Transportation &amp; Material Moving</td>
<td>$19,533</td>
<td>$20,340</td>
</tr>
</tbody>
</table>

Note: ‘ND’ represents Non-Disclosable information.

Source: [Workstats County Profiles](http://www.workstats.dli.pac.gov)
## B. Sample Labor Force Characteristics Report

### Table 1.
Delaware County, Pennsylvania

**Labor Force Characteristics**
Employment and Unemployment by Sex, Age and Minority Status

<table>
<thead>
<tr>
<th>Sex, Age and Minority Status</th>
<th>Labor Force</th>
<th>Employed</th>
<th>Unemployed</th>
<th>Percent Distribution</th>
<th>Unemployment Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Both Sexes</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Total</td>
<td>288,595</td>
<td>267,497</td>
<td>21,096</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>2. Female</td>
<td>141,008</td>
<td>131,425</td>
<td>9,583</td>
<td>48.9</td>
<td>49.1</td>
</tr>
<tr>
<td>3. Male</td>
<td>147,587</td>
<td>136,072</td>
<td>11,515</td>
<td>51.1</td>
<td>50.9</td>
</tr>
<tr>
<td>4. White¹</td>
<td>219,784</td>
<td>206,637</td>
<td>13,147</td>
<td>76.2</td>
<td>77.2</td>
</tr>
<tr>
<td>5. Black or African America</td>
<td>50,323</td>
<td>43,835</td>
<td>6,488</td>
<td>17.4</td>
<td>16.4</td>
</tr>
<tr>
<td>6. Other Races²</td>
<td>15,502</td>
<td>14,500</td>
<td>1,002</td>
<td>5.4</td>
<td>5.4</td>
</tr>
<tr>
<td>7. Hispanic or Latino³</td>
<td>6,758</td>
<td>6,123</td>
<td>635</td>
<td>2.3</td>
<td>2.3</td>
</tr>
<tr>
<td>8. Minority Group⁴</td>
<td>72,583</td>
<td>64,458</td>
<td>8,125</td>
<td>25.2</td>
<td>24.1</td>
</tr>
<tr>
<td>9. Total Veteran</td>
<td>15,864</td>
<td>14,829</td>
<td>1,035</td>
<td>5.5</td>
<td>5.5</td>
</tr>
<tr>
<td><strong>Age</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. 16 to 19 years</td>
<td>13,470</td>
<td>10,458</td>
<td>3,012</td>
<td>4.7</td>
<td>3.9</td>
</tr>
<tr>
<td>11. 20 to 21 years</td>
<td>10,711</td>
<td>9,064</td>
<td>1,647</td>
<td>3.7</td>
<td>3.4</td>
</tr>
<tr>
<td><strong>Female</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. Total</td>
<td>141,008</td>
<td>131,425</td>
<td>9,583</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>13. White</td>
<td>104,158</td>
<td>98,274</td>
<td>5,884</td>
<td>73.9</td>
<td>74.8</td>
</tr>
<tr>
<td>15. Other Races</td>
<td>7,146</td>
<td>6,703</td>
<td>443</td>
<td>5.1</td>
<td>5.1</td>
</tr>
<tr>
<td>16. Hispanic or Latino³</td>
<td>2,868</td>
<td>2,612</td>
<td>256</td>
<td>2.0</td>
<td>2.0</td>
</tr>
<tr>
<td>17. Minority Group⁴</td>
<td>38,237</td>
<td>34,431</td>
<td>3,806</td>
<td>27.1</td>
<td>26.2</td>
</tr>
<tr>
<td><strong>Male</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18. Total</td>
<td>147,587</td>
<td>136,072</td>
<td>11,515</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>19. White</td>
<td>115,626</td>
<td>108,363</td>
<td>7,263</td>
<td>78.3</td>
<td>79.6</td>
</tr>
<tr>
<td>20. Black</td>
<td>22,100</td>
<td>18,719</td>
<td>3,381</td>
<td>15.0</td>
<td>13.8</td>
</tr>
<tr>
<td>21. Other Races</td>
<td>8,356</td>
<td>7,797</td>
<td>559</td>
<td>5.7</td>
<td>5.7</td>
</tr>
<tr>
<td>22. Hispanic or Latino³</td>
<td>3,390</td>
<td>3,511</td>
<td>379</td>
<td>2.6</td>
<td>2.6</td>
</tr>
<tr>
<td>23. Minority Group⁴</td>
<td>34,346</td>
<td>30,027</td>
<td>4,319</td>
<td>23.3</td>
<td>22.1</td>
</tr>
</tbody>
</table>

(1) White including Hispanics and Latinos.
(2) American Indian and Alaska Native, Asian, Native Hawaiian and other Pacific Islander or other racer or two or more races.
(3) Individuals of Mexican, Puerto Rican, Cuban, or other Spanish, Hispanic, or Latino origin.
(4) Total of all non white (alone) races and individuals of Hispanic or Latino origin. Since Hispanic or Latino individuals may be of a non white race, duplication is possible in this category.

Source: Workstats EEO Data-Delaware County
# DISPENSARY APPLICANT Absence Request Form

<table>
<thead>
<tr>
<th>Employee Name:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Badge:</td>
<td></td>
</tr>
<tr>
<td>Date(s) Requested:</td>
<td></td>
</tr>
<tr>
<td>Type of Absence Requested:</td>
<td></td>
</tr>
</tbody>
</table>

Other: Sick : Vacation : Time off w/o Pay: Maternity : Bereavement

Requests for absence must be submitted 14 days in advance

Please advise HR or your Employee Handbook for information

<table>
<thead>
<tr>
<th>Approved</th>
<th>Rejected</th>
</tr>
</thead>
</table>

Additional Comments:

<table>
<thead>
<tr>
<th>Employee Signature:</th>
<th>Date:</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Manager Signature:</th>
<th>Date:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Person Found Variance</td>
<td>Date (000000000)</td>
</tr>
<tr>
<td>-----------------------</td>
<td>------------------</td>
</tr>
<tr>
<td>1</td>
<td>-1.0</td>
</tr>
<tr>
<td>RFID</td>
<td>DATE (Electronic Tracking System SALES UPLOAD DATE)</td>
</tr>
<tr>
<td>------</td>
<td>--------------------------------------------------</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
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<td></td>
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</tr>
</tbody>
</table>
DISPENSARY APPLICANT

Affirmative Action Policy Manual

A Component of the 2017 Diversity Plan

Submitted by:
Diversity Program Champion
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1.0 Equal Employment Opportunity Policy

DISPENSARY APPLICANT is committed to the principle of equal employment opportunities (EEO) and promotes a workplace that values diversity and inclusion. Integral to standard operations, DISPENSARY APPLICANT employs a comprehensive Diversity Plan. This program is supported by Affirmative Action and Employment policies that ensure employment-related actions are made without regard to non-work related, personal characteristics such as race, color, sex, sexual orientation, gender identity, religion, disability, age, veteran status, ancestry, or national or ethnic origin.

This EEO policy relates to all phases of employment, including, but not limited to, recruiting, employment, placement, promotion, transfer, demotion, reduction of workforce and termination, rates of pay or other forms of compensation, selection for training, the use of all facilities and participation in all company-sponsored employee activities. Provisions in applicable laws providing for bona fide occupational qualifications, business necessity or age limitations will be adhered to by the company where appropriate.

All employees and applicants for jobs at DISPENSARY APPLICANT have the right to full and equal consideration based on merit and other relevant, meaningful criteria. Therefore, DISPENSARY APPLICANT has developed a set of policies to assure that employment-related actions are made without prejudice. The Diversity Program Champion along with principles, operators, supervisors, hiring managers and other human resources professionals implement these policies in a fair and uniform manner.

1.1 Diversity Program Champion

The Diversity Program Champion (DPC) serves as the Affirmative Action Officer for DISPENSARY APPLICANT. This is a role that acts as the advocate for diversity and inclusion initiatives throughout our company. Their mission is to ensure that the pillars of our Affirmative Action Plan are fully implemented, remain effective as the company grows and continue to improve based upon the collection of internal metrics as well as feedback from our employees. The DPC must remain conversant on diversity-related and team-building topics by referencing our membership resources such as Diversity Central and attending member events through our Diversity Outreach partners. Participation with these membership resources and programs enable the DPC to identify areas where Diverse Participants or Groups are not fully represented and establish Good Faith Efforts to move towards full representation.

The DPC is directly responsible for tasks including but not limited to the following:

- Administer, educate, and ensure that policies within the Affirmative Action Policy Manual are applied uniformly and kept up to date
- Conduct meetings with senior leadership and hiring managers to gain support and understanding of the Affirmative Action Plan objectives
- Administer, educate, and ensure the Employee Handbook sections that support the Affirmative Action Policy Manual are understood
- Administer and analyze the Workforce Utilization Record and Supplier Utilization Record
- Identify areas where Diverse Participants or Groups are not fully represented and establish Good Faith Efforts to move towards full representation
- Upon Department request, submit the Workforce Utilization Report to the PA Department of Health
- Administer and analyze the Diversity Outreach Log, Supplier Training Participant Log
- Support positive outreach and recruitment efforts to provide a more diverse pool of applicants
- Remain conversant on the economic landscape of our local community through resources like the PA Center for Workforce Information & Analysis as well as through our outreach partner networks
1.2 Creating an Inclusive and Supportive Environment

The DPC and all staff in supervisory positions are the role models that create and proliferate an inclusive and supportive workplace. Use the following guide which describes behaviors to help develop and maintain a diverse, inclusive, and engaging environment.

<table>
<thead>
<tr>
<th>Diversity Behavior</th>
<th>Description</th>
<th>Examples of Applying Diversity Behavior</th>
</tr>
</thead>
<tbody>
<tr>
<td>Listening to Understand</td>
<td>Listening with an open mind to fully understand all aspects of a</td>
<td>• Seeking multiple points of view during problem investigation</td>
</tr>
<tr>
<td></td>
<td>situation</td>
<td>• Using open-ended questions</td>
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<tr>
<td></td>
<td></td>
<td>• Asking about a situation before characterizing it</td>
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<tr>
<td></td>
<td></td>
<td>• Listening carefully to the person speaking until he/she feels understood</td>
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<tr>
<td></td>
<td></td>
<td>• Seeking suggestions and ideas from staff</td>
</tr>
<tr>
<td>Seeking Multiple Points of View</td>
<td>Understanding that our perspective is not the only one when looking at a situation, issue or problem</td>
<td>• Soliciting other relevant points of view</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Engaging in collaborative learning</td>
</tr>
<tr>
<td>Giving &amp; Receiving Feedback</td>
<td>Inviting and giving feedback</td>
<td>• Communicating clearly, directly, and honestly</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Giving feedback to employees when the impact of their words or actions differ from their intent</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Inviting feedback about the impact of your words and/or actions</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Receiving feedback without defensiveness</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Giving direct feedback about behavior and/or performance</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Thanking people for direct feedback to you</td>
</tr>
<tr>
<td>Enhancing Inclusion</td>
<td>Helping employees feel included and involved</td>
<td>• Integrating newly hired employees into the department</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Increasing face-to-face interactions with employees</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Speaking up when people are excluded</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Increasing the diversity in all Job Categories</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Discussing diversity issues at a staff/team meeting</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Integrating work/life considerations into work priorities</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Establishing and implementing an effective meeting process and managing it</td>
</tr>
<tr>
<td>Addressing Inappropriate</td>
<td>Acknowledging inappropriate behavior; communicating</td>
<td>• Setting group processes and norms that foster trust and respect</td>
</tr>
</tbody>
</table>
1.3 Principles of Community
The principals, management, staff, patients, vendors and visitors that make up the DISPENSARY APPLICANT community represent many diverse characteristics, beliefs, and affiliations. Recognizing this rich diversity, DISPENSARY APPLICANT seeks to offer all community members an equitable, inclusive, welcoming, secure, responsive, and affirming environment that fosters mutual respect, empathy and trust.

To nurture this environment, several principles of community have been established. Adherence to these principles is essential to ensure the integrity of DISPENSARY APPLICANT’s environment and to achieve the goals of a diverse, open and inclusive community. Everyone is asked to acknowledge and practice these basic principles:

- We recognize, value, and affirm that our rich diversity contributes to the excellence of the organization and enhances the quality of our patient care. We encourage one another to apply our unique talents in creative and collaborative work, take pride in our various achievements and celebrate our differences.
- We reject all acts of discrimination, including, but not limited to those based on race, ethnicity, gender, age, disability, sexual orientation, gender identity/expression, and religious or political beliefs. We commit ourselves to fostering an atmosphere of equity and inclusion.
- We are committed to providing a welcoming environment where each person can benefit from the highest principles of openness and integrity.
- We affirm the right of freedom of expression and commit to the highest standards of civility and decency. We are committed to maintaining a workplace community where communication is courteous, sensitive, respectful and never demeaning.
- We have empathy for others, and will establish systems which address the needs of the one and the many.
- We affirm that each member of the DISPENSARY APPLICANT team is expected to work in accord with these principles and to make individual efforts to enhance the quality of the workplace for all.

1.4 EEO Statements
DISPENSARY APPLICANT will use consistent messaging that reflects our commitment to diversity and inclusion. We will incorporate EEO statements into the Career web page and our online Applicant System. These statements will provide job applicants and employees with an awareness that they are protected under Federal law from discrimination. Additionally, direct links will be posted to the Department of Labor and to a printable copy of the “EEO is Law” poster.

DISPENSARY APPLICANT will also incorporate the following tagline on the company Job Posting web page as well as within all job announcements:

*Equal Opportunity Employer or is an Equal Opportunity Employer that recruits and hires qualified candidates without regard to race, religion, sex, sexual orientation, gender identity, age, national origin, ancestry, citizenship, disability, or veteran status.*

1.5 Maintaining Accessibility
DISPENSARY APPLICANT will design and maintain its company website to support web accessibility for persons with disabilities that limit their capacity to see or read. The following Principles of Accessible Design will guide the development of the DISPENSARY APPLICANT website:

<table>
<thead>
<tr>
<th>Workplace Behavior</th>
<th>expectations and consequences for repeated behavior</th>
<th>• Taking action when issues of disrespect happen</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>• Stopping disrespectful jokes or language</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Proactively address and resolves conflict</td>
</tr>
</tbody>
</table>

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### Workplace Behavior Expectations and Consequences

<table>
<thead>
<tr>
<th>Workplace Behavior</th>
<th>Expectations and Consequences for Repeated Behavior</th>
</tr>
</thead>
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<td>• Stopping disrespectful jokes or language</td>
</tr>
<tr>
<td></td>
<td>• Proactively address and resolves conflict</td>
</tr>
</tbody>
</table>
• **Appropriate Alternative Text** will provide a textual alternative to non-text content in web pages and is especially helpful for people who are blind and rely on a screen reader to have the content of the website read to them.

• **Appropriate Document Structure** using headings, lists, and other organizational elements will provide meaning and structure to the website pages and their content. This approach can help to facilitate keyboard navigation within the page.

• **Headers for Data Tables** will make it easier for persons using a screen reader to navigate and understand information presented in a table format.

• **Ensure Users Can Complete and Submit Web Forms** for informational requests or when applying for a job. Including labels on all form fields as well as field validation with messaging will assist with recovering from any errors, such as the failure to fill in all required fields.

• **Ensure links make sense out of context** if the link text is read by itself through a screen reader. We will avoid using phrases like "click here" and "more".

• **Include Captions and/or provide transcripts for Videos and live audio** which will assist persons using a screen reader.

• **Ensure accessibility of file downloads**, including PDF files, which must be published to be as accessible as possible. Including a series of tags will make the document more accessible to a person using a screen reader.

• **Allow users to skip repetitive elements on the page** by including navigation links that will allow users to skip to the main content of the page.

• **Do not rely on color alone to convey meaning** as that information may not be available to a person who is colorblind or to persons using a screen reader.

• **Make sure content is clearly written and easy to read**

To ensure that employees remain conversant of their employment rights, DISPENSARY APPLICANT will display EEO notices in the following manner to support accessibility:

• Notices will be displayed in a conspicuous location in the workplace where announcements to applicants and employees are customarily exhibited. This location will be compliant with the Americans with Disabilities Act that requires notices of Federal Laws prohibiting job discrimination be made accessible to applicants and employees with disabilities that limit mobility.

• Notices will be available in an accessible format, as needed, to persons with disabilities that limit the capability to see or read.

• Notices will be made available in languages other than English as needed.

### 2.0 Policy for Recruitment, Hiring & Employment

DISPENSARY APPLICANT ’s commitment to affirmative action in the employment of women and members of minority groups, individuals with disabilities, veterans and service-disabled veterans, our policy requires a thorough search of the employment market for qualified candidates, including the diverse participants and groups to whom this policy applies.

When there is an employment opening, DISPENSARY APPLICANT follows a defined announcement and search procedure that serves to make all members of the community aware of career opportunities or contract needs that exist at the company. This search procedure ensures that qualified candidates are sought, especially in those areas where underrepresentation have been identified.
3.0 Policy for the Employment of Minorities and Women

DISPENSARY APPLICANT’s Affirmative Action Plan, a primary component of the Diversity Plan, is intended to expand our efforts to guarantee equality of opportunity in employment and to reduce underrepresentation and underutilization of minorities and women in the Medical Marijuana industry. Our objectives are to achieve a representation of minorities and women that is at least in proportion to their current availability and to provide new opportunities for career development which both stimulate and respond to their changing interests and aspirations.

When there is an employment opening, DISPENSARY APPLICANT follows a defined announcement and search procedure that serves to make all members of the community aware of career opportunities or contract needs that exist at the company. This search procedure ensures that qualified candidates are sought, especially in those areas where underrepresentation have been identified.

4.0 Policy for the Employment of Individuals with Disabilities

DISPENSARY APPLICANT’s Diversity Plan includes the employment of individuals with disabilities and is intended to expand DISPENSARY APPLICANT’s efforts to provide opportunities for employment and advancement for qualified persons with disabilities. DISPENSARY APPLICANT will not discriminate against any employee or applicant for employment because of physical or mental disability regarding any position for which the employee or applicant is qualified. Additionally, access to DISPENSARY APPLICANT’s facilities are fully compliant with the American Disabilities Act (ADA) and all State and Federal laws.

When there is an employment opening, DISPENSARY APPLICANT follows a defined announcement and search procedure that serves to make all members of the community aware of career opportunities or contract needs that exist at the company. This search procedure ensures that qualified candidates are sought, especially in those areas where underrepresentation have been identified.

4.1 Communicating with and about Persons with Disabilities

In speaking or writing, remember that persons with disabilities are like everyone else – except they happen to have a disability. It is important to use “person first language.” This means speaking of the person first, then the disability. For example, use “person with a disability” instead of disabled person. Emphasize an individual’s abilities, not limitations. Emphasize the uniqueness and worth of all persons rather than the differences between people. Do not label people as part of a disability group (“the disabled”, “the handicapped”). Be thoughtful. Treat adults with disabilities as adults. Do not give excessive praise or attention to a person with a disability; this can be patronizing. Let the individual speak and do for he or she as much as possible; independence and choice are important. Be considerate of the time it takes for a person with a disability to get things done or said. Use the word disability when referring to a functional limitation that interferes with a person’s ability to walk, speak, hear, see, learn, etc. Use the term handicap when referring to a situation of barrier imposed by society, the environment, or oneself, for example, parking spaces, bathroom facilities, and ramping. Do not refer to a person or group of people as “handicapped”.

Some examples of acceptable and unacceptable language are presented below.

<table>
<thead>
<tr>
<th>Acceptable</th>
<th>Unacceptable</th>
</tr>
</thead>
<tbody>
<tr>
<td>disabled</td>
<td>handicapped, crippled, deformed</td>
</tr>
<tr>
<td>non-disabled</td>
<td>able-bodied, normal, healthy</td>
</tr>
<tr>
<td>person with disabilities</td>
<td>the disabled</td>
</tr>
<tr>
<td>persons with disabilities</td>
<td>the handicapped</td>
</tr>
<tr>
<td>uses a wheelchair</td>
<td>is confined to a wheelchair</td>
</tr>
<tr>
<td>is a wheelchair user</td>
<td>is wheelchair bound</td>
</tr>
<tr>
<td>has cerebral palsy</td>
<td>is a cerebral palsy victim</td>
</tr>
</tbody>
</table>
When there is an employment opening, DISPENSARY APPLICANT follows a defined announcement and search procedure that serves to make all members of the community aware of career opportunities or contract needs that exist at the company. This search procedure ensures that qualified candidates are sought, especially in those areas where underrepresentation have been identified.

### 5.0 Policy for the Employment of Veterans and Service-Disabled Veterans

DISPENSARY APPLICANT does not discriminate against any qualified employee or applicant for employment because he or she is a veteran or service-disabled veteran. In this respect, DISPENSARY APPLICANT takes affirmative action to employ, advance in employment and treat without discrimination, veterans or service-disabled veterans.

DISPENSARY APPLICANT invites qualified veterans or service-disabled veterans who wish to benefit under this program to voluntarily identify themselves to the hiring manager.

When there is an employment opening, DISPENSARY APPLICANT follows a defined announcement and search procedure that serves to make all members of the community aware of career opportunities or contract needs that exist at the company. This search procedure ensures that qualified candidates are sought, especially in those areas where underrepresentation have been identified.

### 6.0 Policy for Supplier Diversity

DISPENSARY APPLICANT is committed to developing mutually beneficial relationships with small, minority-owned, women-owned, disadvantaged, veteran owned and local business enterprises. The Supplier Diversity Policy reflects DISPENSARY APPLICANT’s efforts to create opportunity for suppliers to market their products and services to our company and to encourage DISPENSARY APPLICANT to offer opportunities to such suppliers.

When all business considerations are determined to be equal among competitive suppliers, DISPENSARY APPLICANT will award contracts to local small businesses, minority owned business enterprises (MBE), women owned business enterprises (WBE), disadvantaged, and veteran owned businesses.

We encourage the exploration into opportunities to obtain services and goods from certified diversity suppliers that can provide competitive quality and pricing.

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>congenital disability</td>
<td>birth defect</td>
</tr>
<tr>
<td>has a specific learning disability</td>
<td>is learning disabled</td>
</tr>
<tr>
<td>people who are blind</td>
<td>the blind, the visually impaired,</td>
</tr>
<tr>
<td>visually impaired, deaf</td>
<td>the hearing impaired, deaf and dumb or hearing impaired</td>
</tr>
<tr>
<td>persons with mental illness</td>
<td>the mentally ill, crazy person, psycho, psychopath</td>
</tr>
<tr>
<td>person with developmental delay</td>
<td>the mentally retarded, retardation</td>
</tr>
<tr>
<td>person with cognitive disability</td>
<td>mentally deficient, retard, retardate</td>
</tr>
<tr>
<td>person with Down Syndrome</td>
<td>Down’s Syndrome child, Mongoloid</td>
</tr>
</tbody>
</table>