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): Erie
County 2 (if applicable): Crawford
County 3 (if applicable): Mercer

Pennsylvania Department of Health
Medical Marijuana Regions

Region 6 - Northwest
Region 4 - Northcentral
Region 2 - Northeast
Region 5 - Southwest
Region 3 - Southcentral
Region 1 - Southeast
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

| Business Name, as it appears on the applicant’s certificate of incorporation, charter, bylaws, partnership agreement or other legal business formation documents: |
| Cannabis Square, LLC |
| Other trade names and DBA (doing business as) names: |
| Cannabis Square |
| Business Address: 240 West 11th Street, Suite B-050 |
| City: Erie | State: PA | Zip Code: 16501 |
| ☒ Primary Contact, or ☐ Registered Agent for this Application |
| Name: W. John Knox, Esq. |
| Address: 240 West 11th Street, Suite B-050 |
| City: Erie | State: PA | Zip Code: 16501 |
| Phone: XXXX | Fax: XXXX | Email: XXXX |

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.

☒ Yes ☐ No

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

Facility Name: Cannabis Square-Erie
**Address:** 1121 Greengarden Road, Part of Unit Lot 2 of the Greengarden Centre Condominium (f/k/a 1556 West 12th Street, Erie, PA 16501)  
| City: Erie | State: PA | Zip Code: 16501 |
| County: Erie | Municipality: City of Erie |

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

(Erie Map 1)

**Location**

Cannabis Square’s Erie dispensary is located in the most populous city and county in the Department of Health’s Region 6-Northwest. Based upon the most recent census conducted in 2015, the City of Erie’s population is projected to be 98,835 people in 2016 and the entirety of Erie County is projected to be 278,858 people. The Erie dispensary is located on a tract of land immediately situated between Interstate-79 (the “Bayfront Parkway”) and West 12th Street where motor vehicle traffic from both arteries begins to enter the center city. Interstate-79 is one of three four-lane interstate highways (Interstate-80 to the south, being...
one and Interstate-90 being the other) that service traffic for Region 6. Similarly, West 12th Street is the most traveled four-lane road for vehicle traffic bisecting the City of Erie. Tellingly, the Erie dispensary will be housed in real estate which was formerly occupied by a large trucking firm, Dunlap Trucking, due to its immediate access to these two major transportation arteries.

The Erie Metropolitan Transit Authority (the “EMTA”), which services the entirety of the City of Erie and extends throughout Erie County, offers bus transportation seven days per week with routes that stop frequently along 12th Street and Interstate-79. In fact, EMTA Route 30 runs along West 12th Street at its intersection with Greengarden Road, and follows the southern property line of the Erie dispensary. Monday through Friday, there are 25 buses that run outbound along West 12th Street and Greengarden Road and 26 buses that run inbound on Route 30. On Saturdays, 12 buses run inbound and outbound on West 12th Street and on Sundays, 6 buses run inbound and outbound along the same route. An additional EMTA route, Route 20A, begins and ends at the Intermodal Transportation Center located one block away from the Erie dispensary at West 12th Street and Lincoln Avenue. On Mondays and Fridays, 23 buses run inbound and outbound on Route 20A.

The EMTA offers bus transportation on routes that extend outward into the far reaches of all areas in Erie County. Specifically, the EMTA offers routes that extend to Harborcreek, North East, Albion, Lake City, Edinboro, McKean and Corry.

Furthermore, the EMTA operates and maintains the LIFT Program (the “LIFT”), a shared-ride, advanced-request transportation system for all residents of Erie County who are unable to utilize regular bus service. These riders include persons with disabilities who live in rural areas of Erie County, senior citizens, or persons receiving medical assistance who need to get to and from medical providers. Depending on the rider’s status, The LIFT offers programs whereby fares are offered at reduced costs or waived altogether.
Lastly, the West 12th Street dispensary is closely located to medical facilities such as Shriners Hospitals for Children, UPMC Urgent Care Erie-West, and The Regional Cancer Center- Erie.

Additionally, the facility is located in close proximity to the following public service, health and safety organizations:

- Saint Vincent Hospital, 2.5 Miles away (232 W 25th St, Erie, PA 16544)
- UPMC Hamot, 1.5 Miles away (200 State Street, Erie, PA 16507)
- Erie City Police Department, 2.4 Miles away (626 State St, Erie, PA 16501)
- Erie Fire Department Engine 11 Station, 0.6 Miles away (1747 W 8th St, Erie, PA 16505)

Second Dispensary Location

<table>
<thead>
<tr>
<th>Facility Name:</th>
<th>Cannabis Square-Meadville</th>
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<tbody>
<tr>
<td>Address:</td>
<td>76 Mead Avenue</td>
</tr>
<tr>
<td>City:</td>
<td>Meadville</td>
</tr>
<tr>
<td>State:</td>
<td>PA</td>
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<tr>
<td>Zip Code:</td>
<td>16335</td>
</tr>
<tr>
<td>County:</td>
<td>Crawford</td>
</tr>
<tr>
<td>Municipality:</td>
<td>City of Meadville</td>
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PLEASE PROVIDE A DESCRIPTION OF THE PUBLIC ACCESS TO THE DISPENSARY LOCATION, INCLUDING ANY LOCAL PUBLIC TRANSPORTATION THAT MAY BE AVAILABLE:

(Meadville Map)

**Location**

Cannabis Square’s Meadville dispensary is located in the center of Crawford County—the fourth most populous county in Region 6-Northwest, 39.4 miles south of Erie. In the most recent census conducted in 2015, Crawford County’s population is consisted of 87,343 people and the City of Meadville, which is the largest city in the county, is projected to be 12,975 people in 2016. The Meadville dispensary is located 672 feet from PA State Route 19 (the “French Creek Parkway”), a four lane highway that serves as the main artery through the City of Meadville. Route 19 runs directly south to Mercer, PA and Pittsburgh, PA and north to Erie. Similarly, Route 19 serves as the Meadville exit off of Interstate-79, 1.33 miles away from the dispensary’s location.

The Crawford Area Transit Authority (the “CATA”), which services the entirety of the City of Meadville and extends throughout Crawford County and neighboring Venango County, offers extensive bus transportation six days per week, Monday through Saturday. CATA’s Green
Route runs throughout the City of Meadville to Mead Avenue, steps away from the Cannabis Square dispensary. Monday through Saturday, there are 19 buses that run the Green Route, inbound and outbound. Additional CATA routes extend outside the Meadville city limits to neighboring municipalities in Crawford County, including Saegertown. Three other CATA routes connect passengers to neighboring Venango County, with stops in Titusville, Franklin and Oil City. The 2015 Census counted Venango County’s population at 53,119.

Furthermore, similar to the EMTA in Erie, the CATA operates and maintains an ADA Paratransit Program and a shared-ride, advanced-request transportation system for all residents of Crawford and Venango Counties who are unable to utilize regular bus service. These riders include persons with disabilities who live in rural areas of Crawford and Venango Counties, senior citizens, or persons receiving medical assistance who need to get to and from medical providers. Depending on the rider’s status, both of these programs offer fares at reduced costs or waive fares altogether.

**Access to Emergency Services**

Additionally, the facility is located in close proximity to the following public service, health and safety organizations:

- Meadville Expresscare Medical Center, 0.4 Miles away (1009 Water St, Meadville, PA 16335)
- Meadville Police Station, 0.8 Miles away (894 Diamond Park Square, Meadville, PA 16335)
- Meadville Central Fire Department, 0.6 Miles away (850 Park Ave, Meadville, PA 16335)

### Third Dispensary Location

<table>
<thead>
<tr>
<th>Facility Name: Cannabis Square-Mercer</th>
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<tbody>
<tr>
<td><strong>Address:</strong> 229 North Perry Highway (PA State Route 19)</td>
</tr>
<tr>
<td><strong>City:</strong> Mercer</td>
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<tr>
<td><strong>County:</strong> Mercer</td>
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Please provide a description of the public access to the dispensary location, including any local public transportation that may be available:
Cannabis Square’s Mercer dispensary is located in Mercer County--the second most populous county in Region 6-Northwest. In the most recent census conducted in 2015, Mercer County consisted of 115,320 people. The Borough of Mercer is the county seat for Mercer County and has a 2016 projected population of 1,939. However, Mercer is uniquely geographically positioned in the middle of all of the most populous municipalities in Mercer County and surrounding areas, namely Hermitage and Sharon (combined population 30,258), 7.76 miles to the east; New Castle (population 23,273) 15.20 miles to the southwest; Grove City (population 8,322) 8.37 miles to the southeast; and Greenville (population 6,380) 13.26 to the northwest. Just accounting for the surrounding municipalities referenced above, Mercer is within 15 miles of more than 70,000 residents. And the estimated population for the entirety of the Mercer dispensary’s Trade Area amounts to 186,740.

The Mercer dispensary is ideally situated at the very nexus point where PA State Route 19 (“North Perry Highway”) and PA State Route 62 converge. Route 19, as mentioned above, leads directly north to Meadville and directly south a mere 2.83 miles away from its intersection with Interstate-80. Route 62 extends east 22.6 miles to the cities of Franklin.
and Oil City (with a combined population of 17,102) in neighboring Venango County; and west 7.76 miles to the cities of Hermitage and Sharon.

Mercer County Community Transit ("MCCT"), which services the entirety of Mercer County, offers round-the-clock shuttle service Monday through Friday between the hours of 8:00 a.m. and 3:00 p.m. The MCCT shuttle service is, a shared-ride, advanced-request transportation system for all residents of Mercer County who are unable to utilize regular bus service. These riders include persons with disabilities who live in all parts of Mercer County, senior citizens, or persons receiving medical assistance who need to get to and from medical providers. Depending on the rider’s status, MCCT offers programs whereby fares are offered at reduced costs or waived altogether, similar to the programs offered in Erie and Meadville.

Access to Emergency Services

Additionally, the facility is located in close proximity to the following public service, health and safety organizations:

- Mercer Area Health Place, 0.3 Miles away (405 Greenville Rd, Mercer, PA 16137) – See Map 2
- Grove City Medical Center, 11.0 Miles away (631 N Broad St Ext, Grove City, PA 16127)
- Mercer Police Department, 0.2 Miles away (145 N Pitt St, Mercer, PA 16137)
- Mercer East End Fire Department, 0.7 Miles away (104 Wilson Ave, Mercer, PA 16137)

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 Department of Health to grow and process or dispense medical marijuana. Diverse groups include the following businesses that have been certified by a third-party certifying organization: a disadvantaged business, minority-owned business, and women-owned business as those terms are defined in 74 Pa. C.S. § 303(b); and a service-disabled veteran-owned small business or veteran-owned small business as those
TERMS ARE DEFINED IN 51 PA. C.S. § 9601.

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.

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<th>No</th>
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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 ACCORDED 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,
   e. 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.

**Overview**

Cannabis Square’s overarching mission is to be the leading distributor of high-efficacy, medical grade cannabis in Pennsylvania, while utilizing world-class industry expertise to set the standard for service, as a dispensary. However, the company recognizes that the quality of its team is vital to fulfilling this mission. Cannabis Square is committed to creating an inclusive and fulfilling workplace for its employees and will promote diversity in its hiring, managerial, and contracting practices. Cannabis Square recognizes that diversity is integral to the strength of a business and believes that the medical marijuana industry is an excellent medium in which to promote a diverse and inclusive work force. The medical marijuana industry shuns the traditional barriers that have kept minorities, women, and disabled individuals from finding meaningful employment.

Cannabis Square appreciates the Commonwealth of Pennsylvania’s commitment to diversity through the inclusion of § 615 in its Medical Marijuana Act. The company looks forward to being a leader in diversity efforts in Pennsylvania’s Medical Marijuana Industry. In the spirit of promoting diversity and equal opportunity in ownership, management, employment, and contracting, and in accordance with 28 Pa. Code § 1141.32 (“Diversity Goals”), Cannabis Square will implement a multi-tiered diversity plan, which is outlined below.

Part I outlines the company’s diversity goals for ownership, management, employment, and contracting. Part II details specific actions by which the company will move towards the goals in each category. Part III gives the company’s anticipated Workforce Utilization report, and Part IV describes the recording and reporting efforts Cannabis Square will undertake to ensure that the diversity plan is being met and constantly improved. Some actions will be taken immediately in the startup phases of the company’s operation, while others will be implemented over time, with clear procedures for measuring progress along the way.

Diversity in Cannabis Square’s ranks doesn’t just make moral sense - it makes business sense. Consumers, and especially medical marijuana patients, prefer to support a business that strives to do good in the world. Diversity, equality, and inclusion are more important than ever if a company wants to fulfill its social responsibilities.

The word “diverse” is used to encompass individuals of different ethnic and racial backgrounds, women, veterans, service-disabled veterans, and other people with disabilities. Depending on the context, it is also used to encompass disadvantaged businesses, minority-owned businesses, women-owned businesses, service-disabled veteran-owned small businesses, and veteran-owned small businesses.

**Part I – DIVERSITY GOALS**

**Affirmative Action**
Cannabis Square has partnered with Shantel Hillard, the Executive Director of the Booker T. Washington Center ("BTWC") and President of Erie Minority Investment Group, LLC ("EMIG") to serve as its Chair of the company’s Diversity and Training committee. In this capacity, Mr. Hilliard has been contracted to oversee all diversity hiring and training practices, and implement Cannabis Square’s affirmative action plan. To carry out these efforts, Mr. Hilliard through EMIG, will work in conjunction with the Booker T. Washington Center to utilize its extensive resources, programs and personnel. Cannabis Square will adopt the affirmative action policy of the BTWC, which is to provide for and promote equal employment opportunity regarding employment compensation and other terms and conditions of employment, without discrimination based on age, race, creed, color, national origin, gender, sexual orientation, disability, marital status, Veteran status, genetic predisposition, or career status.

Cannabis Square is also committed to assuring equal employment opportunity and equal access to services, programs and activities for individuals with disabilities. It is the policy of the BTWC to provide reasonable accommodation to a qualified individual with a disability to enable such individual to perform the essential functions of the position for which he/she is applying or in which he/she is employed.

Further, it is the policy of Cannabis Square to provide reasonable accommodation for religious observers. This policy applies to all employment practices and actions, including, but not limited to, recruitment, job application process, examination and testing, hiring, training, disciplinary actions, rate of pay or other compensation, advancement, classification, transfer, reassignment and promotions.

Diverse business operations greatly promote social and economic equality in a community and in society overall. A company with diverse owners, managers and operators is more likely to be innovative, creative, and responsive to the needs of its customer base.

Diversity in management creates a trickle-down effect, whereby diverse management can help to create a diverse workforce. Management is also largely responsible for ensuring that the workplace is supportive and inclusive for all employees, and having a diverse team of managers better ensures that all employees feel supported.

Cannabis Square is committed to fostering diversity on its board and among its executives and managers. To this end, the company’s diversity goals in ownership and management are as follows:

1. Create opportunities for minorities, women, veterans, and people with disabilities to serve in a leadership role in Cannabis Square
2. Ensure that at least one-third (1/3rd) of the company’s positions be held by a member of a diverse group
3. Encourage the board and executives to regularly consult with diversity-promoting groups
4. Ensure that all current and future board members and executives are themselves committed to a culture of diversity in the company
5. Ensure that board members and executives are active in the local community
Diversity Goals for Management

Furthermore, when the day-to-day operators of the business represent diverse viewpoints, there is likely to be more creative problem-solving and better personnel relations.

Cannabis Square is committed to giving an equal opportunity to members of diverse groups to reach and hold management-level positions. To this end, Cannabis Square is outlining the following diversity goals in management:

1. Implement a plan to seek management-level employees from diverse talent pools
2. Require all management level employees to complete diversity-sensitivity training
3. Ensure that at least one third (1/3rd) of management level positions be held by members of diverse groups
4. Offer training programs for employees to become eligible for higher-level positions
5. Ensure that managers are engaged in the local community through volunteering and activism

Diversity Goals for Employment

Because of the wide-ranging variety of people who have traditionally used marijuana for medicinal purposes—from Russia to Asia, the Middle East, Africa, and the Americas—a diverse group of people involved in producing, promoting, and selling the product makes sense. The company is committed to being an equal opportunity employer in Erie, Mercer and Meadville, and helping foster fulfilling and rewarding jobs in the medical cannabis industry.

To promote diversity in employment, Cannabis Square is committed to the following five goals:

1. Implement a plan to seek employees from a diverse talent pool
2. Ensure that at least one-third (1/3rd) of the employees be members of diverse groups
3. Engage in efforts to improve retention and promotion rates
4. Continue to seek feedback from employees on how the company can best serve their needs
5. Regularly evaluate diversity performance with the help of local government and organizations promoting diversity opportunity in the community

Diversity Goals for Contracting

A company can increase its impact through its contracting practices. Contracts are an important way for a company to promote corporate social responsibility both locally and nationally. Cannabis Square prefers to enter contracts with diverse companies or companies that promote diversity, and will take specific steps to ensure that this preference is realized.

To this end, the company is committed to the following five goals in promoting diversity in contracting:

1. For any contract or project, implement a system to first seek out opportunities with MBEs, WBEs, and DSBEs and certified small businesses
2. Create a system whereby companies comprised of diverse ownership and employment are preferred for awards of contracts
3. Regularly audit the company’s book of contracts to ensure that a substantial number of contracts are diverse
4. Help contracting companies promote diversity within their ranks if they do not already do so
5. Work with the local business boards to seek out new diverse contracting opportunities

Part II – ACTION STEPS

It is important for a company’s vision to have goals in place, but defining clear action steps that can be taken to meet those goals is as, if not more, important. Cannabis Square is a company driven by results, and without a clear action plan, results are hard to achieve. This section will describe clear, concrete actions that Cannabis Square will undertake to work towards the goals described in part I of this plan. Some goals will be implemented in advance of the launch of the dispensary and others will be realized over time. Still others will be ongoing for the life of the company. Cannabis Square will continue to review and evaluate its performance towards its diversity goals and work with local stakeholders to continually improve its diversity plan.

As Cannabis Square grows, so will its Board of Advisors and roster of necessary executives. A governing body that never changes becomes stale and out of touch, and Cannabis Square expects its governance to continue to change and evolve with the medical marijuana industry in Pennsylvania. Cannabis Square has already assembled a very diverse Board of Advisors which includes women, minorities, the disabled and Veterans, all of whom are local business and civic leaders.

To achieve this goal, Cannabis Square will engage in creative candidate-scouting procedures. Human resources staff will contact local institutions of higher learning that are considered minority-serving institutions, to share available opportunities with their alumni network. Cannabis Square will work closely with community-based organizations and local government employment centers to publicize its career openings.

Cannabis Square is primarily interested in dispensing the highest quality medicinal products for Pennsylvania’s patients, and since fresh leadership serves this mission, the company will continue to self-evaluate and see where new opportunities might be created.

Cannabis Square will offer training programs for its employees so that those within its ranks are equally eligible for these open, higher level positions. Mentorship programs that are discussed in more detail below will help train and prepare employees for positions of increased responsibility.

Benchmarks & Audits
To quantify its progress towards diversity in ownership, Cannabis Square is setting a goal of having diverse representation in its executive level positions. Benchmarks will help the company understand whether it is moving towards this goal at a sufficient pace; Cannabis Square will engage in a self-audit every 6 months, to examine what more can be done to promote diversity among the executive team.

This self-audit will include a review of employee training programs, which individuals are taking advantage of them, the recruitment efforts being undertaken in the local community, as well as clear action steps to be implemented in the six months following the audit. These smaller goals and actions will propel the mission forward.
Consultation with Diversity-Promoting Groups
Seeking diverse viewpoints is essential to good decision making. Cannabis Square is committed to building a network of trustworthy advisors from outside the executive team. Board members and executives will be encouraged to consult this network of diversity-promoting groups before making major decisions.

Cannabis Square will build the network through the Booker T. Washington Center and other state and local business associations. Cannabis Square’s existing board members and executives will be expected to attend regular meetings of such organizations, to foster this growing cooperation. This goal will also be served by the required community involvement detailed in the next section.

Executive Commitment to Diversity
Cannabis Square’s application materials for candidates to open board and executive-level positions will specifically ask about a candidate’s experience with diversity and their own ideas for how the company can promote diversity. The company will communicate a clear policy of non-discrimination, inclusion, and a zero-tolerance policy towards racism, sexism, and other disrespectful attitudes or actions towards diverse individuals.

Furthermore, Board members and executives will be required to complete diversity-oriented training. This training will be offered by a certified diversity training organization. The training will focus on the history and current realities of discrimination and segregation, why inclusivity is essential to business success, cross-cultural communication skills, and the examination of one’s own hidden, implicit biases and how they may affect managerial styles. Executives and employees will receive annual refresher training to review these topics and will be informed of any new methodologies developed to increase diversity.

Community Involvement
Each member and investor in Cannabis Square is a local business person or community leader. As such, our company members will continue to be engaged in local Northwest Pennsylvania community service organizations, either as a group or individually. Cannabis Square will compensate its executives for time spent completing community involvement activities.

When recruiting for top positions, the company will prefer candidates who demonstrate a connection to the local community and a habit of participation in local organizations and community involvement. Cannabis Square will partner with local nonprofits for assistance, where needed, to foster an ongoing, mutually-beneficial relationship between the dispensary facility and the community.

Diversity in Management
At the outset, Cannabis Square will seek to recruit individuals for managerial positions from a diverse pool of candidates and give special consideration to qualified candidates who are female, of a diverse ethnic or racial background, veterans, or who are disabled. Cannabis Square will work with BTWC to promote its open positions and recruit eligible candidates.

Cannabis Square has already most of the following managerial positions:
To ensure that women, minorities, veterans, and disabled individuals hold some of these positions, Cannabis Square has implemented a plan to seek management-level employees from diverse talent pools. When advertising open positions with recruitment offices, local schools, non-profit organizations and training centers, the company will request assistance to recruit eligible candidates that represent diverse groups and are well-qualified for the position. Job postings, listings and/or advertisements for open positions will include a diversity clause encouraging persons from diversity groups to apply for positions for which they are qualified.

Auditing Diversity in Management
Measurable goals are essential to creating a positive impact. The only way to know if the diversity plan is working is to set quantifiable goals and to regularly self-audit the diverse representation in management-level positions.

To reach the goal of having a one-third (1/3rd) diverse management force, Cannabis Square’s Human Resources department, having also been trained in diversity and the Cannabis Square culture, will conduct an audit every six months. The audit will explore the effectiveness and implementation of actions taken to meet this goal, and will identify what more could be done to meet the goal. Regular reports will be circulated internally, among managers, executives, and the Board, which will create internal accountability of efforts to diversify the company’s managerial force. If a self-audit indicates that diverse talent is not applying for management-level positions, Cannabis Square will consult with its Diversity and Training Committee and the Booker T. Washington Center to identify diverse candidates and to widen the pool of qualified candidates from which hiring managers may choose from.

Diversity-Sensitivity Training
All management-level employees will be required to complete diversity training within six months of employment. This training will be offered by a certified diversity training organization, preferably a Pennsylvania organization. The training will focus on the history and current realities of discrimination and segregation, why inclusivity is essential to business success, cross-cultural communication skills, and examination of one’s own hidden, implicit biases, and how they may affect managerial styles.

This type of training is intended to make it clear to management that the Cannabis Square culture is one of positivity and inclusivity and will set a baseline expectation for managerial protocol. However, the company recognizes that individual managers may demonstrate their sensitivity to diverse groups in a variety of ways, all of which will be encouraged, if they do not violate any other company policies and procedures.
Management Training Program
It is often the upper-level management’s responsibility to ensure that employees are taking advantage of and becoming eligible for promotion. This is especially true for members of historically marginalized and disadvantaged groups. However, the best managers are those who rise through the ranks of an organization and who best understand the needs and concerns of its employees.

Cannabis Square is committed to offering training opportunities for its employees, by offering partial scholarships for executive-level training programs. Whether provided in-house, by the Human Resources department, or externally, by qualified organizations or individuals, training opportunities will be offered to all employees equally. Higher-level employees will be recruited to act as mentors for lower-level employees, and the mentorship program will especially seek to empower minorities, women, and members of other historically marginalized groups to pursue their career with Cannabis Square and within the regulated cannabis industry in Pennsylvania.

Employees will have access to interview skills training, performance evaluations, and team-dynamics training. Diversity concepts will be integrated into these training programs.

Community Engagement (Volunteering & Activism)
Local involvement by company employees is an important way for Cannabis Square to solidify goodwill and a commitment to the community in which it is located. Community engagement through volunteerism and activism will also grow the company’s network and diversify its opportunities for recruitment and contracting. To promote volunteerism, Cannabis Square will provide paid time off for employees to volunteer at local non-profit and community organizations. Managers who engage in the most volunteerism will be recognized every year through a special employee recognition program.

Publicity from employee recognition will further the company’s engagement with the community and continue to promote community involvement.

Diversity in Employment
In all companies and organizations, the successful operation of the business is dependent upon entry-level and non-managerial employees who constitute the largest segment of the company’s workforce. Cannabis Square will have a workforce that is at least one-third females, minorities, veterans, service-disabled veterans, and other disabled individuals. One-third is a baseline goal and Cannabis Square will continually strive to improve upon that ratio with its policies of absolute equality and inclusivity. The medical marijuana industry is already one of the most female-inclusive industries in the nation, and therefore, offers a diverse pool of talent from which to hire, both locally and nationally. If necessary, Cannabis Square will bring in experienced outside recruitment professionals specializing in identifying women and minority candidates, to assist in meeting this goal.

The following is a list of the non-managerial positions Cannabis Square expects to fill, with assistance from BTWC:

- Human Resources Personnel
- General Administrative Support Staff
- Administrative Support/Patient Intake Coordinator
To ensure diversity in employment, Cannabis Square will take the actions outlined below. As stated in the previous sections, Cannabis Square’s Human Resources department will strive to cast a wide net when seeking new talent. Cannabis Square will work with BTWC to ensure these goals are accomplished.

Cannabis Square will strive to send employees that are members of diverse groups to represent it at recruitment events. Cannabis Square looks forward to working with local and state government, as well as local community organizations, to ensure that diverse candidates are applying to the company’s open positions. The Human Resources staff will be instructed to evaluate applications received and to quantify the number of diverse applicants. If the ratio is not at least 50/50 of diverse to non-diverse applicants, then recruitment efforts will be re-evaluated and strengthened.

Auditing Diversity in Employment
Measurable goals are essential to creating a positive impact. The only way to know if the diversity plan is working is to set quantifiable goals and to regularly self-audit the diverse representation in entry-level and non-managerial positions.

Self-auditing, on a yearly basis, will best support the goal of a diverse and inclusive workforce. Cannabis Square will implement a system to track recruitment, employment, and retention activities by diversity markers. Cannabis Square management will evaluate records of recruitment, employment, and retention to determine workforce diversity and identify areas for improvement.

Employee Retention and Promotion
Whether a company can successfully retain talent is a major marker of its success. The medical marijuana industry is quickly becoming increasingly competitive and is no exception to this measure of success. It is essential to Cannabis Square that its employees want to grow with the company, that they learn the company’s processes thoroughly and that they are offered opportunities for professional development and promotion.

Cannabis Square is committed to ensuring its employees know that they are appreciated, through generous benefits packages and regular employee-oriented recreational events. Where appropriate, employees will be offered opportunities to cross-train for different roles and higher-level positions. Upper-level employees will act as mentors for new and entry-level employees, so that potential for promotion can be identified and pursued.

Exit Interviews
Where appropriate, an employee that leaves the company at his or her own will, will be interviewed to discover what, if anything, the company could have done to retain that employee. All such feedback will be analyzed and regular reports will be provided by Human Resources to managers and the Board. Employee retention efforts will be guided by such exit interviews and also by regular “check-ins” with active employees. Creating a communication channel from employees and former employees to management and executive level staff is a high-priority for the company.
Cannabis Square will stay abreast of hiring and benefits practices for the medical marijuana industry, as well as for similar industries in the area, to ensure that it is remaining competitive and attractive to candidates and employees throughout the Commonwealth.

**Employee Feedback for Retention**

It is essential to employee satisfaction that a company regularly asks its team how they are doing and what the company can do to improve. Acting on and implementing employee suggestions and feedback, whenever possible, lets employees know that they are being heard. Human Resources will be responsible for implementing regular surveys of Cannabis Square’s team members and for offering opportunities for one-on-one “check-ins,” especially with female, disabled, minority, and elderly employees to make sure they feel comfortable in their workspace and workplace overall.

**Local Government Diversity Evaluations**

The importance of recordkeeping, self-auditing, and voluntary reporting in this process cannot be overstated. Cannabis Square looks forward to making its records available to The Department of General Services-Bureau of Diversity, Inclusion and Small Business Opportunities (BDISBO) and affirmatively seeking input and guidance from BDISBO in these efforts. Records will also be made available to, and feedback solicited from, local organizations that promote MBEs, WBEs, and DSBEs.

The records to be made available will include advertising and recruitment materials, internal training materials for management and Human Resources staff regarding diversity, statistical figures about the presence of diversity in all levels of Cannabis Square’s corporate structure, and employee retention efforts. Cannabis Square will eagerly implement feedback received on these materials to ensure the successful operation of the dispensary facility. Our Meadville location is in a HUB Zone, which will allow minority contractors to receive special benefits in the areas of training and support. We intend to fully utilize minority contractors who can benefit from a HUB Zone certification.

**Diversity in Contracting**

Mr. Hilliard’s company, Erie Minority Investment Group, LLC will be under contract to work with Cannabis Square for the purpose of providing technical assistance, conducting job fairs and training, community forums, events, and educational seminars to inform the community regarding all aspects of medical marijuana. The contract price to provide such services shall be $XXXX per year. Additionally, Cannabis Square pledges to donate $XXXX every year to the Booker T. Washington Center in recognition of its participatory role in carrying out community-wide educational initiatives and programs.

In the Crawford and Mercer County regions, Stanley McClure, an African-American licensed real estate professional in Meadville will be sub-contracted to Mr. Hilliard’s group to carry out diversity and inclusion hiring and training goals. The sub-contract with Mr. McClure shall be for $XXXX.

Additionally, on February 24, 2017, Cannabis Square executed a Memorandum of Understanding (“MOU”) with Access Erie PA, LLC to serve as a major supplier of medical marijuana products to its dispensaries. (See Attachment “Memorandum of Understanding”) Access Erie PA, LLC is lead by Les Hollis, an African-American executive who serves as the President and Chief Executive Officer of
Illinois Grown Medicine, LLC, the only minority-owned medical cannabis firm in the Chicago, Illinois area. Access Erie intends to submit an application with the Department of Health for a grower/processor permit to operate facilities in Erie County. Consistent with the MOU, if Access Erie and Cannabis Square are both awarded their respective permits from the Department, Cannabis Square expects to purchase a significant amount of its medical marijuana products from Access Erie. These product orders are expected to exceed $XXXX each year.

**Priority Contracting with MBEs, WBEs, DSBEs and Certified Small Businesses**

Cannabis Square will actively and regularly use the searchable database for Pennsylvania Small and Diverse Businesses provided on the Commonwealth of Pennsylvania’s official website (www.pa.gov), when seeking suitable businesses to contract with for goods or services. The company will create an internal system that will identify contracting needs, and a manager will be responsible for compiling a list of companies qualified for the job from the database. The companies identified will be contacted and bids or price quotes requested.

Cannabis Square has already contracted with local architect, Shelane Buehler of Buehler & Associates (a certified WBE) to design floorplans, drawings and specifications for all three dispensaries.

Cannabis Square’s request for bids will include questions about diversity. Those bidders who are listed in the database or otherwise show a commitment to diversity will be scored higher than those who do not. Price will be a factor in choosing where to award contracts, but it will not be the sole measure used to determine business to business transactions. A company’s qualification as an MBE, WBE, DSBE, certified small business, or other demonstrated commitment to diversity will be given priority when assessing bids.

**Auditing of Diversity in Contracting**

Performing regular audits of contracts will ensure that the company is adhering to its goals for diversity in contracting and that a substantial number of contracts are diverse. The accounts management team will be required to evaluate the list of contracts annually and provide the board with a report on the ratio of non-diverse to diverse contracts that were awarded each year. By year three of operation, Cannabis Square hopes to reach a 2:1 ratio of non-diverse to diverse contracts. The contractual opportunities will be regularly evaluated to examine where new businesses relationships and contracts might be developed.

**Promoting Diversity Among Contractors**

For companies with whom Cannabis Square regularly does high-volume work, but that do not have a robust diversity policy, Cannabis Square will offer to share its own methods and strategies of diversity promotion, within its ranks and among its contracts. Cannabis Square accounts managers will make it clear to these companies that Cannabis Square has a goal of promoting diversity in its contracts, and that to continue to do business with Cannabis Square, it should endeavor to create its own such program.

**Part III – WORKFORCE UTILIZATION REPORT**

The table below represents the number of men, women, veterans, service-disabled veterans, and minorities in each job category. Cannabis Square cannot, at this time, honestly predict the spread of
cultures and backgrounds that will be represented in the racial minority category. As described in the next section, the Human Resources team will record and report these statistics, once the company is operating.

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<tr>
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<th>Advisory Board</th>
<th>Executive Level</th>
<th>Management</th>
<th>Staff</th>
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<tr>
<td>Total Number of</td>
<td>16</td>
<td>9</td>
<td>9</td>
<td>12</td>
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<tr>
<td>Expected Employees:</td>
<td></td>
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</tr>
<tr>
<td>Men</td>
<td>12</td>
<td>7</td>
<td>4</td>
<td>6</td>
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<tr>
<td>Women</td>
<td>4</td>
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<td>Veterans</td>
<td>1</td>
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<td>2</td>
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<tr>
<td>Service-Disabled</td>
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<tr>
<td>Veterans</td>
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<tr>
<td>Minorities</td>
<td>2</td>
<td></td>
<td>3</td>
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</table>

*These are expected figures; Cannabis Square reserves the right to modify these numbers based on total number of needed employees. Also, employees listed above may qualify in multiple categories.*

Part IV – RECORDING AND REPORTING

Progress on the diversity plan will be regularly reported throughout all levels of management and ownership, as well as to the interested local and state government agencies. Cannabis Square welcomes and encourages a collaborative approach to the diversity plan and will also share its information, progress, and goals with local community organizations and other interested parties.

The company’s internal employee tracking software will be configured to help track diversity categories and reveal trends and shortcomings. The software used to track contracts will similarly be configured to reveal data about diversity in contracting.

The company will voluntarily and publically release an annual “Diversity in Our Workforce” report. This report will be an expanded workforce utilization report with average employee salary for its staff, information about recruitment and training efforts, and a summary of its retention efforts.

To ensure that progress is properly recorded, Cannabis Square has partnered with Mr. Hilliard who will be dedicated to implementation, monitoring, and reporting on the diversity plan for employment contracting. Mr. Hilliard will be responsible for compiling detailed reports and disseminating them to management, executives, the Board of Advisors, and the local government. He will work with the local organizations for advice and direction and to plan and publicize recruitment and training events. The Mr. Hilliard will also receive training in corporate promotion of diversity and will regularly engage with diversity representatives from other corporations, both locally and nationally.

This diversity plan represents Cannabis Square’s best faith efforts to meet the spirit of the diversity goals outlined in the Medical Marijuana Program regulations, to become a diverse, inclusive dispensary operator. Cannabis Square reserves the right to modify this diversity plan based on best practices and the needs of the company. If any major diversions from this plan are expected, Cannabis Square will seek approval from the Department of Health, in writing. Adhering to DOH regulations,
creating an environment of inclusiveness and professional development, as well as promoting employees from within are all important aspects of the Cannabis Square diversity plan.

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>
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</thead>
<tbody>
<tr>
<td>First Name: Gregory</td>
<td>Middle Name: John</td>
</tr>
<tr>
<td>Occupation: Commercial Realtor</td>
<td>Title in the applicant’s business: President</td>
</tr>
<tr>
<td>Also known as: Greg Rubino</td>
<td>Date of birth: XXXX</td>
</tr>
<tr>
<td>Address Line 1: XXXX</td>
<td>Address Line 2:</td>
</tr>
<tr>
<td>Address Line 3:</td>
<td>City: DO</td>
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<tr>
<td>Phone: XXXX</td>
<td>Fax: XXXX</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Name and Residential Address</th>
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</thead>
<tbody>
<tr>
<td>First Name: Wallace</td>
<td>Middle Name: John</td>
</tr>
<tr>
<td>Occupation: Attorney</td>
<td>Title in the applicant’s business: Vice-President, General Counsel</td>
</tr>
<tr>
<td>Also known as: John Knox</td>
<td>Date of birth: XXXX</td>
</tr>
<tr>
<td>Address Line 1: XXXX</td>
<td>Address Line 2:</td>
</tr>
<tr>
<td>Address Line 3:</td>
<td>City: DO</td>
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<tr>
<td>Phone: XXXX</td>
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</table>

<table>
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<tr>
<th>Name and Residential Address</th>
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</thead>
<tbody>
<tr>
<td>First Name: Lisa</td>
<td>Middle Name: Marie</td>
</tr>
<tr>
<td>Occupation: Residential Realtor</td>
<td>Title in the applicant’s business: Principal Financial Backer</td>
</tr>
<tr>
<td>Also known as:</td>
<td>Date of birth: XXXX</td>
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<tr>
<td>Address Line 1: XXXX</td>
<td>Address Line 2:</td>
</tr>
<tr>
<td>Address Line 3:</td>
<td>City: DO</td>
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<tr>
<td>Phone: XXXX</td>
<td>Fax: XXXX</td>
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<table>
<thead>
<tr>
<th>Name and Residential Address</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>First Name: Joseph</td>
<td>Middle Name: Franklin</td>
</tr>
<tr>
<td>Occupation: Business Owner: Wheelchairs &amp; More Corp.</td>
<td>Title in the applicant’s business: Financial Backer; Chair Veterans Outreach Committee</td>
</tr>
<tr>
<td>Also known as: Joe Lochbaum</td>
<td>Date of birth: XXXX</td>
</tr>
</tbody>
</table>
IF MORE SPACE IS REQUIRED, PLEASE SUBMIT ADDITIONAL INFORMATION ON OTHER INDIVIDUALS IN A SEPARATE DOCUMENT TITLED “PRINCIPALS, FINANCIAL BACKERS AND OPERATORS (CONT'D.)” IN ACCORDANCE WITH THE ATTACHMENT FILE NAME FORMAT REQUIREMENTS AND INCLUDE IT WITH THE ATTACHMENTS.

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.
Pennsylvania Department of Health
Medical Marijuana Dispensary Permit Application

<table>
<thead>
<tr>
<th>First Name: Beverly</th>
<th>Middle Name: Ann</th>
<th>Last Name: Alward</th>
<th>Suffix:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Occupation: Registered Nurse</td>
<td>Title in the applicant’s business: Manager of Dispensaries</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Also known as: Bev Alward</td>
<td>Date of birth: XXXX</td>
<td></td>
<td></td>
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<tr>
<td>Address Line 1: XXXX</td>
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</tr>
<tr>
<td>City: DOH</td>
<td>State: D</td>
<td>Zip Code: DOH</td>
<td></td>
</tr>
<tr>
<td>Phone: XXXX</td>
<td>Fax:</td>
<td>Email: XXXX</td>
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</table>

Name and Residential Address

<table>
<thead>
<tr>
<th>First Name: Frank</th>
<th>Middle Name: Robert</th>
<th>Last Name: Timpano</th>
<th>Suffix:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Occupation: Licensed Pharmacist</td>
<td>Title in the applicant’s business: Medical Products Handling</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Also known as:</td>
<td>Date of birth: XXXX</td>
<td></td>
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<tr>
<td>Address Line 1: XXXX</td>
<td>Address Line 2:</td>
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<tr>
<td>Address Line 3:</td>
<td>City: D</td>
<td>State: D</td>
<td>Zip Code: DOH</td>
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<td>Fax:</td>
<td>Email: XXXX</td>
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<th>Last Name:</th>
<th>Suffix:</th>
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<tr>
<td>Occupation:</td>
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<td>Title in the applicant’s business:</td>
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<tr>
<td>Also known as:</td>
<td>Date of birth: MM/DD/YYYY</td>
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<tr>
<td>Address Line 1:</td>
<td>Address Line 2:</td>
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<td>Address Line 3:</td>
<td>City:</td>
<td>State:</td>
<td>Zip Code:</td>
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<tr>
<td>Phone:</td>
<td>Fax:</td>
<td>Email:</td>
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</table>

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<th>Suffix:</th>
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<tbody>
<tr>
<td>Occupation:</td>
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<td>Title in the applicant’s business:</td>
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<tr>
<td>Also known as:</td>
<td>Date of birth: MM/DD/YYYY</td>
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<td>Zip Code:</td>
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<td>Phone:</td>
<td>Fax:</td>
<td>Email:</td>
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</table>

If more space is required, please submit additional information on other individuals in a separate document titled “Employees (Cont’d)” in accordance with the attachment file name format requirements and include it with the attachments.

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
Pennsylvania Department of Health
Medical Marijuana Dispensary Permit Application

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 civil monetary penalties being imposed relating to a registration, license, permit or any other 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, 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 authorization to operate as a grower, processor or dispensary of medical marijuana in any 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 Commonwealth or any other state, the United States or a military, territorial or tribal authority relating to a principal, operator, financial backer or employee of the applicant’s profession, or occupation or fraudulent practices, including fraudulent billing practices.</td>
<td>☒</td>
<td></td>
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</tbody>
</table>

Schedule A: Civil or Administrative History Incident

<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>
</tr>
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<tbody>
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25
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 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>
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<tbody>
<tr>
<td>See Attachment “Operational Timetable” (Note: due to difficulties importing text into this Section, the Applicant chose to include its full response in the Attachment referenced above.)</td>
<td></td>
</tr>
</tbody>
</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. See Attachment “Employee Qualifications, Description of Duties and Training” (Note: due to difficulties importing text into this Section, the Applicant chose to include its full response in the Attachment referenced above.)

2. 

3. 

4. 

5. 

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7. 

8. 

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

1. See Attachment “Employee Qualifications, Description of Duties and Training” (Note: due to difficulties importing text into this Section, the Applicant chose to include its full response in the Attachment referenced above.)

2. 


<p>| | |</p>
<table>
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<td>7.</td>
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<tr>
<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.**

1. See Attachment “Employee Qualifications, Description of Duties and Training” (Note: due to difficulties importing text into this Section, the Applicant chose to include its full response in the Attachment referenced above.)

2.   
3.   
4.   
5.   
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 (Cont’d.)” in accordance with the attachment file name format requirements and include it with the attachments.

| D. Licensed Medical Professionals at Facility | Yes | No |
Pennsylvania Department of Health
Medical Marijuana Dispensary Permit Application

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.

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.

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.

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:

Not Applicable.

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.

THIS SECTION IS REDACTED.

Section 11 – Transportation of Medical Marijuana

A. Transportation

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.

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<th>Statement</th>
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<tr>
<td>Medical marijuana will only be delivered between 7 a.m. and 9 p.m.</td>
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<tr>
<td>Medical marijuana will not be transported to any location outside of this Commonwealth.</td>
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<td>A global positioning system will be used to ensure safe, efficient delivery of the medical marijuana to a medical marijuana organization.</td>
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In addition to having a transport vehicle staffed with a delivery team consisting of at least two individuals, the applicant affirms the following:

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<tr>
<td>At least one delivery team member will remain with the vehicle at all times that the vehicle contains medical marijuana.</td>
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<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>
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<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>
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<tr>
<td>Each delivery team member will have a valid driver’s license.</td>
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<td>While on duty, a delivery team member will not wear any clothing or symbols that may indicate ownership or possession of medical marijuana.</td>
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<td>Medical marijuana stored inside the transport vehicle may not be visible from the outside of the transport vehicle.</td>
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<td>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.</td>
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<td>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</td>
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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

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.

- 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.
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- 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:**

Not Applicable.

**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>
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<tbody>
<tr>
<td>By checking “Yes” to any statement, you affirm that the plan of operation will address the below statements: 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>
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<tr>
<td>● 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</td>
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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.
- 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:**

Not Applicable.

**B. PLEASE DESCRIBE YOUR PLANS REGARDING THE STORAGE OF MEDICAL MARIJUANA AND MEDICAL MARIJUANA PRODUCTS WITHIN YOUR FACILITY:**

THIS SECTION IS REDACTED.

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**Section 13 – Labeling of Medical Marijuana Products**

**A. Labeling Requirements**

| Any resemblance to the trademarked, characteristic or product-specialized packaging of any commercially available food or beverage product. | Yes | No |
| Any statement, artwork or design that could reasonably lead an individual to believe that the package contains anything other than medical marijuana. | Yes | No |
| 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. | Yes | No |
B. PLEASE DESCRIBE YOUR PROCESS FOR CREATING AND MONITORING THE LABELING USED FOR MEDICAL MARIJUANA PRODUCTS:

See Attachment “Process for Creating and Monitoring the Labeling Used for Medical Marijuana Products” (Note: due to difficulties importing text into this Section, the Applicant chose to include its full response in the Attachment referenced above.)

Section 14 – Inventory Management

A. Electronic Tracking System

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).

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.

B. Inventory Management

By checking “Yes” to any statement, you affirm that each dispensary will maintain the following inventory data in its electronic tracking system:
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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.

<table>
<thead>
<tr>
<th>Statement</th>
<th>Yes</th>
<th>No</th>
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<tbody>
<tr>
<td>• Medical marijuana received from a grower/processor.</td>
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<tr>
<td>• Medical marijuana dispensed to a patient or caregiver.</td>
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<tr>
<td>• Damaged, defective, expired, or contaminated medical marijuana awaiting return to a grower/processor or awaiting disposal.</td>
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<td>• Inventory controls and procedures will be established for the conducting of monthly inventory reviews and annual comprehensive inventories of medical marijuana at the facility.</td>
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<td>• 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.</td>
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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:

Not Applicable.

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:

See Attachment “Implementation of an Inventory Management Process” (Note: due to difficulties importing text into this Section, the Applicant chose to include its full response in the Attachment referenced above.)
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:

THIS SECTION IS REDACTED.

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.

Overview

Frank Timpano is a licensed pharmacist for over 26 years, having graduated from the University of Pittsburgh with a degree in pharmacy in 1991. He has a deep experience in pharmacy operations, procedures and safety protocols, having opened many new pharmacies for national companies. Mr. Timpano will be responsible for overseeing all dispensary employees who will handle medical marijuana products.

The safety of the dispensary’s employees and the patients who will be consuming the medical marijuana products dispensed within the facility, is of the utmost importance to Cannabis Square. The company will utilize sanitation and safety protocols and best practices commonly found in the pharmaceutical industry. Good Sanitary Practices (GSP) and Good Handling Practices (GHP) are essential cornerstones of the planned sanitation and safety measures that will be implemented within the dispensary. Pharmaceutical industry requirements and standards will be applied in the same way they would be at a traditional pharmacy operating in the Commonwealth.

Cannabis Square will be proactive and extremely thorough in training all facility employees to mitigate potential sanitation or safety risks. Working conditions will not only meet but exceed the standards established by OSHA, state, and local laws. The Chief Operations Officer will be responsible for developing and implementing strict sanitation and safety protocols, and training all employees in concerns relevant to their position. These protocols will include the establishment of a Safety Team, which will meet monthly to discuss safety concerns and perform a walkthrough of the dispensary to identify any potential hazards or unsafe conditions.
An emphasis will be placed on the regular cleaning and sanitation of all areas where products and patients, with potentially compromised immune systems, may be present. Hand sanitizers will be present in public areas, such as reception, the lobby, and the sales area, to help prevent potential exposure to illness. Employees will be required to wash their hands regularly throughout the work day, and whenever they handle money, take out the trash, perform any cleaning duties, after using the restroom, and before touching any medical marijuana products.

Cannabis Square will work with the local OSHA on-site Consultation Program to verify compliance with all applicable safety/health regulations. In an effort to fully commit to the safety of its employees, it will participate in the Safety & Health Achievement Recognition Program (“SHARP”), which is a program small businesses may be accepted into that acknowledges their achievement as an exemplary model for worksite safety and health. SHARP has strict requirements to be accepted, including maintaining full compliance with OSHA guidelines; the implementation and maintenance of an injury and illness prevention program; and maintaining a Days Away, Restricted, or Transferred (DART) rate and Total Recordable Case (TRC) rate below the national average.

Contamination Prevention
The legal restrictions on the approved forms of medical marijuana products, established in Section 303 of the Medical Marijuana Act, prohibits raw marijuana flower from being dispensed to patients. This means that raw marijuana flower will never be present within the dispensary facility. Finished medical marijuana products will arrive at the dispensary sealed within secure containers in child-proof packaging, and will not be removed from their secure packages while on site. Since packages will arrive sealed from the producer and will not be opened while within the dispensary, there is very low potential for product contamination to occur at the facility. As such, proper storage of medical marijuana products is essential, as this would be the most likely source of product contamination within the dispensary.

Prevention will consist of a three-pronged strategy, as there are three types of potential contaminants that require unique prevention plans, strategies and equipment: (1) Biological, (2) Physical and (3) Chemical. Examples of biological contaminants include bacteria, viruses, parasites, mold and mildew. Examples of chemical contaminants include foreign substances such as dirt, dust, glass, or metal shavings. Examples of chemical contaminants include plant cleaning compounds, sanitizing agents, and solvents.

The sanitation and safety measures that will be implemented will effectively mitigate all biological, physical, and chemical contaminant threats. The proper physical barriers, cutting edge preventive contamination technology, and thorough protocols for employees will prevent potential contaminants from entering the facility in the first place.

Facility Measures
The facility will be constructed in a way so that birds, mice, and other pests cannot enter the dispensary. If rodents and other pests become problematic the Dispensary Manager will have the authority to engage a third-party exterminator.
Proper hand-washing facilities and stations, stocked with sanitizing soap and paper towels, will be in appropriate areas throughout the dispensary, in compliance with § 1164.34 (b) (2). There will be a code-compliant lavatory available in each dispensary that is easily accessible and ADA compliant. All lavatories will be maintained in a sanitary condition and kept in good repair, in full compliance with § 1164.34 (d).

The dispensary will be equipped with appropriate storage for each type of medical marijuana product. Some medical marijuana products require refrigeration, while others are shelf stable. In order to prevent the growth of mold or bacteria, each product will be stored within the temperature range recommended by the manufacturer. Products that have been exposed to water, fire, smoke, extreme temperatures, or improper storage conditions will be disposed of and will not be dispensed to patients.

**Cleaning and Maintenance**

Cannabis Square will regularly clean and sanitize all equipment, utensils and surfaces, in accordance with sanitization schedules outlined in company standard operating procedures (SOPs), to protect against contamination. This will ensure that the dispensary is maintained in a sanitary condition, limiting the potential for contamination or adulteration of the medical marijuana products within the facility, in compliance with § 1164.34 (d). This includes maintaining floors, walls, and ceilings in good repair and excellent condition, in compliance with § 1164.34 (a) (2). Equipment and utensils will be designed and of a material that allows for adequate cleaning and sanitization, and any equipment or utensil that touches medical marijuana will be sanitized daily and before and after each use. Secure containers used to store medical marijuana products will be emptied and sanitized weekly.

Dispensary employees will clean and sanitize all display cabinets, counter tops, and other service areas at the beginning and end of each shift, and throughout the day as needed. Before closing each night, the dispensary will be swept and vacuumed, and all (non-marijuana) trash will be placed in the exterior dumpster. Any damaged, expired, defective, or otherwise unusable medical marijuana products will be logged into the waste disposal portion of the safe, in accordance with the Waste Management Plans. Dispensary staff will ensure restrooms are kept stocked and clean. The lobby, furniture, door handles, computer keyboards, mice, and screens will all be wiped down daily.

A licensed, third-party minority-owned cleaning service will be engaged to do a more thorough bi-weekly clean of the dispensary. This service will make sure all blinds are dusted, toilets are scrubbed, floors are mopped, etc. The cleaning company will be required to sign an affidavit ensuring compliance with DOH regulations and Pennsylvania law relating to medical marijuana organizations, and the cleaners will be escorted at all times within the facility. The cleaners will be subject to following Cannabis Square’s Visitor Policies, including being unable to physically handle medical marijuana products at any time.

The Dispensary Manager will make sure that the dispensary is maintained in good condition and within local and state building code. Leaks, chipping paint, separated molding, and other maintenance issues provide opportunity for mold growth. In order to ensure the cleanliness of the dispensary, the Dispensary Manager will address all maintenance issues in a timely manner.
As many patients may have compromised immune systems, Cannabis Square will make every effort to ensure the dispensaries are clean and welcoming. Employees will be trained to comprehend the potential risk to patients. As an example, they will understand if an AIDS patient gets an illness from the facility, it could be life threatening. The company will also provide hand sanitizers in public areas to help prevent potential exposure to illness.

**Waste Handling and Disposal**

All litter, waste, and trash will be promptly removed before being properly disposed of, in accordance with § 1161.34 (a) (1) so that they do not constitute a source of contamination. Cannabis Square will contract with a licensed waste handler to pick up and remove the waste in accordance with the EPA and OSHA regulations. Disposal of medical marijuana waste will be recorded in detail in the facility's Waste Disposal Log and will be performed in accordance with the Waste Management Plan.

Other types of waste, such as cardboard, paper, plastic, and glass, will be recycled appropriately. Waste is not allowed to accumulate within the facility, as it creates opportunity for contamination, and is a fire hazard. Employees will be trained to empty all trash cans at the end of each shift, and as needed throughout the shift.

**Separate Secure Designated Storage for Chemicals**

All chemicals, including cleaning compounds, sanitizing agents, and solvents, will be clearly identified, and separately and securely stored in a designated explosion and fireproof flammable storage cabinet that meets all NFPA, OSHA and FM standards, in full compliance with § 1161.34 (a) (4), and other applicable state and federal laws and regulations. A continuous piano hinge will provide smooth closure of the cabinet. A large sign will be affixed to the front of the cabinet that clearly reads in large lettering: “WARNING: FLAMMABLE MATERIALS.” This will minimize the risk of these potentially hazardous materials causing an explosion, posing a threat to the safety of employees or patients, and in any way contaminating medical marijuana products.

**Returned Product**

Similar to other retail establishments, product may occasionally be returned to the facility due to issues discovered by the patient such as, evidence of damage, incorrect product, or other issues not detected by dispensary staff. Product may also be returned to the dispensary in the event of a recall or withdrawal. It is against company policy to resell any returned product. Once the product has been opened or has left the facility, it cannot be returned to inventory and must be disposed of in accordance with the company Waste Management Plan.

**Pest Protection Procedures**

Our dispensaries will be kept well maintained and in sanitary condition to prevent rodents, cockroaches, termites, and other pests from residing within its walls. Regular and proper cleaning and maintenance of the facility ensure that the conditions do not become hospitable to pests. As trash is attractive to most pests, employees will be trained to remove trash at the end of each shift, and throughout the day as needed, to prevent the accumulation of waste within the facility.

The dispensary will be routinely inspected for signs of pests such as droppings and physical damage. When necessary, a licensed third-party exterminator will be hired by the Dispensary Manager to
address any pest issues. This exterminator will be required to sign an attestation guaranteeing all work is performed in compliance with DOH regulations. Additionally, the exterminator will be escorted at all times within the facility, and will not be allowed to physically handle any medical marijuana products.

Physical control methods include physical barriers that will be the first line of defense against pests, such as vent guards, screens, and filters. They also include the physical removal of pests that may already be present via traps or vacuuming.

Cannabis Square will ensure that the area immediately outside and surrounding the dispensary is free of any pests, which could potentially enter the facility through the air or via human traffic. This will be accomplished by preventative measures, which include the removal of trees, shrubs and any dense vegetation surrounding the exterior of the facility that could potentially become a breeding ground or home for pests; and regularly applying preventative outdoor pesticide treatments, as needed seasonally.

Medical Marijuana Handler Restrictions

Any dispensary employee working in direct contact with medical marijuana products will remain in compliance with § 1161.34 (b). Cannabis Square understands that these employees will be subject to the requirements for food handlers specified in 28 Pa. Code Ch. 27 (relating to Communicable and Noncommunicable diseases) and will conform to all required sanitary practices while on duty.

Employees will be required to (1) maintain adequate personal hygiene; (2) wear proper clothing; and (3) wash hands thoroughly in an adequate hand-washing area before starting work and at any other time when hands may have become soiled or contaminated.

Employees Who Handle Medical Marijuana

Only designated dispensary employees will have the permission to physically handle medical marijuana products. Permissions will be based on the employee’s required duties, and will only allow the handling of medical marijuana products in the specifically designated areas of the facility where those activities are permitted to take place, such as the sales counter, secure storage, and the unloading docks.

Employees are not allowed to bring any medical marijuana products into the public lobby area of the facility, unless they are helping a patient carry their purchased medical marijuana products out of the facility after completing a transaction.

When handling medical marijuana products, employees must wear sanitary gloves and their clean company uniform. Attire worn by staff inside the dispensary will be similar to that worn in a pharmacy. Licensed medical professionals will be permitted to wear a white lab coat over their company uniform, if they desire.

Additional Restrictions
Employees who feel sick or are displaying symptoms of an illness will be prohibited from working their scheduled shift, including handling any medical marijuana products or interacting with patients. In full compliance with § 27.153, any employee with the following diseases or conditions will not be permitted to handle medical marijuana, until cleared to return to work by a physician, in accordance with regulations applicable to food handlers:

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.
7) Any employee with a cough combined with fever.

Gloves

Quality, food-grade gloves will be worn whenever employees are handling medical marijuana products, cleaning the facility, or engaged in other sensitive activities. Nitrile gloves will be utilized over latex gloves because of their chemical resistance, their tendency to visibly rip when punctured (alerting the wearer to the damage), and to prevent possible latex allergies to employees or patients consuming final products.

- Gloves are single-use only
- Gloves must be changed anytime they become soiled or damaged; they cannot just be rinsed off or washed.
- Gloves must be changed at least once every four hours.
- Touching cell phones while wearing gloves will be prohibited. Hands must be washed after using a cell phone.
- Wounds must be covered with a bandage and a glove.
- Gloves must be worn anytime dispensary employees handle medical marijuana products
- The company will have small, medium, and large gloves available for employees to ensure that they comfortably fit the hands of all employees.

Good Handling Practices

Good Handling Practices (GHP) will be the foundation of and inform all medical marijuana product handling policies and procedures. The company’s GHP includes the proper washing of hands at designated hand-washing facilities before employees handle medical marijuana products or interact with patients. Employees who handle medical marijuana products and interact with patients during the course of their duties will be required to strictly follow all policies and procedures, which will include several basic restrictions and guidelines for employee attire, grooming, and conduct. Employees must report to work each day in a clean uniform. Employees may not wear any torn, stained, or soiled clothing to work. Employees are required to shower before reporting for their shift, and must maintain good personal hygiene.

Hand-Washing Facilities

Beyond the requirements of § 1161.34 (c) (1), Cannabis Square will ensure that all hand-washing
facilities are constructed in accordance with standards commonly found in pharmaceutical production facilities and medical facilities. Proper hand-washing facilities, combined with proper hand-washing procedures, will be a key component of maintaining the necessary sanitary environment within the facility. The company will follow all of the CDC's recommendations for hand-washing facilities.

**Specifications**

Cannabis Square will provide adequate and convenient hand-washing facilities with running water, at a minimum temperature of 100 degrees and of sufficient volume and pressure to remove dirt and contaminants from hands. The company ensure that these facilities are always stocked and operational with liquid sanitizing soap, sanitary towels, single-use paper towels, and gloves. The sinks may not be blocked or obstructed by equipment that renders the sink unavailable for employee use.

Hand-washing facilities will be designated only for hand-washing purposes. The cleaning of equipment and utensils, dumping chemicals, or any other activities will be prohibited from being performed in these designated sinks. Employees will be thoroughly trained on these procedures and all designated hand-washing facilities will feature large signs that clearly read in bold lettering, “FOR HAND-WASHING ONLY.” Signs with instructions for proper hand-washing will be posted at hand-washing stations and in restrooms to encourage proper practices.

**Procedures**

Service sinks may not be used for handwashing as these sinks may be contaminated from disposing of mop water, chemicals, and other liquid waste.

When employees wash hands, all exposed skin up to the elbow must be scrubbed for 10-15 seconds with particular attention given to nail beds, under finger nails, in finger webs, and the thumb. Hands must be thoroughly washed in the following circumstances:

* Before putting on fresh gloves
* After the use of the bathroom
* Before and after handling any medical marijuana product
* After disposing of any waste, dirty surface, or taking out the garbage
* After touching hair, face, body, clothes, or apron
* After sneezing, coughing, or using a tissue
* After handling any chemicals
* After eating, drinking, smoking, chewing gum, or chewing tobacco
* After handling money
* After touching service animals

**Inspection Schedules**

The Dispensary Manager will schedule routine and surprise inspections. These inspections will include all operational areas of the facility and all equipment such as balances, scales, receiving bay doors, and security equipment. These inspections will ensure that the facility, and its equipment, are being properly cleaned, maintained, and accurately calibrated.
Cannabis Square will maintain a log recording the maintenance, cleaning, and calibration of each piece of equipment. Additionally, a cleaning log will be maintained and inspected for sensitive areas of the dispensary, such as the storage areas, and the restrooms. This comprehensive history of the facility’s equipment will not only ensure total compliance, but it will also provide the company with valuable data to enhance efficiency, maintain safety, and ensure consistent operability.

**Safety Team**

The Safety Team will be comprised of a representative individual from each department, as well as each level (Executive Level, Management Level, Hourly Level) in order to maintain adequate representation of the entire Cannabis Square team. The Safety Team will meet regularly to discuss safety concerns within the facility and methods for improving safety. An anonymous suggestion box will be available in the dispensary where employees can submit suggestions and concerns to the Safety Team. The team will review each submission in the suggestion box at their next regularly scheduled meeting.

At least once per month the Safety Team will conduct a thorough inspection of the dispensary, looking for potential trip hazards, improperly stored chemicals, improperly stored products, and other safety concerns. A report of their findings and recommendations will be drafted after each inspection and submitted to the Compliance Officer and Chief Operations Officer who will implement changes to policy and protocol as indicated.

**Levels of Inspections**

There will be three levels of inspections: (1) internal inspections, (2) private contractor inspections and (3) state level inspections.

Internal inspections will be conducted on a routine and unannounced basis in order to verify the cleanliness of the dispensary, as well as the safe and proper functioning of facility equipment. They will be conducted by the Compliance Officer, as well as the inspections completed monthly by the Safety Team.

Inspections by privately contracted third-party expert inspectors will ensure that all equipment is always functioning properly and accurately. These expert inspections will be performed in accordance with manufacturer guidelines, along with appropriate calibration and maintenance. These inspectors will be escorted by a designated staff member while on-site, and will not be permitted to touch any medical marijuana products.

State regulators will conduct inspections of the dispensary, as required by law. Cannabis Square and its employees will comply with all state conducted inspections, and make every effort to aid in maintaining full transparency during these announced and unannounced inspections.

**Frequency of Inspections**

Inspections will be conducted daily, weekly, monthly and quarterly, as necessary for each specific piece of equipment. The company will follow all equipment manufacturer recommendations for the required frequency of cleaning, maintenance, calibration, and inspections. Announced building and fire inspections will be conducted quarterly, with unannounced inspections conducted randomly.


**Calibrating Instruments**
To the extent applicable to dispensaries, instruments such as balances and scales will be calibrated in accordance with the manufacturers recommendations, with records maintained.

**Procedure**
Inspections will be conducted routinely as part of daily operating procedures and all employees responsible for the utilization of operational equipment will be trained on the proper sanitization and upkeep of the equipment being used. Management will keep, in an organized portfolio, all operational equipment manuals, instruction sheets, operational procedures, and manufacturer’s recommendations as to provide employees resources for the successful operation of all equipment.

**Inventory Inspections**
In addition to facility inspections, employees will regularly conduct inventory inspections. When performing regularly scheduled inventory audit procedures, employees will also inspect products for signs of damage such as water damage, pest damage, and improper storage conditions, and will check expiration dates to ensure that no compromised product is dispensed. Any damaged or expired product will be removed from inventory and disposed of in accordance with the company Waste Management Plan. The seed-to-sale inventory management system will alert dispensary staff of products nearing the expiration date, however inspections will provide a second layer of defense by double checking expiration dates manually.

**General Safety Training**
Cannabis Square will enforce strict Standard Operating Procedures (SOPs) to ensure personal and environmental safety. Training of SOPs will be stringent, and employees must pass tests and supervisor assessments prior to being authorized to perform any task within the dispensary. Once authorized to perform the task, the employee must have a digital or print version of the most current SOP in front of them each time they perform the task to ensure no step is missed. Annual assessments will be conducted to recertify the employee in each task.

**Safety Data Sheets**
Cannabis Square will follow all regulations and guidelines set by the Occupation Safety and Health Administration (OSHA). Safety Data Sheets (SDS) will be onsite and easily accessible for all chemicals found within the facility. The Safety Team will inspect the SDS sheets to ensure they are up to date and easily accessible at each monthly inspection.

**Emergency Situations**
Several emergency situations are possible within the dispensary facility that may constitute a risk to the safety of dispensary employees or patients. These emergencies may be related to extreme weather, fire, medical emergencies, robberies, or other unforeseen incidents. Cannabis Square has developed detailed SOPs for the management of most emergency situations, in order to help guide employees through the emergency and ensure that the health and safety of company patients and employees is continually a top priority. In the event of an emergency, emergency responders such as
firefighters and EMTs are not required to follow the company Visitor Policy, and will be provided unhindered access to any area of the facility necessary to perform their duties. As soon as practicable, employees will contact management to inform them of the emergency situation.

In Pennsylvania, emergency situations due to blizzard conditions are common. In the event of a severe blizzard, employees are not required to report to work if driving conditions would pose a risk to their personal safety. If the dispensary is already open for business when winter conditions strike, employees will be required to shovel accumulated snow and put down ice melt on sidewalks and in the parking lot, to reasonably minimize patient risk.

In the event of a fire, employees should activate pull down fire alarms, panic alarms, or utilize any other method to alert building occupants of the fire. The building must be evacuated immediately. If appropriately trained in fire extinguisher use, employees may attempt to extinguish the fire. If possible, without endangering their personal safety, employees should assist patients in evacuation, with particular attention given to disabled or elderly patients. Once outside at the designated meeting spot, employees should call 911 for assistance.

Due to the fragile health status of Cannabis Square’s patients, medical emergencies may occur. In the event that a patient experiences a seizure, or other emergent event within the dispensary, employees must immediately call 911 and follow all instructions issued by the dispatcher. The company will support employees who wish to become CPR and first-aid certified by providing time off and assisting with tuition.

In the event of a robbery, employees will be trained to comply with all demands issued by the robber, and not to escalate the situation further. Employees must not try and thwart the robber, unless they are a trained security guard. If possible, employees should activate the silent hold-up alarm to notify local authorities of an incident in progress. Once the criminal has left the facility, dispensary staff must immediately lock the doors and call 911 for assistance.

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:

See Attachment “Recordkeeping Plan” (Note: due to difficulties importing text into this Section, the Applicant chose to include its full response in the Attachment referenced above.)
Part E – Applicant Organization, Ownership, Capital and Tax Status
(Scoring Method: 150 Points)

SECTION 18 – ORGANIZATIONAL STRUCTURE

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<tr>
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<tr>
<td>□ Non-Profit Organization</td>
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<td>□ Other (explain):</td>
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<th>Applicant’s Organization Documents</th>
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<td>Business Name on Formation Documents: Cannabis Square, LLC</td>
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<table>
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<td>82-0769500</td>
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<tr>
<td>PA Unemployment Compensation Account Number:</td>
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</tr>
<tr>
<td>PA Department of Revenue Tax number (if applicant is currently doing business in Pennsylvania):</td>
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<td>Not Applicable</td>
</tr>
<tr>
<td>PA Workers’ Compensation Policy Number (if applicant is currently doing business in Pennsylvania):</td>
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<tr>
<td>Not Applicable</td>
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</table>

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.

SECTION 19 – BUSINESS HISTORY AND CAPACITY TO OPERATE

Describe your business history and your ability and plan to maintain a successful and financially sustainable operation:

DOH REDACTED
DOH REDACTED
## Section 20 – Current Officers

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

<table>
<thead>
<tr>
<th>Name and Residential Address</th>
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<tbody>
<tr>
<td><strong>First Name:</strong> Gregory</td>
<td><strong>Middle Name:</strong> John</td>
</tr>
<tr>
<td>Occupation: Commercial Realtor</td>
<td>Title in the applicant’s business: President, Treasurer and Secretary</td>
</tr>
<tr>
<td>Also known as: Greg Rubino</td>
<td>Date of birth: XXXX</td>
</tr>
<tr>
<td>Address Line 1: XXXX</td>
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<td><strong>First Name:</strong> Wallace</td>
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</tr>
<tr>
<td>Occupation: Attorney</td>
<td>Title in the applicant’s business: Vice-President, Assistant Secretary and General Counsel</td>
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<tr>
<td>Also known as: John Knox</td>
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Pennsylvania Department of Health
Medical Marijuana Dispensary Permit Application

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If more space is required, please submit additional information on other officers in a separate document titled “Current Officers (Cont.)” 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

<table>
<thead>
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<th>Name and Residential Address</th>
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65
# Pennsylvania Department of Health
## Medical Marijuana Dispensary Permit Application

**First Name:** Lisa  
**Middle Name:** Marie  
**Last Name:** Rubino  
**Suffix:**  
**Occupation:** Residential Realtor  
**Title in the applicant’s business:** Principal Financial Backer  
**Date of birth:** XXXX  
**Address Line 1:** XXXX  
**City:**  
**State:**  
**Zip Code:**  
**Phone:** XXXX  
**Fax:** XXXX  
**Email:** XXXX  
**Stock type or class:**  
**Number of shares held:** XXXX  
**Date Acquired:** 03/01/2017  
**Percentage of outstanding voting stock:** XXXX  
**Terms, conditions, rights and privileges:**

---

**First Name:** Gregory  
**Middle Name:** John  
**Last Name:** Rubino  
**Suffix:**  
**Occupation:** Commercial Realtor  
**Title in the applicant’s business:** CEO, President  
**Also known as:** Greg Rubino  
**Date of birth:** XXXX  
**Address Line 1:** XXXX  
**City:**  
**State:**  
**Zip Code:**  
**Phone:** XXXX  
**Fax:** XXXX  
**Email:** XXXX  
**Stock type or class:**  
**Number of shares held:** XXXX  
**Date Acquired:** 03/01/2017  
**Percentage of outstanding voting stock:** XXXX  
**Terms, conditions, rights and privileges:**

---

**First Name:** Wallace  
**Middle Name:** John  
**Last Name:** Knox  
**Suffix:** III  
**Occupation:** Attorney  
**Title in the applicant’s business:** Vice-President, General Counsel  
**Also known as:** John Knox  
**Date of birth:** XXXX  
**Address Line 1:** XXXX  
**City:**  
**State:**  
**Zip Code:**  
**Phone:** XXXX  
**Fax:** XXXX  
**Email:** XXXX  
**Stock type or class:**  
**Number of shares held:** XXXX  
**Date Acquired:** 03/01/2017  
**Percentage of outstanding voting stock:** XXXX  
**Terms, conditions, rights and privileges:**

---

**First Name:** Beverly  
**Middle Name:** Ann  
**Last Name:** Alward  
**Suffix:**  
**Occupation:** Registered Nurse  
**Title in the applicant’s business:** General Manager of Dispensaries  
**Also known as:** Bev Alward  
**Date of birth:** XXXX  
**Address Line 1:** XXXX  
**Address Line 2:**

---

[Logo: Pennsylvania Department of Health]
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<tr>
<td>First Name: Joseph</td>
<td>Middle Name: Franklin</td>
<td>Last Name: Lochbaum</td>
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<tr>
<td>Occupation: Business Owner: Wheelchairs &amp; More Corp.</td>
<td>Title in the applicant’s business: Financial Backer, Chair Veterans Outreach Committee</td>
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<tr>
<td>Also known as: Joe Lochbaum</td>
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<td>First Name: William</td>
<td>Middle Name: John</td>
<td>Last Name: Vorscheck</td>
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<tr>
<td>Occupation: Licensed Psychologist</td>
<td>Title in the applicant’s business: Financial Backer</td>
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<tr>
<td>Also known as: Bill Vorscheck</td>
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<tr>
<td>First Name: Jason</td>
<td>Middle Name: Milam</td>
<td>Last Name: Porreco</td>
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<tr>
<td>Occupation: Business Owner: Porreco Nissan and Bianchi Honda</td>
<td>Title in the applicant’s business: Financial Backer</td>
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### Pennsylvania Department of Health

**Medical Marijuana Dispensary Permit Application**

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<th>Investor Units</th>
<th>Date</th>
<th>Percentage of outstanding voting stock</th>
<th>Terms, conditions, rights and privileges</th>
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#### Name and Residential Address

**First Name:** Joshua  
**Middle Name:** Milam  
**Last Name:** Porreco  
**Occupation:** Business Owner: JPM Investments, Porreco Realty and Auto Row Realty  
**Title in the applicant’s business:** Financial Backer  
**Date of birth:** XXXX  
**Address Line 1:** XXXX  
**Address Line 2:** XXXX  
**City:** DO  
**State:** PA  
**Zip Code:** DOH  
**Phone:** XXXX  
**Fax:** XXXX  
**Email:** XXXX  
**Stock type or class:** Investor Units  
**Number of shares held:** XXXX  
**Date Acquired:** 03/01/2017  
**Percentage of outstanding voting stock:** XXXX  

---

**First Name:** Michael  
**Middle Name:** Charles  
**Last Name:** Hammel  
**Occupation:** Business Owner: Hammel Properties  
**Title in the applicant’s business:** Financial Backer  
**Date of birth:** XXXX  
**Address Line 1:** XXXX  
**Address Line 2:** XXXX  
**City:** DO  
**State:** PA  
**Zip Code:** DOH  
**Phone:** XXXX  
**Fax:** XXXX  
**Email:** XXXX  
**Stock type or class:** Investor Units  
**Number of shares held:** XXXX  
**Date Acquired:** 03/01/2017  
**Percentage of outstanding voting stock:** XXXX  

---

**First Name:** Daryl  
**Middle Name:** Edward  
**Last Name:** Terella  
**Occupation:** Commercial Realtor  
**Title in the applicant’s business:** Financial Backer  
**Date of birth:** XXXX  
**Address Line 1:** XXXX  
**Address Line 2:** XXXX  
**City:** DO  
**State:** PA  
**Zip Code:** DOH  
**Phone:** XXXX  
**Fax:** XXXX  
**Email:** XXXX  
**Stock type or class:** Investor Units  
**Number of shares held:** XXXX  
**Date Acquired:** 03/01/2017  
**Percentage of outstanding voting stock:** XXXX  

---

**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.)” IN ACCORDANCE WITH THE ATTACHMENT FILE NAME FORMAT REQUIREMENTS AND INCLUDE IT WITH THE ATTACHMENTS.**
## B. FOR PARTNERSHIPS AND LLPs

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<td>General/Full Partner</td>
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<tr>
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<td>Other:</td>
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<tr>
<td>Description of participation in operation of the applicant:</td>
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### Name and Residential Address

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Pennsylvania Department of Health
Medical Marijuana Dispensary Permit Application

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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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<td>First Name: Arthur</td>
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<td>Middle Name: Joseph</td>
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<tr>
<td>Occupation: Security Consultant, District Judge (Ret.) and City of Erie Director of Safety (Ret.)</td>
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<td>Title in the applicant’s business: Senior Director of Security</td>
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Pennsylvania Department of Health
Medical Marijuana Dispensary Permit Application

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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:
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:

Overview
Cannabis Square is a medical marijuana company exclusively comprised of business and civic leaders who live and work in the communities of Erie and Northwest Pennsylvania. As such, the entire Cannabis Square team is uniquely attuned to the economic and social needs of Northwest Pennsylvania. Moreover, the company is fully aware of the opportunity and privilege that will be afforded it should the Department decide to award Cannabis Square a permit to operate dispensaries in the Northwest region. To that end, Cannabis Square has a well-defined plan to have a positive impact on all three communities where it will operate its dispensaries, the specifics of which are set forth below.

Diverse Community Groups
Through its engagement of Shantel Hilliard, the Erie Minority Investment Group and the Booker T. Washington Center (BTWC) and with guidance from the company’s Diversity and Training Committee and Veteran’s Outreach Committee, Cannabis Square will sponsor events and participate in community organizations that focus on and serve minorities, women, veterans, disabled veterans and the LGBTQ community. Cannabis Square has established partnerships with several local organizations that enrich the diverse communities of Northwest Pennsylvania and is seeking relationships with many others as the company expands its presence in Erie, Meadville and Mercer.
Service-Disabled Veterans and Disabled Individuals

Construction and engineering companies contracted by Cannabis Square will assure that each of Cannabis Square’s dispensary locations is designed and constructed in full compliance with state and local requirements, as well as the 2010 American Disabilities Act (ADA) Standards for Accessibility Design. Veteran’s organizations and Cannabis Square will share resources and opportunities to grow and fulfill their overlapping missions in the three communities. Workstations will be built to accommodate service-disabled veteran employees and individuals with disabilities that may need assistance in their employment at Cannabis Square.

One of the company’s principal financial backers, Joseph Lochbaum is a U.S. Navy Veteran whose successful business, Wheelchairs & More Corp. serves and positively impacts the disabled and Veteran communities of Northwest Pennsylvania. With guidance from the Veteran’s Outreach Committee that Mr. Lochbaum chairs, Cannabis Square will sponsor events and participate in community organizations that specifically focus their efforts on the rehabilitation of wounded military veterans with physical severe pain and post-traumatic stress disorder. Both of these conditions are approved for the therapeutic use of medical marijuana by the Department. In fact, Pennsylvania is unique among medical marijuana states in that post-traumatic stress disorder (PTSD) is a qualifying condition for the use of medical marijuana, which should enable the company to assist the Veteran community of Northwest Pennsylvania immensely. Furthermore, in keeping with Cannabis Square’s dedication to serving the Veteran community, a portion of the company’s profits will be deposited into a fund to assist ailing Veterans throughout Northwest Pennsylvania who cannot afford their medication.

Booker T. Washington Center

As described throughout this Application, Cannabis Square has a strong relationship with the oldest African-American social service organization in Erie, the Booker T. Washington Center and its Executive Director, Shantel Hilliard. Compared to other areas in Pennsylvania, Erie sustains a diverse population, with African-Americans comprising 16% of that population. The primary services offered by the BTWC include referral services, drug and alcohol prevention and outreach, employment training, job search, performance-based prevention alternatives, activities, education, computer learning, youth programs, day care services, tax assistance, and the Women, Infants, and Children’s Program (WIC). The Center services over 4,500 Erie residents annually, and provides the community with forums, health fairs, and carnivals throughout the year. Additionally, the BTWC supplies education and outreach programs that enable students who would otherwise not attend college, the opportunity to advance their education in pursuit of financial independence and full employment. Not only has Cannabis Square contracted with Mr. Hilliard to oversee and implement the company’s diversity and training plan, but Cannabis Square has committed to donating $XXXX to the BTWC in full recognition and encouragement of its 93-year old mission of serving Northwest Pennsylvania’s minority population.

Medical Marijuana Patients

The biggest component of Cannabis Square’s community outreach commitment is developing relationships with local medical marijuana patients. Physician education will be coupled with patient interaction to all in an effort to serve a diverse spectrum of patients and caregivers, each with a personalized experience at Cannabis Square dispensaries. Cannabis Square will bridge patient-physician interactions by facilitating weekly education opportunities with local physicians and medical marijuana patients. Cannabis Square may implement scheduled informational seminars and physician
meetings that emphasize medical marijuana treatments for specific qualifying conditions, such as pain, oncology, infectious diseases, pediatrics, and PTSD. Experienced physicians will be invited to promote their services that implement medical marijuana treatments that incorporate Cannabis Square dispensary medical marijuana products.

Cannabis Square has hired Danielle Sanders, M.D. to serve as its Medical Director and pharmacist Frank Timpano. One of Dr. Sanders’ primary responsibilities will be to access her long-standing relationships with the medical community of Northwest Pennsylvania in order to educate doctors and health professionals about the benefits of medical marijuana. Mr. Timpano will engage in similar professional outreach. Additionally, the company expects to hire Certified Nurse Practitioners and Physician’s Assistants. All of these medical team members will have daily contact with the patient community in dispensing medical marijuana products. Cannabis Square will develop and implement internal research programs that monitor symptoms and observed relief from medical marijuana products. With the acquired feedback from patients on the effectiveness of products, the company will consider formulations, strains, and applications that increase medical efficacy, bioavailability, and reduce costs for patients.

Medical Community
As set forth above, Cannabis Square has hired several experienced medical professionals to serve as patient care specialists to assist with registering patients, consumption options and uses, and any other area of concern or interest for the patient. Cannabis Square will also distribute educational pamphlets containing pertinent information regarding Cannabis Square’s products and uses. Effective education will be a hallmark of Cannabis Square’s operations and the company will work diligently to dispel myths surrounding the therapeutic use of medical marijuana, while promoting the safe and responsible application of medical marijuana.

Cannabis Square fully plans to offer education to physicians throughout Northwest Pennsylvania on the benefits of medical marijuana to their patients. Cannabis Square’s Advisory Board and Executive Team are comprised of several healthcare professionals that have been involved in the health care industry for decades. Cannabis Square, chiefly through Dr. Sanders and Frank Timpano’s efforts, will assemble a reliable network of physicians and pharmacists around the Erie area and in surrounding Crawford and Mercer Counties, encompassing most major medical specialties. Pain management, in particular, will be a focus of the leadership team of Cannabis Square and the experienced medical professionals of the company will guide the recommendation of strains, formulations, applications, and dosages of medical marijuana to qualified medical marijuana patients.

Cannabis Square will develop and participate in medical community outreach programs and is poised to implement strategies of community involvement in the context of physician and pharmacist education. Cannabis Square’s medical professionals, its Executive Team, as well as dispensary staff are dedicated to working to connect medical marijuana patients with Pennsylvania physicians, which will result in a positive impact on patient treatment. To that end, Cannabis Square will host educational seminars with leading physicians, and the company will facilitate meetings between physicians from various specialties in Northwest Pennsylvania to address the list of qualifying conditions with the entire Cannabis Square team.
Residents and Community Leaders of Proposed Locations
Cannabis Square will engage community members of Northwest Pennsylvania by hosting monthly educational seminars in the locations in which the three dispensaries are located. These seminars will be open to the general public. Through peer-to-peer events, Cannabis Square will bring in advocates from mature markets to educate community members on the safe use and application of medical marijuana for serious health conditions. Personal experiences voiced by patient volunteers and medical marijuana advocates will give a lasting, positive impact on the community and Cannabis Square will work to erase the stigma of the therapeutic use of medical marijuana. Individuals from similar backgrounds will offer a unique perspective to the targeted audience of the greater community of Northwest Pennsylvania. Such events will include law enforcement officials, fire fighters, poison control representatives, emergency responders, school leaders, public officials and other influential community members that may have questions pertaining to medical marijuana.

Furthermore, Cannabis Square will prepare information to be distributed at public events that includes medical marijuana product information, dispensary contact information, and resources concerning the laws and regulations Cannabis Square is committed to upholding. Additionally, Cannabis Square will provide detailed information regarding specific medical marijuana products and consumption methods, expected onset, bioavailability, duration, and cautionary warnings against the use of vehicles or heavy machinery while under the influence of medical marijuana.

Cannabis Square will also provide financial support to organizations relevant to the medical marijuana community such as the Pennsylvania Industrial Hemp Research Program, Pennsylvania Medical Cannabis Industry Group, Pennsylvania Medical Cannabis Society, the Drug Policy Alliance, and Americans for Safe Access.

Cannabis Square’s team members all share the common goal of reducing the dependence on pharmaceutical pain medications and reducing drug overdoses in the communities where Cannabis Square operations will be located.

Youth
Cannabis Square will have a lasting positive impact on the youth of Northwest Pennsylvania. Many of the principals and financial backers of Cannabis Square are already involved in local primary education programs. For example, retired City of Erie Safety Director and Magisterial Judge, Joseph Weindorf, who will serve as Cannabis Square’s Senior Security Director, drafted the original Protective Services Program implemented by the Erie School District for the children it educates.

Marlene Mosco, Regional President of PNC Bank, Northwest Pennsylvania, is an Investor in Cannabis Square and will serve on the dispensary’s Governance Committee. Marlene has deep ties to the community of Erie County and has a well-deserved reputation as a philanthropic leader in the region. For her contributing efforts to the Erie community, Marlene has been honored as the Boys and Girls Club of Erie’s CEO of the Year, and received the President’s Award from the Erie County Historical Society. Marlene has served as Chairperson of the United Way of Erie County, a Trustee of the Boys and Girls Club of Erie, Inc., and is a sustaining member of the Junior League of Erie, serving as its president in 1985. The Junior League of Erie, Inc., is an organization of women committed to promoting voluntarism, developing the potential of women, and improving the community through effective action and leadership of trained volunteers. Some of the Junior League of Erie’s projects include teen
pregnancy services, and a partnership with the Erie Philharmonic Orchestra to promote early music appreciation and literacy skills among youth in the Erie area.

W. John Knox, Esq., who will serve as Vice-President, General Counsel and Assistant Secretary for Cannabis Square, is the former Chairman of the Board of Community Health Net, Inc., Erie’s Federally Qualified Health Center (FQHC)—an organization crucial to serving the medical needs of Erie’s indigent youth. Cannabis Square will support several of Community Health Net’s initiatives and programs that are targeted at area youth. Additionally, this summer, Mr. Knox will be named President of the Board of Directors for the Erie Philharmonic and is excited to participate in outreach programs enhance community youth music education.

Another component to Cannabis Square’s commitment to creating a positive impact on the youth of Northwest Pennsylvania, is the company’s involvement with the Sarah Reed Children’s Center (SRCC) in Erie. Shellane Buehler, AIA, will serve on Cannabis Square’s Facilities Development Committee and is a Member on the Board of Directors for the SRCC. The Mission of the Center is to promote the emotional wellbeing of children and families, helping them realize their potential and experience success. The Center aims to be the leading provider in youth behavior health services in the region and hosts a number of programs that address the emotional needs of children and teens who have difficulty experiencing success at home, in school or in the community. Cannabis Square will provide support for the Center’s continual operation, which offers children a safe, supportive, and nurturing environment for at risk youth.

Weed and Seed Program
As mentioned, Joseph Weindorf, who will serve as the Senior Security Director for Cannabis Square, has offered exemplary community service throughout his career in Northwest Pennsylvania. In addition to spearheading drug-free initiatives and addiction awareness campaigns, Mr. Weindorf founded Erie’s chapter of the National Weed and Seed Program, sponsored by the US Department of Justice (DOJ). Cannabis Square will engage with the Weed and Seed Program to demonstrate an innovative and comprehensive approach to law enforcement and community revitalization, and to prevent and control violent crime, drug abuse, and gang activity. The goal is to “weed” the community of these undesirable traits and then “seed” the target areas by restoring the neighborhood through social and economic revitalization. Together with Weed and Seed, Cannabis Square will achieve common goals of community improvement and safety.

Health Associations
Greg and Lisa Rubino, President and Lead Investor in Cannabis Square, respectively, are both members of the American Heart Association and former Co-Chairpersons of the Heart Ball. For years, the Heart Ball has served as a major local fundraiser to advance the lifesaving mission of the American Heart Association, a mission that has impacted the lives of thousands of men, women, and children in the Erie area. Contributions received through these charitable efforts support cardiovascular research, professional and community education, and advocacy efforts. Shelane Buehler, AIA, who serves on the Cannabis Square Facilities Development Committee, is also an active member of the American Heart Association, in addition to her role serving as Chairperson of the Pink Lady Golf Tournament, a major fundraising event for the American Cancer Society.
Lasting Positive Community Impact

Cannabis Square anticipates that its positive impact on the communities of Erie, Meadville, and Mercer will be long-lasting. In states that have implemented medical marijuana programs, several tangible and quantifiable benefits inure to the communities in which medical marijuana is dispensed. As mentioned throughout this Application, common benefits include: reduced crime rates; reduced levels of teenage medical marijuana use; reduced traffic fatalities; reduced prescription painkiller-related overdose deaths; reduced healthcare costs; increased worker productivity; more jobs for residents; and a lower unemployment rate. The company is confident that its successful operations will elevate Cannabis Square as a community business leader and a medical marijuana resource center.

As alluded to, states with medical marijuana programs find violent crime is reduced after legislation is enacted, which counters arguments that legalization leads to an increase in crime. Empirical data shows that violent and property crime did not increase in states with medical marijuana laws, and in fact, such laws correlate with a reduction in homicide and assault rates. Incidents involving violent and property crime in Colorado were recorded and compared for the year prior to the legalization of cannabis and the year after the law was enacted. In that time period, homicides decreased by an extraordinary 24.4%; rapes decreased by 2.5%; robberies decreased by 3.3%; burglaries decreased by 9.5%; and thefts from motor vehicles decreased by 21.8%, according to data released by the Colorado Department of Public Safety. Similarly, a 2013 study by the American Journal of Community Psychology found that some security measures taken by medical marijuana businesses, such as security cameras, onsite security officers, and signs requiring a prescription identification card, might be effective at reducing crime within the immediate vicinity of the dispensary or cultivation facility. Cannabis Square is confident that the extensive state-of-the art security systems, precautions and protocols it will put in place for its dispensaries, will enhance the safety of the surrounding areas and lead to a reduction in overall crime, which will positively impact the community.

One of the most illustrative statistics that shows the powerful positive impact medical cannabis legalization can have is in a report produced by researchers at Montana State University and the University of Colorado Denver. Their report, titled “Medical Marijuana Laws, Traffic Fatalities and Alcohol Consumption”, used data from the National Survey on Drug Use and Health, the Fatality Analysis Reporting System, and three states that legalized medical marijuana in the mid-2000s (Montana, Rhode Island, and Vermont). Based on the accumulated data, the researchers found that traffic fatalities fell by nearly 9% after the legalization of medical marijuana in a given state. This reduction is similar in magnitude to the results seen after the legal drinking age was increased to 21 (-9%); and in states and after the implementation of mandatory seatbelt laws (-8%). The same study concluded that arguments that legalization leads to increased use of marijuana by minors were unsubstantiated. Furthermore, an exhaustive 2015 study published in “The Lancet Psychiatry” showed no difference in adolescent marijuana use in the 21 states with medical marijuana laws at the time. The Lancet study supports the 2013 report from the Colorado Department of Health and Environment which found that high school marijuana use in the state decreased by 2% from 2011 to 2013---a time period in which the state’s medical marijuana program expanded and the number of medical dispensaries increased. Likewise, a 2012 study, “Medical Marijuana Laws and Teen Marijuana Use” by D. Mark Anderson, Ben Hanson and Daniel Reeds, also found that legalizing medical marijuana did not lead to increased use amongst teenagers.

Overdose and Addiction Reduction
States with medical marijuana laws have experienced a significant decrease in deaths related to prescription opioid painkiller overdoses in comparison to states where cannabis is still illegal, according to a widely-publicized study in the Journal of the American Medical Association. Cannabis Square intends to influence this trend in Northwest Pennsylvania. To that end, Cannabis Square anticipates that by providing safe access to medical marijuana as an alternative to prescription medication, misuse of drugs will be reduced dramatically. And the company is hopeful that the availability of medical marijuana alternatives will help combat the opiate epidemic that has plagued all regions of the Commonwealth.

**Economic Stimulation**

The legalization of medical marijuana has not only resulted in reduced crime and increased public health and safety in states that have adopted such laws, but it has also been a major job and economic stimulator. Colorado, which legalized medical marijuana in 2000 and adult use marijuana in 2012, has seen a significant economic boost since legalization. Business Insider ranked Colorado as one of the fastest growing economies in the nation and attributed the growth, in part, to marijuana. The state is experiencing their lowest unemployment rate since 2008, after the state reached a historic high of 8.9% in October 2010 during the Great Recession. Cannabis Square’s dispensary operations will create several family-sustaining jobs to the three communities in which its operations will be located and is confident that the state’s new medical marijuana industry will have a material economic impact on Pennsylvania.

The successful operation of Cannabis Square will also have a positive effect on ancillary businesses in the Northwest Pennsylvania community. Businesses that will be positively impacted by Cannabis Square’s operation include construction companies and contractors, security companies, architectural and engineering firms and many others. The company has already made it a priority to engage and work with local businesses through the hiring of Wilkins & Company, Erie Security & Protection Services, Buehler & Associates and MC Hammel Construction, and will continue to prioritize local businesses once Cannabis Square’s dispensaries are open and operational.

Furthermore, the successful operation of Cannabis Square will increase tax revenue in the three municipalities in which the dispensaries are located. Over $1 billion of medical marijuana products were legally dispensed nationwide in 2015 alone. The three municipalities, as well as the Commonwealth of Pennsylvania realistically can expect thousands of dollars in taxes and fees generated from Cannabis Square’s operations. These increased tax revenues can be used to fund school districts, infrastructure projects, law enforcement agencies, and economic development projects.

**Healthcare Cost Savings**

Cannabis Square believes strongly that access to medical marijuana will improve the quality of life of many Pennsylvania residents suffering from qualifying health conditions for the use of medical marijuana. A study in the July 2016 issue of *Health Affairs* found that Medicare spending was reduced in states that have implemented the regulated dispensing of medical marijuana. In 2013 alone, Medicare saved over $165 million in 17 legal states examined. The study looked at over 87 million prescriptions from the Medicare Part D database, focusing only on conditions where marijuana might serve as an alternative to prescription medications. If all states legalized medical marijuana, or if it
were to become federally legal, annual savings could be triple that amount, and savings could reach over $500 million.

**Conclusion**
Through the successful operation of its dispensary business, Cannabis Square strongly believes that the company will have a long-lasting, positive impact on Northwest Pennsylvania, both economically and socially. Its healthcare educational initiatives, charitable endeavors and economic benefits will be an asset to all three of the communities served as the company stands at the forefront of the emerging medical marijuana industry in Pennsylvania. The principals, financial backers, medical professionals and staff of Cannabis Square are excited to be part of such a dynamic new industry, for they all see the immediate benefits that will inure to patients and the far-reaching comprehensive economic and social benefits to the communities in which they live and work.
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.

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

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.
**ADDITIONAL ATTACHMENTS:**

Please list any other documents you are submitting as part of this application:

<table>
<thead>
<tr>
<th>File Name</th>
<th>Name of Document</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cannabis Square LLC_03202017_Dispensary Attachment Memorandum of Understanding.pdf</td>
<td>Memorandum of Understanding</td>
<td>Formally establishes relationship with medical marijuana supplier, that is a minority-owned and operated business</td>
</tr>
<tr>
<td>Cannabis Square LLC_03202017_Dispensary Attachment Demographic Studies.pdf</td>
<td>Demographic Studies of Erie, Meadville, Mercer and the &quot;Trade Area&quot;</td>
<td>To quantify the number of people in the Trade Area that can be served by the three dispensaries</td>
</tr>
<tr>
<td>Cannabis Square LLC_Dispensary Attachment Surveillance Camera Locations on Floorplans</td>
<td>Surveillance Camera Locations on Floorplans</td>
<td>To highlight in red the extensive surveillance system in place at each of the 3 dispensaries</td>
</tr>
<tr>
<td>Cannabis Square LLC_Dispensary Attachment Operational Timetable</td>
<td>Operational Timetable</td>
<td>To include Applicant’s response to Section 8</td>
</tr>
<tr>
<td>Cannabis Square LLC_Dispensary Attachment Employee Qualifications Description of Duties and Training</td>
<td>See file name</td>
<td>To include Applicant’s response to Sections 9A, 9B and 9C</td>
</tr>
<tr>
<td>See next page for a continuation of Applicant’s list of “ADDITIONAL ATTACHMENTS”</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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**
# ADDITIONAL ATTACHMENTS (Cont’d.)

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<th>File Name</th>
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<td>See file name</td>
<td>To include Applicant’s response to Section 12B</td>
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<tr>
<td>Dispensary_Attachment Storage of Medical Marijuana and Medical Marijuana Products at Your Facility</td>
<td></td>
<td></td>
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<tr>
<td>Cannabis Square LLC_03202017_</td>
<td>See file name</td>
<td>To include Applicant’s response to Section 13</td>
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<tr>
<td>Dispensary_Attachment Process for Creating and Monitoring the Labeling Used for Medical Marijuana Products</td>
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<td></td>
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<tr>
<td>Cannabis Square LLC_03202017_</td>
<td>See file name</td>
<td>To include Applicant’s response to Section 14</td>
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<tr>
<td>Dispensary_Attachment Implementation of an Inventory Management Process</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cannabis Square LLC_03202017_</td>
<td>See file name</td>
<td>To include Applicant’s response to Section 17</td>
</tr>
<tr>
<td>Dispensary_Attachment Recordkeeping Plan</td>
<td></td>
<td></td>
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<tr>
<td>Cannabis Square LLC_03202017_</td>
<td>Dept. of Human Services Reports</td>
<td>To include those Criminal Background Check Reports that were received at the time of the Application’s submission</td>
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<tr>
<td>Dispensary_Attachment Background Checks</td>
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<tr>
<td>Cannabis Square LLC_03202017_</td>
<td>See title</td>
<td>To continue Section 21C</td>
</tr>
<tr>
<td>Dispensary_Attachment Other Persons Holding an Interest in the Proposed Site or Facility</td>
<td></td>
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<tr>
<td>Cannabis Square LLC_03202017_</td>
<td>See title</td>
<td>To continue Section 21A</td>
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<td>Dispensary_Attachment Owners Of the Corporation</td>
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<tr>
<td>Cannabis Square LLC_03202017_</td>
<td>See title</td>
<td>To continue Section 4A</td>
</tr>
<tr>
<td>Dispensary_Attachment Principals Financial Backers Operators and Employees</td>
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<td></td>
</tr>
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</table>
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: |
| CANNABIS SQUARE, LLC |
| Trade names and DBA (doing business as) names: |
| CANNABIS SQUARE |
| Principal Business Address: 240 West 11th Street, Suite B-050 |
| City: Erie | State: PA | Zip Code: 16501 |
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
03/15/2017

TO ALL WHOM THESE PRESENTS SHALL COME, GREETING:

Cannabis Square, 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 Jan 30, 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.

[Signature]
Secretary of the Commonwealth

Certification Number: TSC170314230981-1

Verify this certificate online at http://www.corporations.pa.gov/orders/verify.aspx
Return document by mail to:
W. John Knox

Name:
240 West 11th Street, Suite B-050
Address:
Erie
City: PA 16501

Return document by email to:

Fee: $125

Certificate of Organization
Domestic Limited Liability Company

TML170215JF1044

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):
Cannabis Square, 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)

<table>
<thead>
<tr>
<th>Number and Street</th>
<th>City</th>
<th>State</th>
<th>Zip</th>
<th>County</th>
</tr>
</thead>
<tbody>
<tr>
<td>240 West 11th Street, Suite B-050</td>
<td>Erie</td>
<td>PA</td>
<td>16501</td>
<td>Erie</td>
</tr>
</tbody>
</table>

(b) Name of Commercial Registered Office Provider

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

Name:

Address:

W. John Knox

DOH REDACTED

PA DEPT. OF STATE
JAN 30 2017

PA DEPT. OF STATE
FEB 15 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: **01/17/2017**
   (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):

   

   

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 17th day of January, 2017.

[Signatures]

[Signature]

[Signature]
OPERATING AGREEMENT
OF
CANNABIS SQUARE, LLC
(A Pennsylvania Limited Liability Company)

This Operating Agreement of Cannabis Square, LLC (the “Company”), dated as of February 1, 2017 has been adopted by the Persons who were Members of the Company on that date. This Agreement, as it may be amended from time to time, shall be binding on any person who at the time is a Member, regardless of whether or not the person has executed this Agreement or any amendment hereto.

RECITALS

WHEREAS, the Company has been organized as a Pennsylvania limited liability company by the filing of a certificate of organization with the Department of State of the Commonwealth of Pennsylvania under and pursuant to the Act;

WHEREAS, concurrent with the organization and registration of the Company, two affiliated but separate companies have been organized and registered as Pennsylvania limited liability companies: Cannabis Square Management, LLC “CS Management”) and Cannabis Square Holdings, LLC (“CS Holdings”). Both such companies shall have their own operating agreements and shall operate independently of the Company; and,

WHEREAS, for each Percentage Interest (as hereinafter defined) in the Company, the owner thereof shall receive an equal percentage interest in CS Management and CS Holdings;

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and intending to be legally bound hereby, the Members of the Company agree as follows:

ARTICLE I – DEFINITIONS

1.01. Definitions. In addition to the terms defined in other provisions of this Agreement, the following terms shall have the meanings set forth below unless the context requires otherwise:


“Agreement.” This Operating Agreement, as amended, modified, supplemented or restated from time to time.
“Board of Directors.” An advisory board made up of all Members of the Company, created for the purpose of offering guidance and advice to the Manager or Board of Managers, as the case may be.

“Capital Account.” The individual account maintained by the Company with respect to each Member as provided in Section 4.04.

“Capital Contribution.” The aggregate amount of cash and the agreed value of any property or services (as determined by the Member and the Company) contributed by each Member to the Company as provided in Section 4.01. In the case of a Member that acquires Units by an assignment or transfer in accordance with the terms of this Agreement, “Capital Contribution” means the Capital Contribution of that Member’s predecessor proportionate to the acquired Units.

“Certificate.” The certificate of organization of the Company and any and all amendments thereto and restatements thereof filed on behalf of the Company with the Department of State of the Commonwealth of Pennsylvania pursuant to the Act.


“Company.” See the preamble.

“Indemnified Capacity.” See Section 7.01(d)(1).

“Indemnified Representative.” See Section 7.01(d)(2).

“Manager.” Any Person serving at the time as the manager of the Company as provided in this Agreement. Unless removed by unanimous vote of the Members due to gross negligence or intentional misconduct, Gregory J. Rubino shall be the Manager until: (i) the passage of ten years from the date hereof, or, (ii) he resigns, or (iii) he dies, or, (iv) he is declared mentally incompetent, or, (v) he declares that he shall cede management control of the Company to a group of Managers appointed by majority vote of the Members.

“Member.” Any Person who at the time is a record holder or record owner of Units.

“Membership Interest.” The interest of a Member in the Company, including, without limitation, interests in Profits and Losses, rights to distributions (liquidating or otherwise), allocations, information, and to consent to or approve actions by the Company, all in accordance with the provisions of this Agreement and the Act.

“Percentage Interest.” The number of Units held at a particular time by a Member, divided by the number of Units then held by all Members, expressed as a percentage.

“Person.” A natural person, corporation, general or limited partnership, limited liability company, joint venture, trust, estate, association or other legal entity or organization.
"Prime Rate." A varying rate per annum that is equal to the interest rate published by The Wall Street Journal from time to time as the prime commercial or similar reference interest rate, with adjustments in that varying rate to be made on the same date as any change in that rate.

"Proceeding." See Section 7.01(d)(3).

"Representative." See Section 7.01(d)(4).

"Treasury Regulations." The income tax regulations, including temporary regulations, promulgated under the Code, as those regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

"Units." See Section 3.02.

**ARTICLE II -- ORGANIZATION**

2.01. **Principal Place of Business; Other Offices.** The principal place of business of the Company shall be at the registered address of the Company, **240 West 11th Street, Suite B-050, Erie, PA 16501** or at such other place as the Manager may designate from time to time, which need not be in the Commonwealth of Pennsylvania. The Company may have such other offices as the Manager may designate from time to time.

2.02. **Purpose.** The object and purpose of, and the nature of the business to be conducted and promoted by, the Company is engaging in any lawful act or activity for which limited liability companies may be organized under the Act and engaging in any and all lawful activities necessary, convenient, desirable or incidental to the foregoing.

2.03. **Tax Status.** The Members shall elect to have the Company taxed as a small business corporation under Subchapter S of the Code, and under corresponding provisions of Pennsylvania tax law or such provisions of law now or hereafter applicable to such election. The Members further acknowledge their intention to continue such election, if made, unless all Members agree that the Company shall terminate such election without delay and the Members shall then take all necessary action to this end. The Members shall not take any action or make any transfer or disposition of their Units which, if made, will result in the termination or revocation of such election, they shall take such actions as may be required to continue such election from year to year. In accordance with the foregoing, it shall be a condition of any transfer of Units by the Members that the transferee agree in writing with the Company and the other then-living Members, prior to such transfer, to be bound by the provisions of this Section 2.03. In addition, upon the death of a Member, the personal representative of the deceased Member or transferee, or if the Member or transferee dies intestate, then his/her heirs, shall, immediately following the death of the Member or transferee, file the appropriate documents with the appropriate taxing body or bodies to continue such election, if made.
ARTICLE III – MEMBERSHIP INTERESTS

3.01. Initial and Subsequent Members. The Members of the Company are the Persons listed on Annex A. A Person who is not already a Member and who acquires a previously-outstanding Unit or Units in accordance with this Agreement shall automatically be admitted as a Member; other Persons may be admitted from time to time upon the issuance to them of a Unit or Units on such terms as are set forth herein, and/or in the Rules & Regulations, or the Bylaws. It shall not be necessary for Persons who are subsequently admitted as Members or who acquire any or all of an existing Member’s Units to execute this Agreement either by counterpart or amendment. When any Person is admitted as a Member or ceases to be a Member, the Manager shall prepare a revised version of Annex A and distribute it to all the Members.

3.02. Authorized Membership Interests; Contributions. The aggregate Membership Interest in the Company shall be comprised of 230 units (“Units”). Fractions of a Unit may be created and issued. There shall be two classes of Units: (a) Founder Units, which shall be issued to founders of the Company without any capital contribution or loan obligations accruing; and, (b) Investor Units, offered in a bundle of ten (10) units comprising a 4.348 Percentage Interest in the Company, which shall bear a capital contribution requirement of $100,000.00 (One Hundred Thousand and 00/100 Dollars) and an ongoing additional requirement for each such Unit to loan the Company, up to $50,000.00 (Fifty Thousand and 00/100 Dollars) as and if needed for initial operations, inventory or other operating costs of the Company. Said accruing loan obligation may be drawn on by the Company in writing, at least thirty (30) days in advance of the due date for payment thereof, and shall be in such increments as needed for proper operation of the Company but not for creating a reserve fund per se. All Percentage Interests of each Founder Unit and each Investor Unit shall be clearly set forth herein in Annex A. Should an Investor Unit owner fail to make the required loan when called by the Company, that Unit Owner’s capital account shall be adjusted accordingly and, nothing to the contrary withstanding, said Unit Owner shall have such amount deducted from all future distributions until the unpaid loan amount has been satisfied.

3.03. Record Holders of Units. The Company shall be entitled to treat the Person in whose name any Units of the Company stand on the books of the Company as the absolute owner thereof, and as a Member of the Company holding the Membership Interest evidenced by those Units. The Company 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, whether or not the Company has express or other notice of any such claim.

3.04. Transfers and Assignments of Units.

(a) Restrictions on Transfers of Units. ANY PURCHASE OR TRANSFER OF UNITS IN THE COMPANY SHALL BE SUBJECT TO LICENSING REVIEW AND PRIOR APPROVAL BY THE PENNSYLVANIA DEPARTMENT OF HEALTH (“PaDOH”), AND THERE IS NO GUARANTEE THAT PaDOH WOULD APPROVE THE SAID TRANSFER. No Member shall, in any manner, convey, sell, transfer, pledge, bequeath, donate, assign, encumber or otherwise dispose of, whether voluntarily or
involuntarily, including, but not limited to, pursuant to judicial order, legal process, execution, attachment or otherwise (each such transaction being referred to herein as a “Transfer”) any Units or any interest or right therein, which he now owns or hereafter acquires, except as expressly set forth in this Agreement. Any attempted Transfer of any Units, or any interest or right therein, made in violation of this Agreement shall be null and void. The transferee of such Units or any interest or right therein shall not be entitled to have such Units transferred upon the books of the Company and no person shall be entitled to receive distributions thereon until such Transfer is rescinded.

(b) **Transfers to the Company.** A Member may Transfer all or any part of his Units to the Company for redemption upon terms mutually agreeable between the Member and the Manager.

(c) **Transfers to Members.** A Member may Transfer any portion of his Units (or any interest or right therein) at any time, either inter vivos or by will or intestacy, without the approval of the remaining Members to another Member; provided that such Units (or any interest or right therein) shall continue to be subject to all of the provisions of this Agreement.

(d) **Transfers with Consent.** A Member may Transfer all or any portion of his Units (or any interest or right therein) if he shall have received the prior unanimous written consent of the other Members.

(e) **Purchase Right of Company Upon Certain Events.** In the event of (i) a Member's death or bankruptcy, or (ii) an involuntary Transfer of any Units, which is or is held to be legally enforceable notwithstanding the provisions of this Section, then, the Company and the remaining Members, shall have the right, but not the obligation, to repurchase such Member's Units at the Appraised Value (as defined below), in which event the Member, or estate of the deceased Member, or other transferee in such involuntary Transfer, as the case may be, shall sell the same to the Company or the Members, as the case may be. Otherwise, the Company shall be dissolved in accordance with this Agreement. Any election to purchase under this Section 3.04(e) shall be made by the remaining Members within 90 days after (i) the applicable Member or other person's death or bankruptcy, or (ii) the receipt of notice by the Members of the involuntary Transfer. Any such repurchase by the remaining Members shall be made on a pro rata basis calculated based upon the total number of Units held by each such Member, unless otherwise agreed by the remaining Members. Closing on such repurchase shall occur within twelve (12) months from the date of such death or bankruptcy. If the Company is continued and the Company and the Members do not make the election to repurchase under this Section, the Member or, if and as applicable, his executor, administrator, guardian or other legal representative, or heirs immediately and without any affirmative action by any person shall be deemed to be the Member(s) and the holder(s) of the Member’s LLC Interest in the Company. If the Company and the Members do not make the election to repurchase under this Section, the provisions of this Section shall again apply in the event that there shall be a subsequent event which falls within the scope of this paragraph. The provisions of this paragraph also shall apply to any assignee or transferee of all or any portion of a Member’s LLC Interest.
(f) **Appraised Value.** In the event that this Agreement requires that an "Appraised Value" be determined, the President shall notify the other Members of an intent to value LLC Interests by the appraisal procedure set forth below:

(i) The Affected Member (as defined below) and those Members other than the Affected Member (the "Remaining Members") may agree on the Appraised Value within twenty (20) days from the delivery of the notice of election to establish the Appraised Value. If the Appraised Value is not agreed upon by the Remaining Members and the Affected Member within twenty (20) days from the delivery of the notice of such election, the Appraised Value shall be determined by two appraisers, one to be selected by the Affected Member and one to be selected by the Remaining Members; provided, however, if the Remaining Members and the Affected Member so agree, the Appraised Value may be determined by one appraiser selected jointly by the Remaining Members and the Affected Member. Each appraiser selected hereunder shall have performed at least two business appraisals for a state or federal court proceeding or a financial institution, within the last two years. Each such appraiser shall be disinterested, objective and without any business dealings with any of the Members prior to his appointment. The Company and each of the Members shall fully cooperate with each appraiser selected hereunder in order to permit each such appraiser to adequately perform his appraisal. The Appraised Value shall be the average of the valuations determined by such appraisers; provided, however, that (i) if the difference between the valuations is more than 50% of the lower valuation, then the Appraised Value shall be equal to the average of such valuations plus 10% of such average; (ii) if a party fails to select an appraiser within thirty (30) days from the date of receipt of the written request from the other party for appointment of his appraiser, or if an appraiser fails to submit his valuation to all Members and the Company within sixty (60) days from the date of his appointment, then the Appraised Value shall be the valuation of the other appraiser; and (iii) if the parties shall have selected only one appraiser, then the Appraised Value shall be the valuation of such appraiser. The expenses of any such appraisal shall be borne by the Affected Member.

(ii) As used in this Agreement, the term "Affected Member" means the bankrupt Member, the estate or personal representative of a deceased Member, or the transferee in an involuntary Transfer.

(g) **Capital Account of Transferee.** Upon the valid transfer of a Unit, the transferee shall succeed to the corresponding portion of the Capital Account of the transferor.

3.05. **Lack of Authority.** A Member in his, her or its capacity as such shall not have the authority or power to act for or on behalf of the Company or otherwise bind the Company in any way.

3.06. **No Right of Partition.** A Member shall not have the right to seek or obtain partition by court decree or operation of law of any Company property, or the right to own or use particular assets of the Company.

3.07. **Distribution Upon Dissociation.** A Member may not voluntarily dissociate from the Company or assign his Membership Interest in whole or in part prior to the dissolution.
and winding-up of the Company, and any attempt by a Member to dissociate voluntarily from the Company to assign his membership interest in violation of the this Section shall be ineffective. A Member who is dissociated from the Company shall not have the right under Section 8933 of the Act to be paid the fair value of the Membership Interest of the Member as a result of the dissociation.

3.08 Evidence and Transfer of Units

(a) Evidence of Units. The Units may be represented by certificates.

(b) Procedure. Transfers of Units shall be made on the Unit register of the Company. No transfer shall be made inconsistent with the provisions of 13 Pa.C.S. Div. 8 or other applicable provisions of law.

(c) Unit Certificates. Unit certificates shall be in such form as approved by the Manager, and shall state that the Company is organized under the laws of Pennsylvania, the name of the person to whom issued, and the number of Units and the designation of the class and series (if any) that the certificate represents. The Unit certificates shall be numbered and registered in the records of the Company as they are issued, and shall be signed by two officers of the Company.

(d) Lost, Destroyed or Mutilated Certificates. The holder of any Unit certificate shall immediately notify the Company of any loss, destruction or mutilation of the certificate, and the Manager may, in its discretion, cause a new certificate to be issued to the holder, in accordance with 13 Pa.C.S. § 8405.

ARTICLE IV – FINANCIAL AND TAX MATTERS

4.01 Capital Contributions. The Company shall keep a record of the Capital Contributions made by the Members. Except as otherwise specifically herein set forth, a Member shall not be required to make any capital contribution to the Company not specifically agreed to in writing between the Member and the Company, or be obligated or required under any circumstances to restore any negative balance in his, her or its Capital Account.

4.02 Return of Contributions. A Member is not entitled to the return of any part of the Member’s Capital Contribution, or to be paid interest in respect of the Member’s Capital Account or Capital Contribution. An unrepaid Capital Contribution is not a liability of the Company or of any Member. A Member is not required to contribute or to lend any cash or property to the Company to enable the Company to return any Member’s Capital Contributions.

4.03 Advances by Members. If the Company does not have sufficient cash to pay its obligations, a Member may agree, with the consent of the Manager, to advance all or part of the needed funds to or on behalf of the Company. An advance described in this Section 4.03 constitutes a loan from the Member to the Company, bears interest at the Prime Rate from the date of the advance until the date of payment, and is not a Capital Contribution. The Company may, from time to time, loan money to one or both of CS Management and CS Holdings for
purposes directly related to management and real estate activities of the Company, but for no other purpose whatsoever.

4.04. **Capital Accounts.** At all times while there is more than one Member, a Capital Account shall be established and maintained for each Member.

(a) The allocation and capital account maintenance provisions of Treasury Regulations under Section 704 of the Internal Revenue Code are hereby incorporated by reference, including a “qualified income offset” within the meaning of Treas. Reg. Section 1.704-1(b)(2)(i)(d), the rules regarding allocation of “partner nonrecourse deductions” under Treas. Reg. Section 1.704-2(i)(1), “minimum gain chargeback” under Treas. Reg. Section 1.704-2(f) and “partner nonrecourse debt minimum gain chargeback” under Treas. Reg. Section 1.704-2(i)(4), and the limitation on allocation of losses to any Member that would cause a deficit capital account in excess of such Member’s capital contribution obligations and share of minimum gain and partner nonrecourse debt minimum gain under Treas. Reg. Section 1.704-1(b)(2)(ii)(d) as modified by Treas. Reg. Sections 1.704-2(g)(1) and 1.704-2(i)(5).

(b) To the extent contributed property has a fair market value at the time of contribution that differs from the contributing Member’s basis in the property, and to the extent the carrying value of property of the Company otherwise differs from the Company’s basis in such property, depreciation, gain and loss for capital account purposes shall be computed by reference to such carrying value rather than such tax basis. In accordance with Section 704(c) of the Code, income, gain, loss and deduction with respect to such property shall, solely for tax purposes, be shared among the Members so as to take account of the variation between the basis of the property to the Company and its fair market value at the time of contribution, or at the time that the carrying value of such property is adjusted under Treas. Reg. Section 1.704-1(b)(2)(iv)(f), as the case may be.

(c) Notwithstanding any contrary provision in this Section 4.04 or in this Agreement, so long as the Company is treated as an S Corporation for federal and state income tax purposes, then the provisions in this Agreement regarding Capital Accounts and partnership tax-related provisions shall not apply, and the Company’s regular accountant shall determine the proper manner of accounting for Member’s Capital Contributions, and all other financial and tax matters, as if the Company were a corporation and the Units were shares of corporate stock.

4.05. **Profits and Losses.** At all times while there is more than one Member, profits and losses shall be allocated to the Members in accordance with Percentage Interests, except as otherwise provided in Section 4.04. HOWEVER, each Member hereby understands, acknowledges and agrees that the Company’s dispensary application advisor, Canna Advisors, shall receive (as additional consideration for Canna Advisors work in assisting the Company to prepare the dispensary license application) a share of 2% of all net profits of the Company at such times and on those occasions when the Company distributes profits to the Members. In no event, however, shall Canna Advisors be entitled to any share of the capital of the Company that shall have been paid into the Company for the purchase of Units therein nor for any loan proceeds received by the Company from Members or other lenders.
4.06. **Distributions.**

(a) **General Rule.** Except as otherwise provided in Article IX, the Board of Managers in its reasonable discretion may authorize the Company to make distributions to the Members. All distributions, other than liquidating distributions, shall be made to the Persons shown as holders of record of Units at the time in proportion to their Percentage Interests.

(b) **Minimum distribution.** With respect to any taxable year of the Company in which Members are allocated taxable income for Federal income tax purposes (and for this purpose all items of income, gain, loss or deduction required to be separately stated pursuant to Section 703 of the Code shall be included in the calculation of taxable income (other than the amount, if any, by which capital losses exceed capital gains)), and assuming the capital is available on the account(s) of the Company, the Company shall distribute to the Members, within 90 days after the close of that taxable year, no less than the amount determined by multiplying the Company’s taxable income (computed as set forth in this sentence) by the highest composite Federal, state and local income tax rate applicable to any Member. For purposes of the preceding sentence, the Company’s taxable income for a year shall be reduced by any net loss of the Company in prior years that has not previously been so taken into account under this Section 4.06(b). Nothing herein shall require the Company to borrow money or reduce its cash flow so as to restrict its ability to operate the day-to-day activities of the business in order to make such distributions.

4.07. **Establishment of Reserves.** The Board of Managers shall have the right and obligation to establish reasonable reserves for maintenance, improvements, acquisitions, capital expenditures and other contingencies, such reserves to be funded with such portion of the operating revenues of the Company as the Board of Managers may deem necessary or appropriate for that purpose.

4.08. **Tax Returns.** The Board of Managers shall arrange for the preparation by a certified public accounting firm of all tax returns required to be filed for the Company, employing Generally Accepted Accounting Principles (“GAAP”). Each Member shall be entitled to receive, upon written request, copies of all Federal, state and local income tax returns and information returns, if any, which the Company is required to file. All information needed by the Members and other Persons who were Members during the applicable taxable year for income tax purposes shall be prepared by the Company’s accountants and furnished to each such Person after the end of each taxable year of the Company. Each Member has been informed, and by advancing capital to the Company does thereby confirm its understanding that the Company shall have unique rules promulgated by the IRS with respect to the limited deductibility of certain of the Company’s operating expenses pursuant to U.S. Code, Title 26, Subtitle A, Chapter 1, Subchapter B, Part IX, Section 280E;

4.09. **Tax Elections.**

(a) To the extent permitted by applicable tax law, the Company may make the following elections on the appropriate tax returns:
(1) to adopt the calendar year as the Company’s taxable year;

(2) to adopt the cash method of accounting and to keep the Company’s books and records on the income-tax method;

(3) if a transfer of a Membership Interest as described in Section 743 of the Code occurs, on written request of any transferee Member, or if a distribution of Company property is made on which gain described in Section 734(b)(1)(A) of the Code is recognized or there is an excess of adjusted basis as described in Section 734(b)(1)(B) of the Code, to elect, pursuant to Section 754 of the Code, to adjust the basis of Company properties;

(4) to elect to amortize the organizational expenses of the Company and the start-up expenditures of the Company ratably over a period of 60 months as permitted by Sections 195 and 709(b) of the Code; and

(5) any other election the Board of Managers may deem appropriate and in the best interests of the Members.

ARTICLE V – MANAGEMENT

5.01. Management by Manager(s). Nothing herein to the contrary withstanding, each and every reference herein to the “Manager” is made specifically subject to Gregory J. Rubino’s appointment and tenure as the initial Manager pursuant to Article I hereof. Until such time that Gregory J. Rubino (“Rubino”) is no longer the Manager for any reason set forth in Article I hereof, the powers, rights and obligations of the Manager(s) of the Company as set forth herein shall apply to and be exercised by Rubino individually. When a provision hereof refers to quorums or acting by resolution, Rubino shall act as Manager without regard to such requirements. At all times during his management of the Company, Rubino shall act in the collective best interest of the Members and the Company, in his reasonable discretion.

(a) Exclusive Responsibility. The management of the business and affairs of the Company shall be the sole and complete responsibility of the Manager. A Member, as such, shall not take part in, or interfere in any manner with, the management, conduct or control of the business and affairs of the Company, and shall not have any right or authority to act for or bind the Company. The Company may act only by actions taken by or under the direction of the Board of Managers in accordance with this Agreement.

(b) Delegation. Manager may delegate the right, power and authority to manage the day-to-day business, affairs, operations and activities of the Company to any officer, employee or agent of the Company, subject to the ultimate direction, control and supervision of the Manager. If the Manager appoint an officer of the Company with a title that is commonly used for officers of a business corporation, the assignment of such title shall constitute the delegation of the authority and duties that are normally associated with that office, subject to any specific delegation of authority and duties made by the Manager. Any number of
offices may be held by the same Person. The salaries and other compensation, if any, of the officers and agents of the Company shall be reasonably fixed from time to time by the Manager.

5.02. **Number and Term of Office of Managers; Qualifications.**

(a) **Appointment and Election of Manager.** The Company hereby appoints Gregory J. Rubino as its initial Manager for a ten (10) year term. Until such time that Gregory J. Rubino is no longer the Manager for any reason set forth in Article I, thereafter, the succeeding Manager(s) shall be elected annually by the Members. Nominees for election as Manager receiving the highest number of votes, up to shall be elected as Manager. The Members shall not have the right to cumulate their votes in the election of the Manager.

(b) **Number of Managers.** The number of Managers of the Company shall be one, or such other number as may be determined from time to time by majority vote of the Members.

(c) **Term of Office.** Each Manager subsequently elected after such time Gregory J. Rubino is no longer the Manager shall hold office until the next annual meeting of Members and until his or her successor shall have been elected and qualified, or until his or her earlier death, resignation or removal.

(d) **Qualifications of Manager.** The Manager need not be a Member or resident of the Commonwealth of Pennsylvania.

5.03. **Officers; Delegation and Duties.** The Company shall have such officers as shall be necessary or desirable to conduct its business. The Manager may appoint a Member, Manager or other Person to serve as an officer of the Company. The Manager may assign titles to the officers the Manager appoints. Unless the Manager decides otherwise, if the title is one commonly used for officers of a business corporation, the assignment of such title shall constitute the delegation of the authority and duties that are normally associated with that office, subject to any specific delegation of authority and duties made by the Manager. Any number of offices may be held by the same Person. The salaries or other compensation, if any, of the officers and agents of the Company shall be fixed from time to time by the Manager.

(a) The Company’s officers shall initially be Gregory J. Rubino, PRESIDENT, TREASURER and SECRETARY; and W. John Knox, III, Esq. as; VICE-PRESIDENT, ASSISTANT SECRETARY and GENERAL COUNSEL.

5.04. **Vacancies; Removal; Resignation.**

(a) **Vacancies.** Any vacancy occurring in the Board of Advisors may be filled by election at an annual or special meeting of Members called for that purpose. Any vacancy occurring in the Board of Advisors may also be filled by action of the Manager at any time. A Manager elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.
(b) **Removal of Managers.** The initial Manager, Gregory J. Rubino shall only be removed by operation of law if (i) his ten (10) year term expires; (ii) he resigns; or (iii) he dies. Gregory J. Rubino shall only be removed otherwise by a majority vote of the Members at a meeting at which a quorum of Members is present, if (i) he is declared mentally incompetent or (ii) is convicted of a felony in relation to his management of the Company. At any meeting of Members at which a quorum of Members is present called expressly for that purpose, or pursuant to a written consent adopted pursuant to this Agreement, any succeeding Manager may be removed, with or without cause, by vote of the Members.

(c) **Resignation of Managers.** Any Manager may resign at any time. A resignation shall be made in writing and shall take effect at the time specified therein, or if no time be specified, at the time of its receipt by the remaining Managers or, in the case of the resignation of the last Manager, by the Members. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

5.05. **Meetings of Members.**

(a) **Quorum; Manner of Acting.** Unless otherwise provided in the Certificate or this Agreement, a majority of the Members shall constitute a quorum for the transaction of business by the Members, and the act of a majority of the Members present at a meeting at which a quorum is present shall be the act of the Members. A Member who is present at a meeting of the Members at which action on any matter is taken shall be presumed to have assented to the action unless his dissent is entered in the minutes of the meeting or unless he files his written dissent to the action with the secretary of the meeting before the adjournment thereof or delivers the dissent to the Company immediately after the adjournment of the meeting. The right to dissent shall not apply to a Member who voted in favor of the action.

(b) **Location.** Meetings of the Members may be held at such place or places as shall be determined from time to time by the Members.

(c) **Waiver of Notice.** A waiver of notice of a meeting signed by the Member entitled to the notice, whether before or after the meeting, shall be deemed equivalent to the giving of the notice. Attendance of a Member at a meeting constitutes a waiver of notice of the meeting, except where a Manager 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.

(d) **Annual Meeting.** In connection with any annual meeting of Members for the election of the Manager(s), the Members may, if a quorum is present, hold a meeting for the transaction of business immediately after and at the same place as the annual meeting of the Members. Notice of the meeting at that time and place shall not be required.

(e) **Regular Meetings.** Regular meetings of the Members shall be held at such times and places as shall be designated from time to time by the Manager(s). Notice of regular meetings shall not be required.
(f) Special Meetings. Special meetings of the Members may be called by the Manager on at least 48-hour notice to each other Member. The notice need not state the purpose or purposes of, nor the business to be transacted at, the meeting, except as may otherwise be required by law or provided for by the Certificate or this Agreement.

5.06. Action by Consent or Remote Conference.

(a) Action by Consent. Any action required or permitted to be taken at a meeting of the Members may be taken without a meeting if, prior or subsequent to the action, the consent or consents thereto by all of the Members is filed with the records of the Company. The consents shall be in writing or in electronic form.

(b) Remote Participation. One or more Managers may participate in a meeting of the Members or a committee of the Company by means of conference telephone or other electronic technology by means of which all Persons participating in the meeting can hear each other. Participation in a meeting pursuant to this subsection shall constitute presence in person at the meeting.

5.07. Compensation of Managers. Managers shall receive such compensation, if any, for their services as Managers as may be designated from time to time by the Members. In addition, Managers shall be entitled to be reimbursed for out-of-pocket costs and expenses incurred in the course of their service as Managers.

5.08. Conflicts of Interest.

(a) Interested Transactions. A contract or transaction between the Company and one or more of its Managers or officers or between the Company and another domestic or foreign association in which one or more of its Managers or officers have a management role or a financial or other interest, shall not be void or voidable solely for that reason, or solely because the Manager or officer is present at or participates in the meeting of the Board of Managers that authorizes the contract or transaction, or solely because the vote of the Manager or officer is counted for that purpose, if:

(1) the material facts as to the relationship or interest and as to the transaction are disclosed or known to the Board of Managers;

(2) the material facts as to the relationship or interest and as to the transaction are disclosed or known to the Members; or

(3) the contract or transaction is fair to the Company as of the time it is authorized, approved or ratified by the Members.

5.09. Committees.

(a) Establishment. The Manager may designate one or more committees, each committee to consist of one or more Managers. The provisions of this
Agreement relating to meetings of the Members and the procedures for taking action by the Members shall also apply to such committees of the Company.

(b) Alternate Committee Members. The Manager may designate one or more Manager as alternate members of any committee of the Company, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not such members constitute a quorum, may unanimously appoint another Manager to act at the meeting in the place of the absent or disqualified member.

(c) Authority. A committee, to the extent provided by the Manager when designating the committee, shall have and may exercise all the powers and authority of the Company in the management of the business and affairs of the Company except that a committee shall not have any power or authority as to the following:

(1) the submission to the Members of any action requiring approval by the Members under the Act or this Agreement,

(2) the creation or filling of vacancies in the position of Manager or the Board of Advisors,

(3) the amendment of this Agreement,

(4) the amendment or repeal of any resolution of the Manager or Members that by its terms is amendable or repealable only by action of all of the Members, or

(5) action on any matter committed exclusively to another committee of the Company.

5.10. Limitation of Liability. A Manager shall not be personally liable, as such, for monetary damages (other than under criminal statutes and under Federal, state and local laws imposing liability on managers for the payment of taxes) for any action taken, or any failure to take any action, unless the person’s conduct constitutes material self-dealing, willful misconduct or gross recklessness. No amendment or repeal of this Section shall apply to or have any effect on the liability or alleged liability of any person who is or was a Manager of the Company for or with respect to any acts or omissions of the Manager occurring prior to the effective date of such amendment or repeal. If the Act is amended to permit a Pennsylvania limited liability company to provide greater protection from personal liability for its managers than the express terms of this Section, this Section shall be construed to provide for such greater protection.

ARTICLE VI – MEMBERS

6.01. Voting Rights of Members. Each Unit shall entitle the holder thereof to a proportionate vote on each action which may be submitted to the Members for approval, based on the Percentage Interest held by the owner of such Unit(s).
6.02. **Action by Members.** Except as otherwise provided in the Act, the Certificate or this Agreement, whenever any action is to be taken by vote of the Members, it shall be authorized upon receiving the affirmative vote of a majority of the votes cast by all Members entitled to vote thereon. Recording the fact of abstention does not constitute casting a vote.

6.03. **Meetings of Members.**

(a) **Quorum.** A meeting of the Members shall not be organized for the transaction of business unless a quorum is present. The presence of Members entitled to cast at least a majority of the votes that all Members are entitled to cast on a particular matter to be acted upon at the meeting shall constitute a quorum for the purposes of consideration and action on the matter. The Members present at a duly organized meeting can continue to do business until adjournment notwithstanding the withdrawal of enough Members to leave less than a quorum. If a meeting cannot be organized because a quorum has not attended, the Members present may adjourn the meeting to such time and place as they may determine.

(b) **Location.** All meetings of the Members shall be held at the principal place of business of the Company or at such other place within or without the Commonwealth of Pennsylvania as shall be specified or fixed in the notice thereof.

(c) **Adjournment.** The chairman of the meeting or the Members present and entitled to vote shall have the power to adjourn a meeting from time to time, without any notice other than announcement at the meeting of the time and place at which the adjourned meeting will be held.

(d) **Annual Meeting.** An annual meeting of the Members, for the election of the Managers and for the transaction of such other business as may properly come before the meeting, shall be held on such date and at such time as the Manager shall fix and set forth in the notice of the meeting, which date shall be within 13 months subsequent to the date of organization of the Company or the last annual meeting of Members, whichever most recently occurred. If an annual meeting is not called and held within six months after the time required by the previous sentence, any Member may call the meeting at any time thereafter.

(e) **Special Meetings.** Special meetings of the Members for any proper purpose or purposes may be called at any time by any Manager or by Members entitled to cast at least 50% of the votes that all Members are entitled to cast at the particular meeting. Only business within the purpose or purposes described in the notice of the meeting may be conducted at a special meeting of the Members.

(f) **Notices.** Notice of a meeting of Members shall be given to the Members either personally or by sending a copy thereof:

(1) By first class or express mail, postage prepaid, or courier service, charges prepaid, to the postal address of each Member appearing on the books of the
Company. Notice pursuant to this paragraph shall be deemed to have been given when deposited in the United States mail or with the courier service.

(2) By facsimile transmission, e-mail or other electronic communication to the facsimile number or address for e-mail or other electronic communications supplied by a Member to the Company for the purpose of notice. Notice pursuant to this paragraph shall be deemed to have been given when sent.

(g) Waiver of Notice. A waiver of notice of a meeting signed by the Member entitled to the notice, whether before or after the meeting, shall be deemed equivalent to the giving of the notice. Attendance of a Member at a meeting constitutes a waiver of notice of the 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.


(a) General Rule. Every Member entitled to vote at a meeting of the Members or to express consent or dissent without a meeting may authorize another Person to act for the Member by proxy. The presence of, or vote or other action at a meeting of Members by, or the expression of consent or dissent by, a proxy of a Member shall constitute the presence of, or vote or action by, or consent or dissent of the Member.

(b) Minimum Requirements. Every proxy shall be executed by the Member or by the duly authorized attorney-in-fact of the Member and filed with the Manager. A telegram, telex, cablegram or other electronic transmission by the Member, or a photographic, photostatic, facsimile or similar reproduction of a writing executed by the Member shall be treated as properly executed for purposes of this section if it sets forth a confidential and unique identification number or other mark furnished by the Company to the Member for the purposes of a particular meeting or transaction.

(c) Revocation. A proxy, unless coupled with an interest, shall be revocable at will, notwithstanding any other agreement or any provision in the proxy to the contrary, but the revocation of a proxy shall not be effective until written notice thereof has been given to the Manager. An unrevoked proxy shall not be valid after three years from the date of its execution unless a longer time is expressly provided in the proxy. A proxy shall not be revoked by the death or incapacity of the maker unless, before the vote is counted or the authority is exercised, written notice of the death or incapacity is given to the Board of Managers.

6.05. Conduct of Meetings. All meetings of the Members shall be presided over by the chairman of the meeting, who shall be designated by the Members. The chairman of any meeting of Members shall determine the order of business and the procedure at the meeting, including such regulation of the manner of voting and the conduct of discussion as seem to him or her in order.
6.06. **Action by Consent or Remote Participation.**

(a) **Action by Consent.** Any action required or permitted to be taken at a meeting of Members may be taken without a meeting, without prior notice, and without a vote, upon the consent of Members who would have been entitled to cast the minimum number of votes that would be necessary to authorize the action at a meeting at which all Members entitled to vote thereon were present and voting. The consents shall be in writing or in electronic form and shall be filed with the Manager. An action taken by less than unanimous consent of the Members shall not become effective until after at least ten days' written notice of the action has been given to each Member entitled to vote thereon who has not consented thereto.

(b) **Remote Participation.** The presence or participation, including voting and taking other action, at a meeting of Members, by conference telephone or other electronic means, including without limitation the Internet, shall constitute the presence of, or vote or action by, the Member.

6.07. **Voting by Joint Holders of Units.** Where Units are held in any form of joint or common ownership by two or more Persons:

1. If less than all of those Persons are present in person or by proxy at a meeting of the Members, all of the Units held in joint or common ownership shall be deemed to be represented at the meeting and the Company shall accept as the vote of all the Units the vote cast by a majority of those Persons present; and

2. If the Persons are equally divided upon whether the Units held by them shall be voted or upon the manner of voting the Units, the voting of the Units shall be divided equally among the Persons without prejudice to the rights of those Persons among themselves.

6.08. **Liability of Members.** The Members, as such, shall not be liable for the debts, obligations or liabilities of the Company except to the extent required by the Act.

**ARTICLE VII – INDEMNIFICATION OF MANAGERS, OFFICERS AND OTHER AUTHORIZED REPRESENTATIVES**

7.01. **Scope of Indemnification.**

(a) **General Rule.** The Company shall indemnify an Indemnified Representative against any liability incurred in connection with any proceeding in which the Indemnified Representative may be involved as a party or otherwise by reason of the fact that the Indemnified Representative is or was serving in an Indemnified Capacity, including, without limitation, liabilities resulting from any actual or alleged breach or neglect of duty, error, misstatement or misleading statement, negligence, gross negligence or act giving rise to strict or products liability, except:
(1) where the indemnification is expressly prohibited by applicable law;

(2) where the conduct of the Indemnified Representative has been finally determined pursuant to Section 7.06 or otherwise:

   (i) to constitute willful misconduct or recklessness within the meaning of 15 Pa.C.S. § 8945(b) or any superseding provision of law sufficient in the circumstances to bar indemnification against liabilities arising from the conduct; or

   (ii) to be based upon or attributable to the receipt by the Indemnified Representative from the Company of a personal benefit to which the Indemnified Representative is not legally entitled; or

(3) to the extent the indemnification has been finally determined in a final adjudication pursuant to Section 7.06 to be otherwise unlawful.

(b) Partial Payment. If an Indemnified Representative is entitled to indemnification in respect of a portion, but not all, of any liabilities to which the Person may be subject, the Company shall indemnify the Indemnified Representative for such portion of the liabilities.

(c) Presumption. The termination of a proceeding by judgment, order, settlement or conviction or upon a plea of nolo contendere or its equivalent shall not of itself create a presumption that the Indemnified Representative is not entitled to indemnification.

(d) Definitions. For purposes of this Article:

(1) “Indemnified Capacity” means any and all past, present and future service by an Indemnified Representative in one or more capacities as a Manager, officer, employee or agent of the Company, or, at the request of the Company, as a director, manager, officer, employee, agent, fiduciary or trustee of another corporation, partnership, joint venture, limited liability company, trust, employee benefit plan or other entity or enterprise;

(2) “Indemnified Representative” means any and all Managers and officers of the Company and any other person designated as an Indemnified Representative by the Manager (which may, but need not, include any Person serving at the request of the Company, as a director, manager, officer, employee, agent, fiduciary or trustee of the Company or any corporation, partnership, joint venture, limited liability company, trust, employee benefit plan or other entity or enterprise);

(3) “Proceeding” means any threatened, pending or completed action, suit, appeal or other proceeding of any nature, whether civil, criminal, administrative or investigative, whether formal or informal, and whether brought by or in the right of the Company, its Members or otherwise; and
(4) "Representative" means, with respect to any entity, a person occupying the position or discharging the functions of a director, officer, manager, employee or agent thereof, regardless of the name or title by which the person may be designated.

(c) Covered Liabilities. The liabilities for which indemnification, contribution and advancement of expenses are provided under this Article include any damage, judgment, amount paid in settlement, fine, penalty, punitive damages, excise tax assessed with respect to an employee benefit plan, or cost or expense, of any nature (including, without limitation, attorneys' fees and disbursements).

7.02. Proceedings Initiated By Indemnified Representatives. Notwithstanding any other provision of this Article, the Company shall not indemnify under this Article an Indemnified Representative for any liability incurred in a Proceeding initiated (which shall not be deemed to include counterclams or affirmative defenses) or participated in as an intervenor or amicus curiae by the Person seeking indemnification unless the initiation of or participation in the Proceeding is authorized, either before or after its commencement, by the affirmative vote of a majority of the Managers in office. This section shall not apply to reimbursement of expenses incurred in successfully prosecuting or defending an arbitration under Section 7.06 or otherwise successfully prosecuting or defending the rights of an Indemnified Representative granted by or pursuant to this Article.

7.03. Advancing Expenses.

(a) General Rule. The Company shall pay the expenses (including attorneys' fees and disbursements) incurred in good faith by an Indemnified Representative in advance of the final disposition of a Proceeding described in Section 7.01 or the initiation of or participation in which is authorized pursuant to Section 7.02 upon receipt of an undertaking by or on behalf of the Indemnified Representative to repay the amount if it is ultimately determined pursuant to Section 7.06 or by a court of competent jurisdiction that the Indemnified Representative is not entitled to be indemnified by the Company pursuant to this Article. The financial ability of an Indemnified Representative to repay an advance shall not be a prerequisite to the making of the advance. Except as provided in subsection (b), advancement of expenses shall be automatic upon receipt of the undertaking to repay the amount advanced and shall not require approval of the Manager. Advancement of expenses shall not of itself give the Company the right to select, or participate in the selection of, counsel for the Indemnified Representative.

(b) Exception. Subsection (a) shall not apply to a Proceeding in which an Indemnified Representative is a defendant if the initiation of the Proceeding is authorized by the affirmative vote of a majority of the Managers in office.

7.04. Securing of Indemnification Obligations. To further effect, satisfy or secure the indemnification obligations provided herein or otherwise, the Company may maintain insurance, obtain a letter of credit, act as self-insurer, create a reserve, trust, escrow, cash collateral or other fund or account, enter into indemnification agreements, pledge or grant a security interest in any assets or properties of the Company, or use any other mechanism or
arrangement whatsoever in such amounts, at such costs, and upon such other terms and conditions as the Manager shall approve. Absent fraud, the determination of the Manager with respect to such amounts, costs, terms and conditions shall be conclusive against all Members, officers and Managers and shall not be subject to voidability.

7.05. **Time for Payment.** An Indemnified Representative shall be entitled to indemnification, contribution or advancement of expenses within 30 days after a written request for indemnification or advancement of expenses has been delivered to the Manager.

7.06. **Arbitration.**

(a) **General rule.** Any dispute related to the right to indemnification, contribution or advancement of expenses as provided under this Article, shall be decided only by arbitration in the metropolitan area in which the principal executive offices of the Company are located at the time, in accordance with the commercial arbitration rules then in effect of the American Arbitration Association, before a panel of three arbitrators, one of whom shall be selected by the Company, the second of whom shall be selected by the Representative and the third of whom shall be selected by the other two arbitrators. In the absence of the American Arbitration Association, or if for any reason arbitration under the arbitration rules of the American Arbitration Association cannot be initiated, or if one of the parties fails or refuses to select an arbitrator or if the arbitrators selected by the Company and the Representative cannot agree on the selection of the third arbitrator within 30 days after such time as the Company and the Representative have each been notified of the selection of the other's arbitrator, the necessary arbitrator or arbitrators shall be selected by the presiding judge of the court of general jurisdiction in such metropolitan area.

(b) **Burden of Proof.** The party or parties challenging the right of a Representative to the benefits of this Article shall have the burden of proof.

(c) **Expenses.** The Company shall reimburse a Representative for the expenses (including attorneys' fees and disbursements) incurred in successfully prosecuting or defending an arbitration under this section.

(d) **Effect.** Any award entered by the arbitrators shall be final, binding and nonappealable and judgment may be entered thereon by any party in accordance with applicable law in any court of competent jurisdiction, except that the Company shall be entitled to interpose as a defense in any such judicial enforcement proceeding any prior final judicial determination adverse to the Representative under Section 7.01(a)(2) in a proceeding not directly involving indemnification under this Article. This arbitration provision shall be specifically enforceable.

7.07. **Contribution.** If the indemnification provided for in this Article or otherwise is unavailable for any reason in respect of any liability or portion thereof, the Company shall contribute to the liabilities to which the Indemnified Representative may be subject in such proportion as is appropriate to reflect the intent of this Article or otherwise.
7.08. **Mandatory Indemnification of Managers, Officers, Etc.** To the extent that a Representative of the Company has been successful on the merits or otherwise in defense of any action or proceeding relating to the Person's service as a Representative of the Company or in defense of any claim, issue or matter therein, the Person shall be indemnified against expenses (including attorneys' fees and disbursements) actually and reasonably incurred by the Person in connection therewith.

7.09. **Contract Rights; Amendment or Repeal.** Any rights under this Article shall be deemed a contract between the Company and each Indemnified Representative, or Representative with a claim for indemnification under Section 7.08, pursuant to which the Company and each such Indemnified Representative or Representative intend to be legally bound. Any repeal, amendment or modification hereof that reduces the indemnification or advancement of expenses provided hereby shall be prospective only and shall not affect any rights or obligations then existing, except as may be agreed in writing by the affected Indemnified Representative or Representative. If the Act is amended to permit a Pennsylvania limited liability company to provide greater rights to indemnification and advancement of expenses for Indemnified Representatives than the express terms of this Article VII, this Article VII shall be construed to provide for such greater rights.

7.10. **Scope of Article.** The rights granted by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification, contribution or advancement of expenses may be entitled under any statute, agreement, vote of Members or disinterested Managers or otherwise both as to action in an indemnified capacity and as to action in any other capacity. The indemnification, contribution and advancement of expenses provided by, or granted pursuant to, this Article shall continue as to a Person who has ceased to be an Indemnified Representative in respect of matters arising prior to such time, and shall inure to the benefit of the heirs and personal representatives of such a Person.

7.11. **Reliance on Provisions.** Each Person who shall act as an Indemnified Representative of the Company shall be deemed to be doing so in reliance upon the rights provided by this Article.

7.12. **Interpretation.** The provisions of this Article are adopted pursuant to the authority set forth in 15 Pa.C.S. § 8945 and are intended to fall within the scope of the permissible provisions of an operating agreement authorized by that section.

**ARTICLE VIII -- BOOKS, RECORDS, REPORTS, AND BANK ACCOUNTS**

8.01. **Maintenance of Books.**

(a) **Financial Records.** The Company shall keep books and records of accounts which shall be maintained on a cash basis, or such other method as is required for Federal income tax purposes, in accordance with the terms of this Agreement, except that the Capital Accounts of the Members shall be maintained in accordance with Section 4.08.
(b) **Company Records.** In addition to the financial records required to be maintained under subsection (a), the Company shall keep the following records:

1. A list setting forth the full name and last known mailing address of each Member and Manager.

2. A copy of the Certificate and all amendments thereto.

3. Copies of all of the Company’s Federal, state and local income tax returns and annual financial statements.

4. Copies of the currently effective written Operating Agreement, and all amendments thereto, and copies of any operating agreements no longer in effect.

5. Minutes of the proceedings of the Members, and each committee of the Company.

8.02. **Reports.** The Company shall furnish to its Members annual financial statements, including at least a balance sheet as of the end of each fiscal year and a statement of income and expenses for the fiscal year. The financial statements shall be prepared on the basis of generally accepted accounting principles, if the Company prepares financial statements for the fiscal year on that basis for any purpose. The financial statements shall be mailed by the Company to each of the Members within 120 days after the close of each fiscal year. Statements that are not audited or reviewed by a public accountant shall be accompanied by a statement of the person in charge of the Company’s financial records:

1. Stating his reasonable belief as to whether or not the financial statements were prepared in accordance with generally accepted accounting principles and, if not, describing the basis of presentation.

2. Describing any material respects in which the financial statements were not prepared on a basis consistent with those of the previous year.

8.03. **Financial Accounts.** The Board of Managers shall establish and maintain one or more separate bank and investment accounts in the Company name with financial institutions and firms that the Board of Managers determines. The Manager may not commingle the Company’s funds with the funds of any Member; however, Company funds may be invested in a manner the same as or similar to the Managers’ investment of their own funds or investments by their affiliates.
ARTICLE IX -- DISSOLUTION, LIQUIDATION, AND TERMINATION

9.01. Dissolution. The Company shall dissolve, and its affairs shall be wound up, upon the first to occur of the following:

(1) the affirmative vote of the Members holding at least 50% of the outstanding Units; or

(2) the entry of an order of judicial dissolution of the Company under Section 8972 of the Act.

9.02. Liquidation and Termination.

(a) Procedure. On dissolution of the Company, the Manager shall act as liquidator or may appoint one or more representatives or Members as liquidator. The liquidator shall proceed diligently to wind up the affairs of the Company and make final distributions as provided herein and in the Act. The costs of liquidation shall be borne as a Company expense. Until final distribution, the liquidator shall continue to operate the Company properties with all of the power and authority of the Company. The steps to be accomplished by the liquidator are as follows:

(1) as promptly as possible after dissolution and again after final liquidation, the liquidator shall cause a proper accounting to be made by a recognized firm of certified public accountants of the Company’s assets, liabilities, and operations through the last day of the calendar month in which the dissolution occurs or the final liquidation is completed, as applicable;

(2) the liquidator shall first pay, satisfy or discharge from Company funds all of the debts, liabilities and obligations of the Company to its creditors (including, without limitation, all expenses incurred in liquidation and any advances described in Section 4.03) or otherwise make adequate provision for payment and discharge thereof (including, without limitation, the establishment of a cash escrow fund for contingent liabilities in such amount and for such term as the liquidator may reasonably determine), all in accordance with the provisions of the Act as may be applicable;

(3) after all of the payments required by paragraph (2) have been made, any remaining assets of the Company shall be distributed to the holders of Units as follows:

(i) the liquidator may sell any or all Company property, including to Members, and any resulting gain or loss from each sale shall be computed and allocated to the Capital Accounts of the holders of Units;

(ii) with respect to all Company property that has not been sold, the fair market value of that property shall be determined and the Capital Accounts of the Members shall be adjusted to reflect the manner in which the unrealized income,
gain, loss, and deduction inherent in property that has not been reflected in the Capital Accounts previously would be allocated among the Members if there were a taxable disposition of that property for the fair market value of that property on the date of distribution; and

(iii) after completion of the steps in subparagraphs (i) and (ii), the remaining assets shall be distributed to the Members in an amount equal to the credit balance in each of their Capital Accounts, after giving effect to all contributions, distributions and allocations for all periods, or as determined by the Company’s accountants.

(b) Distributions. All distributions in kind to the Members shall be made subject to the liability of each distributee for costs, expenses, and liabilities relating to the assets distributed in kind theretofore incurred or for which the Company has committed prior to the date of termination and those costs, expenses, and liabilities shall be allocated to the distributees pursuant to this section. The distribution of cash and/or property to a Member in accordance with the provisions of this section constitutes a complete return to the Member of its Capital Contributions and a complete distribution to the Member of its Membership Interest in all the Company’s property. To the extent that a Member returns funds to the Company, it has no claim against any other Member for those funds.

9.03. Deficit Capital Accounts. Notwithstanding anything to the contrary contained in this Agreement, and notwithstanding any custom or rule of law to the contrary, to the extent that the deficit, if any, in the Capital Account of any Member results from or is attributable to deductions and losses of the Company (including non-cash items such as depreciation), or distributions of money pursuant to this Agreement to all Members in proportion to their respective Percentage Interests, upon dissolution of the Company such deficit shall not be an asset of the Company and such Members shall not be obligated to contribute such amount to the Company to bring the balance of such Member’s Capital Account to zero.

9.04. Certificate of Dissolution. On completion of the liquidation of Company assets as provided herein, the Company is terminated, and the Manager (or such other person or persons as the Act may require or permit) shall file a Certificate of Dissolution with the Department of State of the Commonwealth of Pennsylvania and take such other actions as may be necessary to terminate the existence of the Company.

ARTICLE X -- GENERAL PROVISIONS

10.01. Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument. If executed in multiple counterparts, this Agreement shall become binding when any counterpart or counterparts, individually or taken together, bear the signatures of all of the initial Members.
10.02. Notices.

(a) To Members or Managers. Any notice required to be given to a Manager individually or to a Member under the provisions of this Agreement or by the Act shall be given either personally or by sending a copy thereof:

(1) By first class or express mail, postage prepaid, or courier service, charges prepaid, to the postal address of the Person appearing on the books of the Company or, in the case of Managers, supplied by the Manager to the Company for the purposes of notice. Notice pursuant to this paragraph shall be deemed to have been given to the Person entitled thereto when deposited in the United States mail or with a courier service for delivery to that Person.

(2) By facsimile transmission, e-mail or other electronic communication to the Person’s facsimile number or address for e-mail or other electronic communications supplied by the Person to the Company for the purpose of notice. Notice pursuant to this paragraph shall be deemed to have been given to the Person entitled thereto when sent.

10.03. Entire Agreement. This Agreement constitutes the entire agreement among the Members with respect to the subject matter hereof and supersedes all prior agreements, express or implied, oral or written, with respect thereto. The express terms of this Agreement control and supersede any course of performance or usage of trade inconsistent with any of the terms hereof.

10.04. Effect of Waiver or Consent. A waiver or consent, express or implied, to or of any breach or default by any Person in the performance by that Person of its obligations with respect to the Company is not a consent or waiver to or of any other breach or default in the performance by that Person of the same or any other obligations of that Person with respect to the Company. Failure on the part of a Person to complain of any act of any Person or to declare any Person in default with respect to the Company, irrespective of how long that failure continues, does not constitute a waiver by that Person of its rights with respect to that default until the period of the applicable statute of limitations has run.

10.05. Amendment. This Agreement or the Certificate may be amended from time to time only by vote of both (i) the Managers serving at the time at any regular or special meeting of the Board of Managers, and (ii) the Members at any annual or special meeting of the Members. All amendments must be in writing and shall take effect when furnished to the Members pursuant to Section 10.02. An amendment to Annex A shall not be considered an amendment requiring a vote.

10.06. Binding Effect and Rights of Third Parties. This Agreement has been adopted to govern the operation of the Company, and shall be binding on and inure to the benefit of the Members and their respective heirs, personal representatives, successors and assigns. This Agreement is expressly not intended for the benefit of any creditor of the Company or any other Person, except a Person entitled to indemnification, contribution or advancement of expenses
under Article VII. Except and only to the extent provided by applicable statute no such creditor or other Person shall have any rights under this Agreement.

10.07. **Governing Law.** This Agreement shall be governed by and interpreted and enforced in accordance with the substantive laws of the Commonwealth of Pennsylvania (including, without limitation, provisions concerning limitations of actions), without reference to the conflicts of laws rules of that or any other jurisdiction, except that Federal law shall also apply to the extent relevant.

10.08. **Severability.** If any provision of this Agreement or the application thereof to any Person or circumstance is held invalid or unenforceable to any extent, the remainder of this Agreement and the application of that provision to other Persons or circumstances shall not be affected thereby and that provision shall be enforced to the greatest extent permitted by law.

10.09. **Disputes.** Except as provided in Section 7.06, if there is a deadlock on any matter to be decided upon by the Members or Managers, as the case may be, each disputing faction having an opposing view shall compose a memorandum detailing their views on the matter and deliver such memorandum to the other faction within five (5) business days after the deadlock. The factions shall schedule another meeting within ten (10) business days of the deadlock, to discuss the written views with or without the assistance of a neutral mediator, whereupon the factions shall again vote upon the matter. If a deadlock persists, the factions agree to submit the dispute to the Company’s regularly retained accountant or other mutually agreed upon arbitrator whose resolution shall be binding on the Members. If no arbitrator can be mutually agreed upon, then the factions shall use formal arbitration procedures as outlined in Section 7.06, except that the provisions of Section 7.06 regarding the Company bearing costs and raising defenses shall not apply.

10.10. **Construction.** Whenever the context requires, the gender of any word used in this Agreement includes the masculine, feminine or neuter, and the number of any word includes the singular or plural. All references to articles and sections refer to articles and sections of this Agreement, and all references to annexes are to annexes attached hereto, each of which is made a part hereof for all purposes. The headings in this Agreement are for convenience only; they do not form a part of this Agreement and shall not affect its interpretation.
IN WITNESS WHEREOF, the initial Members of the Company have caused this Agreement to be executed as of the day and year first above written.

MEMBERS:

[Signatures]

Gregory J. Rubino

W. John Knox
Annex A - Revised

Date: 03-16-17

230 Units Total

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NOTE: To maintain three digits after the decimal regarding Percentage Interests certain Percentage Interests have been rounded down as follows: (i) the Gregory Rubino Founder Unit Percentage Interest has been reduced by 0.003%, (ii) the Rubino Investor Units Percentage Interest has been reduced by 0.001%, and, (iii) the Vorsheck & Lochbaum Interests have each been reduced by 0.001%.
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

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Homestead Status: Inactive
Farmstead Status: Inactive
Lerta Amount: 0
Lerta Expiration Year: 0

Commercial Data:

Card 1
TRUCK TERMINAL
Business Living Area - 10500
Year Built - 1950
Improvement Name - ERIE COUNTY RECYCLING
Value - 185550

Other Buildings & Yards

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<tr>
<th>Description</th>
<th>Built</th>
<th>Width</th>
<th>Length</th>
<th>Area</th>
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<td>FENCE CHAIN LINK</td>
<td>1950</td>
<td>0</td>
<td>210</td>
<td>1260</td>
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<tr>
<td>PAVING ASPHALT PARKING</td>
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<td>0</td>
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<tr>
<td>PAVING CONCRETE HEAVY DUTY</td>
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Sales History

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<th>To</th>
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<th>Price</th>
<th>Book / Page</th>
<th>Other Info</th>
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<td>4/24/2015</td>
<td>DUNLAP ROBERT G</td>
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<td>LAND &amp; BUILDING</td>
<td>750000</td>
<td>2015 / 007752</td>
<td>SPECIAL WARRANTY DEED</td>
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<td>CONS FRTWAYS CORP OF DELAWARE</td>
<td>DUNLAP ROBERT G</td>
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<td>770000</td>
<td>1022 / 766</td>
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<tr>
<td>5/10/1972</td>
<td>0</td>
<td>1068 / 0362</td>
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</table>

Parcel Sketches

DOH REDACTED
### Annual Taxes

**Attention City of Erie Residents**

Please be advised that due to the recent change in the billing cycle for the City of Erie school taxes, the total for Year 2012 (school tax column) will now include the total amounts for both the 2011-12 AND the 2012-13 tax years.

<table>
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<tr>
<th>Year</th>
<th>County</th>
<th>City/Township</th>
<th>School</th>
<th>Library</th>
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<tr>
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<td>6818.75</td>
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<td>6350.51</td>
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<td>8515.00</td>
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Delinquent Taxes

No Delinquent Taxes

Owner Info

PARCEL ID: 16-031-004.0-105.00
OWNER 1: RUBINO REALTY LLC
OWNER 2:
ADDRESS 1: 240 W 11TH ST
ADDRESS 2: STE B050
ADDRESS 3:
CITY: ERIE
STATE: PA
ZIP 1: 16501
ZIP 2: 1758
LEGAL 1: 1556 W 12 ST 3.53 AC
LEGAL 2:
LEGAL 3:
LEASE AGREEMENT

THIS LEASE AGREEMENT made and entered into on this 16th day of March, 2017, (the “Effective Date”) by and between:

LANDLORD: Rubino Realty, LLC
240 West 11th Street, Suite B-050
Erie, PA 16501

and

TENANT: Cannabis Square, LLC
240 West 11th Street, Suite B-050
Erie, PA 16501

WITNESSETH:

IN CONSIDERATION of the payment of rents and other charges provided for herein and the covenants and conditions hereinafter set forth, Landlord and Tenant hereby covenant and agree as follows:

ARTICLE I

Demised Premises

Section 1.1 Demised Premises. Landlord hereby leases to Tenant and Tenant hereby rents from Landlord the following described premises which constitutes a part of the commercial facilities (the “Complex”) located at 1121 Greengarden Road, Erie, PA, being a part of Unit Lot 2 of the Greengarden Centre Condominium (f/k/a 1556 West 12th Street, Erie, PA), Pennsylvania.

Demised Premises consisting of approximately 2,309 building square feet and an attached secure delivery area consisting of an additional 500 square foot (2,809 total square feet) (the “Demised Premises”) as depicted on the plan attached hereto as Exhibit A. Tenant shall occupy the Demised Premises on such date as it first receives approval from the Pennsylvania Department of Health to operate a medical marijuana dispensary.

The Demised Premises are demised and let subject to the following: (a) the Greengarden Centre Condominium Declaration and the existing state of the title to the Demised Premises, the Complex and the real property upon which the same are situated; and (b) all zoning regulations, restrictions, rules and ordinances, building or use restrictions and other laws and regulations now in effect or hereafter adopted by any governmental authority having jurisdiction thereof. Landlord reserves the right to place in, under, over or through the Demised Premises pipes,
wires, lines, and facilities serving other areas of the Complex and adjacent properties owned by Landlord, provided such right is exercised in a manner which does not unreasonably interfere with Tenant’s conduct of its business at the Demised Premises.

Section 1.2  **Area of Demised Premises.** Tenant hereby represents and warrants to Landlord that Tenant has made its own investigation and examination of all the relevant data relating to or affecting the Demised Premises and is relying solely on its own judgment in entering into this Lease.

Section 1.3  **Renovation Work.** Landlord shall deliver to Tenant the Demised Premises in substantially the condition as it is in as of the date hereof. All other improvements to the Demised Premises shall be provided by Tenant at its own cost and expense, in accordance with plans and specifications approved by Landlord, in a good and workmanlike manner and shall be in compliance with all applicable building codes, laws, ordinances and regulations, including those rules and regulations promulgated by the Pennsylvania Department of Health relating to medical marijuana dispensaries.

Section 1.4  **Delivery.** Landlord and Tenant shall use due diligence in attempting to have the Demised Premises ready for the conduct of business as soon as practicable, but in no event later than the 180 days after the Commencement Date (as hereinafter defined).

**ARTICLE II**

**Term of Lease**

Section 2.1  **Term.** The term of this Lease (the “Term”) shall commence on the date upon which Tenant receives approval from the Pennsylvania Department of Health to operate a medical marijuana dispensary at the Demised Premises (referred to herein as the “Commencement Date”), and shall expire on the last day of the sixtieth (60th) full calendar month after the Commencement Date (the “Main Term”). Should the Commencement Date fall on a day other than the first day of a month, the rent for the initial fractional month shall be prorated. At the request of Landlord, from time to time, the parties will execute memoranda or letters stating the exact Commencement Date and Expiration Date of the Lease. The term “Lease Year” as used herein shall mean the twelve month period beginning with the Commencement Date (or the first day of the next calendar month if the Commencement Date is other than the first day of the month) and ending one year later, and each subsequent twelve month period.

**ARTICLE III**

**Rent**

Section 3.1  **Minimum Rent.** Tenant shall, throughout the Term hereof (but subject to adjustment), pay to Landlord as “Minimum Rent” for the Demised Premises, in advance on the
first day of each month, without any offsets or deductions whatever, at the office of Landlord or such other place as Landlord may designate in writing, consecutive monthly installments as follows:

<table>
<thead>
<tr>
<th>TERM</th>
<th>ANNUAL RENT PER SQ. FT. OF DEMISED PREMISES</th>
<th>ANNUAL RENT</th>
<th>MONTHLY RENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main Term</td>
<td>$10.00</td>
<td>$23,090.00</td>
<td>$1,924.17</td>
</tr>
<tr>
<td>First Renewal Term</td>
<td>$10.00</td>
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<tr>
<td>Second Renewal Term</td>
<td>$10.00</td>
<td>$23,090.00</td>
<td>$1,924.17</td>
</tr>
</tbody>
</table>

Upon the Commencement Date, Tenant will pay to Landlord the Minimum Rent for the first full calendar month of the Term, or if the Commencement Date does not fall on the first day of the month, the pro rata share due for such month.

Section 3.2  **Percentage Rent.** *Intentionally deleted.*

Section 3.3  **Additional Rent.** In addition to the rent payable by Tenant pursuant to this Article III, Tenant shall also pay, as additional rent:

(a) Tenant’s proportionate share of (i) real estate taxes, as provided in Article IV; (ii) insurance as provided in Article V; and (iii) common area maintenance expenses, as provided in Article VI. Tenant’s “proportionate share” or “pro rata share”, as these terms are used herein, shall mean the fraction, the numerator of which shall be the square footage of the Demised Premises and the denominator of which shall be the square footage of all leased space within the Complex.

(b) Tenant’s proportionate share of any cost which is borne by Landlord for security and shuttle services, if any, utilities (water, gas, electricity, sewage disposal, etc.) or trash and waste removal or similar expenses which are not reimbursed to Landlord by Tenant as a common area maintenance expense.

**EXAMPLE:** Water service may be furnished to the Demised Premises via a master meter which also serves other users and which is billed solely to Landlord.

If Tenant’s consumption of any such utility service is not measured via a sub-meter, then from time to time, Landlord shall estimate and establish a monthly charge to Tenant therefor. It is provided however, that a representative of the respective utility service in question or a qualified consultant may be engaged by Tenant to estimate and confirm Tenant’s consumption and appropriate costs thereof.
ARTICLE IV

Real Estate Taxes

Section 4.1 Taxes. Tenant shall pay its pro rata share of all “real estate taxes”, as herein defined. Real Estate Taxes shall include any tax which may be levied or assessed by any lawful authority against the land and improvements of the Complex of which the Demised Premises are a part, assessments, water and sewer rents, taxes on rents, drainage assessments, sewer charges, assessments for public improvements and other governmental impositions of any kind or nature, whether general or special, levied, assessed, charged or imposed by federal, state or local governments against or upon the land and improvements of the Complex of which the Demised Premises constitute a part as well as professional fees and expenses incurred by Landlord for ad valorem tax consultants or tax rendering services and all penalties, interest and other charges payable by reason of any delay in or failure or result of Tenant to make timely payments as required under this Lease.

ARTICLE V

Landlord’s Insurance

Section 5.1 Insurance. Landlord may procure and maintain insurance covering fire and such other risks as are from time to time included in standard extended coverage endorsements, insuring in an amount, after completion of construction, of not less than eighty percent (80%) of the full insurable value or such greater coverage as may be required by Landlord’s mortgage. If the insurance policies maintained by Landlord with respect to the Complex contain any nature of deductible feature, then Tenant, in the event of a loss to the Demised Premises, shall pay to Landlord Tenant’s proportionate share thereof based upon the amount of such deductible feature multiplied by a fraction, the numerator of which is the total number of square feet comprising the Demised Premises and the denominator of which is the aggregate number of square feet of the total floor area leased to all tenants in the Complex. Tenant’s pro rata share of such deductible amount shall be payable to Landlord within ten (10) days following receipt from Landlord of a statement therefor and payment thereof by Tenant shall be a condition precedent to Landlord’s obligations to repair or restore the Demised Premises.

ARTICLE VI

Common Areas

Section 6.1 Common Areas. Landlord hereby grants to Tenant, during the Term of this Lease, the nonexclusive right to use, in common with all others so entitled, the Common Areas of the Complex. As used herein, the term “Common Areas” shall mean and include all areas, facilities and improvements provided from time to time for the general, common or joint use on a
non-exclusive basis by Landlord and the tenants of the Complex, including, without limitation, all parking spaces and areas, pedestrian sidewalks, driveways, curbing, retaining walls, truckways, access roads, ramps, loading docks, delivery areas, storm and sanitary sewer systems, signs, music program service, if any, landscaped and vacant areas and lighting facilities, including all utilities serving the same, whether located within or outside of the Complex property, except as may be otherwise designated by Landlord for the exclusive use of any tenant.

Section 6.2 Landlord’s Obligations. Landlord shall maintain the Common Areas in good repair, reasonably clear of debris.

Section 6.3 Common Area Maintenance. In addition to the monthly rental payable by Tenant pursuant to Article III hereof, Tenant shall, throughout the Term hereof, be responsible for its proportionate share of all Common Area Maintenance Expenses (as defined herein) incurred in maintaining and operating the Common Areas.

ARTICLE VII

Adjustment(s) to Tenant’s Monthly Payment for Property Taxes, Insurance and Common Area Maintenance

Section 7.1 Adjustments. Any provisions in Articles IV (Real Estate Taxes), V (Landlord’s Insurance) and VI (Common Areas) of the Lease to the contrary notwithstanding, Tenant’s estimated monthly payments for Taxes, and Common Area Maintenance may, from time to time, be adjusted up or down based on Landlord’s then most current estimate of said charge(s) and upon thirty (30) days prior written notice from Landlord to Tenant. During the Term of this Lease if Landlord’s then most current estimate shows that the total of Tenant’s payments pursuant to paragraphs IV, V and VI above, is less than or greater than such actual cost(s) incurred by Landlord since Landlord’s previous estimate then the deficit or the excess, as the case may be, shall be credited or debited to the rental next coming due.

If the Term of this Lease shall begin or end other than on the first day or last day of the applicable premium year, these charges shall be billed and adjusted on the basis of such fractional year.

ARTICLE VIII

Use of the Demised Premises

Section 8.1 Permitted Use. Tenant shall operate its business in the Demised Premises during the Term of this Lease for the purpose of the storage and sale of medical marijuana products and associated goods, or for any other legal purpose.
ARTICLE IX
Tenant’s Installations and Alterations

Section 9.1 Installation. Tenant shall, at Tenant’s sole cost and expense, at all times during the Term of this Lease, keep the Demised Premises equipped with all trade fixtures, equipment, furnishings, furniture, fixtures, floor coverings, carpeting and exterior signs and all other equipment and personal property necessary for the operation of Tenant’s business in the Demised Premises.

ARTICLE X
Maintenance of the Demised Premises

Section 10.1 Landlord’s Maintenance Obligations. Landlord shall keep and maintain the roof over the Demised Premises and the structural portions of the Demised Premises in good repair, provided that Tenant shall give Landlord prior notice of the necessity for such repairs and further provided, that any damage thereto shall not have been caused by any act or negligence of Tenant, its employees, agents, invitees, subtenants, assignees or contractors in which event the cost of the repair of such damage shall be borne solely by Tenant.

Section 10.2 Tenant’s Maintenance Obligations. Tenant shall keep and maintain in good order, condition and repair (which repair shall mean replacement if necessary) the Demised Premises and every part thereof, except as hereinbefore provided as Landlord’s maintenance responsibility, including, without limitation, the exterior and interior portions of all doors, door checks, security gates, windows, glass, utility facilities, plumbing and sewage facilities within the Demised Premises or under the floor slab including free flow up to the main sewer line; all heating and air-conditioning equipment and apparatus including exterior mechanical equipment; exterior utility facilities and exterior electrical equipment serving the Demised Premises; and, all plate glass, interior walls, floors and ceilings, including interior painting; and shall at all times comply with applicable building codes. Tenant shall contract for, in its own name, and shall pay for (a) a qualified service contractor to inspect, adjust, clean and repair heating, ventilating and air conditioning equipment, including changing filters on a semi-annual basis, and (b) a qualified service contractor to render pest control services to the Demised Premises.

All such service contractors shall be subject to the prior written approval of Landlord. If Tenant refuses or neglects to commence or complete any of the obligations above set forth promptly and adequately after written notice from Landlord, or in the event of an emergency, after whatever notice is reasonable under the circumstances, if any, Landlord may, but shall not be required to do so, make or complete said maintenance or repairs and Tenant shall pay the cost thereof to Landlord upon demand. For the purposes of this Section, an “emergency” shall be deemed to exist if, in the good faith judgment of Landlord, prompt action is needed in order to prevent death, bodily injury or property damage. If Landlord makes any such repairs, performs any such maintenance, or provides any such renewal or replacement, or undertakes to do so (or engages any third party contractors to do so), then Landlord shall not be liable to Tenant for (and Tenant

1121 Greengarden Road, Erie, PA

Cannabis Square, LLC
shall indemnify and hold Landlord harmless with respect to), all loss or damage that may occur to Tenant’s merchandise, fixtures or other property or to Tenant’s business incident to such action by Landlord.

ARTICLE XI

Insurance and Indemnity

Section 11.1 Tenant’s Insurance. Tenant will take out and maintain, at its own cost and expense, commercial general liability insurance coverage in a minimum amount of $3,000,000.00 combined single limit, which commercial general liability policy shall include (i) coverage for bodily injury and death, property damage and products liability coverage; (ii) contractual liability coverage insuring the obligations of Tenant under the terms of this Lease; and (iii) fire legal liability coverage with respect to the Demised Premises and the building of which they are a part in the amount of at least $3,000,000.00. Such policy shall name Landlord (and any of its affiliates, subsidiaries, successors and assigns designated by Landlord) and Tenant as additional insureds. All such insurance required to be maintained by Tenant shall be with an insurance company satisfactory to Landlord, and Tenant shall provide Landlord with copies or certificates of all policies required herein, including an endorsement providing that such insurance shall not be canceled or not renewed except after fifteen (15) days’ notice in writing to Landlord. Should Tenant fail to furnish such policies as hereinabove provided, Landlord may obtain such insurance and the premiums for such insurance shall be deemed additional rent paid by Tenant to Landlord on demand. To the extent that Tenant fails to take out or to maintain the aforesaid insurance policy, such failure shall be a defense to any claim asserted by Landlord against Tenant by reason of any loss sustained by Tenant due to fire or other casualty, notwithstanding that such loss might have been caused by the negligence of Landlord. Tenant shall be responsible for the safety and personal well-being of Tenant’s employees, both within the Demised Premises and in the Common Area. Tenant agrees that Landlord shall not be responsible or liable to Tenant or those claiming under Tenant (including, without limitation, Tenant’s agents, servants, employees, customers and invitees) for injury, death or damage or loss occasioned by the acts or omissions of persons occupying any other part of the Complex or occasioned by the property of any other occupant of any part of the Complex or the acts or omissions of any other person or persons present at the Complex who are not occupants of any part thereof, whether or not such persons are present with the knowledge or consent of Landlord; and Tenant agrees to indemnify and hold Landlord.

Section 11.2 Indemnification Obligations. Tenant does hereby protect, indemnify and save harmless Landlord forever against and from: (i) any penalty, damage or charges imposed for any violation of any laws or ordinances occurring on or about the Demised Premises during the term hereof, or related to Tenant’s use thereof, whether occasioned by acts of Tenant or of others; (ii) any and all claims, loss, costs, damages or expenses arising during the term hereof out of or from any accident or other occurrence in, or about the Demised Premises causing injury to any person or property whomsoever or whatsoever; and (iii) any and all claims, loss, cost, damage or expense, including attorneys’ fees, arising out of any failure of Tenant in any respect to comply
with or perform all of the requirements and provisions of this Lease. Tenant assumes responsibility for the condition of the Demised Premises and agrees to give Landlord written notice in the event of any damage, defect or disrepair therein. Tenant (i) agrees to use and to occupy the Demised Premises and to place its fixtures, equipment, merchandise and other property therein at its own risk and (ii) hereby releases Landlord and its agents from all claims for any damage or injury to Tenant’s equipment, merchandise and other property placed by it in the Demised Premises to the full extent permitted by law. Tenant’s obligations pursuant to this Section 11.2 shall survive any termination of this Lease with respect to any acts, omissions and/or occurrences which took place prior to such termination.

Section 11.3 Waiver of Subrogation. Each party to this Lease shall require each of the insurers under policies of insurance which such party procures or maintains in relation to the Demised Premises or the contents thereof to waive in writing any and all rights of subrogation which such insurer might otherwise have against the other party to this Lease or its agents or employees. The parties hereto do hereby waive any and all right of recovery against each other for losses covered by such policies, providing the insurance companies issuing same shall waive subrogation rights. Notwithstanding the foregoing provisions of this Section, neither party shall be liable for any injuries, loss, liability, expense, claim or damage to the other’s property or interest in respect to which and to the extent that said property or interest is covered by insurance, whether such loss or damage be occasioned by the negligence of such party, its servants, agents, employees or otherwise, unless same shall invalidate any insurance policy affecting the Demised Premises or the Complex. Tenant or Landlord, as the case may be, shall give the other written notice that such a waiver of subrogation is not available from its insurers.

Notwithstanding any contrary provisions contained in this Section, this Section shall not apply to relieve Tenant of its obligation to repair, at Tenant’s cost and expense, as required by any other sections of this Lease.

ARTICLE XII

Destruction and Restoration

Section 12.1 Landlord’s Option to Terminate. In the event the Demised Premises or the building of which the Demised Premises constitute a part shall be damaged or destroyed by fire or other casualty to the extent that the cost of repairing or replacing the same will exceed twenty five percent (25%) of the then replacement value thereof, then Landlord may, at its option, within thirty (30) days after the issuance of the proof of loss by the insurance company insuring the building, terminate this Lease upon written notice to Tenant, in which event this Lease shall be deemed terminated.

Section 12.2 Restoration. In the event the Demised Premises or the building of which the Demised Premises constitute a part shall be partially damaged or destroyed by fire or other casualty to the extent that the cost of repairing or replacing the same will be equal to or less than twenty five percent (25%) of the then replacement value thereof, or in the event Landlord does
not elect to terminate this Lease as provided herein and provided the damage or destruction was not caused by the negligent acts or omissions of Tenant, then Landlord shall repair the damage with reasonable dispatch after notice of such casualty; provided, however, Landlord’s obligation to repair or restore shall be limited to restoring the structural portions of the Demised Premises and shall not include repairs or the restoration of any of Tenant’s fixtures, improvements or other alterations made by Tenant in or upon the Demised Premises; provided, further, however, in the event such damage or destruction occurs during the last year of the term hereof, Landlord shall have the option to terminate this Lease upon written notice to Tenant given at any time before ninety (90) days after the issuance of the proof of loss by the insurance company insuring the building. In the event such repair or restoration cannot be completed within one hundred eighty (180) days from the date of such casualty subject to delays caused by governmental restrictions, strikes, lockouts, shortages of labor or material, acts of God, war or civil commotion, fire, unavoidable casualty, inclement weather or any other cause beyond the control of Landlord and provided the repair or restoration is not caused by the acts or omissions of Tenant and provided Tenant is not in default of this Lease, Tenant may by written notice to Landlord, terminate this Lease and its obligations hereunder. Notwithstanding anything provided herein to the contrary, Landlord’s obligation to repair or rebuild shall be limited to the amount of the fire insurance proceeds received by Landlord (less any costs incurred by Landlord in collecting the same) in the event of any such casualty. In the event the fire insurance proceeds received by Landlord (less any costs incurred by Landlord in collecting the same) are insufficient to rebuild the Complex and the Demised Premises, to their condition as they existed immediately prior to such casualty, then Landlord shall have the option to terminate the Lease upon notice to Tenant within ninety (90) days after Landlord’s receipt of the entire net insurance proceeds payable with respect to such fire or casualty.

Section 12.3 Termination. In the event this Lease is terminated in the manner set forth above, the rentals, including additional rentals, shall be apportioned to the time of such casualty. In the event this Lease is not terminated and Landlord elects to restore or repair the Demised Premises, then the rental payable by Tenant as provided in Article III above shall be equitably abated based on the square footage in the Demised Premises which are usable, until such time as the damage to the Demised Premises has been repaired; provided, in no event shall there be any abatement of the payment of additional rent as provided in Article IV (with respect to real estate taxes), Article V (with respect to insurance), or Article VI (with respect to Common Area Maintenance Expenses).

Section 12.4 Damage to the Complex. Notwithstanding that the Demised Premises may not be destroyed or damaged by fire or other risk, in the event that other buildings containing twenty five percent (25%) or more of the ground floor building area of the Complex shall be damaged or destroyed by fire or other risk, whether or not covered by Landlord’s fire and extended coverage insurance, Landlord shall have the election to terminate this Lease or to continue this Lease in full force and effect, and Landlord will notify Tenant of Landlord’s election within sixty (60) days after receipt of written notice by Landlord of such other damage or destruction.

Section 12.5 Rights of Mortgagee. Notwithstanding the foregoing, any obligation of Landlord to restore or repair and any application of insurance proceeds in connection therewith shall be
subject to the prior rights of the holder of any mortgage which is a lien against the Demised Premises or the Complex.

ARTICLE XIII

Eminent Domain

Section 13.1 Restoration. In the event that during the term of this Lease the Complex of which the Demised Premises constitute a part or the Demised Premises are taken by condemnation or right of eminent domain, or by private purchase in lieu thereof, this Lease and the Term hereby granted shall terminate and expire on the date when possession shall be taken by the condemnor and the rent herein reserved shall be apportioned and paid in full to that date and all prepaid rent shall forthwith be repaid by Landlord to Tenant. In the event that less than all the Demised Premises or less than all the Complex shall be so taken or condemned, then Landlord shall have the option, to be exercised by written notice given to Tenant not later than ninety (90) days after the date of such taking, to terminate this Lease. If a portion of the Demised Premises is taken which materiallyimpairs the ability of Tenant to carry on its business, then Tenant shall have the right to cancel this Lease with a thirty (30) day written notice to Landlord given within thirty (30) days following such taking. Tenant shall have the right to terminate this Lease upon written notice to Landlord, within thirty (30) days following such taking, if Tenant’s access to and from the Demised Premises shall be substantially diminished or should the parking area used by Tenant be materially diminished. The parties agree that a reduction of parking spaces by thirty percent (30%) or more shall be material but any reduction of less than thirty (30%) shall not be deemed material. In the event Landlord does not elect to cancel or terminate this Lease as provided above, then Landlord shall rebuild and restore the Demised Premises as nearly as possible to their condition immediately prior to any such taking and this Lease shall continue in full force and effect except that, during such restoration, the rent payable pursuant to Article III hereof shall be equitably apportioned in the proportion that the square footage of the part of the Demised Premises so taken bears to the total square footage of the Demised Premises immediately prior to such taking; provided, however, in no event shall there be any abatement of the payment of additional rent as provided in Article IV (with respect to real estate taxes), Article V (with respect to insurance), or Article VI (with respect to Common Area Maintenance expenses); provided, further, however, Landlord’s obligation to restore or rebuild shall be limited to an amount which does not exceed the proceeds obtained from such taking (less expenses incurred in collecting the same). In the event the net condemnation award received by Landlord is insufficient to restore or rebuild the structural portions of the Complex and the Demised Premises to their condition as they existed immediately prior to such taking, Landlord shall have the option, within ninety (90) days after Landlord’s receipt of the net condemnation award, to cancel and terminate this Lease upon written notice to Tenant.

Section 13.2 Awards. All compensation awarded or paid upon any total or partial taking of the Demised Premises shall belong to and be the property of Landlord. However, any separate award for Tenant’s leasehold improvements, trade fixtures, equipment and machinery installed
on the Demised Premises by Tenant at Tenant’s expense (and any award specified for Tenant’s moving and relocation expenses) shall belong and be paid to Tenant provided all terms and conditions of this Lease have been complied with by Tenant. In the event of termination of the Lease under the terms hereof, Tenant shall have no claim against Landlord for the value of any unexpired term of the Lease and no right or claim to any part of the award on account thereof.

Section 13.3 Voluntary Conveyance. In the event that any authority having the power of eminent domain requests that Landlord convey to such authority all or any portion of the Complex or all or any portion of the Demised Premises, Landlord shall have the right to make a voluntary conveyance to such authority of all or any portion of the Complex or all or any portion of the Demised Premises whether or not proceedings have been filed by such authority; and in the event of any such voluntary conveyance, it shall nevertheless for all purposes hereunder be deemed that there has been a taking by such authority of the property voluntarily conveyed by Landlord. Accordingly, all of the provisions of this Article shall be applicable notwithstanding such voluntary conveyance.

ARTICLE XIV

Property in the Demised Premises

Section 14.1 Removal. All leasehold improvements (other than Tenant’s trade fixtures), such as light fixtures and heating and air conditioning equipment, shall, when installed, attach to the freehold and become and remain the property of Landlord. All store fixtures or trade fixtures, signs, and drapes, shall remain the property of Tenant, subject at all times to Landlord’s lien for rent and other sums which may become due to Landlord under this Lease. It is specifically understood and agreed that Tenant shall be allowed to remove all such trade fixtures upon the expiration or earlier termination of this Lease, provided that Tenant is not in default in any of the terms and provisions of this Lease.

ARTICLE XV

Utilities

Section 15.1 Services. Tenant shall contract for, in its own name, and shall pay before delinquency, all utility services rendered or furnished to the Demised Premises, including heat, water, gas, electricity, fire protection, sewer rental, sewage treatment facilities and trash, refuse and rubbish removal, and the like, together with all taxes levied or other charges on such utilities and shall indemnify Landlord and hold it harmless against any liability or charges on account thereof. If any such service is provided by Landlord, whether under common area maintenance or otherwise then, at Landlord’s request, Tenant shall contract with Landlord for such service.

Section 15.2 Interruption. No interruption or malfunction of any utility services (including, without limitation, interruption of such utilities as a result of the enactment or promulgation,
regardless of the ultimate validity or enforceability thereof, of any federal, state or local law, statute, ordinance, decree, order, guideline or regulation now or hereafter enacted or promulgated by any governmental, quasi-governmental, regulatory or executive authority) shall constitute an eviction or disturbance of Tenant’s use and possession of the Demised Premises or a breach by Landlord of any of its obligations hereunder or render Landlord liable for any damages (including, without limitation, consequential or special damages) or entitle Tenant to be relieved from any of its obligations hereunder (including the obligation to pay rent) or grant Tenant any right of off-set or recoupment. In the event of any such interruption of any such services, Landlord shall use reasonable diligence to restore such service in any circumstances in which such interruption is caused by Landlord’s fault.

ARTICLE XVI

Assignment and Subletting

Section 16.1 Prohibition. Tenant shall not assign this Lease or sublease the Demised Premises or any part thereof or mortgage, pledge or hypothecate its leasehold interest or grant any concession or license within the Demised Premises or sublease any operating department therein, and any attempt to do any of the foregoing shall be void and of no effect.

ARTICLE XVII

Default by Tenant

Section 17.1 Events of Default. In no event shall Landlord, in the event of Tenant’s default hereunder, have the right to possess or sell any of Tenant’s medical marijuana products, and Landlord agrees to notify the Pennsylvania Department of Health if any situation occurs by reason of which Landlord would come into such possession and thereafter, Landlord shall abide by the determination of the Department as to the disposition of any such medical marijuana products.

Subject to the foregoing paragraph, upon the happening of any one or more of the events as expressed below in (a) through (h), inclusive (collectively referred to as “Events of Default” and individually referred to as an “Event of Default”), Landlord shall have any and all rights and remedies hereinafter set forth, subject first to written notice from Landlord affording Tenant a reasonable time during which to cure any such default, nothing herein to the contrary notwithstanding:

(a) In the event Tenant should fail to pay any one or more of said monthly installments of rent, or any other sums required to be paid hereunder, within ten (10) days of the date the same is due;
(b) In the event a petition in bankruptcy (including Chapter X and Chapter XI bankruptcy proceedings or any other reorganization proceedings under the Bankruptcy Act) be filed by or against Tenant and such petition is not dismissed within thirty (30) days from the filing thereof, or in the event Tenant is adjudged bankrupt;

(c) In the event an assignment for the benefit of creditors is made by Tenant;

(d) In the event of an appointment by any Court of a receiver or other Court officer of Tenant’s property and such receivership is not dismissed within thirty (30) days from such appointment;

(e) In the event Tenant removes, attempts to remove, or permits to be removed from the Demised Premises, except in the usual course of trade, the goods, furniture, effects or other property of Tenant brought thereon;

(f) In the event Tenant, before the expiration of said term, and without the prior written consent of Landlord, vacates the Demised Premises or abandons the possession thereof, or uses the same for purposes other than the purposes of which the same are hereby leased, or ceases to use the Demised Premises for the purposes herein expressed;

(g) In the event an execution or other legal process is levied upon the goods, furniture, effects or other property of Tenant brought on the Demised Premises, or upon the interest of Tenant in this Lease, and the same is not satisfied or dismissed within ten (10) days from such levy;

(h) In the event Tenant violates any other terms, conditions and covenants on the part of Tenant herein contained, and fails to remedy the same within thirty (30) days after written notice thereof is given by Landlord to Tenant.

Section 17.2 Landlord’s Default Remedies. Upon the occurrence of any of the aforesaid Events of Default, Landlord shall have the option to pursue any one or more of the following remedies without any notice or demand whatsoever in addition to, and not in limitation of any other remedy or right permitted it by law or in equity or by this Lease:

(a) Landlord may terminate this Lease, in which event Tenant shall immediately surrender the Demised Premises to Landlord, and if Tenant fails to surrender the Demised Premises, Landlord may, without prejudice to any other remedy which it may have for possession or arrearage in rent, enter upon and take possession of the Demised Premises, by changing locks if necessary, and lock out, expel, or remove, in accordance with the law, Tenant and any other person who may be occupying all or any part of the Demised Premises, without being liable for prosecution of any claim for damages. Tenant hereby agrees to pay to Landlord on demand all rent and other indebtedness accrued to the date of such termination, and the amount of all loss and damage which Landlord may suffer by reason of such termination,
whether through inability to relet the Demised Premises on satisfactory terms or otherwise, including, but not limited to, rent loss damages in an amount equal to the present value as of such termination (computed at a discount rate equal to the prime rate at the time (but not in excess of three percent (3%)), as announced in the Wall Street Journal) of the excess of (a) the stream of rental and other payments which Landlord would have received under this Lease from the date of termination to the expiration date of the then-current Term of this Lease, minus (b) the amount of such rent loss which Tenant can prove was reasonably avoidable by Landlord, taking into consideration the reasonable costs of reletting, including, without limitation, reasonable brokerage commissions, reasonable costs of retrofitting, the costs of any repairs necessary to the Demised Premises which otherwise would be or would have been Tenant’s responsibility under the Lease, together with interest on such present value at the rate of ten percent (10%) per annum, and any reasonable attorney’s fees actually incurred. This Lease and the Lease Term hereof, as well as all of the right, title and interest, of Tenant hereunder, shall wholly cease and expire in the same manner and with the same force and effect as if the date of expiration were the date originally specified herein for the expiration of this Lease and the Lease Term, and Tenant shall then quit and surrender the Demised Premises to Landlord.

(b) Landlord may terminate Tenant’s right of possession, without terminating this Lease, and enter upon and take possession of the Demised Premises and expel or remove Tenant and any other person who may be occupying said Demised Premises or any part thereof, by entry, dispossessory suit or otherwise, without thereby releasing Tenant from any liability hereunder, and without being liable for prosecution or any claim of damages therefor and, if Landlord so elects, make such alterations, redecorations and repairs as, in Landlord’s judgment, may be necessary to relet the Demised Premises, and Landlord may, but shall be under no obligation to do so (except as may be provided by State law), relet the Demised Premises or any portion thereof in Landlord’s or Tenant’s name, but for the account of Tenant, for such term or terms (which may be for a term extending beyond the Lease Term) and at such rental or rentals and upon such other terms as Landlord may deem advisable, with or without advertisement, and by private negotiations, and receive the rent therefor, Tenant hereby agreeing to pay to Landlord the deficiency, if any, between all Rent reserved hereunder and the total rental applicable to the Lease Term hereof obtained by Landlord re-letting. In no event shall Tenant be entitled to any rentals received by Landlord in excess of the amounts due by Tenant hereunder; and any such demand, reentry and taking possession of the Demised Premises by Landlord shall not of itself constitute an acceptance by Landlord of a surrender of this Lease or of the Demised Premises by Tenant and shall not of itself constitute a termination of this Lease by Landlord.

(c) Landlord may enter upon the Demised Premises without being liable for prosecution or any claim of damages therefor, and perform whatever covenants Tenant is obligated to do under the terms of this Lease; and Tenant agrees to reimburse Landlord on demand for any expenses including, without limitation, reasonable attorneys’ fees which Landlord may incur in thus effecting compliance with Tenant’s obligations under this Lease, and Tenant further agrees that Landlord shall not be liable for any damages resulting to Tenant from such action, whether caused by negligence of Landlord or otherwise.
(d) In the event Landlord terminates this Lease or in the event Landlord takes possession of the Demised Premises without terminating the Lease, Tenant shall, upon demand, pay (i) all costs incurred by Landlord in recovering the Demised Premises; (ii) the unamortized portion of the tenant allowance, if any, paid to Tenant pursuant to this Lease as well as the unamortized portion of all fees incurred by Landlord in negotiating and entering into this Lease including, but not limited to, any broker commissions or attorneys’ fees incurred; and (iii) all expenses incurred by Landlord in reletting the Demised Premises including the cost of redecorating and restoring the Demised Premises and all costs incident to such reletting, including brokers’ commissions, lease assumptions, and attorneys’ fees. Further, Landlord, in addition to all other rights and remedies it may have, shall have the right to remove all or any portion of Tenant’s property from the Demised Premises and any property removed may be disposed of, at Tenant’s expense, in any manner Landlord deems reasonable or store such property at any public warehouse or elsewhere at the cost of and for the account of Tenant, and Landlord shall not be responsible for the care and safekeeping thereof. Tenant hereby waives any and all loss, destruction and/or damage or injury which may be occasioned by any of the aforesaid acts and agrees to indemnify Landlord for any loss, cost or liability incurred in connection with the exercise of Tenants’ rights under this Section.

(e) Tenant hereby waives (to the extent legally permissible) any and all notices otherwise required under statutory or common law. To the extent of any inconsistency between this Lease and any statutory or common law, it is the agreement of the parties that this Lease shall prevail. No alteration of locks or other security devices and no removal or other exercise of dominion by Landlord over the property of Tenant or others at the Demised Premises shall be deemed unauthorized or constitute a conversion, Tenant hereby consenting, after any Event of Default, to the aforesaid exercise of dominion over Tenant’s property within the Demised Premises. All claims for damages by reason of re-entry and/or repossession and/or alteration of locks or other security devices are hereby waived, as are all claims for damages by reason of any distress warrant, forcible detainer proceedings, sequestror proceedings or other legal process. Tenant agrees that any re-entry by Landlord may be pursuant to judgment obtained in forcible detainer proceedings or other legal proceedings or without the necessity for any legal proceedings, as Landlord may elect, and Landlord shall not be liable in trespass or otherwise.

Section 17.3 Non-Waiver. Pursuit of any of the foregoing remedies shall not preclude pursuit of any other remedy herein provided or any other remedy provided by law or at equity, nor shall pursuit of any remedy herein provided constitute an election of remedies thereby excluding the later election of an alternate remedy, or a forfeiture or waiver of any Rent or other charges and assessments payable by Tenant and due to Landlord hereunder or of any damages accruing to Landlord by reason of violation of any of the terms, covenants, warranties and provisions herein contained. No reentry or taking possession of the Demised Premises by Landlord or any other action taken by or on behalf of Landlord shall be construed to be an acceptance of a surrender of this Lease or an election by Landlord to terminate this Lease unless written notice of such intention is given to Tenant. An election by Landlord to terminate Tenant’s right of possession without terminating the Lease shall not preclude Landlord from terminating the Lease at any time thereafter by giving Tenant written notice of intention to terminate the Lease. Forbearance by Landlord to enforce one or more of the remedies herein provided upon an event of default
shall not be deemed or construed to constitute a waiver of such default. In determining the amount of loss or damage which Landlord may suffer by reason of termination of this Lease or the deficiency arising by reason of any reletting of the Demised Premises by Landlord as above provided, allowance shall be made for the expense of repossession.

Section 17.4 Remedies Cumulative. Any and all rights, remedies and options given in this Lease to Landlord shall be cumulative and in addition to any without waiver of or in derogation of any right or remedy given to it under any law now or thereafter in effect.

Section 17.5 Attorney’s Fees. In the event of the employment by Landlord of an attorney to collect any rents or other sums due hereunder by Tenant, or to enforce the performance of any obligation hereunder, or on account of the breach by Tenant of any term, condition or covenant hereof, Tenant will pay all costs and expenses thereof, including a reasonable attorney’s fee.

Section 17.6 Percentage Rent Damages. Intentionally deleted.

Section 17.7 Landlord Default. In the event of any default by Landlord, Tenant’s exclusive remedy shall be an action for damages (Tenant hereby waiving the benefit of any laws granting it a lien upon the property of Landlord and/or upon rent due Landlord), but prior to any such action Tenant will give Landlord written notice specifying such default with particularity, and Landlord shall thereupon have a reasonable period, but in no event less than thirty (30) days, in which to commence to cure any such default. Unless and until Landlord fails so to commence to cure any default after such notice or having so commenced thereafter fails to exercise reasonable diligence to complete such curing, Tenant shall not have any remedy or cause of action by reason thereof. All obligations of Landlord hereunder will be construed as independent covenants, not conditions; and all such obligations will be binding upon Landlord only during the period of its possession of the Complex and not thereafter.

ARTICLE XVIII

Succession to Landlord’s Interest

Section 18.1 Successors. The covenants, conditions and agreements herein contained shall inure to the benefit of and be binding upon Landlord, its successors and assigns, and shall be binding upon Tenant, its heirs, executors, administrators, successors and assigns, and shall inure to the benefit of Tenant and only such assigns of Tenant to whom the assignment by Tenant has been consented to by Landlord. Nothing contained in this Lease shall in any manner restrict Landlord’s right to assign or encumber this Lease in its sole discretion, and it is further agreed, anything to the contrary herein contained notwithstanding, that in the event Landlord conveys its interest in the Complex, Landlord shall be relieved of all further obligations hereunder.

Section 18.2 Attornment. Should Landlord assign this Lease as provided for above, or should Landlord enter into a first-in-priority security deed affecting the Complex and should the holder of such deed succeed to the interest of Landlord, Tenant shall be bound to said assignee or any
such deed holder under all the terms, covenants and conditions of this Lease for the balance of the term hereof remaining after such succession, and Tenant shall attach to such succeeding party as its Landlord under this Lease promptly under any such succession. Tenant agrees that should any party so succeeding to the interest of Landlord require a separate agreement of attornment regarding the matters covered by this Lease, then Tenant shall within five (5) days after request enter into any such "attornment agreement," provided the same does not materially and adversely modify any of the provisions of this Lease and has no material adverse effect upon Tenant’s continued occupancy of the Demised Premises.

Section 18.3 Subordination. Upon request of Landlord, Tenant shall within five (5) days after request subordinate its rights hereunder to the lien of any mortgage or security deed or the lien resulting from any other method of financing or refinancing now or hereafter in force against the Complex, any part thereof or any buildings or improvements hereafter placed thereon and to all advances made or hereafter to be made upon the security thereof and shall execute a document evidencing such subordinate. In connection with any such subordination, Landlord shall use its best efforts to obtain from any such mortgagee a non-disturbance agreement which provides that so long as Tenant is not in default in the payment of rent or in the performance of any of the other terms of this Lease, Tenant’s possession of the Demised Premises and Tenant’s rights under this Lease shall not be disturbed, diminished or interfered with by the holder of the mortgage or by the purchaser in any mortgage foreclosure proceedings, provided that Tenant agrees in writing to attorn such mortgagee.

Section 18.4 Notice to Mortgagee. If the Demised Premises are at any time during the term of this Lease subject to a Landlord’s mortgage then, in any instance in which Tenant gives notice to Landlord alleging default by Landlord in performance of any covenant or obligation under this Lease, Tenant will also simultaneously give a copy of such notice to Landlord’s mortgagee (at the post office address as to which such Landlord’s mortgagee shall have given Tenant notice) and Landlord’s mortgagee shall have the right (but no obligation) to cure or to remedy such default of Landlord during the same time that is permitted to Landlord hereunder for the remedying or curing of such default, plus an additional period of thirty (30) days. Tenant will accept such curative or remedial action taken by a Landlord’s mortgagee with the same effect as if such action had been taken by Landlord, and Tenant shall not seek damages from Landlord or any other relief by reason of any such default of Landlord if Landlord’s mortgagee shall have cured or remedied such default within the time allowed herein (including the aforesaid additional thirty (30) day period) or is then attempting to foreclose its lien upon or obtain possession of the Complex.

Section 18.5 Estoppel Certificate. Within ten (10) days of delivery from Landlord to Tenant, Tenant shall execute an estoppel agreement as requested by any bona-fide Lender or Owner (whether existing or proposed) of the Complex and the failure of Tenant to timely comply with this Section shall immediately entitle Landlord to all of its remedies in the event of a default.
ARTICLE XIX

Quiet Enjoyment

Section 19.1 Quiet Enjoyment. Landlord agrees that if Tenant pays the rent and other charges herein provided and shall perform all of the covenants and agreements herein stipulated to be performed on Tenant’s part, Tenant shall, at all times during said Term, have the peaceable and quiet enjoyment and possession of the Demised Premises without any manner of hindrance from Landlord or any persons lawfully claiming through Landlord, except as to such portion of the Demised Premises or Complex as shall be taken under the power of eminent domain or which may be claimed by any mortgagee of the Demised Premises or the Complex.

ARTICLE XX

Notices

Section 20.1 Notices. Any notice, request, demand, approval, consent or other communication which Landlord or Tenant may be required or permitted to give to the other party shall be in writing and shall be (i) mailed by certified mail, return receipt requested at the address specified on Page 1, or (ii) sent by a nationally recognized overnight courier service, to the other party at the address specified on Page 1, or (iii) by hand delivery or posting the same to the door to the Demised Premises if such communication is to Tenant, or to such other address as either party hereof shall have designated by notice to the other.

All notices shall be deemed to have been given upon deposit in the United States mail, postage prepaid and properly addressed as provided above or (if to Tenant) upon delivery to Tenant at the Demised Premises, either in person or by posting a copy of any such notice to the front door of the Demised Premises.

ARTICLE XXI

Security Deposit

Section 21.1 Security Deposit. Tenant shall deposit with Landlord the sum of $2,500.00 as security for the faithful performance and observance by Tenant of the terms, provisions and conditions of this Lease. It is agreed that in the event Tenant defaults in respect of any of the terms, provisions and conditions of this Lease, including, but not limited to, the payment of rent and additional rent, Landlord may use, apply or retain the whole or any part of the security so deposited to the extent required for the payment of any rent and additional rent or any other sums as to which Tenant is in default or for any sum which Landlord may expend or may be required to expend by reason of Tenant’s default in respect of any of the terms, covenants and conditions of this Lease, including, but not limited to, any damages or deficiency in the re-letting of the Demised Premises, whether such damages or deficiency accrued before or after summary
proceedings or other reentry by Landlord. In the event that Tenant shall fully and faithfully comply with all the terms, provisions, covenants and conditions of this Lease, the security shall be returned to Tenant without interest, after the expiration or earlier termination of the Lease and after delivery of entire possession of the Demised Premises to Landlord as required under the Lease.

ARTICLE XXII

Miscellaneous

Section 22.1 Severability. If any term or provision of this Lease or the 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.

Section 22.2 Landlord and Tenant Relationship. Nothing contained in this Lease shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent or of partnership or of joint venture or of any association whatsoever between Landlord and Tenant, it being expressly understood and agreed that neither the computation of rent nor any other provisions contained in this Lease nor any act or acts of the parties hereto shall be deemed to create any relationship between Landlord and Tenant other than the relationship of landlord and tenant.

Section 22.3 Authorization. This writing contains the entire agreement between the parties hereto, and no agent, representative, salesman or officer of Landlord has authority to make or has made any statement, agreement or representation, either oral or written, in connection herewith, modifying, adding or changing the terms and conditions herein set forth. No modification of this Lease shall be binding unless such modification shall be in writing and signed by the parties hereto. Tenant hereby further recognizes and agrees that this Lease shall have no force or validity until and unless it is returned to Tenant duly executed by Landlord. Tenant warrants to Landlord that, if Tenant is a corporation, (a) the execution and delivery of this Lease has been duly authorized by the Board of Directors of Tenant, and (b) the making of this Lease does not require any vote or consent of shareholders.

Section 22.4 Captions. The captions or titles used throughout this Lease are for reference and convenience only and shall in no way define, limit or describe the scope or intent of this Lease. Words of any neuter gender used in this Lease shall be held to include both the masculine and feminine gender and words in the singular number shall be held to include the plural, and vice-versa.

Section 22.5 No Personal Liability. Tenant or any other party claiming by, through or under Tenant shall look solely to the interests of Landlord in the Complex property for the collection of any claim, demand, cost, expense, judgment or other judicial process requiring the payment of
money for any default or breach by Landlord of any of its obligations under this Lease. No other assets of Landlord or its officers, directors, or partners shall be subject to levy, execution or other judicial process for the satisfaction of any claim of Tenant. Under no circumstances whatsoever shall Landlord ever be liable hereunder for consequential damages or special damages. The term "Landlord" shall mean only the owner, for the time being of the Complex, and in the event of the transfer by such owner of its interest in the Complex, such owner shall thereupon be released and discharged from all covenants and obligations of Landlord thereafter accruing, but such covenants and obligations shall be binding during the Lease Term upon each new owner for the duration of such owner's ownership.

Section 22.6 Delivery Certificates. Within five (5) days after request by Landlord, Tenant shall deliver to Landlord a written and acknowledged statement certifying that Tenant has accepted possession of the Demised Premises, that this Lease is unmodified and in full force and effect (or stipulate such modifications, if any), and the dates to which the Rent and other charges have been paid in advance, if any, it being intended that any such statement delivered pursuant to this Article may be relied upon by any prospective purchaser or mortgagee of the fee of the Complex of which the Demised Premises form a part.

Section 22.7 Additional Terms and Conditions. Not applicable.

Section 22.8 Time of Essence. In all instances where Tenant is required hereunder to pay any sum or do any act at a particular indicated time or within an indicated period, it is understood that time is of the essence.

Section 22.9 No Set-Off. The obligation of Tenant to pay all rent and other sums hereunder provided to be paid by Tenant and the obligation of Tenant to perform Tenant's other covenants and duties hereunder constitute independent, unconditional obligations to be performed at all times provided for hereunder, save and except only when an abatement thereof or reduction therein is hereinafore expressly provided for and not otherwise. Tenant waives and relinquishes all rights which Tenant might have to claim any nature of lien against or withhold, or deduct from or offset against any rent and other sums provided hereunder to be paid Landlord by Tenant. Tenant waives and relinquishes any right to assert, either as a claim or as a defense, that Landlord is bound to perform or is liable for the nonperformance of any implied covenant or implied duty of Landlord not expressly herein set forth.

Section 22.10 Independent Covenants. So long as Tenant has not been wrongfully or constructively evicted from the Demised Premises, the doctrine of independent covenants will apply in all matters relating to this Lease including, without limitation, all obligations of Landlord and Tenant to perform their respective obligations under this Lease.

Section 22.11 Relocation. At any time during the Term of this Lease, upon at least thirty (30) days prior written notice to Tenant ("Notice of Relocation"), Landlord may require Tenant to relocate to another lease space of approximately the same size as the Demised Premises within the Complex ("Relocation Space"). Within ten (10) days following the date of the Notice of Relocation, Tenant shall notify Landlord in writing either that (a) Tenant agrees to relocate to the
Relocation Space or (b) Tenant elects to terminate this Lease. Failure by Tenant to respond to
the Notice of Relocation within the aforesaid ten (10) days, will be deemed to mean that Tenant
has elected to terminate this Lease. In the event that Tenant elects (or is deemed to have elected)
to terminate this Lease in lieu of relocating to the Relocation Space, then the Lease shall
terminate thirty (30) days after the date of Landlord’s Notice of Relocation. Provided Tenant
agrees to relocate to the Relocation Space as provided above, Landlord shall, at its cost and
expense, complete construction of the Relocation Space on a “Turn Key” basis substantially
similar to the then existing Demised Premises. Landlord shall pay all reasonable out-of-pocket
expenses of any such relocation, including the expenses of moving and reconstruction of all
Tenant-furnished improvements (if any) and Landlord-furnished improvements (if any) at the
Demised Premises. In the event the Relocation Space is larger than the Demised Premises, the
Minimum Rent and additional charges due under this Lease shall not be altered; however, in the
event the Relocation Space is smaller than the Demised Premises, the Minimum Rent and all
additional charges shall be proportionately reduced based upon the floor area of the Relocation
Space. Except for the reduction (if any) in Minimum Rent and additional charges, upon Tenant’s
relocation to the Relocation Space, all of the terms, covenants and conditions of this Lease shall
continue unchanged and in full force and effect, except that a description of the Relocation Space
shall be substituted for the description of the Demised Premises set forth on Exhibit A, and
thenceforth the Relocation Space shall be deemed for all purposes to be the Demised Premises.
Failure by Tenant to relocate to the Relocation Space following construction of same by
Landlord shall constitute an “Event of Default” hereunder (as defined in Article XVII) and
Landlord shall be entitled to all remedies available to it under the terms of this Lease or at law
and Tenant shall be liable for all costs incurred by Landlord in constructing the improvements at
the Relocation Space.

Section 22.12 Force Majeure. Excepting rental payments, in the event Landlord or Tenant
shall be delayed, hindered in or prevented from the performance of any act required hereunder by
reason of strikes, lockouts, labor troubles, inability to procure materials, failure of power,
unavailability of any utility service, restrictive governmental laws or regulations, riots,
insurrections, the act, the failure to act, or default of another party, war, or other reason beyond
Landlord’s or Tenant’s control (individually “Force Majeure”), then performance of such act
shall be excused for the period of the delay, and the period of the performance of any such act
shall be extended for a period equivalent to the period of such delay. Within ten (10) days
following occurrence of Force Majeure, the party claiming a delay due to such event shall give
written notice to the other setting forth a reasonable estimate of such delay, provided that in no
event shall any delay in Tenant’s opening for business as a result of any such cause or causes be
in excess of thirty (30) days. The provisions of this Section shall not affect or apply to any
obligation for the payment of money. No problem arising out of or relating to Tenant’s
computer software, hardware, external interfaces or external computing infra-structure shall be
considered an event of Force Majeure or in any other way excuse Tenant from full performance
under its Lease with Landlord.

Section 22.13 No Default. It shall be a condition precedent to Tenant’s right to exercise any
remedy or right set forth herein that Tenant shall not be in default hereunder and that no
condition exist which with the passage of time or giving of notice would constitute a default hereunder.

Section 22.14 Broker. No broker has been involved in this transaction and if any claims for brokerage commissions or fees are ever made in connection with this transaction, each party shall indemnify and hold harmless the other from and against any and all such claims or demands with respect to any brokerage fees or agent’s commissions or other compensation asserted by any person, firm or corporation in connection with this Lease.

Section 22.15 Construction. The parties have participated jointly in the negotiation and drafting of this Lease. In the event that an ambiguity or question of intent or interpretation arises, this Lease shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Lease.

ARTICLE XXIII

Diversion of Sales

Section 23.1 Diversion of Sales. Intentionally deleted.

ARTICLE XXIV

Tenant’s Bankruptcy

Section 24.1 Adequate Protection. Landlord and Tenant agree that if Tenant ever becomes the subject of a voluntary or involuntary bankruptcy, reorganization, composition, or other similar type proceeding under the Federal Bankruptcy Laws, as now enacted or hereafter amended, then “adequate protection” of Landlord’s interest in the Demised Premises pursuant to the provisions of Sections 361 and 363 (or their successor sections) of the Bankruptcy Code, 11 U.S.C. Paragraph 101 et seq. (such Bankruptcy Code as amended from time to time being herein referred to as the “Bankruptcy Code”) prior to assumption and/or assignment of the Lease by Tenant shall include, but not be limited to all (or any part) of the following:

(a) The continued payment by Tenant of all Minimum Rent and all other sums due and owing under this Lease the performance of all other covenants and obligations under this Lease by Tenant;

(b) The hiring of security guards to protect the Demised Premises if Tenant abandons and/or ceases operations such obligation of Tenant only to be effective so long as Tenant remains in possession and control of the Demised Premises to the exclusion of Landlord;

1121 Greengarden Road, Erie, PA

Cannabis Square, LLC
(c) The furnishing of an additional security deposit by Tenant in the amount of three (3) times the then-current monthly Minimum Rent payable hereunder.

Section 24.2 Adequate Assurance of Future Performances. Landlord and Tenant agree that if Tenant ever becomes the subject of a voluntary or involuntary bankruptcy, reorganization, composition or other similar type proceeding under the Federal Bankruptcy Laws, as now enacted or hereafter amended, then “adequate assurance of future performance” by Tenant and/or any assignee of Tenant pursuant to Bankruptcy Code Section 365 (or its successor section) will include (but not be limited to) payment of an additional, new security deposit in the amount of three (3) times the then-current monthly Minimum Rent payable hereunder.

Section 24.3 Assignment in Bankruptcy. Any person or entity to which this Lease is assigned pursuant to the provisions of the Bankruptcy Code, shall be deemed without further act or deed to have assumed all of the obligations of Tenant arising under this Lease on and after the effective date of such assignment. Any such assignee shall, upon demand by Landlord, execute and deliver to Landlord an instrument confirming such assumption of liability.

Section 24.4 Certain Defined Terms. This is a lease of real property in a “Complex” within the meaning of Section 365(b)(3) of the Bankruptcy Code.

Notwithstanding anything in this Lease to the contrary, all amounts payable by Tenant to or on behalf of Landlord under this Lease, whether or not expressly denominated as “rent”, shall constitute “rent” for the purposes of Section 502(b)(7) of the Bankruptcy Code.

Section 24.5 Assignment. If this Lease is assigned to any person or entity pursuant to the provisions of the Bankruptcy Code, any and all monies or other considerations payable or otherwise to be delivered in connection with such assignment shall be paid or delivered to Landlord, shall be and remain the exclusive property of Landlord and shall not constitute property of Tenant or of the Estate of Tenant within the meaning of the Bankruptcy Code. Any and all monies or other considerations constituting Landlord’s property under the preceding sentence not paid or delivered to Landlord shall be held in trust by Tenant for the benefit of Landlord and shall be promptly paid to or turned over to Landlord.

Section 24.6 Assumption. If Tenant assumes this Lease and proposes to assign the same pursuant to the provisions of the Bankruptcy Code to any person or entity who shall have made a bona fide offer to accept an assignment of this Lease on terms acceptable to Tenant, then notice of such proposed offer/assignment, setting forth (i) the name and address of such person or entity, (ii) all of the terms and conditions of such offer, and (iii) the adequate assurance to be provided Landlord to assure such person’s or entity’s future performance under this Lease, including, without limitation, the assurance referred to in Section 365(b)(3) of the Bankruptcy Code, shall be given to Landlord by Tenant no later than twenty (20) days after receipt by Tenant, but in any event no later than ten (10) days prior to the date that Tenant shall make application to a court of competent jurisdiction for authority and approval to enter into such assumption and assignment, and Landlord shall thereupon have the prior right and option, to be
exercised by notice to Tenant given at any time prior to the effective date of such proposed assignment, to accept an assignment of this Lease upon the same terms and conditions and for the same consideration, if any, as the bona fide offer made by such persons or entity, less any brokerage commissions which may be payable out of the consideration to be paid by such person for the assignment of this Lease.

ARTICLE XXV

Entire Agreement

Section 25.1 Entire Agreement. This instrument constitutes the entire agreement between Landlord and Tenant; no prior written or prior or contemporaneous oral promises or representations shall be binding. The submission of this Lease for examination by Tenant and/or execution thereof by Tenant does not constitute a reservation of or option for the Demised Premises and this Lease shall become effective only upon execution by all parties hereto and delivery of a fully executed counterpart hereof by Landlord to Tenant. This Lease shall not be amended, changed or extended except by written instrument signed by both parties hereto.

[Remainder of page intentionally left blank]
IN WITNESS WHEREOF, the parties have executed this Lease on the date reflected on the first page hereof.

LANDLORD:

Witness:  

SIGNATURE OF WITNESS

V.P.

TITLE OF WITNESS

DARYL E. TERECCA

PRINT NAME OF WITNESS

MARCH 17, 2017

DATE

Rubino Realty, LLC

By:  

SIGNATURE OF OFFICER

Its:  

PRESIDENT

GREGORY J. RUBINO

PRINT NAME OF OFFICER

MARCH 17, 2017

DATE

TENANT:

Witness:  

SIGNATURE OF WITNESS

AEST. V.P.

TITLE OF WITNESS

DARYL E. TERECCA

PRINT NAME OF WITNESS

MARCH 17, 2017

DATE

Cannabis Square, LLC

By:  

SIGNATURE OF OFFICER

Its:  

PRESIDENT

GREGORY J. RUBINO

PRINT NAME OF OFFICER

MARCH 17, 2017

DATE
AGREEMENT FOR THE SALE AND PURCHASE OF REAL ESTATE

THIS AGREEMENT is made this 1st day of MARCH, 2017,

between

SMH Properties, LLC, a Pennsylvania Limited Liability Company
(hereinafter referred to as "Seller")

having an address of 76 Mead Ave., Meadville, PA 16335

AND

Passport West Eighth, LLC, a Pennsylvania Limited Liability Company
(hereinafter referred to as "Purchaser")

having an office at 240 West 11th Street, Suite B-050 Erie, PA 16501:
1. SALE:

Seller agrees to sell to Purchaser and Purchaser agrees to purchase from Seller, subject to the covenants, conditions, and agreements contained herein, those certain lots, tracts, or parcels of land containing approximately two acres, more or less, together with any buildings and improvements thereon and the privileges and appurtenances thereto appertaining (which land, buildings and improvements are hereinafter referred to as the "Premises"). The Premises are located in the City of Meadville, and are more particularly shown highlighted on Exhibit "A" attached hereto. The Premises bear Crawford County Index Number(s) 3600-024-A-1, and are commonly known as 76 Mead Avenue, Meadville, PA 16335. The actual area and legal description of the Premises shall, at Purchaser's option, be determined by a boundary line and topographic survey, to be performed within ninety (90) days of the date of mutual execution hereof, by, and at the expense of, Purchaser.

2. PURCHASE PRICE:

The purchase price (hereinafter referred to as the "Purchase Price") which Purchaser agrees to pay to Seller and which Seller agrees to accept for the Premises is the sum of FIVE HUNDRED FIFTY THOUSAND and 00/100 DOLLARS ($550,000.00), payable as follows:

A. An initial payment (hereinafter referred to as the "Deposit") of THIRTY THOUSAND and 00/100 DOLLARS ($30,000.00), within THREE (3) days of execution and delivery of this Agreement; TWENTY-FIVE THOUSAND and 00/100 DOLLARS of the Deposit shall be held in escrow in a non-interest-bearing escrow account by Allegheny Realty Settlement, LLC (hereinafter referred to as "Escrowee") until Closing (as hereinafter defined) or the earlier termination of this Agreement and FIVE THOUSAND and 00/100 DOLLARS of the Deposit shall be non-refundable and paid to Seller upon receipt by Escrowee; and,

B. The balance of FIVE HUNDRED TWENTY THOUSAND AND 00/100 DOLLARS ($520,000.00) by certified funds at Closing.

In the event that Escrowee is joined in any suit or action at law by Seller or Purchaser with regard to return to Purchaser, or forfeiture to Seller, of the Deposit, then Seller and Purchaser hereby jointly and severally agree to indemnify Escrowee from and against any and all claims, damages, costs of suit, costs of defense and attorney's fees arising from any such suit or action at law. Escrowee shall be entitled to pay over the Deposit to any county court of competent jurisdiction in Escrowee's county and to interplead the parties in the event that a dispute over ownership of the Deposit arises and is not satisfactorily resolved between Purchaser and Seller within thirty (30) days of the receipt by Purchaser and Seller of written notice from Escrowee of any such dispute.
3. CLOSING:

A. The purchase and sale of the Premises shall be closed (hereinafter referred to as the "Closing") and a special warranty deed for the Premises (together with any necessary affidavits and, where applicable, any necessary corporate resolution) shall be delivered by Seller and received at the office of Purchaser's attorney thirty (30) days after satisfaction, removal or waiver by Purchaser of the contingencies listed in Section B. below, but no later than October 31, 2017 (hereinafter referred to as the "Closing Date" or "Date of Closing").

B. This Agreement and Purchaser's obligation to close on the purchase of the Premises shall be conditioned upon all of the following:

(1) Purchaser's receipt of all development approvals and environmental agencies' approvals required to re-develop the Premises as a medical marijuana dispensary, as further set forth and described in Article 5 hereof;

(2) Purchaser's receipt of a satisfactory (in Purchaser's reasonable opinion) environmental audit and assessment of the Premises, as further set forth and described in Article 25 hereof;

(3) Purchaser's receipt and acceptance, in its reasonable discretion, of any additional documents necessary to be executed by Seller in completion of the transaction which is the subject of this Agreement, such as, but not limited to, lease assignments, lease estoppel certificates, and the like.

(4) Purchaser's receipt, within 5 days from mutual execution hereof, copies of all leases, addendums, amendments, exhibits and related documents (leases) affecting the Premises. Purchaser shall have 30 days from receipt of said leases to review and approve the terms of said leases. In the event the terms of the leases are not acceptable to Purchaser, in its sole opinion, Purchaser shall be entitled, but not obligated, to cancel this Agreement, by giving written notice to Seller. If Purchaser cancels this Agreement as provided herein, Purchaser shall receive a full and prompt refund of its Deposit.

In the event that Purchaser is unable to satisfy the conditions set forth hereinabove within the times allowed to do so, then Purchaser shall be entitled, but not obligated, to cancel and terminate this Agreement by serving written notice on Seller before the expiration of said allowed time(s), in which event the Deposit shall be promptly returned to Purchaser, along with interest thereon.

The parties agree that Purchaser, at any time during the term hereof, may accelerate the date set for Closing upon 30 days' notice in writing to Seller specifying the date, time, and place of Closing.
4. DEED:

Seller, at Closing, shall execute and deliver to Purchaser a special warranty deed conveying good and marketable fee title to the Premises free from any and all liens or encumbrances, which title shall be insurable at standard rates by any reputable title insurance company selected by Purchaser.

5. DEVELOPMENT APPROVALS:

A. Purchaser's obligation to close on the purchase of the Premises, is subject to and conditioned upon Purchaser obtaining final approvals (as defined hereinafter and referred to hereinafter as "Final Approvals") for its development within one hundred eighty (180) days from the date of mutual execution hereof. The term "Final Approvals" as used in this Agreement shall mean and include final approvals from any and all authorities, state or local governmental units having jurisdiction over Purchaser's use and/or development of the Premises, including but not limited to: local tax authorities; local health authorities; state authorities or governmental units; the Pennsylvania Department of Health; zoning boards; environmental authorities; local conservation, historical, or beautification authorities; or, any other entities having any legal or quasi-legal jurisdiction thereover. Any such required approvals shall be deemed to be Final Approvals when same have been either: (i) affirmed upon administrative and judicial review by final order or judgment for which no appeal is or can be taken in accordance with the applicable laws and court rules of the Commonwealth of Pennsylvania or the United States; or, (ii) in effect beyond the period of limitations for public, administrative and judicial review thereof in accordance with the applicable laws and court rules of the Commonwealth of Pennsylvania or the United States, during which period no action or other proceeding is instituted for review thereof. Purchaser may, however, waive all or any aspect of this Article 5.

B. In the event that Purchaser is unable, despite its obligation to use due diligence in doing so, to obtain Final Approvals within the time allowed to do so, then Purchaser shall be entitled, but not obligated, to cancel this Agreement, whereupon Purchaser shall receive a full and prompt refund of the Deposit, less the FIVE THOUSAND and 00/100 DOLLARS ($5,000.00) non-refundable portion to be paid to Seller.

C. For purposes of clarification, the term "Final Approvals" shall also be deemed to mean Final Approvals in the sense that they are obtainable at normal and customary costs.

6. ENTRY ON PROPERTY:

Purchaser, its agents, employees, servants, or nominees, and any governmental representatives designated by the Purchaser, including but not limited to representatives of the Pennsylvania Department of Health, shall be granted the right to enter on all or any portion of the Premises for the purpose of undertaking or performing any engineering, geological, ecological,
environmental, soil, surveying, inspection or other work as may be reasonably necessary or appropriate for the preparation of any plans, surveys, reports, applications, and maps for the subdivision or development thereof. Purchaser's entry onto the Premises shall be made: (i) pursuant to at least 48 hours prior notice to Seller; (ii) in such a manner and at such times as to minimize any disturbance to, or disruption of, Seller's business (if any); and, (iii) with the express agreement that Purchaser shall indemnify and hold harmless Seller from and against any and all claims or damages whatsoever given rise to as a result of said entry by Purchaser.

7. COSTS OF DEVELOPMENT APPLICATION:

A. All costs, expenses, liabilities, or charges incurred in or related to: (i) the performance of any legal, engineering, geological, ecological, environmental, soil, surveying, or other work on the Premises by Purchaser; (ii) the preparation by Purchaser of any surveys, plans, reports, or maps for the development of the Premises; and, (iii) the costs of filing, recording, or gaining approval by any governmental agencies of any such surveys, reports, plans, or maps; shall be paid by Purchaser. Purchaser hereby agrees to indemnify and hold Seller and the property of Seller free and harmless from any such costs, expenses, liabilities, or charges.

B. The parties agree that any and all such plans, maps, reports, surveys, data and other work prepared for or incidental to the development of the Premises shall be the property of Purchaser solely for its exclusive benefit and use.

C. Purchaser further agrees that should this Agreement or any part thereof be terminated or cancelled for any reason not the fault of Seller at any time before Closing, Purchaser shall, at the written request of Seller, immediately repair any damage done to said Premises arising from any engineering, geological, ecological, environmental, soil, surveying, or other work performed thereon by Purchaser, its agents, employees, servants, or nominees and to restore, as much as practicably possible, the Premises to the same condition it was in on the date of mutual execution of this Agreement.

8. EXECUTION OF DEVELOPMENT PLANS:

Seller agrees to sign, execute, and deliver to Purchaser, upon request of Purchaser, any and all documents that may be reasonably necessary or appropriate in the judgment of Purchaser to gain approval by any municipal, county, and state authorities, bureaus, and agencies of the plans or maps for the development of all or any portion of the Premises, provided same would not adversely affect the continued use of the Premises as at present. Seller also agrees to use its best efforts in furtherance of, and in connection with, any and all such approvals applied for by Purchaser with respect to Purchaser's development or planned use of the Premises.

9. REPRESENTATIONS OF SELLER and PURCHASER:

A. Seller covenants and represents the following to Purchaser (which covenants and representations shall survive Closing):
1) Other than this Agreement, there are no contracts for sale or options to purchase or any other agreements existing and in force with respect to or in any manner affecting all or any portion of the Premises or any interest therein, including any employment agreements, service or maintenance contracts, or written leases, except for the following existing leases: (1) Quentin Hargenrater operating as Studio 531 gym; (2) Channellock, Inc.; (3) Jordan Specialty Excavating, LLC; (4) Crawford Area Transportation Authority (parking only); and (5) Lincoln Metal Processing Co., Inc. d/b/a Meadville Metal Company (parking only);

2) Seller has no knowledge that any governmental or quasi-governmental authorities would not allow the Premises to be developed; Seller's possession of the Premises has been peaceable and undisturbed; Seller's title to the Premises has never been disputed or questioned; and, Seller knows of no facts by reason of which said possession or title might be disturbed or questioned, or by reason of which any claim to the Premises, or any part thereof, might arise or be set up adverse to Seller or Purchaser;

3) Seller is the record owner of the Premises and has the legal rights, power, and authority to enter into this Agreement and perform all of its obligations hereunder;

4) To the best of Seller's knowledge, there is no condemnation threatened or pending against the Premises, or any part thereof;

5) There are no parties other than Seller, and his five tenants: (1) Quentin Hargenrater operating as Studio 531 gym; (2) Channellock, Inc.; (3) Jordan Specialty Excavating, LLC; (4) Crawford Area Transportation Authority; and (5) Lincoln Metal Processing Co., Inc. d/b/a Meadville Metal Company;

6) To the best of Seller's knowledge, there is no Hazardous Waste (as hereinafter defined) disposed of on, in, under, upon or about the Premises; and,

7) Seller has not and will not disclose or discuss this Agreement, nor its contents and parties, nor any aspect of the negotiations had between the parties hereto prior to or after the mutual execution hereof, to any third party (except for Seller's officers, principals, attorney and accountant) without the specific written permission of Purchaser.

B. Purchaser covenants and represents the following to Seller (which covenants and representations shall survive Closing):

1) Purchaser is legally able to enter into this Agreement and to otherwise perform all of Purchaser's obligations hereunder;
2) Purchaser shall use reasonable due diligence in completing its obligations hereunder with regard to satisfying any conditions to Closing hereunder to be satisfied on the part of Purchaser.

10. CONDITION OF PREMISES AT CLOSING:

Seller shall deliver the Premises, as of the date of Closing, to Purchaser free and clear of all personal property, fixtures or equipment, and in substantially the same condition as the Premises is in as of the date hereof, subject to existing leases as of the date hereof, copies of which Seller shall provide to Purchase within 15 days of the date of this agreement Pending Closing, Seller shall maintain the Premises in good condition and repair and shall not allow same to become subject to any liens or encumbrances after the date hereof.

11. NOTICES:

Any notice or other communication given by either party hereto to the other relating to this Agreement shall be sent by certified or registered mail, return receipt requested; or by recognized national overnight courier (such as Federal Express); or by email with electronic proof of delivery, with a contemporaneous copy of such email by telefax; or by personal delivery, addressed to such other party at the respective addresses set forth above.

12. ASSESSMENTS:

If, at Closing, the Premises or any part thereof shall be or shall have been affected by an assessment or assessments which are or may become payable in annual installments of which the first installment is then due or has been paid, then, for the purposes of this Agreement, all the unpaid installments of any such assessment, including those which are to become due and payable after Closing, shall be deemed to be due and payable and to be liens upon the Premises, and shall be prorated between Seller and Buyer based on the applicable fiscal period, paid and discharged at Closing.

13. ENCROACHMENTS, ETC.:

To the best of Seller's knowledge: (i) the buildings, driveways, and all other improvements (if any) upon the Premises are all within the boundary lines of the Premises as described in the deed therefor, and there are no encroachments thereon other than for utilities; and, (ii) the buildings and all other improvements (if any) comply with municipal ordinances and regulations. Seller's representations in this paragraph shall survive Closing.

14. RISK OF LOSS:

The risk of loss or damage to the Premises, including, but not limited to, the buildings and other improvements, by fire, the elements, or otherwise until Closing is assumed by Seller. In the event that the Premises or any of its improvements, are damaged prior to Closing, Purchaser
shall have the option of taking title to the Premises as damaged along with the proceeds of any insurance coverage carried on the Premise by Seller, or of requiring Seller to repair any such damage prior to Closing.

15. BROKER:

Neither Seller nor Buyer are represented by a real estate broker in this transaction.

16. ASSIGNMENT:

Purchaser shall be entitled, without Seller's consent, to assign this Agreement to any joint venture, limited liability company, corporation, partnership or trust affiliated with Purchaser or its principals.

17. BINDING EFFECT:

This Agreement shall be binding upon Seller and Purchaser and shall inure to the benefit of the heirs, successors, and assigns of the respective parties hereto.

18. CONDEMNATION:

In the event any condemnation proceedings are instituted by any governmental authorities with respect to all or any portion of the Premises, Purchaser shall have the option to either: (i) terminate this Agreement, in which case, Purchaser shall receive a full and prompt refund of the Deposit, along with interest thereon; or, (ii) proceed to Close on the purchase of the Premises, in which case Purchaser shall be entitled to all of the condemnation proceeds relative to any such condemnation.

19. CLOSING COSTS:

Seller and Purchaser agree that this Agreement is and shall be subject to the following terms and conditions:

A. Transfer taxes shall be apportioned as set forth below.

B. Assessments, real estate taxes, utility charges (if any), and sewer and water rents (if any) shall be pro-rated between the parties on a fiscal year basis.

C. Rent and other charges paid by tenants of the Premises shall be pro-rated to the date of Closing. All security deposits shall be transferred to Purchaser at Closing.

D. Purchaser hereby acknowledges that, in commercial real estate transactions, some closing costs are difficult to ascertain, and Purchaser should therefore retain an accountant and/or attorney to accurately determine same. Purchaser further acknowledges that it shall be responsible for certain costs, including, but not limited to,
the following:

- 1% of the Purchase Price for transfer taxes;
- Appraisal and credit application fees relating to Purchaser's mortgage, if applied for;
- Loan origination fees ("points"), if any;
- Title insurance, title report, if ordered by Purchaser;
- Survey fees, if any;
- Environmental studies, if any;
- Real estate tax pro-ration for the current year and/or escrows for the next year; and
- Attorney's fees for representation at Closing and document review/preparation.

E. Seller hereby acknowledges that, in commercial real estate transactions, some closing costs are difficult to ascertain, and Seller should therefore retain an accountant and/or attorney to accurately determine same. Seller further acknowledges that it shall be responsible for certain costs, including, but not limited to, the following:

- 1% of the Purchase Price for transfer taxes;
- Pro-rata for unpaid real estate taxes, utilities and assessments; and,
- Attorney's fees for representation at Closing and document review/preparation.

20. DEFAULT:

A. If Purchaser defaults hereunder, Seller may retain the Deposit as full liquidated damages and, in such case, Seller shall have no other recourse thereafter; or Seller may elect to pursue any remedy available at law or in equity, including specific performance of this Agreement.

B. If Seller defaults hereunder, Purchaser shall be entitled to any remedy available at law or in equity.

21. MORTGAGE CONTINGENCY:

THERE IS NO MORTGAGE CONTINGENCY IN THIS AGREEMENT; THIS IS A CASH TRANSACTION.

22. ZONING:

The Premises are currently zoned EDC.

23. HIGHWAY ACCESS/DRIVEWAYS:

Curb cuts and driveway entrances onto public streets adjacent to the Premises may require a Highway Occupancy Permit from the Pennsylvania Department of Transportation and/or the
City Meadville.

24. **DEPOSIT AND RECOVERY FUND:**

Escrowee may hold any deposit check uncashed pending acceptance or rejection of this Agreement by both Seller and Purchaser. Thereafter, any deposit shall be held in an attorney IOLTA escrow account until Closing or the earlier termination or expiration hereof.

25. **HAZARDOUS MATERIALS:**

A. As used herein, "Hazardous Material" means any material or substance: (i) defined as a "hazardous substance" pursuant to the Comprehensive Environmental Response Compensation and Liability Act (42 U.S.C. Section 9601 et seq.) and amendments thereto and regulations promulgated thereunder; (ii) defined as a "hazardous waste" pursuant to the Resource Conservation and Recovery Act (42 U.S.C. Section 6901 et seq.) and amendments thereto and regulations promulgated thereunder; (iii) containing gasoline, oil, diesel fuel or other petroleum products; (iv) containing polychlorinated biphenyls (PCBs); (v) containing asbestos; (vi) which is radioactive; (vii) the presence of which requires investigation or remediation by any federal, state, or local authority; (viii) which is or becomes defined as hazardous by any federal, state, or local authority; (ix) which is toxic, explosive, corrosive or otherwise hazardous and is or becomes regulated by any federal, state, or local authority; (x) which causes a nuisance; or (xi) which causes environmental waste upon or to the Premises.

B. Within 90 days of the date of mutual execution hereof, Purchaser, at its own cost and expense, may commission a licensed environmental specialist to conduct an environmental audit and assessment (hereinafter referred to as the "Audit") of the Premises to determine the presence or non-presence of Hazardous Materials thereon. If the Audit shows the presence of any such Hazardous Materials upon, in, on, under or about the Premises, then, in such a case, Purchaser shall be entitled, but not obligated, to cancel this Agreement by giving written notice to Seller. In such a case, Purchaser shall receive a full and prompt refund of the Deposit, along with interest thereon.

C. If the Audit indicates the presence of Hazardous Materials upon, in, on, under or about the Premises, then, in such a case, Purchaser shall forward a copy of the report of the Audit to Seller, who shall promptly undertake all reporting and other procedures required by law, at Seller's own expense, holding Purchaser harmless from and against same.

26. **GOVERNING LAW and MISCELLANEOUS CONDITIONS:**

A. This Agreement shall be governed under and construed under the laws of the Commonwealth of Pennsylvania.

B. Time shall be of the essence with regard to the performance of the respective rights and obligations of Seller and Purchaser hereunder.
C. Failure of either party hereto to enforce any particular provision of this Agreement shall not create a waiver of that party's right(s) to enforce any other provision hereof.

D. If any section, term or provision of this Agreement is legally unable to be satisfied or performed, then each and every other section, term or provision hereof shall remain in full force and effect.

E. This Agreement shall not be considered to have been drafted by either of the parties hereto, but, rather shall be considered to have been negotiated and drafted by both of the parties hereto equally, fairly, fully and at arm's length.

F. Formal tender of Deed and Purchase Price is hereby waived.

G. All negotiations had between the parties hereto prior to the mutual execution hereof are merged into this Agreement. Notwithstanding that either or both parties may expend substantial efforts and sums in anticipation of entering into this Agreement, the parties acknowledge that in no event will this Agreement, until and unless it is mutually fully executed and delivered, be construed as an enforceable contract to sell or purchase or lease the Premises, and each party hereby accepts the risk that no such contract will be created. Until and unless this Agreement is mutually fully executed and delivered, either party hereto reserves the right to terminate negotiations with the other. Unless and until this Agreement is mutually fully executed and delivered, neither party hereto shall be bound to further negotiate in good faith or otherwise.

H. The use of one gender hereunder shall include the other. The use of the singular shall include the plural, and the use of the plural shall include the singular.

I. N/A.

J. In the event that this Agreement has not been fully executed by both Seller and Purchaser on or before 5:00 PM EST on March 10, 2017 and a copy of the fully-executed Agreement delivered to both parties before such time, then this Agreement shall automatically be deemed to be null and void and of no force or effect whatsoever. In such an event, the Deposit shall be promptly returned to Purchaser.

For the purposes of measuring the time frames associated with the rights and obligations of the parties hereto, references to the date of "full execution" or "mutual execution" shall be deemed to mean the last date upon which all parties hereto have properly and duly executed this Agreement and received such executed Agreement.

K. Seller shall not enter into any new lease(s), additional lease(s) or lease extension(s) for the Premises or any part thereof during the term of this Agreement without the specific prior written consent of Purchaser.
L. In the event that either party hereto institutes legal proceedings with respect to any failure on the part of the other party to perform hereunder, then the party that prevails in such proceedings shall have its actual and reasonable legal fees paid by the non-prevailing party. In the event that the proceedings result in any split award or partial award, then the predominantly prevailing party's legal fees shall be reimbursed by the non-prevailing party on a proportionate and equitable basis. For the purpose of this Section 27. M. only, the parties hereto agree to submit any dispute under this paragraph to binding arbitration under the rules then applying of the American Arbitration Association.

M. This Agreement may be executed in several counter-parts and each such counter-part executed by one party hereto, when combined with a counter-part executed by the other party hereto, shall be considered one mutually-executed integral document.

27. NOTICE BEFORE SIGNING:

When signed by both parties hereto, this is a legal contract. Purchaser and Seller hereby acknowledge that each have been represented by separate legal counsel with respect to negotiation and drafting of this Agreement. Return by email with PDF scanned signatures and/or facsimile transmission (fax) of this Agreement, bearing the signatures of the parties hereto, constitutes acceptance of this Agreement by said parties.

[ SIGNATURES ON NEXT PAGE ]
IN WITNESS WHEREOF, and intending to be legally bound under the Pennsylvania Uniform
Written Obligations Act, the parties hereto have executed this Agreement on the day and year
below written.

WITNESS

[Signatures and Print Names]

DATE OF SIGNATURE

SELLER:

[Signatures and Print Names]

DATE OF SIGNATURE

PURCHASER:

[Signatures and Print Names]

DATE OF SIGNATURE
ASSIGNMENT OF AGREEMENT FOR THE SALE OF
COMMERCIAL REAL ESTATE

THIS ASSIGNMENT OF AGREEMENT FOR THE SALE OF COMMERCIAL REAL ESTATE (this “Assignment”) is made and entered into as of the 16th day of March, 2017, by and between Passport West Eighth, LLC, having a mailing address at 240 West 11th Street, Suite B-050, Erie, PA 16501 (“Assignor”), and Cannabis Square Holdings, LLC, having a mailing address at 240 West 11th Street, Suite B-050, Erie, PA 16501 (“Assignee”).

WITNESSETH:

WHEREAS, Assignor, as Buyer, and Ronald J. Lloyd, as Seller, entered into that certain AGREEMENT FOR THE SALE AND PURCHASE OF REAL ESTATE effectively dated March 9, 2017, (hereinafter referred to as the “Sale Agreement”), with respect to the sale of a certain tract or parcel of land lying and being situate in Crawford County, Pennsylvania, more particularly described in the Sale Agreement (“Property”); and

WHEREAS, Assignor has agreed to transfer, set over, assign and convey to Assignee all of Assignor’s rights, privileges, duties and obligations in, to and under the Sale Agreement, and Assignee has agreed to assume and perform certain of Assignor’s liabilities and obligations arising under the Sale Agreement on and after the date hereof, all in accordance with this Assignment.

NOW, THEREFORE, for and in consideration of the sum of TEN AND NO/100 DOLLARS ($10.00) and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the parties agree as follows:

1. Assignment. Assignor hereby transfers, sets over, assigns and conveys unto Assignee all of Assignor’s rights, privileges, duties and obligations in, to and under the above referenced Sale Agreement together with all of Assignor’s rights, title and interest in and to the Property described in said Sale Agreement, including, without limitation, all earnest money deposits paid pursuant thereto, and all rights, power and privileges conferred by the Sale Agreement upon Assignor, as Buyer therein, and Assignor hereby authorizes Assignee to exercise said rights, powers and privileges in as full a manner as Assignor is authorized to exercise the same.

2. Representations and Warranties. Assignor hereby represents and warrants to Assignee (a) that it has full power and authority to assign the Sale Agreement to Assignee, (b) that the Sale Agreement is in full force and effect and has not been modified or amended in any manner whatsoever, and (c) all right, title and interest of Assignor in and to the Sale Agreement is free and clear of any and all claims, liens and encumbrances whatsoever and that it does warrant and will forever defend the same against the claim or claims of all persons whomsoever.

3. Further Assurances. Assignor covenants with Assignee and Assignee covenants with Assignor that each will execute or procure any additional documents necessary to establish the rights of the other hereunder.
4. **Counterparts.** This Assignment may be executed by the parties in counterparts, in which event the signature pages thereof shall be combined in order to constitute a single original document.

5. **Binding Effect.** This Assignment shall be binding upon and inure to the benefit of Assignor, Assignee and their respective successors and assigns.

   **IN WITNESS WHEREOF,** the parties have executed this Assignment as of the date set forth above.

**ASSIGNOR:**

Witness: 

[Signature]

**SIGNATURE OF WITNESS**

**VP - GENERAL COUNSEL**

**TITLE OF WITNESS**

**W. JOHN KNOX**

**PRINT NAME OF WITNESS**

**MARCH 17, 2016**

**DATE**

By: [Signature]

**SIGNATURE OF OFFICER**

Its: [Name]

**TITLE OF OFFICER**

**GREGORY J. RUBINO**

**PRINT NAME OF OFFICER**

Its: **MARCH 17, 2017**

**DATE**

**ASSIGNEE:**

Witness: 

[Signature]

**SIGNATURE OF WITNESS**

**VP - GENERAL COUNSEL**

**TITLE OF WITNESS**

**W. JOHN KNOX**

**PRINT NAME OF WITNESS**

**MARCH 17, 2017**

**DATE**

By: [Signature]

**SIGNATURE OF OFFICER**

Its: [Name]

**TITLE OF OFFICER**

**GREGORY J. RUBINO**

**PRINT NAME OF OFFICER**

Its: **MARCH 17, 2017**

**DATE**

**Passport West Eighth, LLC**

**Cannabis Square Holdings, LLC**
LEASE AGREEMENT

THIS LEASE AGREEMENT made and entered into on this 16th day of March, 2017, (the “Effective Date”) by and between:

LANDLORD: Cannabis Square Holdings, LLC
240 West 11th Street, Suite B-050
Erie, PA 16501

and

TENANT: Cannabis Square, LLC
240 West 11th Street, Suite B-050
Erie, PA 16501

WITNESSETH:

IN CONSIDERATION of the payment of rents and other charges provided for herein and the covenants and conditions hereinafter set forth, Landlord and Tenant hereby covenant and agree as follows:

ARTICLE I

Demised Premises

Section 1.1 Demised Premises. Landlord hereby leases to Tenant and Tenant hereby rents from Landlord the following described premises which constitutes a part of the commercial facilities (the “Complex”) located at 76 Mead Avenue, Meadville, Pennsylvania.

Demised Premises consisting of approximately 4,011 square feet (the “Demised Premises”) as outlined on the Site Plan attached hereto as Exhibit A. Tenant shall occupy the Demised Premises on such date as it first receives approval from the Pennsylvania Department of Health to operate a medical marijuana dispensary.

The Demised Premises are demised and let subject to the following: (a) the existing state of the title to the Demised Premises, the Complex and the real property upon which the same are situated; and (b) all zoning regulations, restrictions, rules and ordinances, building or use restrictions and other laws and regulations now in effect or hereafter adopted by any governmental authority having jurisdiction thereof. Landlord reserves the right to place in, under, over or through the Demised Premises pipes, wires, lines, and facilities serving other areas.
of the Complex and adjacent properties owned by Landlord, provided such right is exercised in a manner which does not unreasonably interfere with Tenant’s conduct of its business at the Demised Premises.

Section 1.2 Area of Demised Premises. Tenant hereby represents and warrants to Landlord that Tenant has made its own investigation and examination of all the relevant data relating to or affecting the Demised Premises and is relying solely on its own judgment in entering into this Lease.

Section 1.3 Renovation Work. Landlord shall deliver to Tenant the Demised Premises in substantially the condition as it is in as of the date hereof. All other improvements to the Demised Premises shall be provided by Tenant at its own cost and expense, in accordance with plans and specifications approved by Landlord, in a good and workmanlike manner and shall be in compliance with all applicable building codes, laws, ordinances and regulations, including those rules and regulations promulgated by the Pennsylvania Department of Health relating to medical marijuana dispensaries.

Section 1.4 Delivery. Landlord and Tenant shall use due diligence in attempting to have the Demised Premises ready for the conduct of business as soon as practicable, but in no event later than the 180 days after the Commencement Date (as hereinafter defined).

ARTICLE II

Term of Lease

Section 2.1 Term. The term of this Lease (the “Term”) shall commence on the date upon which Tenant receives approval from the Pennsylvania Department of Health to operate a medical marijuana dispensary at the Demised Premises (referred to herein as the “Commencement Date”), and shall expire on the last day of the sixtieth (60th) full calendar month after the Commencement Date (the “Main Term”). Should the Commencement Date fall on a day other than the first day of a month, the rent for the initial fractional month shall be prorated. At the request of Landlord, from time to time, the parties will execute memoranda or letters stating the exact Commencement Date and Expiration Date of the Lease. The term “Lease Year” as used herein shall mean the twelve month period beginning with the Commencement Date (or the first day of the next calendar month if the Commencement Date is other than the first day of the month) and ending one year later, and each subsequent twelve month period.

ARTICLE III

Rent

Section 3.1 Minimum Rent. Tenant shall, throughout the Term hereof (but subject to adjustment), pay to Landlord as “Minimum Rent” for the Demised Premises, in advance on the
first day of each month, without any offsets or deductions whatever, at the office of Landlord or such other place as Landlord may designate in writing, consecutive monthly installments as follows:

<table>
<thead>
<tr>
<th>TERM</th>
<th>ANNUAL RENT PER SQ. FT. OF DEMISED PREMISES</th>
<th>ANNUAL RENT</th>
<th>MONTHLY RENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main Term</td>
<td>$6.00</td>
<td>$24,066</td>
<td>$2,055.00</td>
</tr>
<tr>
<td>First Renewal Term</td>
<td>$6.00</td>
<td>$24,066</td>
<td>$2,055.00</td>
</tr>
<tr>
<td>Second Renewal Term</td>
<td>$6.00</td>
<td>$24,066</td>
<td>$2,055.00</td>
</tr>
</tbody>
</table>

Upon the Commencement Date, Tenant will pay to Landlord the Minimum Rent for the first full calendar month of the Term, or if the Commencement Date does not fall on the first day of the month, the pro rata share due for such month.

**Section 3.2 Percentage Rent.** *Intentionally deleted.*

**Section 3.3 Additional Rent.** In addition to the rent payable by Tenant pursuant to this Article III, Tenant shall also pay, as additional rent:

(a) Tenant’s proportionate share of (i) real estate taxes, as provided in Article IV; (ii) insurance as provided in Article V; and (iii) common area maintenance expenses, as provided in Article VI. Tenant’s “proportionate share” or “pro rata share”, as these terms are used herein, shall mean the fraction, the numerator of which shall be the square footage of the Demised Premises and the denominator of which shall be the square footage of all leased space within the Complex.

(b) Tenant’s proportionate share of any cost which is borne by Landlord for security and shuttle services, if any, utilities (water, gas, electricity, sewage disposal, etc.) or trash and waste removal or similar expenses which are not reimbursed to Landlord by Tenant as a common area maintenance expense.

**EXAMPLE:** Water service may be furnished to the Demised Premises via a master meter which also serves other users and which is billed solely to Landlord.

If Tenant’s consumption of any such utility service is not measured via a sub-meter, then from time to time, Landlord shall estimate and establish a monthly charge to Tenant therefor. It is provided however, that a representative of the respective utility service in question or a qualified consultant may be engaged by Tenant to estimate and confirm Tenant’s consumption and appropriate costs thereof.
ARTICLE IV

Real Estate Taxes

Section 4.1  Taxes. Tenant shall pay its pro rata share of all "real estate taxes", as herein defined. Real Estate Taxes shall include any tax which may be levied or assessed by any lawful authority against the land and improvements of the Complex of which the Demised Premises are a part, assessments, water and sewer rents, taxes on rents, drainage assessments, sewer charges, assessments for public improvements and other governmental impositions of any kind or nature, whether general or special, levied, assessed, charged or imposed by federal, state or local governments against or upon the land and improvements of the Complex of which the Demised Premises constitute a part as well as professional fees and expenses incurred by Landlord for ad valorem tax consultants or tax rendering services and all penalties, interest and other charges payable by reason of any delay in or failure or result of Tenant to make timely payments as required under this Lease.

ARTICLE V

Landlord’s Insurance

Section 5.1  Insurance. Landlord may procure and maintain insurance covering fire and such other risks as are from time to time included in standard extended coverage endorsements, insuring in an amount, after completion of construction, of not less than eighty percent (80%) of the full insurable value or such greater coverage as may be required by Landlord’s mortgage. If the insurance policies maintained by Landlord with respect to the Complex contain any nature of deductible feature, then Tenant, in the event of a loss to the Demised Premises, shall pay to Landlord Tenant’s proportionate share thereof based upon the amount of such deductible feature multiplied by a fraction, the numerator of which is the total number of square feet comprising the Demised Premises and the denominator of which is the aggregate number of square feet of the total floor area leased to all tenants in the Complex. Tenant’s pro rata share of such deductible amount shall be payable to Landlord within ten (10) days following receipt from Landlord of a statement therefor and payment thereof by Tenant shall be a condition precedent to Landlord’s obligations to repair or restore the Demised Premises.

ARTICLE VI

Common Areas

Section 6.1  Common Areas. Landlord hereby grants to Tenant, during the Term of this Lease, the nonexclusive right to use, in common with all others so entitled, the Common Areas of the Complex. As used herein, the term “Common Areas” shall mean and include all areas, facilities and improvements provided from time to time for the general, common or joint use on a
non-exclusive basis by Landlord and the tenants of the Complex, including, without limitation, all parking spaces and areas, pedestrian sidewalks, driveways, curbing, retaining walls, truckways, access roads, ramps, loading docks, delivery areas, storm and sanitary sewer systems, signs, music program service, if any, landscaped and vacant areas and lighting facilities, including all utilities serving the same, whether located within or outside of the Complex property, except as may be otherwise designated by Landlord for the exclusive use of any tenant.

Section 6.2 Landlord’s Obligations. Landlord shall maintain the Common Areas in good repair, reasonably clear of debris.

Section 6.3 Common Area Maintenance. In addition to the monthly rental payable by Tenant pursuant to Article III hereof, Tenant shall, throughout the Term hereof, be responsible for its proportionate share of all Common Area Maintenance Expenses (as defined herein) incurred in maintaining and operating the Common Areas.

ARTICLE VII

Adjustment(s) to Tenant’s Monthly Payment for Property Taxes, Insurance and Common Area Maintenance

Section 7.1 Adjustments. Any provisions in Articles IV (Real Estate Taxes), V (Landlord’s Insurance) and VI (Common Areas) of the Lease to the contrary notwithstanding, Tenant’s estimated monthly payments for Taxes, and Common Area Maintenance may, from time to time, be adjusted up or down based on Landlord’s then most current estimate of said charge(s) and upon thirty (30) days prior written notice from Landlord to Tenant. During the Term of this Lease if Landlord’s then most current estimate shows that the total of Tenant’s payments pursuant to paragraphs IV, V and VI above, is less than or greater than such actual cost(s) incurred by Landlord since Landlord’s previous estimate then the deficit or the excess, as the case may be, shall be credited or debited to the rental next coming due.

If the Term of this Lease shall begin or end other than on the first day or last day of the applicable premium year, these charges shall be billed and adjusted on the basis of such fractional year.

ARTICLE VIII

Use of the Demised Premises

Section 8.1 Permitted Use. Tenant shall operate its business in the Demised Premises during the Term of this Lease for the purpose of the storage and sale of medical marijuana products and associated goods, or for any other legal purpose.
ARTICLE IX

Tenant’s Installations and Alterations

Section 9.1 Installation. Tenant shall, at Tenant’s sole cost and expense, at all times during the Term of this Lease, keep the Demised Premises equipped with all trade fixtures, equipment, furnishings, furniture, fixtures, floor coverings, carpeting and exterior signs and all other equipment and personal property necessary for the operation of Tenant’s business in the Demised Premises.

ARTICLE X

Maintenance of the Demised Premises

Section 10.1 Landlord’s Maintenance Obligations. Landlord shall keep and maintain the roof over the Demised Premises and the structural portions of the Demised Premises in good repair, provided that Tenant shall give Landlord prior notice of the necessity for such repairs and further provided, that any damage thereto shall not have been caused by any act or negligence of Tenant, its employees, agents, invitees, subtenants, assignees or contractors in which event the cost of the repair of such damage shall be borne solely by Tenant.

Section 10.2 Tenant’s Maintenance Obligations. Tenant shall keep and maintain in good order, condition and repair (which repair shall mean replacement if necessary) the Demised Premises and every part thereof, except as hereinbefore provided as Landlord’s maintenance responsibility, including, without limitation, the exterior and interior portions of all doors, door checks, security gates, windows, glass, utility facilities, plumbing and sewage facilities within the Demised Premises or under the floor slab including free flow up to the main sewer line; all heating and air-conditioning equipment and apparatus including exterior mechanical equipment; exterior utility facilities and exterior electrical equipment serving the Demised Premises; and, all plate glass, interior walls, floors and ceilings, including interior painting; and shall at all times comply with applicable building codes. Tenant shall contract for, in its own name, and shall pay for (a) a qualified service contractor to inspect, adjust, clean and repair heating, ventilating and air conditioning equipment, including changing filters on a semi-annual basis, and (b) a qualified service contractor to render pest control services to the Demised Premises.

All such service contractors shall be subject to the prior written approval of Landlord. If Tenant refuses or neglects to commence or complete any of the obligations above set forth promptly and adequately after written notice from Landlord, or in the event of an emergency, after whatever notice is reasonable under the circumstances, if any, Landlord may, but shall not be required to do so, make or complete said maintenance or repairs and Tenant shall pay the cost thereof to Landlord upon demand. For the purposes of this Section, an “emergency” shall be deemed to exist if, in the good faith judgment of Landlord, prompt action is needed in order to prevent death, bodily injury or property damage. If Landlord makes any such repairs, performs any such maintenance, or provides any such renewal or replacement, or undertakes to do so (or engages
any third party contractors to do so), then Landlord shall not be liable to Tenant for (and Tenant shall indemnify and hold Landlord harmless with respect to) all loss or damage that may occur to Tenant’s merchandise, fixtures or other property or to Tenant’s business incident to such action by Landlord.

ARTICLE XI

Insurance and Indemnity

Section 11.1 Tenant’s Insurance. Tenant will take out and maintain, at its own cost and expense, commercial general liability insurance coverage in a minimum amount of $3,000,000.00 combined single limit, which commercial general liability policy shall include (i) coverage for bodily injury and death, property damage and products liability coverage; (ii) contractual liability coverage insuring the obligations of Tenant under the terms of this Lease; and (iii) fire legal liability coverage with respect to the Demised Premises and the building of which they are a part in the amount of at least $3,000,000.00. Such policy shall name Landlord (and any of its affiliates, subsidiaries, successors and assigns designated by Landlord) and Tenant as additional insureds. All such insurance required to be maintained by Tenant shall be with an insurance company satisfactory to Landlord, and Tenant shall provide Landlord with copies or certificates of all policies required herein, including an endorsement providing that such insurance shall not be canceled or not renewed except after fifteen (15) days’ notice in writing to Landlord. Should Tenant fail to furnish such policies as hereinabove provided, Landlord may obtain such insurance and the premiums for such insurance shall be deemed additional rent paid by Tenant to Landlord on demand. To the extent that Tenant fails to take out or to maintain the aforesaid insurance policy, such failure shall be a defense to any claim asserted by Tenant against Landlord by reason of any loss sustained by Tenant due to fire or other casualty, notwithstanding that such loss might have been caused by the negligence of Landlord. Tenant shall be responsible for the safety and personal well-being of Tenant’s employees, both within the Demised Premises and in the Common Area. Tenant agrees that Landlord shall not be responsible or liable to Tenant or those claiming under Tenant (including, without limitation, Tenant’s agents, servants, employees, customers and invitees) for injury, death or damage or loss occasioned by the acts or omissions of persons occupying any other part of the Complex or occasioned by the property of any other occupant of any part of the Complex or the acts or omissions of any other person or persons present at the Complex who are not occupants of any part thereof, whether or not such persons are present with the knowledge or consent of Landlord; and Tenant agrees to indemnify and hold Landlord.

Section 11.2 Indemnification Obligations. Tenant does hereby protect, indemnify and save harmless Landlord forever against and from: (i) any penalty, damage or charges imposed for any violation of any laws or ordinances occurring on or about the Demised Premises during the term hereof, or related to Tenant’s use thereof, whether occasioned by acts of Tenant or of others; (ii) any and all claims, loss, costs, damages or expenses arising during the term hereof out of or from any accident or other occurrence in, or about the Demised Premises causing injury to any person or property whomsoever or whatsoever; and (iii) any and all claims, loss, cost, damage or
expense, including attorneys’ fees, arising out of any failure of Tenant in any respect to comply with or perform all of the requirements and provisions of this Lease. Tenant assumes responsibility for the condition of the Demised Premises and agrees to give Landlord written notice in the event of any damage, defect or disrepair therein. Tenant (i) agrees to use and to occupy the Demised Premises and to place its fixtures, equipment, merchandise and other property therein at its own risk and (ii) hereby releases Landlord and its agents from all claims for any damage or injury to Tenant’s equipment, merchandise and other property placed by it in the Demised Premises to the full extent permitted by law. Tenant’s obligations pursuant to this Section 11.2 shall survive any termination of this Lease with respect to any acts, omissions and/or occurrences which took place prior to such termination.

**Section 11.3 Waiver of Subrogation.** Each party to this Lease shall require each of the insurers under policies of insurance which such party procures or maintains in relation to the Demised Premises or the contents thereof to waive in writing any and all rights of subrogation which such insurer might otherwise have against the other party to this Lease or its agents or employees. The parties hereto do hereby waive any and all right of recovery against each other for losses covered by such policies, providing the insurance companies issuing same shall waive subrogation rights. Notwithstanding the foregoing provisions of this Section, neither party shall be liable for any injuries, loss, liability, expense, claim or damage to the other’s property or interest in respect to which and to the extent that said property or interest is covered by insurance, whether such loss or damage be occasioned by the negligence of such party, its servants, agents, employees or otherwise, unless same shall invalidate any insurance policy affecting the Demised Premises or the Complex. Tenant or Landlord, as the case may be, shall give the other written notice that such a waiver of subrogation is not available from its insurers.

Notwithstanding any contrary provisions contained in this Section, this Section shall not apply to relieve Tenant of its obligation to repair, at Tenant’s cost and expense, as required by any other sections of this Lease.

**ARTICLE XII**

**Destruction and Restoration**

**Section 12.1 Landlord’s Option to Terminate.** In the event the Demised Premises or the building of which the Demised Premises constitute a part shall be damaged or destroyed by fire or other casualty to the extent that the cost of repairing or replacing the same will exceed twenty five percent (25%) of the then replacement value thereof, then Landlord may, at its option, within thirty (30) days after the issuance of the proof of loss by the insurance company insuring the building, terminate this Lease upon written notice to Tenant, in which event this Lease shall be deemed terminated.

**Section 12.2 Restoration.** In the event the Demised Premises or the building of which the Demised Premises constitute a part shall be partially damaged or destroyed by fire or other casualty to the extent that the cost of repairing or replacing the same will be equal to or less than
twenty five percent (25%) of the then replacement value thereof, or in the event Landlord does not elect to terminate this Lease as provided herein and provided the damage or destruction was not caused by the negligent acts or omissions of Tenant, then Landlord shall repair the damage with reasonable dispatch after notice of such casualty; provided, however, Landlord’s obligation to repair or restore shall be limited to restoring the structural portions of the Demised Premises and shall not include repairs or the restoration of any of Tenant’s fixtures, improvements or other alterations made by Tenant in or upon the Demised Premises; provided, further, however, in the event such damage or destruction occurs during the last year of the term hereof, Landlord shall have the option to terminate this Lease upon written notice to Tenant given at any time before ninety (90) days after the issuance of the proof of loss by the insurance company insuring the building. In the event such repair or restoration cannot be completed within one hundred eighty (180) days from the date of such casualty subject to delays caused by governmental restrictions, strikes, lockouts, shortages of labor or material, acts of God, war or civil commotion, fire, unavoidable casualty, inclement weather or any other cause beyond the control of Landlord and provided the repair or restoration is not caused by the acts or omissions of Tenant and provided Tenant is not in default of this Lease, Tenant may by written notice to Landlord, terminate this Lease and its obligations hereunder. Notwithstanding anything provided herein to the contrary, Landlord’s obligation to repair or rebuild shall be limited to the amount of the fire insurance proceeds received by Landlord (less any costs incurred by Landlord in collecting the same) in the event of any such casualty. In the event the fire insurance proceeds received by Landlord (less any costs incurred by Landlord in collecting the same) are insufficient to rebuild the Complex and the Demised Premises, to their condition as they existed immediately prior to such casualty, then Landlord shall have the option to terminate the Lease upon notice to Tenant within ninety (90) days after Landlord’s receipt of the entire net insurance proceeds payable with respect to such fire or casualty.

Section 12.3 Termination. In the event this Lease is terminated in the manner set forth above, the rentals, including additional rentals, shall be apportioned to the time of such casualty. In the event this Lease is not terminated and Landlord elects to restore or repair the Demised Premises, then the rental payable by Tenant as provided in Article III above shall be equitably abated based on the square footage in the Demised Premises which are usable, until such time as the damage to the Demised Premises has been repaired; provided, in no event shall there be any abatement of the payment of additional rent as provided in Article IV (with respect to real estate taxes), Article V (with respect to insurance), or Article VI (with respect to Common Area Maintenance Expenses).

Section 12.4 Damage to the Complex. Notwithstanding that the Demised Premises may not be destroyed or damaged by fire or other risk, in the event that other buildings containing twenty five percent (25%) or more of the ground floor building area of the Complex shall be damaged or destroyed by fire or other risk, whether or not covered by Landlord’s fire and extended coverage insurance, Landlord shall have the election to terminate this Lease or to continue this Lease in full force and effect, and Landlord will notify Tenant of Landlord’s election within sixty (60) days after receipt of written notice by Landlord of such other damage or destruction.
Section 12.5 Rights of Mortgagee. Notwithstanding the foregoing, any obligation of Landlord to restore or repair and any application of insurance proceeds in connection therewith shall be subject to the prior rights of the holder of any mortgage which is a lien against the Demised Premises or the Complex.

ARTICLE XIII

Eminent Domain

Section 13.1 Restoration. In the event that during the term of this Lease the Complex of which the Demised Premises constitute a part or the Demised Premises are taken by condemnation or right of eminent domain, or by private purchase in lieu thereof, this Lease and the Term hereby granted shall terminate and expire on the date when possession shall be taken by the condemner and the rent herein reserved shall be apportioned and paid in full to that date and all prepaid rent shall forthwith be repaid by Landlord to Tenant. In the event that less than all the Demised Premises or less than all the Complex shall be so taken or condemned, then Landlord shall have the option, to be exercised by written notice given to Tenant not later than ninety (90) days after the date of such taking, to terminate this Lease. If a portion of the Demised Premises is taken which materially impairs the ability of Tenant to carry on its business, then Tenant shall have the right to cancel this Lease with a thirty (30) day written notice to Landlord given within thirty (30) days following such taking. Tenant shall have the right to terminate this Lease upon written notice to Landlord, within thirty (30) days following such taking, if Tenant’s access to and from the Demised Premises shall be substantially diminished or should the parking area used by Tenant be materially diminished. The parties agree that a reduction of parking spaces by thirty percent (30%) or more shall be material but any reduction of less than thirty (30%) shall not be deemed material. In the event Landlord does not elect to cancel or terminate this Lease as provided above, then Landlord shall rebuild and restore the Demised Premises as nearly as possible to their condition immediately prior to any such taking and this Lease shall continue in full force and effect except that, during such restoration, the rent payable pursuant to Article III hereof shall be equitably apportioned in the proportion that the square footage of the part of the Demised Premises so taken bears to the total square footage of the Demised Premises immediately prior to such taking; provided, however, in no event shall there be any abatement of the payment of additional rent as provided in Article IV (with respect to real estate taxes), Article V (with respect to insurance), or Article VI (with respect to Common Area Maintenance expenses); provided, further, however, Landlord’s obligation to restore or rebuild shall be limited to an amount which does not exceed the proceeds obtained from such taking (less expenses incurred in collecting the same). In the event the net condemnation award received by Landlord is insufficient to restore or rebuild the structural portions of the Complex and the Demised Premises to their condition as they existed immediately prior to such taking, Landlord shall have the option, within ninety (90) days after Landlord’s receipt of the net condemnation award, to cancel and terminate this Lease upon written notice to Tenant.
Section 13.2 Awards. All compensation awarded or paid upon any total or partial taking of the Demised Premises shall belong to and be the property of Landlord. However, any separate award for Tenant’s leasehold improvements, trade fixtures, equipment and machinery installed on the Demised Premises by Tenant at Tenant’s expense (and any award specified for Tenant’s moving and relocation expenses) shall belong and be paid to Tenant provided all terms and conditions of this Lease have been complied with by Tenant. In the event of termination of the Lease under the terms hereof, Tenant shall have no claim against Landlord for the value of any unexpired term of the Lease and no right or claim to any part of the award on account thereof.

Section 13.3 Voluntary Conveyance. In the event that any authority having the power of eminent domain requests that Landlord convey to such authority all or any portion of the Complex or all or any portion of the Demised Premises, Landlord shall have the right to make a voluntary conveyance to such authority of all or any portion of the Complex or all or any portion of the Demised Premises whether or not proceedings have been filed by such authority; and in the event of any such voluntary conveyance, it shall nevertheless for all purposes hereunder be deemed that there has been a taking by such authority of the property voluntarily conveyed by Landlord. Accordingly, all of the provisions of this Article shall be applicable notwithstanding such voluntary conveyance.

ARTICLE XIV

Property in the Demised Premises

Section 14.1 Removal. All leasehold improvements (other than Tenant’s trade fixtures), such as light fixtures and heating and air conditioning equipment, shall, when installed, attach to the freehold and become and remain the property of Landlord. All store fixtures or trade fixtures, signs, and drapes, shall remain the property of Tenant, subject at all times to Landlord’s lien for rent and other sums which may become due to Landlord under this Lease. It is specifically understood and agreed that Tenant shall be allowed to remove all such trade fixtures upon the expiration or earlier termination of this Lease, provided that Tenant is not in default in any of the terms and provisions of this Lease.

ARTICLE XV

Utilities

Section 15.1 Services. Tenant shall contract for, in its own name, and shall pay before delinquency, all utility services rendered or furnished to the Demised Premises, including heat, water, gas, electricity, fire protection, sewer rental, sewage treatment facilities and trash, refuse and rubbish removal, and the like, together with all taxes levied or other charges on such utilities and shall indemnify Landlord and hold it harmless against any liability or charges on account thereof. If any such service is provided by Landlord, whether under common area maintenance or otherwise then, at Landlord’s request, Tenant shall contract with Landlord for such service.
Section 15.2 Interruption. No interruption or malfunction of any utility services (including, without limitation, interruption of such utilities as a result of the enactment or promulgation, regardless of the ultimate validity or enforceability thereof, of any federal, state or local law, statute, ordinance, decree, order, guideline or regulation now or hereafter enacted or promulgated by any governmental, quasi-governmental, regulatory or executive authority) shall constitute an eviction or disturbance of Tenant’s use and possession of the Demised Premises or a breach by Landlord of any of its obligations hereunder or render Landlord liable for any damages (including, without limitation, consequential or special damages) or entitle Tenant to be relieved from any of its obligations hereunder (including the obligation to pay rent) or grant Tenant any right of off-set or recoupmcnt. In the event of any such interruption of any such services, Landlord shall use reasonable diligence to restore such service in any circumstances in which such interruption is caused by Landlord’s fault.

ARTICLE XVI

Assignment and Subletting

Section 16.1 Prohibition. Tenant shall not assign this Lease or sublease the Demised Premises or any part thereof or mortgage, pledge or hypothecate its leasehold interest or grant any concession or license within the Demised Premises or sublease any operating department therein, and any attempt to do any of the foregoing shall be void and of no effect.

ARTICLE XVII

Default by Tenant

Section 17.1 Events of Default. In no event shall Landlord, in the event of Tenant’s default hereunder, have the right to possess or sell any of Tenant’s medical marijuana products, and Landlord agrees to notify the Pennsylvania Department of Health if any situation occurs by reason of which Landlord would come into such possession and thereafter, Landlord shall abide by the determination of the Department as to the disposition of any such medical marijuana products.

Subject to the foregoing paragraph, upon the happening of any one or more of the events as expressed below in (a) through (h), inclusive (collectively referred to as “Events of Default” and individually referred to as an “Event of Default”), Landlord shall have any and all rights and remedies hereinafter set forth, subject first to written notice from Landlord affording Tenant a reasonable time during which to cure any such default, nothing herein to the contrary notwithstanding:
(a) In the event Tenant should fail to pay any one or more of said monthly installments of rent, or any other sums required to be paid hereunder, within ten (10) days of the date the same is due;

(b) In the event a petition in bankruptcy (including Chapter X and Chapter XI bankruptcy proceedings or any other reorganization proceedings under the Bankruptcy Act) be filed by or against Tenant and such petition is not dismissed within thirty (30) days from the filing thereof, or in the event Tenant is adjudged bankrupt;

(c) In the event an assignment for the benefit of creditors is made by Tenant;

(d) In the event of an appointment by any Court of a receiver or other Court officer of Tenant’s property and such receivership is not dismissed within thirty (30) days from such appointment;

(e) In the event Tenant removes, attempts to remove, or permits to be removed from the Demised Premises, except in the usual course of trade, the goods, furniture, effects or other property of Tenant brought thereon;

(f) In the event Tenant, before the expiration of said term, and without the prior written consent of Landlord, vacates the Demised Premises or abandons the possession thereof, or uses the same for purposes other than the purposes of which the same are hereby leased, or ceases to use the Demised Premises for the purposes herein expressed;

(g) In the event an execution or other legal process is levied upon the goods, furniture, effects or other property of Tenant brought on the Demised Premises, or upon the interest of Tenant in this Lease, and the same is not satisfied or dismissed within ten (10) days from such levy;

(h) In the event Tenant violates any other terms, conditions and covenants on the part of Tenant herein contained, and fails to remedy the same within thirty (30) days after written notice thereof is given by Landlord to Tenant.

Section 17.2 Landlord’s Default Remedies. Upon the occurrence of any of the aforesaid Events of Default, Landlord shall have the option to pursue any one or more of the following remedies without any notice or demand whatsoever in addition to, and not in limitation of any other remedy or right permitted it by law or in equity or by this Lease:

(a) Landlord may terminate this Lease, in which event Tenant shall immediately surrender the Demised Premises to Landlord, and if Tenant fails to surrender the Demised Premises, Landlord may, without prejudice to any other remedy which it may have for possession or arrearage in rent, enter upon and take possession of the Demised Premises, by changing locks if necessary, and lock out, expel, or remove, in accordance with the law, Tenant and any other person who may be occupying all or any part of the Demised Premises, without being liable for prosecution of any claim for damages. Tenant hereby agrees to pay to Landlord
on demand all rent and other indebtedness accrued to the date of such termination, and the amount of all loss and damage which Landlord may suffer by reason of such termination, whether through inability to relet the Demised Premises on satisfactory terms or otherwise, including, but not limited to, rent loss damages in an amount equal to the present value as of such termination (computed at a discount rate equal to the prime rate at the time (but not in excess of three percent (3%)), as announced in the Wall Street Journal) of the excess of (a) the stream of rental and other payments which Landlord would have received under this Lease from the date of termination to the expiration date of the then-current Term of this Lease, minus (b) the amount of such rent loss which Tenant can prove was reasonably avoidable by Landlord, taking into consideration the reasonable costs of reletting, including, without limitation, reasonable brokerage commissions, reasonable costs of retrofitting, the costs of any repairs necessary to the Demised Premises which otherwise would be or would have been Tenant’s responsibility under the Lease, together with interest on such present value at the rate of ten percent (10%) per annum, and any reasonable attorney’s fees actually incurred. This Lease and the Lease Term hereof, as well as all of the right, title and interest, of Tenant hereunder, shall wholly cease and expire in the same manner and with the same force and effect as if the date of expiration were the date originally specified herein for the expiration of this Lease and the Lease Term, and Tenant shall then quit and surrender the Demised Premises to Landlord.

(b) Landlord may terminate Tenant’s right of possession, without terminating this Lease, and enter upon and take possession of the Demised Premises and expel or remove Tenant and any other person who may be occupying said Demised Premises or any part thereof, by entry, dispossession suit or otherwise, without thereby releasing Tenant from any liability hereunder, and without being liable for prosecution or any claim of damages therefor and, if Landlord so elects, make such alterations, redecorations and repairs as, in Landlord’s judgment, may be necessary to relet the Demised Premises, and Landlord may, but shall be under no obligation to do so (except as may be provided by State law), relet the Demised Premises or any portion thereof in Landlord’s or Tenant’s name, but for the account of Tenant, for such term or terms (which may be for a term extending beyond the Lease Term) and at such rental or rentals and upon such other terms as Landlord may deem advisable, with or without advertisement, and by private negotiations, and receive the rent therefor, Tenant hereby agreeing to pay to Landlord the deficiency, if any, between all Rent reserved hereunder and the total rental applicable to the Lease Term hereof obtained by Landlord re-letting. In no event shall Tenant be entitled to any rentals received by Landlord in excess of the amounts due by Tenant hereunder; and any such demand, reentry and taking possession of the Demised Premises by Landlord shall not of itself constitute an acceptance by Landlord of a surrender of this Lease or of the Demised Premises by Tenant and shall not of itself constitute a termination of this Lease by Landlord.

(c) Landlord may enter upon the Demised Premises without being liable for prosecution or any claim of damages therefor, and perform whatever covenants Tenant is obligated to do under the terms of this Lease; and Tenant agrees to reimburse Landlord on demand for any expenses including, without limitation, reasonable attorneys’ fees which Landlord may incur in thus effecting compliance with Tenant’s obligations under this Lease, and Tenant further agrees that Landlord shall not be liable for any damages resulting to Tenant from such action, whether caused by negligence of Landlord or otherwise.
(d) In the event Landlord terminates this Lease or in the event Landlord takes possession of the Demised Premises without terminating the Lease, Tenant shall, upon demand, pay (i) all costs incurred by Landlord in recovering the Demised Premises; (ii) the unamortized portion of the tenant allowance, if any, paid to Tenant pursuant to this Lease as well as the unamortized portion of all fees incurred by Landlord in negotiating and entering into this Lease including, but not limited to, any broker commissions or attorneys’ fees incurred; and (iii) all expenses incurred by Landlord in reletting the Demised Premises including the cost of redecorating and restoring the Demised Premises and all costs incident to such reletting, including brokers’ commissions, lease assumptions, and attorneys’ fees. Further, Landlord, in addition to all other rights and remedies it may have, shall have the right to remove all or any portion of Tenant’s property from the Demised Premises and any property removed may be disposed of, at Tenant’s expense, in any manner Landlord deems reasonable or store such property at any public warehouse or elsewhere at the cost of and for the account of Tenant, and Landlord shall not be responsible for the care and safekeeping thereof. Tenant hereby waives any and all loss, destruction and/or damage or injury which may be occasioned by any of the aforesaid acts and agrees to indemnify Landlord for any loss, cost or liability incurred in connection with the exercise of Tenant’s rights under this Section.

(e) Tenant hereby waives (to the extent legally permissible) any and all notices otherwise required under statutory or common law. To the extent of any inconsistency between this Lease and any statutory or common law, it is the agreement of the parties that this Lease shall prevail. No alteration of locks or other security devices and no removal or other exercise of dominion by Landlord over the property of Tenant or others at the Demised Premises shall be deemed unauthorized or constitute a conversion, Tenant hereby consenting, after any Event of Default, to the aforesaid exercise of dominion over Tenant’s property within the Demised Premises. All claims for damages by reason of re-entry and/or repossession and/or alteration of locks or other security devices are hereby waived, as are all claims for damages by reason of any distress warrant, forcible detainer proceedings, sequestrator proceedings or other legal process. Tenant agrees that any re-entry by Landlord may be pursuant to judgment obtained in forcible detainer proceedings or other legal proceedings or without the necessity for any legal proceedings, as Landlord may elect, and Landlord shall not be liable in trespass or otherwise.

Section 17.3 Non-Waiver. Pursuit of any of the foregoing remedies shall not preclude pursuit of any other remedy herein provided or any other remedy provided by law or at equity, nor shall pursuit of any remedy herein provided constitute an election of remedies thereby excluding the later election of an alternate remedy, or a forfeiture or waiver of any Rent or other charges and assessments payable by Tenant and due to Landlord hereunder or of any damages accruing to Landlord by reason of violation of any of the terms, covenants, warranties and provisions herein contained. No reentry or taking possession of the Demised Premises by Landlord or any other action taken by or on behalf of Landlord shall be construed to be an acceptance of a surrender of this Lease or an election by Landlord to terminate this Lease unless written notice of such intention is given to Tenant. An election by Landlord to terminate Tenant’s right of possession without terminating the Lease shall not preclude Landlord from terminating the Lease at any time thereafter by giving Tenant written notice of intention to terminate the Lease. Forbearance
by Landlord to enforce one or more of the remedies herein provided upon an event of default shall not be deemed or construed to constitute a waiver of such default. In determining the amount of loss or damage which Landlord may suffer by reason of termination of this Lease or the deficiency arising by reason of any reletting of the Demised Premises by Landlord as above provided, allowance shall be made for the expense of repossession.

Section 17.4 Remedies Cumulative. Any and all rights, remedies and options given in this Lease to Landlord shall be cumulative and in addition to any without waiver of or in derogation of any right or remedy given to it under any law now or thereafter in effect.

Section 17.5 Attorney’s Fees. In the event of the employment by Landlord of an attorney to collect any rents or other sums due hereunder by Tenant, or to enforce the performance of any obligation hereunder, or on account of the breach by Tenant of any term, condition or covenant hereof, Tenant will pay all costs and expenses thereof, including a reasonable attorney’s fee.

Section 17.6 Percentage Rent Damages. Intentionally deleted.

Section 17.7 Landlord Default. In the event of any default by Landlord, Tenant’s exclusive remedy shall be an action for damages (Tenant hereby waiving the benefit of any laws granting it a lien upon the property of Landlord and/or upon rent due Landlord), but prior to any such action Tenant will give Landlord written notice specifying such default with particularity, and Landlord shall thereupon have a reasonable period, but in no event less than thirty (30) days, in which to commence to cure any such default. Unless and until Landlord fails so to commence to cure any default after such notice or having so commenced thereafter fails to exercise reasonable diligence to complete such curing, Tenant shall not have any remedy or cause of action by reason thereof. All obligations of Landlord hereunder will be construed as independent covenants, not conditions; and all such obligations will be binding upon Landlord only during the period of its possession of the Complex and not thereafter.

ARTICLE XVIII

Succession to Landlord’s Interest

Section 18.1 Successors. The covenants, conditions and agreements herein contained shall inure to the benefit of and be binding upon Landlord, its successors and assigns, and shall be binding upon Tenant, its heirs, executors, administrators, successors and assigns, and shall inure to the benefit of Tenant and only such assigns of Tenant to whom the assignment by Tenant has been consented to by Landlord. Nothing contained in this Lease shall in any manner restrict Landlord’s right to assign or encumber this Lease in its sole discretion, and it is further agreed, anything to the contrary herein contained notwithstanding, that in the event Landlord conveys its interest in the Complex, Landlord shall be relieved of all further obligations hereunder.

Section 18.2 Attornment. Should Landlord assign this Lease as provided for above, or should Landlord enter into a first-in-priority security deed affecting the Complex and should the holder
of such deed succeed to the interest of Landlord, Tenant shall be bound to said assignee or any such deed holder under all the terms, covenants and conditions of this Lease for the balance of the term hereof remaining after such succession, and Tenant shall attorn to such succeeding party as its Landlord under this Lease promptly under any such succession. Tenant agrees that should any party so succeeding to the interest of Landlord require a separate agreement of attornment regarding the matters covered by this Lease, then Tenant shall within five (5) days after request enter into any such “attornment agreement,” provided the same does not materially and adversely modify any of the provisions of this Lease and has no material adverse effect upon Tenant’s continued occupancy of the Demised Premises.

Section 18.3 Subordination. Upon request of Landlord, Tenant shall within five (5) days after request subordinate its rights hereunder to the lien of any mortgage or security deed or the lien resulting from any other method of financing or refinancing now or hereafter in force against the Complex, any part thereof or any buildings or improvements hereafter placed thereon and to all advances made or hereafter to be made upon the security thereof and shall execute a document evidencing such subordinate. In connection with any such subordination, Landlord shall use its best efforts to obtain from any such mortgagor a non-disturbance agreement which provides that so long as Tenant is not in default in the payment of rent or in the performance of any of the other terms of this Lease, Tenant’s possession of the Demised Premises and Tenant’s rights under this Lease shall not be disturbed, diminished or interfered with by the holder of the mortgage or by the purchaser in any mortgage foreclosure proceedings, provided that Tenant agrees in writing to attorn such mortgagee.

Section 18.4 Notice to Mortgagee. If the Demised Premises are at any time during the term of this Lease subject to a Landlord’s mortgage then, in any instance in which Tenant gives notice to Landlord alleging default by Landlord in performance of any covenant or obligation under this Lease, Tenant will also simultaneously give a copy of such notice to Landlord’s mortgagee (at the post office address as to which such Landlord’s mortgagee shall have given Tenant notice) and Landlord’s mortgagee shall have the right (but no obligation) to cure or to remedy such default of Landlord during the same time that is permitted to Landlord hereunder for the remedying or curing of such default, plus an additional period of thirty (30) days. Tenant will accept such curative or remedial action taken by a Landlord’s mortgagee with the same effect as if such action had been taken by Landlord, and Tenant shall not seek damages from Landlord or any other relief by reason of any such default of Landlord if Landlord’s mortgagee shall have cured or remedied such default within the time allowed herein (including the aforesaid additional thirty (30) day period) or is then attempting to foreclose its lien upon or obtain possession of the Complex.

Section 18.5 Estoppel Certificate. Within ten (10) days of delivery from Landlord to Tenant, Tenant shall execute an estoppel agreement as requested by any bona-fide Lender or Owner (whether existing or proposed) of the Complex and the failure of Tenant to timely comply with this Section shall immediately entitle Landlord to all of its remedies in the event of a default.
ARTICLE XIX

Quiet Enjoyment

Section 19.1  Quiet Enjoyment. Landlord agrees that if Tenant pays the rent and other charges herein provided and shall perform all of the covenants and agreements herein stipulated to be performed on Tenant’s part, Tenant shall, at all times during said Term, have the peaceable and quiet enjoyment and possession of the Demised Premises without any manner of hindrance from Landlord or any persons lawfully claiming through Landlord, except as to such portion of the Demised Premises or Complex as shall be taken under the power of eminent domain or which may be claimed by any mortgagee of the Demised Premises or the Complex.

ARTICLE XX

Notices

Section 20.1  Notices. Any notice, request, demand, approval, consent or other communication which Landlord or Tenant may be required or permitted to give to the other party shall be in writing and shall be (i) mailed by certified mail, return receipt requested at the address specified on Page 1, or (ii) sent by a nationally recognized overnight courier service, to the other party at the address specified on Page 1, or (iii) by hand delivery or posting the same to the door to the Demised Premises if such communication is to Tenant, or to such other address as either party hereof shall have designated by notice to the other.

All notices shall be deemed to have been given upon deposit in the United States mail, postage prepaid and properly addressed as provided above or (if to Tenant) upon delivery to Tenant at the Demised Premises, either in person or by posting a copy of any such notice to the front door of the Demised Premises.

ARTICLE XXI

Security Deposit

Section 21.1  Security Deposit. Tenant shall deposit with Landlord the sum of $2,500.00 as security for the faithful performance and observance by Tenant of the terms, provisions and conditions of this Lease. It is agreed that in the event Tenant defaults in respect of any of the terms, provisions and conditions of this Lease, including, but not limited to, the payment of rent and additional rent, Landlord may use, apply or retain the whole or any part of the security so deposited to the extent required for the payment of any rent and additional rent or any other sums as to which Tenant is in default or for any sum which Landlord may expend or may be required to expend by reason of Tenant’s default in respect of any of the terms, covenants and conditions of this Lease, including, but not limited to, any damages or deficiency in the re-letting of the Demised Premises, whether such damages or deficiency accrued before or after summary
proceedings or other reentry by Landlord. In the event that Tenant shall fully and faithfully comply with all the terms, provisions, covenants and conditions of this Lease, the security shall be returned to Tenant without interest, after the expiration or earlier termination of the Lease and after delivery of entire possession of the Demised Premises to Landlord as required under the Lease.

ARTICLE XXII

Miscellaneous

Section 22.1 Severability. If any term or provision of this Lease or the 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.

Section 22.2 Landlord and Tenant Relationship. Nothing contained in this Lease shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent or of partnership or of joint venture or of any association whatsoever between Landlord and Tenant, it being expressly understood and agreed that neither the computation of rent nor any other provisions contained in this Lease nor any act or acts of the parties hereto shall be deemed to create any relationship between Landlord and Tenant other than the relationship of landlord and tenant.

Section 22.3 Authorization. This writing contains the entire agreement between the parties hereto, and no agent, representative, salesman or officer of Landlord has authority to make or has made any statement, agreement or representation, either oral or written, in connection herewith, modifying, adding or changing the terms and conditions herein set forth. No modification of this Lease shall be binding unless such modification shall be in writing and signed by the parties hereto. Tenant hereby further recognizes and agrees that this Lease shall have no force or validity until and unless it is returned to Tenant duly executed by Landlord. Tenant warrants to Landlord that, if Tenant is a corporation, (a) the execution and delivery of this Lease has been duly authorized by the Board of Directors of Tenant, and (b) the making of this Lease does not require any vote or consent of shareholders.

Section 22.4 Captions. The captions or titles used throughout this Lease are for reference and convenience only and shall in no way define, limit or describe the scope or intent of this Lease. Words of any neuter gender used in this Lease shall be held to include both the masculine and feminine gender and words in the singular number shall be held to include the plural, and vice-versa.

Section 22.5 No Personal Liability. Tenant or any other party claiming by, through or under Tenant shall look solely to the interests of Landlord in the Complex property for the collection of any claim, demand, cost, expense, judgment or other judicial process requiring the payment of
money for any default or breach by Landlord of any of its obligations under this Lease. No other assets of Landlord or its officers, directors, or partners shall be subject to levy, execution or other judicial process for the satisfaction of any claim of Tenant. Under no circumstances whatsoever shall Landlord ever be liable hereunder for consequential damages or special damages. The term "Landlord" shall mean only the owner, for the time being of the Complex, and in the event of the transfer by such owner of its interest in the Complex, such owner shall thereupon be released and discharged from all covenants and obligations of Landlord thereafter accruing, but such covenants and obligations shall be binding during the Lease Term upon each new owner for the duration of such owner's ownership.

Section 22.6 Delivery Certificates. Within five (5) days after request by Landlord, Tenant shall deliver to Landlord a written and acknowledged statement certifying that Tenant has accepted possession of the Demised Premises, that this Lease is unmodified and in full force and effect (or stipulate such modifications, if any), and the dates to which the Rent and other charges have been paid in advance, if any, it being intended that any such statement delivered pursuant to this Article may be relied upon by any prospective purchaser or mortgagee of the fee of the Complex of which the Demised Premises form a part.

Section 22.7 Additional Terms and Conditions. Not applicable.

Section 22.8 Time of Essence. In all instances where Tenant is required hereunder to pay any sum or do any act at a particular indicated time or within an indicated period, it is understood that time is of the essence.

Section 22.9 No Set-Off. The obligation of Tenant to pay all rent and other sums hereunder provided to be paid by Tenant and the obligation of Tenant to perform Tenant’s other covenants and duties hereunder constitute independent, unconditional obligations to be performed at all times provided for hereunder, save and except only when an abatement thereof or reduction therein is hereinabove expressly provided for and not otherwise. Tenant waives and relinquishes all rights which Tenant might have to claim any nature of lien against or withhold, or deduct from or off-set against any rent and other sums provided hereunder to be paid Landlord by Tenant. Tenant waives and relinquishes any right to assert, either as a claim or as a defense, that Landlord is bound to perform or is liable for the nonperformance of any implied covenant or implied duty of Landlord not expressly herein set forth.

Section 22.10 Independent Covenants. So long as Tenant has not been wrongfully or constructively evicted from the Demised Premises, the doctrine of independent covenants will apply in all matters relating to this Lease including, without limitation, all obligations of Landlord and Tenant to perform their respective obligations under this Lease.

Section 22.11 Relocation. At any time during the Term of this Lease, upon at least thirty (30) days prior written notice to Tenant ("Notice of Relocation"), Landlord may require Tenant to relocate to another lease space of approximately the same size as the Demised Premises within the Complex ("Relocation Space"). Within ten (10) days following the date of the Notice of Relocation, Tenant shall notify Landlord in writing either that (a) Tenant agrees to relocate to the
Relocation Space or (b) Tenant elects to terminate this Lease. Failure by Tenant to respond to the Notice of Relocation within the aforesaid ten (10) days, will be deemed to mean that Tenant has elected to terminate this Lease. In the event that Tenant elects (or is deemed to have elected) to terminate this Lease in lieu of relocating to the Relocation Space, then the Lease shall terminate thirty (30) days after the date of Landlord’s Notice of Relocation. Provided Tenant agrees to relocate to the Relocation Space as provided above, Landlord shall, at its cost and expense, complete construction of the Relocation Space on a “Turn Key” basis substantially similar to the then existing Demised Premises. Landlord shall pay all reasonable out-of-pocket expenses of any such relocation, including the expenses of moving and reconstruction of all Tenant-furnished improvements (if any) and Landlord-furnished improvements (if any) at the Demised Premises. In the event the Relocation Space is larger than the Demised Premises, the Minimum Rent and additional charges due under this Lease shall not be altered; however, in the event the Relocation Space is smaller than the Demised Premises, the Minimum Rent and all additional charges shall be proportionately reduced based upon the floor area of the Relocation Space. Except for the reduction (if any) in Minimum Rent and additional charges, upon Tenant’s relocation to the Relocation Space, all of the terms, covenants and conditions of this Lease shall continue unchanged and in full force and effect, except that a description of the Relocation Space shall be substituted for the description of the Demised Premises set forth on Exhibit A, and thenceforth the Relocation Space shall be deemed for all purposes to be the Demised Premises. Failure by Tenant to relocate to the Relocation Space following construction of same by Landlord shall constitute an “Event of Default” hereunder (as defined in Article XVII) and Landlord shall be entitled to all remedies available to it under the terms of this Lease or at law and Tenant shall be liable for all costs incurred by Landlord in constructing the improvements at the Relocation Space.

Section 22.12 Force Majeure. Excepting rental payments, in the event Landlord or Tenant shall be delayed, hindered in or prevented from the performance of any act required hereunder by reason of strikes, lockouts, labor troubles, inability to procure materials, failure of power, unavailability of any utility service, restrictive governmental laws or regulations, riots, insurrections, the act, the failure to act, or default of another party, war, or other reason beyond Landlord’s or Tenant’s control (individually “Force Majeure”), then performance of such act shall be excused for the period of the delay, and the period of the performance of any such act shall be extended for a period equivalent to the period of such delay. Within ten (10) days following occurrence of Force Majeure, the party claiming a delay due to such event shall give written notice to the other setting forth a reasonable estimate of such delay; provided that in no event shall any delay in Tenant’s opening for business as a result of any such cause or causes be in excess of thirty (30) days. The provisions of this Section shall not affect or apply to any obligation for the payment of money. No problem arising out of or relating to Tenant’s computer software, hardware, external interfaces or external computing infra-structure shall be considered an event of Force Majeure or in any other way excuse Tenant from full performance under its Lease with Landlord.

Section 22.13 No Default. It shall be a condition precedent to Tenant’s right to exercise any remedy or right set forth herein that Tenant shall not be in default hereunder and that no
condition exist which with the passage of time or giving of notice would constitute a default hereunder.

Section 22.14 Broker. No broker has been involved in this transaction and if any claims for brokerage commissions or fees are ever made in connection with this transaction, each party shall indemnify and hold harmless the other from and against any and all such claims or demands with respect to any brokerage fees or agent’s commissions or other compensation asserted by any person, firm or corporation in connection with this Lease.

Section 22.15 Construction. The parties have participated jointly in the negotiation and drafting of this Lease. In the event that an ambiguity or question of intent or interpretation arises, this Lease shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Lease.

ARTICLE XXIII

Diversion of Sales

Section 23.1 Diversion of Sales. Intentionally deleted.

ARTICLE XXIV

Tenant’s Bankruptcy

Section 24.1 Adequate Protection. Landlord and Tenant agree that if Tenant ever becomes the subject of a voluntary or involuntary bankruptcy, reorganization, composition, or other similar type proceeding under the Federal Bankruptcy Laws, as now enacted or hereafter amended, then “adequate protection” of Landlord’s interest in the Demised Premises pursuant to the provisions of Sections 361 and 363 (or their successor sections) of the Bankruptcy Code, 11 U.S.C. Paragraph 101 et seq. (such Bankruptcy Code as amended from time to time being herein referred to as the “Bankruptcy Code”) prior to assumption and/or assignment of the Lease by Tenant shall include, but not be limited to all (or any part) of the following:

(a) The continued payment by Tenant of all Minimum Rent and all other sums due and owing under this Lease the performance of all other covenants and obligations under this Lease by Tenant;

(b) The hiring of security guards to protect the Demised Premises if Tenant abandons and/or ceases operations such obligation of Tenant only to be effective so long as Tenant remains in possession and control of the Demised Premises to the exclusion of Landlord;
(c) The furnishing of an additional security deposit by Tenant in the amount of three (3) times the then-current monthly Minimum Rent payable hereunder.

Section 24.2 Adequate Assurance of Future Performances. Landlord and Tenant agree that if Tenant ever becomes the subject of a voluntary or involuntary bankruptcy, reorganization, composition or other similar type proceeding under the Federal Bankruptcy Laws, as now enacted or hereafter amended, then “adequate assurance of future performance” by Tenant and/or any assignee of Tenant pursuant to Bankruptcy Code Section 365 (or its successor section) will include (but not be limited to) payment of an additional, new security deposit in the amount of three (3) times the then-current monthly Minimum Rent payable hereunder.

Section 24.3 Assignment in Bankruptcy. Any person or entity to which this Lease is assigned pursuant to the provisions of the Bankruptcy Code, shall be deemed without further act or deed to have assumed all of the obligations of Tenant arising under this Lease on and after the effective date of such assignment. Any such assignee shall, upon demand by Landlord, execute and deliver to Landlord an instrument confirming such assumption of liability.

Section 24.4 Certain Defined Terms. This is a lease of real property in a “Complex” within the meaning of Section 365(b)(3) of the Bankruptcy Code.

Notwithstanding anything in this Lease to the contrary, all amounts payable by Tenant to or on behalf of Landlord under this Lease, whether or not expressly denominated as “rent”, shall constitute “rent” for the purposes of Section 502(b)(7) of the Bankruptcy Code.

Section 24.5 Assignment. If this Lease is assigned to any person or entity pursuant to the provisions of the Bankruptcy Code, any and all monies or other considerations payable or otherwise to be delivered in connection with such assignment shall be paid or delivered to Landlord, shall be and remain the exclusive property of Landlord and shall not constitute property of Tenant or of the Estate of Tenant within the meaning of the Bankruptcy Code. Any and all monies or other considerations constituting Landlord’s property under the preceding sentence not paid or delivered to Landlord shall be held in trust by Tenant for the benefit of Landlord and shall be promptly paid to or turned over to Landlord.

Section 24.6 Assumption. If Tenant assumes this Lease and proposes to assign the same pursuant to the provisions of the Bankruptcy Code to any person or entity who shall have made a bona fide offer to accept an assignment of this Lease on terms acceptable to Tenant, then notice of such proposed offer/assignment, setting forth (i) the name and address of such person or entity, (ii) all of the terms and conditions of such offer, and (iii) the adequate assurance to be provided Landlord to assure such person’s or entity’s future performance under this Lease, including, without limitation, the assurance referred to in Section 365(b)(3) of the Bankruptcy Code, shall be given to Landlord by Tenant no later than twenty (20) days after receipt by Tenant, but in any event no later than ten (10) days prior to the date that Tenant shall make application to a court of competent jurisdiction for authority and approval to enter into such assumption and assignment, and Landlord shall thereupon have the prior right and option, to be
exercised by notice to Tenant given at any time prior to the effective date of such proposed assignment, to accept an assignment of this Lease upon the same terms and conditions and for the same consideration, if any, as the bona fide offer made by such persons or entity, less any brokerage commissions which may be payable out of the consideration to be paid by such person for the assignment of this Lease.

**ARTICLE XXV**

**Entire Agreement**

**Section 25.1 Entire Agreement.** This instrument constitutes the entire agreement between Landlord and Tenant; no prior written or prior or contemporaneous oral promises or representations shall be binding. The submission of this Lease for examination by Tenant and/or execution thereof by Tenant does not constitute a reservation of or option for the Demised Premises and this Lease shall become effective only upon execution by all parties hereto and delivery of a fully executed counterpart hereof by Landlord to Tenant. This Lease shall not be amended, changed or extended except by written instrument signed by both parties hereto.

*Remainder of page intentionally left blank*
IN WITNESS WHEREOF, the parties have executed this Lease on the date reflected on the first page hereof.

LAN DLORD:

Witness: 

SIGNATURE OF WITNESS

VP-GENERAL COUNSEL

TITLE OF WITNESS

W. JOHN KNOX

PRINT NAME OF WITNESS

MARCH 17, 2017

DATE

Cannabis Square Holdings, LLC

By: 

SIGNATURE OF OFFICER

Its: PRES.

TITLE OF OFFICER

GREGORY J. RUBINO

PRINT NAME OF OFFICER

MARCH 17, 2017

DATE

TENANT:

Witness:

SIGNATURE OF WITNESS

VP-GENERAL COUNSEL

TITLE OF WITNESS

W. JOHN KNOX

PRINT NAME OF WITNESS

MARCH 17, 2017

DATE

Cannabis Square, LLC

By: 

SIGNATURE OF OFFICER

Its: PRES.

TITLE OF OFFICER

GREGORY J. RUBINO

PRINT NAME OF OFFICER

MARCH 17, 2017

DATE
EXHIBIT A

SITE PLAN

DOH REDACTED
# AGREEMENT FOR THE SALE OF COMMERCIAL REAL ESTATE

## PARTIES

**BUYER(S):** Passport West Eighth, LLC  
**SELLER(S):** Ronald J. Lloyd

---

## PROPERTY

**PROPERTY ADDRESS:** 229 North Perry Highway, Mercer, PA  
**ZIP:**  
**in the municipality of:** Coolspings  
**County of:** Mercer, in the Commonwealth of Pennsylvania.  
**Identification (e.g., Parcel #, Lot, Block; Deed Book, Page, Recording Date):**

**Tax ID #**(s): 01-163-044-001

---

## BUYER'S RELATIONSHIP WITH PA LICENSED BROKER

- [ ] No Business Relationship (Buyer is not represented by a broker)

**Broker (Company):** Passport Realty, LLC  
**Licensee(s) (Name):** Daryl E. Terella

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<tr>
<th>Company Address</th>
<th>Direct Phone(s)</th>
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**Broker is (check only one):**  
- [X] Buyer Agent (Broker represents Buyer only)  
- [ ] Dual Agent (See Dual and/or Designated Agent box below)

**Licensee(s) is (check only one):**  
- [ ] Buyer Agent (all company licensees represent Buyer)  
- [ ] Buyer Agent with Designated Agency (only Licensee(s) named above represent Buyer)  
- [ ] Dual Agent (See Dual and/or Designated Agent box below)

- [ ] Transaction Licensee (Broker and Licensee(s) provide real estate services but do not represent Buyer)

---

## SELLER'S RELATIONSHIP WITH PA LICENSED BROKER

- [X] No Business Relationship (Seller is not represented by a broker)

**Broker (Company):**  
**Licensee(s) (Name):**

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</table>

**Broker is (check only one):**  
- [ ] Seller Agent (Broker represents Seller only)  
- [ ] Dual Agent (See Dual and/or Designated Agent box below)

**Licensee(s) is (check only one):**  
- [ ] Seller Agent (all company licensees represent Seller)  
- [ ] Seller Agent with Designated Agency (only Licensee(s) named above represent Seller)  
- [ ] Dual Agent (See Dual and/or Designated Agent box below)

- [ ] Transaction Licensee (Broker and Licensee(s) provide real estate services but do not represent Seller)

---

## DUAL AND/OR DESIGNATED AGENCY

A Broker is a Dual Agent when a Broker represents both Buyer and Seller in the same transaction. A Licensee is a Dual Agent when a Licensee represents Buyer and Seller in the same transaction. All of Broker's licensees are also Dual Agents UNLESS there are separate Designated Agents for Buyer and Seller. If the same Licensee is designated for Buyer and Seller, the Licensee is a Dual Agent.

By signing this Agreement, Buyer and Seller each acknowledge having been previously informed of, and consented to, dual agency, if applicable.

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**Buyer Initials:**  
**Seller Initials:**

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*Pennsylvania Association of Realtors®*

Passport Realty LLC, 340 West 11th Street Erie, PA 16501  
Gregory Bishara  
Phone: (814)444-1800  
Fax: (814)444-8930  
www.pabor.com  

Produced with zipForm® by zipLogix 10070 Fifteen Mile Road, Fraser, Michigan 48026  
2015 Pennsylvania Association of REALTORS®  
6/15
1. By this Agreement, dated 03-13-17, Ronald J. Lloyd, Seller hereby agrees to sell and convey to Buyer, who agrees to purchase, the identified Property.

2. PURCHASE PRICE AND DEPOSITS (3-15)

(A) Purchase Price $275,000.00

(One Hundred Seventy-Five Thousand U.S. Dollars), to be paid by Buyer as follows:

1. Initial Deposit, within _____ days (5 if not specified) of Execution Date, if not included with this Agreement: $ ________________

2. Additional Deposit within _____ days of the Execution Date: $ ________________

3. $5,000 cash deposit non-refundable and $5,000.00 in escrow: $10,000.00

Remaining balance will be paid at settlement.

(B) All funds paid by Buyer, including deposits, will be paid by check, cashier's check or wired funds. All funds paid by Buyer within 30 DAYS of settlement, including funds paid at settlement, will be by cashier's check or wired funds, but not by personal check.

(C) Deposits, regardless of the form of payment and the person designated as payee, will be paid in U.S. Dollars to Broker for Seller (unless otherwise stated here: Atty. for Seller, Ted Isoldi, 106 N. Pitt St., Mercer, PA (724) 662-1980), who will retain deposits in an escrow account in conformity with all applicable laws and regulations until termination of this Agreement. Only real estate brokers are required to hold deposits in accordance with the rules and regulations of the State Real Estate Commission. Checks tendered as deposit monies may be held uncashed pending the execution of this Agreement.

3. SETTLEMENT AND POSSESSION (6-13)

(A) Settlement Date is NOT LATER THAN OCTOBER 31, 2017, or before if Buyer and Seller agree.

(B) Settlement will occur in the county where the Property is located or in an adjacent county, during normal business hours, unless Buyer and Seller agree otherwise.

(C) At time of settlement, the following will be pro-rated on a daily basis between Buyer and Seller, reimbursing where applicable: current taxes; rents; interest on mortgage assumptions; condominium fees; and homeowner association fees; water and/or sewer fees, together with any other lienable municipal service fees. All charges will be pro-rated for the period(s) covered. Buyer will pay up to and including the date of settlement and Buyer will pay for all days following settlement, unless otherwise stated here:

(D) For purposes of prorating real estate taxes, the "periods covered" are as follows:

1. Municipal tax bills for all counties and municipalities in Pennsylvania are for the period from January 1 to December 31.

2. School tax bills for the Philadelphia, Pittsburgh and Scranton School Districts are for the period from January 1 to December 31. School tax bills for all other school districts are for the period from July 1 to June 30.

(E) Conveyance from Seller will be by fee simple deed of special warranty unless otherwise stated here:

(F) Payment of transfer taxes will be divided equally between Buyer and Seller unless otherwise stated here:

(G) Possession is to be delivered by deed, existing keys and physical possession to a vacant Property free of debris, with all structures broom-clean, at day and time of settlement, unless Seller, before signing this Agreement, has identified in writing that the Property is subject to a lease.

(H) If Seller has identified in writing that the Property is subject to a lease, possession is to be delivered by deed, existing keys and assignment of existing leases for the Property, together with security deposits and interest, if any, at day and time of settlement. Seller will not enter into any new leases, nor extend existing leases, for the Property without the written consent of Buyer. Buyer will acknowledge existing lease(s) by initialing the lease(s) at the execution of this Agreement, unless otherwise stated stated in this Agreement.

☐ Tenant-Occupied Property Addendum (PAR Form TOP) is attached and made part of this Agreement.

4. DATES/TIME IS OF THE ESSENCE (3-15)

(A) Written acceptance of all parties will be on or before: March 13, 2017

(B) The Settlement Date and all other dates and times identified for the performance of any obligations of this Agreement are of the essence and are binding.

(C) The Execution Date of this Agreement is the date when Buyer and Seller have indicated full acceptance of this Agreement by signing and/or initializing it. For purposes of this Agreement, the number of days will be counted from the Execution Date, excluding the day this Agreement was executed and including the last day of the time period. All changes to this Agreement should be initialed and dated.

(D) The Settlement Date is not extended by any other provision of this Agreement and may only be extended by mutual written agreement of the parties.

(E) Certain terms and time periods are pre-printed in this Agreement as a convenience to the Buyer and Seller. All pre-printed terms and time periods are negotiable and may be changed by striking out the pre-printed text and inserting different terms acceptable to all parties, except where restricted by law.

5. FIXTURES AND PERSONAL PROPERTY (4-14)

(A) INCLUDED in this sale are all existing items permanently installed in the Property, free of liens, including plumbing; heating; HVAC equipment; lighting fixtures (including chandeliers and ceiling fans); and water treatment systems, unless otherwise stated below; any remaining heating, cooking and other fuels stored on the Property at the time of settlement. Also included:

66 Buyer Initials: G.J.  ASC Page 2 of 9  Seller Initials: RSL / Lloyd

Produced with zipForm® by ziplogix 18070 Fifteen Mile Road, Fraser, Michigan 48026 www.ziplogix.com
6. ZONING (4-14)

Failure of this Agreement to contain the zoning classification (except in cases where the property [and each parcel thereof, if subdividable] is zoned solely or primarily to permit single-family dwellings) will render this Agreement voidable at Buyer's option, and, if voided, any deposits tendered by the Buyer will be returned to the Buyer without any requirement for court action.

Zoning Classification, as set forth in the local zoning ordinance:

7. FINANCING CONTINGENCY (4-14)

☑ WAIVED. This sale is NOT contingent on financing, although Buyer may obtain financing and/or the parties may include an appraisal contingency.

☐ ELECTED.

(A) This sale is contingent upon Buyer obtaining financing according to the following terms:

<table>
<thead>
<tr>
<th>First Loan on the Property</th>
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<td>Loan Amount $ _____________</td>
<td>Loan Amount $ _____________</td>
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<td>Minimum Term ___________ years</td>
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<td>Type of Loan __________________</td>
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<td>Interest rate __________%; however, Buyer agrees to accept the interest rate as may be committed by the lender, not to exceed a maximum interest rate of __________%</td>
<td>Interest rate __________%; however, Buyer agrees to accept the interest rate as may be committed by the lender, not to exceed a maximum interest rate of __________%</td>
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(B) Financing Commitment Date

(C) Within _____ days (10 if not specified) from the Execution Date of this Agreement, Buyer will make a completed, written application for the financing terms stated above to a responsible lender(s) of Buyer's choice. Broker for Buyer, if any, otherwise Broker for Seller, is authorized to communicate with the lender(s) to assist in the financing process.

(D) Should Buyer furnish false or incomplete information to Seller, Broker(s), or the lender(s) concerning Buyer's legal or financial status, or fail to cooperate in good faith in processing the financing application, which results in the lender(s) refusing to approve a financing commitment, Buyer will be in default of this Agreement.

(E) Upon receipt of a financing commitment, Buyer will promptly deliver a copy of the commitment to Seller. Unless otherwise agreed to in writing by Buyer and Seller, if a written commitment is not received by Seller by the above date, this Agreement may be terminated by Buyer or Seller, with all deposit monies returned to Buyer according to the terms of Paragraph 24. Buyer will be responsible for any premiums for mechanics' lien insurance and/or title search, or fee for cancellation of same, if any; AND/OR any premiums for flood insurance and/or fire insurance with extended coverage, insurance binder charges or cancellation fee, if any; AND/OR any appraisal fees and charges paid in advance to lender.

8. CHANGE IN BUYER'S FINANCIAL STATUS (4-14)

In the event of a change in Buyer's financial status affecting Buyer's ability to purchase, Buyer shall, within __________ days (5 if not specified) of said change notify Seller and lender(s) to whom the Buyer submitted loan application, if any, in writing. A change in financial status includes, but is not limited to, loss or a change in income; Buyer's having incurred a new financial obligation; entry of a judgment against Buyer. Buyer understands that applying for and/or incurring an additional financial obligation may affect Buyer's ability to purchase.

9. SELLER REPRESENTATIONS (6-13)

(A) Status of Water

Seller represents that the Property is served by:

☒ Public Water ☐ Community Water ☐ On-site Water ☐ None ☐

(B) Status of Sewer

1. Seller represents that the Property is served by:

☒ Public Sewer ☐ Community Sewage Disposal System ☐ Ten-Acre Permit Exemption (see Sewage Notice 2)
☐ Individual On-lot Sewage Disposal System (see Sewage Notice 1) ☐ Holding Tank (see Sewage Notice 3)
☐ Individual On-lot Sewage Disposal System in Proximity to Well (see Sewage Notice 1; see Sewage Notice 4, if applicable)
☐ None (see Sewage Notice 1) ☐ None Available/Permit Limitations in Effect (see Sewage Notice 5)
☐

2. Notices Pursuant to the Pennsylvania Sewage Facilities Act

Notice 1: There is no currently existing community sewage system available for the subject property. Section 7 of the Pennsylvania Sewage Facilities Act provides that no person shall install, construct, request bid proposals for construction, alter, repair or occupy any building or structure for which an individual sewage system is to be installed, without first obtaining a permit. Buyer is advised by this notice that, before signing this Agreement, Buyer should contact the local agency charged with administering the Act to determine the procedure and requirements for obtaining a permit for an individual sewage system. The local agency charged with administering the Act will be the municipality where the Property is located or that municipality working cooperatively with others.
Notice 2: This Property is serviced by an individual sewage system installed under the ten-acre permit exemption provisions of Section 7 of the Pennsylvania Sewage Facilities Act. (Section 7 provides that a permit may not be required before installing, constructing, awarding a contract for construction, altering, repairing or connecting to an individual sewage system where a ten-acre parcel or lot is subdivided from a parent tract after January 10, 1987.) Buyer is advised that soils and site testing were not conducted and that, should the system malfunction, the owner of the Property or properties serviced by the system at the time of a malfunction may be held liable for any contamination, pollution, public health hazard or nuisance which occurs as a result.

Notice 3: This Property is serviced by a holding tank (permanent or temporary) to which sewage is conveyed by a water carrying system and which is designed and constructed to facilitate ultimate disposal of the sewage at another site. Pursuant to the Pennsylvania Sewage Facilities Act, Seller must provide a history of the annual cost of maintaining the tank from the date of its installation or December 14, 1995, whichever is later.

Notice 4: An individual sewage system has been installed at an isolation distance from a well that is less than the distance specified by regulation. The regulations at 25 Pa. Code §73.13 pertaining to minimum horizontal isolation distances provide guidance. Subsection (b) of §73.13 states that the minimum horizontal isolation distance between an individual water supply or water supply system suction line and treatment tanks shall be 50 feet. Subsection (c) of §73.13 states that the horizontal isolation distance between the individual water supply or water supply system suction line and the perimeter of the absorption area shall be 100 feet.

Notice 5: This lot is within an area in which permit limitations are in effect and is subject to those limitations. Sewage facilities are not available for this lot and construction of a structure to be served by sewage facilities may not begin until the municipality completes a major planning requirement pursuant to the Pennsylvania Sewage Facilities Act and regulations promulgated thereunder.

(C) Seller represents and warrants that Seller has no knowledge except as noted in this Agreement that: (1) The premises have been contaminated by any substance in any manner which requires remediation; (2) The Property contains wetlands, flood plains, or any other environmentally sensitive areas, development of which is limited or precluded by law; (3) The Property contains asbestos, polychlorinated biphenyls, lead-based paint or any other substance, the removal or disposal of which is subject to any law or regulation; and (4) Any new violation is not in the handling or disposing of any material or waste or the discharge of any material into the soil, air, surface water, or ground water.

(D) Seller agrees to indemnify and to hold Broker harmless from and against all claims, demands, or liabilities, including attorneys fees and court costs, which arise from or are related to the environmental condition or suitability of the Property prior to, during, or after Seller’s occupation of the Property including without limitation any condition listed in Paragraph 9(C).

(E) Seller is not aware of historic preservation restrictions regarding the Property unless otherwise stated here:

(F) Seller represents that, as of the date Seller signed this Agreement, no public improvement, condominium or homeowner association assessments have been made against the Property which remain unpaid, and that no notice by any government or public authority has been served upon Seller or anyone on Seller’s behalf, including notices relating to violations of zoning, housing, building, safety or fire ordinances that remain uncorrected, and that Seller knows of no condition that would constitute a violation of any such ordinances that remain uncorrected, unless otherwise specified here:

(G) Seller knows of no other potential notices (including violations) and/or assessments except as follows:

(H) Access to a public road may require issuance of a highway occupancy permit from the Department of Transportation.

10. WAIVER OF CONTINGENCIES (9-05)

If this Agreement is contingent on Buyer’s right to inspect and/or repair the Property, or to verify insurability, environmental conditions, boundaries, certifications, zoning classification or use, or any other information regarding the Property, Buyer’s failure to exercise any of Buyer’s options within the times set forth in this Agreement is a WAIVER of that contingency and Buyer accepts the Property and agrees to the RELEASE in Paragraph 26 of this Agreement.

11. BUYER’S DUE DILIGENCE (3-15)

(A) The Property will be transferred in its present condition. It is Buyer’s responsibility to determine that the condition and permitted use of the property is satisfactory within 150 days (30 if not specified) from the Execution Date to conduct due diligence (Due Diligence Period), including verifying the condition, permitted use, insurability, environmental conditions, boundaries, certifications, deed restrictions, zoning classifications and any other features of the Property are satisfactory. Buyer may request that the property be inspected, at Buyer’s expense, by qualified professionals to determine the physical, structural, mechanical and environmental condition of the land, improvements or their components, or for the suitability of the property for Buyer’s needs. If as the result of Buyer’s due diligence, Buyer determines that the property is not suitable for Buyer’s needs, Buyer may prior to the expiration of the Due Diligence Period, terminate this Agreement by written notice to Seller, with all deposit monies returned to Buyer according to the terms of Paragraph 24 of this Agreement. In the event that Buyer has not provided Seller with written notice of Buyer’s intent to terminate this Agreement prior to the end of the Due Diligence Period, this Agreement shall remain in full force and effect in accordance with the terms and conditions as more fully set forth in this Agreement.

(B) Buyer has inspected the Property (including fixtures and any personal property specifically listed herein) or has waived the right to do so, and agrees to purchase the Property IN ITS PRESENT CONDITION as a result of such inspections and not because of or in reliance on any representations made by seller or any other party. Buyer acknowledges that Brokers, their licensees, employees, officers or partners have not made an independent examination or determination of the structural soundness of the Property, the age or condition of the components, environmental conditions, the permitted uses, nor of conditions existing in the locale where the Property is situated; nor have they made a mechanical inspection of any of the systems contained therein.

Buyer Initials: ___________________________ Seller Initials: ___________________________

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Lloyd
(C) Any repairs required by this Agreement will be completed in a workman like manner.

(D) Revised flood maps and changes to Federal law may substantially increase future flood insurance premiums or require insurance for formerly exempt properties. Buyer should consult with one or more insurance agents regarding the need for flood insurance and possible premium increases.

12. NOTICES, ASSESSMENTS AND MUNICIPAL REQUIREMENTS (4-14)

(A) In Pennsylvania, taxing authorities (school districts and municipalities) and property owners may appeal the assessed value of a property at the time of sale, or at any time thereafter. A successful appeal by a taxing authority may result in a higher assessed value for the property and an increase in property taxes. Also, periodic county-wide property reassessments may change the assessed value of the property and result in a change in property tax.

(B) With the exception of county-wide reassessments, assessment appeal notices, notices of change in millage rates or increases in rates, in the event any other notices, including violations, and/or assessments are received after Seller has signed this Agreement and before settlement, Seller will within __________ days (10 if not specified) of receiving the notices and/or assessments provide a copy of the notices and/or assessments to Buyer and will notify Buyer in writing that Seller will:

1. Fully comply with the notices and/or assessments, at Seller's expense, before settlement. If Seller is not fully complying with the notices and/or assessments, Buyer accepts the Property and agrees to the RELEASE in Paragraph 26 of this Agreement, OR

2. Not comply with the notices and/or assessments. If Seller chooses not to comply with the notices and/or assessments, or fails within the stated time to notify Buyer whether Seller will comply, Buyer will notify Seller in writing within __________ days (10 if not specified) that Buyer will:

   a. Comply with the notices and/or assessments at Buyer's expense, accept the Property, and agree to the RELEASE in Paragraph 26 of this Agreement, OR
   b. Terminate this Agreement by written notice to Seller, with all deposit monies returned to Buyer according to the terms of Paragraph 24 of this Agreement.

If Buyer fails to respond within the stated time provided in Paragraph 12(B)(2) or fails to terminate this Agreement by written notice to Seller within that time, Buyer will accept the Property and agree to the RELEASE in Paragraph 26 of this Agreement.

(C) If required by law, within 30 DAYS from the Execution Date of this Agreement, but in no case later than 15 DAYS prior to Settlement Date, Seller will order at Seller's expense a certification from the appropriate municipal department(s) disclosing notice of any uncorrected violations of zoning, housing, building, safety or fire ordinances and/or a certificate permitting occupancy of the Property. If Buyer receives a notice of any required repairs/improvements, Buyer will promptly deliver a copy of the notice to Seller.

(D) Seller has no knowledge of any current or pending condemnation or eminent domain proceedings that would affect the Property. If any portion of the Property should be subject to condemnation or eminent domain proceedings after the signing of this Agreement, Seller shall immediately advise Buyer in writing of such proceedings. Buyer will have the option to terminate this Agreement by written notice to Seller within __________ days (15 days if not specified) after Buyer learns of the filing of such proceedings, with all deposit monies returned to Buyer according to the terms of Paragraph 24 of this Agreement. Buyer's failure to provide notice of termination within the stated time will constitute a WAIVER of this contingency and all other terms of this Agreement remain in full force and effect.

13. TAX DEFERRED EXCHANGE (4-14)

(A) If Seller notifies Buyer that it wishes to enter into a tax deferred exchange for the Property pursuant to the Internal Revenue Code, Buyer agrees to cooperate with Seller in connection with such exchange, including the execution of such documents as may be reasonably necessary to conduct the exchange, provided that there shall be no delay in the agreed-to settlement date, and that any additional costs associated with the exchange are paid solely by Seller. Buyer is aware that Seller anticipates assigning Seller's interest in this Agreement to a third party under an Exchange Agreement and consents to such assignment. Buyer shall not be required to execute any note, contract, deed or other document providing any liability which would survive the exchange, nor shall Buyer be obligated to take title to any property other than the Property described in this Agreement. Seller shall indemnify and hold harmless Buyer against any liability which arises or is claimed to have arisen from any aspect of the exchange transaction.

(B) If Buyer notifies Seller that it wishes to enter into a tax deferred exchange for the Property pursuant to the Internal Revenue Code, Seller agrees to cooperate with Buyer in connection with such exchange, including the execution of such documents as may be reasonably necessary to conduct the exchange, provided that there shall be no delay in the agreed-to settlement date, and that any additional costs associated with the exchange are paid solely by Buyer. Seller is aware that Buyer has assigned Buyer's interest in this Agreement to a third party under an Exchange Agreement and consents to such assignment. Seller shall not be required to execute any note, contract, deed or other document providing any liability which would survive the exchange. Buyer shall indemnify and hold harmless Seller against any liability which arises or is claimed to have arisen from any aspect of the exchange transaction.

14. COMMERCIAL CONDOMINIUM (10-01)

☐ NOT APPLICABLE.

☐ APPLICABLE. Buyer acknowledges that the condominium unit to be transferred by this Agreement is intended for nonresidential use, and that Buyer may agree to modify or waive the applicability of certain provisions of the Uniform Condominium Act of Pennsylvania (68 Pa.C.S. §3101 et seq.).

15. TITLES, SURVEYS AND COSTS (4-14)

(A) The Property will be conveyed with good and marketable title that is insurable by a reputable title insurance company at the regular rates, free and clear of all liens, encumbrances, and easements, EXCEPTING HOWEVER the following: existing deed restrictions; historic preservation restrictions or ordinances; building restrictions; easements; cemeteries of roads; easements visible upon the ground; easements of record; and privileges or rights of public service companies, if any.

(B) Buyer will pay for the following: (1) Title search, title insurance and/or mechanics' lien insurance, or any fee for cancellation; (2) Flood insurance, fire insurance, hazard insurance, mortgage insurance, or any fee for cancellation; (3) Appraisal fees and charges paid in advance to mortgage lender; (4) Buyer's customary settlement costs and accruals.
(C) Any survey or surveys required by the title insurance company or the abstracting company for preparing an adequate legal
259 description of the Property (or the correction thereof) will be obtained and paid for by Seller. Any survey or surveys desired by
260 Buyer or required by the mortgage lender will be obtained and paid for by Buyer.

261 (D) In the event of a change in Seller's financial status affecting Seller's ability to convey title to the Property as set forth in this
262 Agreement on or before the Settlement Date, or any extension thereof, Seller shall, within __________ days (5 if not specified) noti-
263 fy Buyer, in writing. A change in financial status includes, but is not limited to, Seller filing bankruptcy; filing of a foreclosure
264 suit against the Property; entry of a monetary judgment against Seller; notice of public tax sale affecting the Property; and
265 Seller learning that the sale price of the Property is no longer sufficient to satisfy all liens and encumbrances against the Property.
266 In the event of the death of Seller, the representative of the estate, or a surviving Seller shall immediately notify Buyer.

267 (E) If Seller is unable to give good and marketable title that is insurable by a reputable title insurance company at the regular rates, as
268 specified in Paragraph 15(A), Buyer may terminate this Agreement by written notice to Seller, with all deposit monies returned to
269 Buyer according to the terms of Paragraph 24 of this Agreement. Upon termination, Seller will reimburse Buyer for any costs
270 incurred by Buyer for any inspections or certifications obtained according to the terms of this Agreement, and for those items speci-
271 fied in Paragraph 15(B) items (1), (2), (3) and in Paragraph 15(C).

272 (F) Oil, gas, mineral, or other rights of this Property may have been previously conveyed or leased, and Sellers make no representation
273 about the status of those rights unless indicated elsewhere in this Agreement.

274 ☐ Oil, Gas and Mineral Rights Addendum (PAR Form OGM) is attached and made part of this Agreement.

275 (G) COAL NOTICE (Where Applicable)

276 THIS DOCUMENT MAY NOT SELL, CONVEY, TRANSFER, INCLUDE OR INSURE THE TITLE TO THE COAL AND RIGHTS OF SUPPORT UNDER
277 THE SURFACE LAND DESCRIBED OR REFERRED TO HEREIN, AND THE OWNER OR OWNERS OF SUCH COAL MAY HAVE THE COMPLETE
278 LEGAL RIGHT TO REMOVE ALL SUCH COAL AND IN THAT CONNECTION, DAMAGE MAY RESULT TO THE SURFACE OF THE LAND AND ANY
279 HOUSE, BUILDING OR OTHER STRUCTURE ON OR IN SUCH LAND. (This notice is set forth in the manner provided in Section 1 of the
280 Act of July 17, 1957, P.L. 984.) "Buyer acknowledges that he may not be obtaining the right of protection against subsidence
281 resulting from coal mining operations, and that the property described herein may be protected from damage due to mine sub-
282 sidence by a private contract with the owners of the economic interests in the coal. This acknowledgement is made for the purpose
283 of complying with the provisions of Section 14 of the Bituminous Mine Subsidence and the Land Conservation Act of April 27,
284 1966." Buyer agrees to sign the deed from Seller which deed will contain the aforesaid provision.

285 (H) The Property is not a "recreational cabin" as defined in the Pennsylvania Construction Code Act unless otherwise stated here:

286 (I) 1. This property is not subject to a Private Transfer Fee Obligation unless otherwise stated here:

287 ☐ Private Transfer Fee Addendum (PAR Form PTF) is attached and made part of this Agreement.

288 2. Notice Regarding Private Transfer Fees: In Pennsylvania, Private Transfer Fees are defined and regulated in the Private
289 Transfer Fee Obligation Act (Act 1 of 2011; 68 Pa.C.S. §§ 8101, et. seq.), which defines a Private Transfer Fee as "a fee that
290 is payable upon the transfer of an interest in real property, or payable for the right to make or accept the transfer, if the obliga-
291 tion to pay the fee or charge runs with title to the property or otherwise binds subsequent owners of property, regardless of
292 whether the fee or charge is a fixed amount or is determined as a percentage of the value of the property, the purchase price
293 or other consideration given for the transfer. A Private Transfer Fee must be properly recorded to be binding, and sellers must
294 disclose the existence of the fees to prospective buyers. Where a Private Transfer Fee is not properly recorded or disclosed,
295 the Act gives certain rights and protections to buyers.

296 16. MAINTENANCE AND RISK OF LOSS (10-06)

297 (A) Seller will maintain the Property, grounds, fixtures and personal property specifically listed in this Agreement in its present
298 condition, normal wear and tear excepted.

299 (B) Seller will promptly notify the Buyer if, at any time prior to the time of settlement, all or any portion of the Property is destroyed,
300 or damaged as a result of any cause whatsoever.

301 (C) Seller bears the risk of loss from fire or other casualties until settlement. If any property included in this sale is destroyed and
302 not replaced, Buyer will:
303 1. Accept the Property in its then current condition together with the proceeds of any insurance recovery obtainable by Seller, OR
304 2. Terminate this Agreement by written notice to Seller, with all deposit monies returned to Buyer according to the terms of
305 Paragraph 24 of this Agreement.

306 17. RECORDING (9-05)

308 This Agreement will not be recorded in the Office of the Recorder of Deeds or in any other office or place of public record. If Buyer
309 causes or permits this Agreement to be recorded, Seller may elect to treat such act as a default of this Agreement.

310 18. ASSIGNMENT (1-10)

312 This Agreement is binding upon the parties, their heirs, personal representatives, guardians and successors, and to the extent assign-
313 able, on the assigns of the parties hereto. Buyer will not transfer or assign this Agreement without the written consent of Seller unless
314 otherwise stated in this Agreement. Assignment of this Agreement may result in additional transfer taxes.

315 19. GOVERNING LAW, VENUE AND PERSONAL JURISDICTION (9-05)

317 (A) The validity and construction of this Agreement, and the rights and duties of the parties, will be governed in accordance with the
318 laws of the Commonwealth of Pennsylvania.

319 (B) The parties agree that any dispute, controversy or claim arising under or in connection with this Agreement or its performance by either
320 party submitted to a court shall be exclusively tried by and in the state or federal courts sitting in the Commonwealth of Pennsylvania.

321 Buyer Initials: ____________________________  ASC Page 6 of 9  Seller Initials: ____________________________
322 Lloyd
323 Produced with zipForm® by zipLogix 18070 Fifteen Mile Road, Fraser, Michigan 48026   www.zipLogix.com
20. NOTICE REGARDING CONVICTED SEX OFFENDERS (MEGAN’S LAW) (6-13)

The Pennsylvania General Assembly has passed legislation (often referred to as "Megan’s Law," 42 Pa.C.S. § 9791 et seq.) providing for community notification of the presence of certain convicted sex offenders. Buyers are encouraged to contact the municipal police department or the Pennsylvania State Police for information relating to the presence of sex offenders near a particular property, or to check the information on the Pennsylvania State Police Web site at www.pameganslaw.state.pa.us.

21. CERTIFICATION OF NON-FOREIGN INTEREST (10-01)

☐ Seller is a foreign person, foreign corporation, foreign partnership, foreign trust, or foreign estate subject to Section 1445 of the Internal Revenue Code, which provides that a transferee (Buyer) of a U.S. real property interest must withhold tax if the transferor (Seller) is a foreign person.

☐ Seller is NOT a foreign person, foreign corporation, foreign partnership, foreign trust, or a foreign estate as defined by the Internal Revenue Code, or is otherwise not subject to the tax withholding requirements of Section 1445 of the Internal Revenue Code. To inform Buyer that withholding of tax is not required upon the sale/disposition of the Property by Seller, Seller hereby agrees to furnish Buyer, at or before closing, with the following:

☐ An affidavit stating, under penalty of perjury, the Seller's U.S. taxpayer identification number and that the Seller is not a foreign person.

☐ A "qualifying statement," as defined by statute, that withholding is not required by Buyer.

☐ Other:

22. REPRESENTATIONS (1-10)

(A) All representations, claims, advertising, promotional activities, brochures or plans of any kind made by Seller, Brokers, their licensees, employees, officers or partners are not a part of this Agreement unless expressly incorporated or stated in this Agreement. This Agreement contains the whole agreement between Seller and Buyer, and there are no other terms, obligations, covenants, representations, statements or conditions, oral or otherwise, of any kind whatsoever concerning this sale. This Agreement will not be altered, amended, changed or modified except in writing executed by the parties.

(B) Broker(s) have provided or may provide services to assist unrepresented parties in complying with this Agreement.

23. BROKER INDEMNIFICATION (6-13)

(A) Buyer and Seller represent that the only Brokers involved in this transaction are: PASSPORT REALTY, LLC

and that the transaction has not been brought about through the efforts of anyone other than said Brokers. It is agreed that if any claims for brokerage commissions or fees are ever made against Buyer or Seller in connection with this transaction, each party shall pay its own legal fees and costs in connection with such claims. It is further agreed that Buyer and Seller agree to indemnify and hold harmless each other and the above-listed Brokers from and against the non-performance of this Agreement by either party, and from any claim of loss or claim for brokerage commissions, including all legal fees and costs, that may be made by any person or entity. This paragraph shall survive settlement.

(B) Seller and Buyer acknowledge that any Broker identified in this Agreement: (1) Is a licensed real estate broker; (2) Is not an expert in construction, engineering, code or regulatory compliance or environmental matters and was not engaged to provide advice or guidance in such matters, unless otherwise stated in writing; and (3) Has not made and will not make any representations or warranties nor conduct investigations of the environmental condition or suitability of the Property or any adjacent property, including but not limited to those conditions listed in Paragraph 9(C).

24. DEFAULT, TERMINATION AND RETURN OF DEPOSITS (1-10)

(A) Where Buyer terminates this Agreement pursuant to any right granted by this Agreement, Buyer will be entitled to a return of all deposit monies paid on account of Purchase Price pursuant to the terms of Paragraph 24(B), and this Agreement will be VOID.

Termination of this Agreement may occur for other reasons giving rise to claims by Buyer and/or Seller for the deposit monies.

(B) Regardless of the apparent entitlement to deposit monies, Pennsylvania law does not allow a Broker holding deposit monies to determine who is entitled to the deposit monies when settlement does not occur. Broker can only release the deposit monies:

1. If this Agreement is terminated prior to settlement and there is no dispute over entitlement to the deposit monies. A written agreement signed by both parties is evidence that there is no dispute regarding deposit monies.

2. If, after Broker has received deposit monies, Broker receives a written agreement that is signed by Buyer and Seller, directing Broker how to distribute some or all of the deposit monies.

3. According to the terms of a final order of court.

4. According to the terms of a prior written agreement between Buyer and Seller that directs the Broker how to distribute the deposit monies if there is a dispute between the parties that is not resolved. (See Paragraph 24(C))

(C) Buyer and Seller agree that if there is a dispute over the entitlement to deposit monies that is unresolved 60 days (180 if not specified) days after the Settlement Date stated in Paragraph 3(A) (or any written extensions thereof) or following date of termination of the Agreement, whichever is earlier, then the Broker holding the deposit monies will, within 30 days of receipt of Buyer’s written request, distribute the deposit monies to Buyer unless the Broker is in receipt of verifiable written notice that the dispute is the subject of litigation. If Broker has received verifiable written notice of litigation prior to the receipt of Buyer’s request for distribution, Broker will continue to hold the deposit monies until receipt of a written distribution agreement between Buyer and Seller or a final court order. Buyer and Seller are advised to initiate litigation for any portion of the deposit monies prior to any distribution made by Broker pursuant to this paragraph. Buyer and Seller agree that the distribution of deposit monies based upon the passage of time does not legally determine entitlement to deposit monies, and that the parties maintain their legal rights to pursue litigation even after a distribution is made.

(D) Buyer and Seller agree that Broker who holds or distributes deposit monies pursuant to the terms of Paragraph 24 or Pennsylvania law will not be liable. Buyer and Seller agree that if any Broker or affiliated licensee is named in litigation regarding deposit monies, the attorneys’ fees and costs of the Broker(s) and licensee(s) will be paid by the party naming them in litigation.
(E) Seller has the option of retaining all sums paid by Buyer, including the deposit monies, should Buyer:
1. Fail to make any additional payments as specified in Paragraph 2, OR
2. Furnish false or incomplete information to Seller, Broker(s), or any other party identified in this Agreement concerning
   Buyer's legal or financial status, OR
3. Violate or fail to fulfill and perform any other terms or conditions of this Agreement.

(F) **UNLESS OTHERWISE CHECKED IN PARAGRAPH 24(G), Seller may elect to retain those sums paid by Buyer, including deposit monies:**
1. On account of purchase price, OR
2. As monies to be applied to Seller's damages, OR
3. As liquidated damages for such default.

(G) **SELLER IS LIMITED TO RETAINING SUMS PAID BY BUYER, INCLUDING DEPOSIT MONIES, AS LIQUIDATED DAMAGES.**

(H) If Seller retains all sums paid by Buyer, including deposit monies, as liquidated damages pursuant to Paragraph 24(F) or (G),
Buyer and Seller are released from further liability or obligation and this Agreement is VOID.

(I) Brokers and licensees are not responsible for unpaid deposits.

25. ARBITRATION OF DISPUTES (1-00)
Buyer and Seller agree to arbitrate any dispute between them that cannot be amicably resolved. After written demand for arbitration
by either Buyer or Seller, each party will select a competent and disinterested arbitrator. The two so selected will select a third. If selec-
tion of the third arbitrator cannot be agreed upon within 30 days, either party may request that selection be made by a judge of a court
of record in the county in which arbitration is pending. Each party will pay its chosen arbitrator, and bear equally expenses for the third
and all other expenses of arbitration. Arbitration will be conducted in accordance with the provisions of Pennsylvania Common
Law Arbitration 42 Pa. C.S.A. §7341 et seq. This agreement to arbitrate disputes arising from this Agreement will survive settlement.

26. RELEASE (9-05)
Buyer releases, quit claims and forever discharges SELLER, ALL BROKERS, their LICENSEES, EMPLOYEES and any
OFFICER or PARTNER of any one of them and any other PERSON, FIRM or CORPORATION who may be liable by or
through them, from any and all claims, losses or demands, including, but not limited to, personal injury and property damage and
all of the consequences thereof, whether known or not, which may arise from the presence of termites or other wood-boring insects,
radiation, lead-based paint hazards, mold, fungi or indoor air quality, environmental hazards, any defects in the individual on-lot sewage
disposal system or deficiencies in the on-site water service system, or any defects or conditions on the Property. Should Seller be in
default under the terms of this Agreement or in violation of any Seller disclosure law or regulation, this release does not deprive Buyer
of any right to pursue any remedies that may be available under law or equity. This release will survive settlement.

27. REAL ESTATE RECOVERY FUND (9-05)
A Real Estate Recovery Fund exists to reimburse any persons who have obtained a final civil judgment against a Pennsylvania real
estate licensee (or a licensee's affiliates) owing to fraud, misrepresentation, or deceit in a real estate transaction and who have been
unable to collect the judgment after exhausting all legal and equitable remedies. For complete details about the Fund, call (717) 783-
3658 or (800) 822-2113 (within Pennsylvania) and (717) 783-4854 (outside Pennsylvania).

28. COMMUNICATIONS WITH BUYER AND/OR SELLER (6-13)
Wherever this Agreement contains a provision that requires or allows communication/delivery to a Buyer, that provision shall be sat-
sified by communication/delivery to the Broker for Buyer, if any, except where required by law. If there is no Broker for Buyer, those
provisions may be satisfied only by communication/delivery being made directly to the Buyer, unless otherwise agreed to by the parties.
Wherever this Agreement contains a provision that requires or allows communication/delivery to a Seller, that provision shall be sat-
sified by communication/delivery to the Broker for Seller, if any. If there is no Broker for Seller, those provisions may be satisfied
only by communication/delivery being made directly to the Seller, unless otherwise agreed to by the parties.

29. NOTICE BEFORE SIGNING (4-14)
Unless otherwise stated in writing, Buyer and Seller acknowledge that Brokers are not experts in legal or tax matters and that Brokers
have not made, nor will they make, any representations or warranties nor conduct research of the legal or tax ramifications of this
Agreement. Buyer and Seller acknowledge that Brokers have advised them to consult and retain experts concerning the legal and tax
effects of this Agreement and the completion of the sale, as well as the condition and/or legality of the Property, including, but not
limited to, the Property's improvements, equipment, soil, tenancies, title and environmental aspects. Buyer and Seller acknowledge
receipt of a copy of this Agreement at the time of signing. **This Agreement may be executed in one or more counterparts, each of
which shall be deemed to be an original and which counterparts together shall constitute one and the same Agreement of the Parties.**

WHEN SIGNED, THIS AGREEMENT IS A BINDING CONTRACT. Return of this Agreement, and any addenda and amend-
ments, including return by electronic transmission, bearing the signatures of all parties, constitutes acceptance by the parties.

30. SPECIAL CLAUSES (4-14)
(A) The following are part of this Agreement if checked:

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<td>Appraisal Contingency Addendum to Agreement of Sale (PAR Form ACA)</td>
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<td>Short Sale Addendum to Agreement of Sale (PAR Form SHS)</td>
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<td>Zoning Change Addendum to Agreement of Sale (PAR Form ZCA)</td>
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447 Buyer Initials: [Signature] / ASC Page 8 of 9
Seller Initials: [Signature] / Lloyd

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(B) Additional Terms: BUYER MAY TERMINATE THIS AGREEMENT AND RECEIVE A REFUND OF ITS DEPOSIT IF IT DOES NOT, WITHIN 180 DAYS OF THE DATE HEREOF, RECEIVE ALL GOVERNMENTAL PERMITS AND APPROVALS TO RENOVATE THE PROPERTY, AND ALL GOVERNMENTAL PERMITS AND APPROVALS TO OPERATE THEREIN ITS LICENSED BUSINESS AS CONTEMPLATED HEREIN.

BUYER SHALL DELIVER TO SELLER THE NON-REFUNDABLE $5,000.00 CASH DEPOSIT WHICH SHALL BECOME THE PROPERTY OF RONALD J. LLOYD, SELLER, UPON EXECUTION OF THIS AGREEMENT.

____ / ____ Buyer has received the Consumer Notice, where applicable, as adopted by the State Real Estate Commission at 49 Pa. Code §35.336.

____ / ____ Buyer has received a statement of Buyer's estimated closing costs before signing this Agreement.

____ / ____ Buyer has received the Deposit Money Notice (for cooperative sales when Broker for Seller is holding deposit money) before signing this Agreement.

BUYER

By: ________

PRES. DATE 03-13-17

Mailing Address ____________________________ Fax __________ Email

Phone(s) ____________________________

BUYER

Mailing Address ____________________________ Fax __________ Email

Phone(s) ____________________________

BUYER

Mailing Address ____________________________ Fax __________ Email

Phone(s) ____________________________

AUTHORIZED REPRESENTATIVE

Title

COMPANY

Seller has received the Consumer Notice, where applicable, as adopted by the State Real Estate Commission at 49 Pa. Code § 35.336. Seller has received a statement of Seller's estimated closing costs before signing this Agreement.

VOLUNTARY TRANSFER OF CORPORATE ASSETS (if applicable): The undersigned acknowledges that he/she is authorized by the Board of Directors to sign this Agreement on behalf of the Seller corporation and that this sale does not constitute a sale, lease, or exchange of all or substantially all the property and assets of the corporation, such as would require the authorization or consent of the shareholders pursuant to 15 P.S. §1311.

SELLER

Ronald J. Lloyd

DATE 3-13-17

Mailing Address ____________________________ Fax __________ Email

Phone(s) ____________________________

SELLER

Mailing Address ____________________________ Fax __________ Email

Phone(s) ____________________________

SELLER

Mailing Address ____________________________ Fax __________ Email

Phone(s) ____________________________

AUTHORIZED REPRESENTATIVE

Title

COMPANY

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ASSIGNMENT OF AGREEMENT FOR THE SALE OF
COMMERCIAL REAL ESTATE

THIS ASSIGNMENT OF AGREEMENT FOR THE SALE OF COMMERCIAL REAL ESTATE (this “Assignment”) is made and entered into as of the 15th day of March, 2017, by and between Passport West Eighth, LLC, having a mailing address at 240 West 11th Street, Suite B-050, Erie, PA 16501 (“Assignor”), and Cannabis Square Holdings, LLC, having a mailing address at 240 West 11th Street, Suite B-050, Erie, PA 16501 (“Assignee”).

WITNESSETH:

WHEREAS, Assignor, as Buyer, and Ronald J. Lloyd, as Seller, entered into that certain AGREEMENT FOR THE SALE OF COMMERCIAL REAL ESTATE effectively dated March 14, 2017, (hereinafter referred to as the “Sale Agreement”), with respect to the sale of a certain tract or parcel of land lying and being situate in Mercer County, Pennsylvania, more particularly described in the Sale Agreement (“Property”); and

WHEREAS, Assignor has agreed to transfer, set over, assign and convey to Assignee all of Assignor’s rights, privileges, duties and obligations in, to and under the Sale Agreement, and Assignee has agreed to assume and perform certain of Assignor’s liabilities and obligations arising under the Sale Agreement on and after the date hereof, all in accordance with this Assignment.

NOW, THEREFORE, for and in consideration of the sum of TEN AND NO/100 DOLLARS ($10.00) and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the parties agree as follows:

1. Assignment. Assignor hereby transfers, sets over, assigns and conveys unto Assignee all of Assignor’s rights, privileges, duties and obligations in, to and under the above referenced Sale Agreement together with all of Assignor’s rights, title and interest in and to the Property described in said Sale Agreement, including, without limitation, all earnest money deposits paid pursuant thereto, and all rights, power and privileges conferred by the Sale Agreement upon Assignor, as Buyer therein, and Assignor hereby authorizes Assignee to exercise said rights, powers and privileges in as full a manner as Assignor is authorized to exercise the same.

2. Representations and Warranties. Assignor hereby represents and warrants to Assignee (a) that it has full power and authority to assign the Sale Agreement to Assignee, (b) that the Sale Agreement is in full force and effect and has not been modified or amended in any manner whatsoever, and (c) all right, title and interest of Assignor in and to the Sale Agreement is free and clear of any and all claims, liens and encumbrances whatsoever and that it does warrant and will forever defend the same against the claim or claims of all persons whomsoever.

3. Further Assurances. Assignor covenants with Assignee and Assignee covenants with Assignor that each will execute or procure any additional documents necessary to establish the rights of the other hereunder.
4. Counterparts. This Assignment may be executed by the parties in counterparts, in which event the signature pages thereof shall be combined in order to constitute a single original document.

5. Binding Effect. This Assignment shall be binding upon and inure to the benefit of Assignor, Assignee and their respective successors and assigns.

IN WITNESS WHEREOF, the parties have executed this Assignment as of the date set forth above.

ASSIGNOR:

Witness:

[Signature]
SIGNATURE OF WITNESS

[Title]
TITLE OF WITNESS

[Print Name]
PRINT NAME OF WITNESS

[Date]
DATE

Passport West Eighth, LLC

By: [Signature]
SIGNATURE OF OFFICER

Its: [Title]
TITLE OF OFFICER

[Print Name]
PRINT NAME OF OFFICER

Its: [Date]
DATE

ASSIGNEE:

Witness:

[Signature]
SIGNATURE OF WITNESS

[Title]
TITLE OF WITNESS

[Print Name]
PRINT NAME OF WITNESS

[Date]
DATE

Cannabis Square Holdings, LLC

By: [Signature]
SIGNATURE OF OFFICER

Its: [Title]
TITLE OF OFFICER

[Print Name]
PRINT NAME OF OFFICER

Its: [Date]
DATE
LEASE AGREEMENT

THIS LEASE AGREEMENT made and entered into on this 16th day of March, 2017, (the “Effective Date”) by and between:

LANDLORD: Cannabis Square Holdings, LLC
240 West 11th Street, Suite B-050
Erie, PA 16501

and

TENANT: Cannabis Square, LLC
240 West 11th Street, Suite B-050
Erie, PA 16501

WITNESSETH:

IN CONSIDERATION of the payment of rents and other charges provided for herein and the covenants and conditions hereinafter set forth, Landlord and Tenant hereby covenant and agree as follows:

ARTICLE I

Demised Premises

Section 1.1 Demised Premises. Landlord hereby leases to Tenant and Tenant hereby rents from Landlord the following described premises which constitutes a part of the commercial facilities (the “Complex”) located at 229 North Perry Highway, Mercer, Pennsylvania.

Demised Premises consisting of approximately 3,085 square feet (the “Demised Premises”) as outlined on the Site Plan attached hereto as Exhibit A. Tenant shall occupy the Demised Premises on such date as it first receives approval from the Pennsylvania Department of Health to operate a medical marijuana dispensary.

The Demised Premises are demised and let subject to the following: (a) the existing state of the title to the Demised Premises, the Complex and the real property upon which the same are situated; and (b) all zoning regulations, restrictions, rules and ordinances, building or use restrictions and other laws and regulations now in effect or hereafter adopted by any governmental authority having jurisdiction thereof. Landlord reserves the right to place in, under, over or through the Demised Premises pipes, wires, lines, and facilities serving other areas of the Complex and adjacent properties owned by Landlord, provided such right is exercised in a
manner which does not unreasonably interfere with Tenant's conduct of its business at the Demised Premises.

Section 1.2 Area of Demised Premises. Tenant hereby represents and warrants to Landlord that Tenant has made its own investigation and examination of all the relevant data relating to or affecting the Demised Premises and is relying solely on its own judgment in entering into this Lease.

Section 1.3 Renovation Work. Landlord shall deliver to Tenant the Demised Premises in substantially the condition as it is in as of the date hereof. All other improvements to the Demised Premises shall be provided by Tenant at its own cost and expense, in accordance with plans and specifications approved by Landlord, in a good and workmanlike manner and shall be in compliance with all applicable building codes, laws, ordinances and regulations, including those rules and regulations promulgated by the Pennsylvania Department of Health relating to medical marijuana dispensaries.

Section 1.4 Delivery. Landlord and Tenant shall use due diligence in attempting to have the Demised Premises ready for the conduct of business as soon as practicable, but in no event later than 180 days after the Commencement Date (as hereinafter defined).

ARTICLE II

Term of Lease

Section 2.1 Term. The term of this Lease (the "Term") shall commence on the date upon which Tenant receives approval from the Pennsylvania Department of Health to operate a medical marijuana dispensary at the Demised Premises (referred to herein as the "Commencement Date"), and shall expire on the last day of the sixty-sixth (66th) full calendar month after the Commencement Date (the "Main Term"). Should the Commencement Date fall on a day other than the first day of a month, the rent for the initial fractional month shall be prorated. At the request of Landlord, from time to time, the parties will execute memoranda or letters stating the exact Commencement Date and Expiration Date of the Lease. The term "Lease Year" as used herein shall mean the twelve month period beginning with the Commencement Date (or the first day of the next calendar month if the Commencement Date is other than the first day of the month) and ending one year later, and each subsequent twelve month period.

ARTICLE III

Rent

Section 3.1 Minimum Rent. Tenant shall, throughout the Term hereof (but subject to adjustment), pay to Landlord as "Minimum Rent" for the Demised Premises, in advance on the
first day of each month, without any offsets or deductions whatever, at the office of Landlord or such other place as Landlord may designate in writing, consecutive monthly installments as follows:

<table>
<thead>
<tr>
<th>TERM</th>
<th>ANNUAL RENT PER SQ. FT. OF DEMISED PREMISES</th>
<th>ANNUAL RENT</th>
<th>MONTHLY RENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main Term</td>
<td>$8.00</td>
<td>$24,680</td>
<td>$2,056.67</td>
</tr>
<tr>
<td>First Renewal Term</td>
<td>$8.00</td>
<td>$24,680</td>
<td>$2,056.67</td>
</tr>
<tr>
<td>Second Renewal Term</td>
<td>$8.00</td>
<td>$24,680</td>
<td>$2,056.67</td>
</tr>
</tbody>
</table>

Upon the Commencement Date, Tenant will pay to Landlord the Minimum Rent for the first full calendar month of the Term, or if the Commencement Date does not fall on the first day of the month, the pro rata share due for such month.

Section 3.2  Percentage Rent. *Intentionally deleted.*

Section 3.3  Additional Rent. In addition to the rent payable by Tenant pursuant to this Article III, Tenant shall also pay, as additional rent:

(a) Tenant’s proportionate share of (i) real estate taxes, as provided in Article IV; (ii) insurance as provided in Article V; and (iii) common area maintenance expenses, as provided in Article VI. Tenant’s “proportionate share” or “pro rata share”, as these terms are used herein, shall mean the fraction, the numerator of which shall be the square footage of the Demised Premises and the denominator of which shall be the square footage of all leased space within the Complex.

(b) Tenant’s proportionate share of any cost which is borne by Landlord for security and shuttle services, if any, utilities (water, gas, electricity, sewage disposal, etc.) or trash and waste removal or similar expenses which are not reimbursed to Landlord by Tenant as a common area maintenance expense.

**EXAMPLE:** Water service may be furnished to the Demised Premises via a master meter which also serves other users and which is billed solely to Landlord.

If Tenant’s consumption of any such utility service is not measured via a sub-meter, then from time to time, Landlord shall estimate and establish a monthly charge to Tenant thereafter. It is provided however, that a representative of the respective utility service in question or a qualified consultant may be engaged by Tenant to estimate and confirm Tenant’s consumption and appropriate costs thereof.
ARTICLE IV

Real Estate Taxes

Section 4.1 Taxes. Tenant shall pay its pro rata share of all “real estate taxes”, as herein defined. Real Estate Taxes shall include any tax which may be levied or assessed by any lawful authority against the land and improvements of the Complex of which the Demised Premises are a part, assessments, water and sewer rents, taxes on rents, drainage assessments, sewer charges, assessments for public improvements and other governmental impositions of any kind or nature, whether general or special, levied, assessed, charged or imposed by federal, state or local governments against or upon the land and improvements of the Complex of which the Demised Premises constitute a part as well as professional fees and expenses incurred by Landlord for ad valorem tax consultants or tax rendering services and all penalties, interest and other charges payable by reason of any delay in or failure or result of Tenant to make timely payments as required under this Lease.

ARTICLE V

Landlord’s Insurance

Section 5.1 Insurance. Landlord may procure and maintain insurance covering fire and such other risks as are from time to time included in standard extended coverage endorsements, insuring in an amount, after completion of construction, of not less than eighty percent (80%) of the full insurable value or such greater coverage as may be required by Landlord’s mortgage. If the insurance policies maintained by Landlord with respect to the Complex contain any nature of deductible feature, then Tenant, in the event of a loss to the Demised Premises, shall pay to Landlord Tenant’s proportionate share thereof based upon the amount of such deductible feature multiplied by a fraction, the numerator of which is the total number of square feet comprising the Demised Premises and the denominator of which is the aggregate number of square feet of the total floor area leased to all tenants in the Complex. Tenant’s pro rata share of such deductible amount shall be payable to Landlord within ten (10) days following receipt from Landlord of a statement therefor and payment thereof by Tenant shall be a condition precedent to Landlord’s obligations to repair or restore the Demised Premises.

ARTICLE VI

Common Areas

Section 6.1 Common Areas. Landlord hereby grants to Tenant, during the Term of this Lease, the nonexclusive right to use, in common with all others so entitled, the Common Areas of the Complex. As used herein, the term “Common Areas” shall mean and include all areas, facilities and improvements provided from time to time for the general, common or joint use on a
non-exclusive basis by Landlord and the tenants of the Complex, including, without limitation, all parking spaces and areas, pedestrian sidewalks, driveways, curbing, retaining walls, truckways, access roads, ramps, loading docks, delivery areas, storm and sanitary sewer systems, signs, music program service, if any, landscaped and vacant areas and lighting facilities, including all utilities serving the same, whether located within or outside of the Complex property, except as may be otherwise designated by Landlord for the exclusive use of any tenant.

Section 6.2  **Landlord’s Obligations.** Landlord shall maintain the Common Areas in good repair, reasonably clear of debris.

Section 6.3  **Common Area Maintenance.** In addition to the monthly rental payable by Tenant pursuant to Article III hereof, Tenant shall, throughout the Term hereof, be responsible for its proportionate share of all Common Area Maintenance Expenses (as defined herein) incurred in maintaining and operating the Common Areas.

**ARTICLE VII**

Adjustment(s) to Tenant’s Monthly Payment for Property Taxes, Insurance and Common Area Maintenance

Section 7.1  **Adjustments.** Any provisions in Articles IV (Real Estate Taxes), V (Landlord’s Insurance) and VI (Common Areas) of the Lease to the contrary notwithstanding, Tenant’s estimated monthly payments for Taxes, and Common Area Maintenance may, from time to time, be adjusted up or down based on Landlord’s then most current estimate of said charge(s) and upon thirty (30) days prior written notice from Landlord to Tenant. During the Term of this Lease if Landlord’s then most current estimate shows that the total of Tenant’s payments pursuant to paragraphs IV, V and VI above, is less than or greater than such actual cost(s) incurred by Landlord since Landlord’s previous estimate then the deficit or the excess, as the case may be, shall be credited or debited to the rental next coming due.

If the Term of this Lease shall begin or end other than on the first day or last day of the applicable premium year, these charges shall be billed and adjusted on the basis of such fractional year.

**ARTICLE VIII**

**Use of the Demised Premises**

Section 8.1  **Permitted Use.** Tenant shall operate its business in the Demised Premises during the Term of this Lease for the purpose of the storage and sale of medical marijuana products and associated goods, or for any other legal purpose.
ARTICLE IX

Tenant’s Installations and Alterations

Section 9.1 Installation. Tenant shall, at Tenant’s sole cost and expense, at all times during the Term of this Lease, keep the Demised Premises equipped with all trade fixtures, equipment, furnishings, furniture, fixtures, floor coverings, carpeting and exterior signs and all other equipment and personal property necessary for the operation of Tenant’s business in the Demised Premises.

ARTICLE X

Maintenance of the Demised Premises

Section 10.1 Landlord’s Maintenance Obligations. Landlord shall keep and maintain the roof over the Demised Premises and the structural portions of the Demised Premises in good repair, provided that Tenant shall give Landlord prior notice of the necessity for such repairs and further provided, that any damage thereto shall not have been caused by any act or negligence of Tenant, its employees, agents, invitees, subtenants, assignees or contractors in which event the cost of the repair of such damage shall be borne solely by Tenant.

Section 10.2 Tenant’s Maintenance Obligations. Tenant shall keep and maintain in good order, condition and repair (which repair shall mean replacement if necessary) the Demised Premises and every part thereof, except as hereinbefore provided as Landlord’s maintenance responsibility, including, without limitation, the exterior and interior portions of all doors, door checks, security gates, windows, glass, utility facilities, plumbing and sewage facilities within the Demised Premises or under the floor slab including free flow up to the main sewer line; all heating and air-conditioning equipment and apparatus including exterior mechanical equipment; exterior utility facilities and exterior electrical equipment serving the Demised Premises; and, all plate glass, interior walls, floors and ceilings, including interior painting; and shall at all times comply with applicable building codes. Tenant shall contract for, in its own name, and shall pay for (a) a qualified service contractor to inspect, adjust, clean and repair heating, ventilating and air conditioning equipment, including changing filters on a semi-annual basis, and (b) a qualified service contractor to render pest control services to the Demised Premises.

All such service contractors shall be subject to the prior written approval of Landlord. If Tenant refuses or neglects to commence or complete any of the obligations above set forth promptly and adequately after written notice from Landlord, or in the event of an emergency, after whatever notice is reasonable under the circumstances, if any, Landlord may, but shall not be required to do so, make or complete said maintenance or repairs and Tenant shall pay the cost thereof to Landlord upon demand. For the purposes of this Section, an “emergency” shall be deemed to exist if, in the good faith judgment of Landlord, prompt action is needed in order to prevent death, bodily injury or property damage. If Landlord makes any such repairs, performs any such
maintenance, or provides any such renewal or replacement, or undertakes to do so (or engages any third party contractors to do so), then Landlord shall not be liable to Tenant for (and Tenant shall indemnify and hold Landlord harmless with respect to) all loss or damage that may occur to Tenant’s merchandise, fixtures or other property or to Tenant’s business incident to such action by Landlord.

ARTICLE XI

Insurance and Indemnity

Section 11.1 Tenant’s Insurance. Tenant will take out and maintain, at its own cost and expense, commercial general liability insurance coverage in a minimum amount of $3,000,000.00 combined single limit, which commercial general liability policy shall include (i) coverage for bodily injury and death, property damage and products liability coverage; (ii) contractual liability coverage insuring the obligations of Tenant under the terms of this Lease; and (iii) fire legal liability coverage with respect to the Demised Premises and the building of which they are a part in the amount of at least $3,000,000.00. Such policy shall name Landlord (and any of its affiliates, subsidiaries, successors and assigns designated by Landlord) and Tenant as additional insureds. All such insurance required to be maintained by Tenant shall be with an insurance company satisfactory to Landlord, and Tenant shall provide Landlord with copies or certificates of all policies required herein, including an endorsement providing that such insurance shall not be canceled or not renewed except after fifteen (15) days’ notice in writing to Landlord. Should Tenant fail to furnish such policies as hereinabove provided, Landlord may obtain such insurance and the premiums for such insurance shall be deemed additional rent paid by Tenant to Landlord on demand. To the extent that Tenant fails to take out or to maintain the aforesaid insurance policy, such failure shall be a defense to any claim asserted by Tenant against Landlord by reason of any loss sustained by Tenant due to fire or other casualty, notwithstanding that such loss might have been caused by the negligence of Landlord. Tenant shall be responsible for the safety and personal well-being of Tenant’s employees, both within the Demised Premises and in the Common Area. Tenant agrees that Landlord shall not be responsible or liable to Tenant or those claiming under Tenant (including, without limitation, Tenant’s agents, servants, employees, customers and invitees) for injury, death or damage or loss occasioned by the acts or omissions of persons occupying any other part of the Complex or occasioned by the property of any other occupant of any part of the Complex or the acts or omissions of any other person or persons present at the Complex who are not occupants of any part thereof, whether or not such persons are present with the knowledge or consent of Landlord; and Tenant agrees to indemnify and hold Landlord.

Section 11.2 Indemnification Obligations. Tenant does hereby protect, indemnify and save harmless Landlord forever against and from: (i) any penalty, damage or charges imposed for any violation of any laws or ordinances occurring on or about the Demised Premises during the term hereof, or related to Tenant’s use thereof, whether occasioned by acts of Tenant or of others; (ii) any and all claims, loss, costs, damages or expenses arising during the term hereof out of or from
any accident or other occurrence in, or about the Demised Premises causing injury to any person or property whomsoever or whatsoever; and (iii) any and all claims, loss, cost, damage or expense, including attorneys’ fees, arising out of any failure of Tenant in any respect to comply with or perform all of the requirements and provisions of this Lease. Tenant assumes responsibility for the condition of the Demised Premises and agrees to give Landlord written notice in the event of any damage, defect or disrepair therein. Tenant (i) agrees to use and to occupy the Demised Premises and to place its fixtures, equipment, merchandise and other property therein at its own risk and (ii) hereby releases Landlord and its agents from all claims for any damage or injury to Tenant’s equipment, merchandise and other property placed by it in the Demised Premises to the full extent permitted by law. Tenant’s obligations pursuant to this Section 11.2 shall survive any termination of this Lease with respect to any acts, omissions and/or occurrences which took place prior to such termination.

Section 11.3 Waiver of Subrogation. Each party to this Lease shall require each of the insurers under policies of insurance which such party procures or maintains in relation to the Demised Premises or the contents thereof to waive in writing any and all rights of subrogation which such insurer might otherwise have against the other party to this Lease or its agents or employees. The parties hereto do hereby waive any and all right of recovery against each other for losses covered by such policies, providing the insurance companies issuing same shall waive subrogation rights. Notwithstanding the foregoing provisions of this Section, neither party shall be liable for any injuries, loss, liability, expense, claim or damage to the other’s property or interest in respect to which and to the extent that said property or interest is covered by insurance, whether such loss or damage be occasioned by the negligence of such party, its servants, agents, employees or otherwise, unless same shall invalidate any insurance policy affecting the Demised Premises or the Complex. Tenant or Landlord, as the case may be, shall give the other written notice that such a waiver of subrogation is not available from its insurers.

Notwithstanding any contrary provisions contained in this Section, this Section shall not apply to relieve Tenant of its obligation to repair, at Tenant’s cost and expense, as required by any other sections of this Lease.

ARTICLE XII

Destruction and Restoration

Section 12.1 Landlord’s Option to Terminate. In the event the Demised Premises or the building of which the Demised Premises constitute a part shall be damaged or destroyed by fire or other casualty to the extent that the cost of repairing or replacing the same will exceed twenty five percent (25%) of the then replacement value thereof, then Landlord may, at its option, within thirty (30) days after the issuance of the proof of loss by the insurance company insuring the building, terminate this Lease upon written notice to Tenant, in which event this Lease shall be deemed terminated.
Section 12.2 Restoration. In the event the Demised Premises or the building of which the Demised Premises constitute a part shall be partially damaged or destroyed by fire or other casualty to the extent that the cost of repairing or replacing the same will be equal to or less than twenty five percent (25%) of the then replacement value thereof, or in the event Landlord does not elect to terminate this Lease as provided herein and provided the damage or destruction was not caused by the negligent acts or omissions of Tenant, then Landlord shall repair the damage with reasonable dispatch after notice of such casualty; provided, however, Landlord’s obligation to repair or restore shall be limited to restoring the structural portions of the Demised Premises and shall not include repairs or the restoration of any of Tenant’s fixtures, improvements or other alterations made by Tenant in or upon the Demised Premises; provided, further, however, in the event such damage or destruction occurs during the last year of the term hereof, Landlord shall have the option to terminate this Lease upon written notice to Tenant given at any time before ninety (90) days after the issuance of the proof of loss by the insurance company insuring the building. In the event such repair or restoration cannot be completed within one hundred eighty (180) days from the date of such casualty subject to delays caused by governmental restrictions, strikes, lockouts, shortages of labor or material, acts of God, war or civil commotion, fire, unavoidable casualty, inclement weather or any other cause beyond the control of Landlord and provided the repair or restoration is not caused by the acts or omissions of Tenant and provided Tenant is not in default of this Lease, Tenant may by written notice to Landlord, terminate this Lease and its obligations hereunder. Notwithstanding anything provided herein to the contrary, Landlord’s obligation to repair or rebuild shall be limited to the amount of the fire insurance proceeds received by Landlord (less any costs incurred by Landlord in collecting the same) in the event of any such casualty. In the event the fire insurance proceeds received by Landlord (less any costs incurred by Landlord in collecting the same) are insufficient to rebuild the Complex and the Demised Premises, to their condition as they existed immediately prior to such casualty, then Landlord shall have the option to terminate the Lease upon notice to Tenant within ninety (90) days after Landlord’s receipt of the entire net insurance proceeds payable with respect to such fire or casualty.

Section 12.3 Termination. In the event this Lease is terminated in the manner set forth above, the rentals, including additional rentals, shall be apportioned to the time of such casualty. In the event this Lease is not terminated and Landlord elects to restore or repair the Demised Premises, then the rental payable by Tenant as provided in Article III above shall be equitably abated based on the square footage in the Demised Premises which are usable, until such time as the damage to the Demised Premises has been repaired; provided, in no event shall there be any abatement of the payment of additional rent as provided in Article IV (with respect to real estate taxes), Article V (with respect to insurance), or Article VI (with respect to Common Area Maintenance Expenses).

Section 12.4 Damage to the Complex. Notwithstanding that the Demised Premises may not be destroyed or damaged by fire or other risk, in the event that other buildings containing twenty five percent (25%) or more of the ground floor building area of the Complex shall be damaged or destroyed by fire or other risk, whether or not covered by Landlord’s fire and extended coverage insurance, Landlord shall have the election to terminate this Lease or to continue this Lease in
full force and effect, and Landlord will notify Tenant of Landlord’s election within sixty (60) days after receipt of written notice by Landlord of such other damage or destruction.

Section 12.5 Rights of Mortgagee. Notwithstanding the foregoing, any obligation of Landlord to restore or repair and any application of insurance proceeds in connection therewith shall be subject to the prior rights of the holder of any mortgage which is a lien against the Demised Premises or the Complex.

ARTICLE XIII

Eminent Domain

Section 13.1 Restoration. In the event that during the term of this Lease the Complex of which the Demised Premises constitute a part or the Demised Premises are taken by condemnation or right of eminent domain, or by private purchase in lieu thereof, this Lease and the Term hereby granted shall terminate and expire on the date when possession shall be taken by the condemnor and the rent herein reserved shall be apportioned and paid in full to that date and all prepaid rent shall forthwith be repaid by Landlord to Tenant. In the event that less than all the Demised Premises or less than all the Complex shall be so taken or condemned, then Landlord shall have the option, to be exercised by written notice given to Tenant not later than ninety (90) days after the date of such taking, to terminate this Lease. If a portion of the Demised Premises is taken which materially impairs the ability of Tenant to carry on its business, then Tenant shall have the right to cancel this Lease with a thirty (30) day written notice to Landlord given within thirty (30) days following such taking. Tenant shall have the right to terminate this Lease upon written notice to Landlord, within thirty (30) days following such taking, if Tenant’s access to and from the Demised Premises shall be substantially diminished or should the parking area used by Tenant be materially diminished. The parties agree that a reduction of parking spaces by thirty percent (30%) or more shall be material but any reduction of less than thirty (30%) shall not be deemed material. In the event Landlord does not elect to cancel or terminate this Lease as provided above, then Landlord shall rebuild and restore the Demised Premises as nearly as possible to their condition immediately prior to any such taking and this Lease shall continue in full force and effect except that, during such restoration, the rent payable pursuant to Article III hereof shall be equitably apportioned in the proportion that the square footage of the part of the Demised Premises so taken bears to the total square footage of the Demised Premises immediately prior to such taking; provided, however, in no event shall there be any abatement of the payment of additional rent as provided in Article IV (with respect to real estate taxes), Article V (with respect to insurance), or Article VI (with respect to Common Area Maintenance expenses); provided, further, however, Landlord’s obligation to restore or rebuild shall be limited to an amount which does not exceed the proceeds obtained from such taking (less expenses incurred in collecting the same). In the event the net condemnation award received by Landlord is insufficient to restore or rebuild the structural portions of the Complex and the Demised Premises to their condition as they existed immediately prior to such taking, Landlord shall have the option, within ninety (90) days after
Landlord’s receipt of the net condemnation award, to cancel and terminate this Lease upon written notice to Tenant.

Section 13.2 Awards. All compensation awarded or paid upon any total or partial taking of the Demised Premises shall belong to and be the property of Landlord. However, any separate award for Tenant’s leasehold improvements, trade fixtures, equipment and machinery installed on the Demised Premises by Tenant at Tenant’s expense (and any award specified for Tenant’s moving and relocation expenses) shall belong and be paid to Tenant provided all terms and conditions of this Lease have been complied with by Tenant. In the event of termination of the Lease under the terms hereof, Tenant shall have no claim against Landlord for the value of any unexpired term of the Lease and no right or claim to any part of the award on account thereof.

Section 13.3 Voluntary Conveyance. In the event that any authority having the power of eminent domain requests that Landlord convey to such authority all or any portion of the Complex or all or any portion of the Demised Premises, Landlord shall have the right to make a voluntary conveyance to such authority of all or any portion of the Complex or all or any portion of the Demised Premises whether or not proceedings have been filed by such authority; and in the event of any such voluntary conveyance, it shall nevertheless for all purposes hereunder be deemed that there has been a taking by such authority of the property voluntarily conveyed by Landlord. Accordingly, all of the provisions of this Article shall be applicable notwithstanding such voluntary conveyance.

ARTICLE XIV

Property in the Demised Premises

Section 14.1 Removal. All leasehold improvements (other than Tenant’s trade fixtures), such as light fixtures and heating and air conditioning equipment, shall, when installed, attach to the leasehold and become and remain the property of Landlord. All store fixtures or trade fixtures, signs, and drapes, shall remain the property of Tenant, subject at all times to Landlord’s lien for rent and other sums which may become due to Landlord under this Lease. It is specifically understood and agreed that Tenant shall be allowed to remove all such trade fixtures upon the expiration or earlier termination of this Lease, provided that Tenant is not in default in any of the terms and provisions of this Lease.

ARTICLE XV

Utilities

Section 15.1 Services. Tenant shall contract for, in its own name, and shall pay before delinquency, all utility services rendered or furnished to the Demised Premises, including heat, water, gas, electricity, fire protection, sewer rental, sewage treatment facilities and trash, refuse
and rubbish removal, and the like, together with all taxes levied or other charges on such utilities and shall indemnify Landlord and hold it harmless against any liability or charges on account thereof. If any such service is provided by Landlord, whether under common area maintenance or otherwise then, at Landlord’s request, Tenant shall contract with Landlord for such service.

Section 15.2 Interruption. No interruption or malfunction of any utility services (including, without limitation, interruption of such utilities as a result of the enactment or promulgation, regardless of the ultimate validity or enforceability thereof, of any federal, state or local law, statute, ordinance, decree, order, guideline or regulation now or hereafter enacted or promulgated by any governmental, quasi-governmental, regulatory or executive authority) shall constitute an eviction or disturbance of Tenant’s use and possession of the Demised Premises or a breach by Landlord of any of its obligations hereunder or render Landlord liable for any damages (including, without limitation, consequential or special damages) or entitle Tenant to be relieved from any of its obligations hereunder (including the obligation to pay rent) or grant Tenant any right of off-set or recoupment. In the event of any such interruption of any such services, Landlord shall use reasonable diligence to restore such service in any circumstances in which such interruption is caused by Landlord’s fault.

ARTICLE XVI

Assignment and Subletting

Section 16.1 Prohibition. Tenant shall not assign this Lease or sublease the Demised Premises or any part thereof or mortgage, pledge or hypothecate its leasehold interest or grant any concession or license within the Demised Premises or sublease any operating department therein, and any attempt to do any of the foregoing shall be void and of no effect.

ARTICLE XVII

Default by Tenant

Section 17.1 Events of Default. In no event shall Landlord, in the event of Tenant’s default hereunder, have the right to possess or sell any of Tenant’s medical marijuana products, and Landlord agrees to notify the Pennsylvania Department of Health if any situation occurs by reason of which Landlord would come into such possession and thereafter, Landlord shall abide by the determination of the Department as to the disposition of any such medical marijuana products.

Subject to the foregoing paragraph, upon the happening of any one or more of the events as expressed below in (a) through (h), inclusive (collectively referred to as “Events of Default” and individually referred to as an “Event of Default”), Landlord shall have any and all rights and remedies hereinafter set forth, subject first to written notice from Landlord affording Tenant a
reasonable time during which to cure any such default, nothing herein to the contrary notwithstanding:

(a) In the event Tenant should fail to pay any one or more of said monthly installments of rent, or any other sums required to be paid hereunder, within ten (10) days of the date the same is due;

(b) In the event a petition in bankruptcy (including Chapter X and Chapter XI bankruptcy proceedings or any other reorganization proceedings under the Bankruptcy Act) be filed by or against Tenant and such petition is not dismissed within thirty (30) days from the filing thereof, or in the event Tenant is adjudged bankrupt;

(c) In the event an assignment for the benefit of creditors is made by Tenant;

(d) In the event of an appointment by any Court of a receiver or other Court officer of Tenant’s property and such receivership is not dismissed within thirty (30) days from such appointment;

(e) In the event Tenant removes, attempts to remove, or permits to be removed from the Demised Premises, except in the usual course of trade, the goods, furniture, effects or other property of Tenant brought thereon;

(f) In the event Tenant, before the expiration of said term, and without the prior written consent of Landlord, vacates the Demised Premises or abandons the possession thereof, or uses the same for purposes other than the purposes of which the same are hereby leased, or ceases to use the Demised Premises for the purposes herein expressed;

(g) In the event an execution or other legal process is levied upon the goods, furniture, effects or other property of Tenant brought on the Demised Premises, or upon the interest of Tenant in this Lease, and the same is not satisfied or dismissed within ten (10) days from such levy;

(h) In the event Tenant violates any other terms, conditions and covenants on the part of Tenant herein contained, and fails to remedy the same within thirty (30) days after written notice thereof is given by Landlord to Tenant.

Section 17.2 Landlord’s Default Remedies. Upon the occurrence of any of the aforesaid Events of Default, Landlord shall have the option to pursue any one or more of the following remedies without any notice or demand whatsoever in addition to, and not in limitation of any other remedy or right permitted it by law or in equity or by this Lease:

(a) Landlord may terminate this Lease, in which event Tenant shall immediately surrender the Demised Premises to Landlord, and if Tenant fails to surrender the Demised Premises, Landlord may, without prejudice to any other remedy which it may have for
possession or arrearage in rent, enter upon and take possession of the Demised Premises, by changing locks if necessary, and lock out, expel, or remove, in accordance with the law, Tenant and any other person who may be occupying all or any part of the Demised Premises, without being liable for prosecution of any claim for damages. Tenant hereby agrees to pay to Landlord on demand all rent and other indebtedness accrued to the date of such termination, and the amount of all loss and damage which Landlord may suffer by reason of such termination, whether through inability to relet the Demised Premises on satisfactory terms or otherwise, including, but not limited to, rent loss damages in an amount equal to the present value as of such termination (computed at a discount rate equal to the prime rate at the time (but not in excess of three percent (3%)), as announced in the Wall Street Journal) of the excess of (a) the stream of rental and other payments which Landlord would have received under this Lease from the date of termination to the expiration date of the then-current Term of this Lease, minus (b) the amount of such rent loss which Tenant can prove was reasonably avoidable by Landlord, taking into consideration the reasonable costs of reletting, including, without limitation, reasonable brokerage commissions, reasonable costs of retrofitting, the costs of any repairs necessary to the Demised Premises which otherwise would be or would have been Tenant’s responsibility under the Lease, together with interest on such present value at the rate of ten percent (10%) per annum, and any reasonable attorney’s fees actually incurred. This Lease and the Lease Term hereof, as well as all of the right, title and interest, of Tenant hereunder, shall wholly cease and expire in the same manner and with the same force and effect as if the date of expiration were the date originally specified herein for the expiration of this Lease and the Lease Term, and Tenant shall then quit and surrender the Demised Premises to Landlord.

(b) Landlord may terminate Tenant’s right of possession, without terminating this Lease, and enter upon and take possession of the Demised Premises and expel or remove Tenant and any other person who may be occupying said Demised Premises or any part thereof, by entry, dispossessory suit or otherwise, without thereby releasing Tenant from any liability hereunder, and without being liable for prosecution or any claim of damages therefor and, if Landlord so elects, make such alterations, redecorations and repairs as, in Landlord’s judgment, may be necessary to relet the Demised Premises, and Landlord may, but shall be under no obligation to do so (except as may be provided by State law), relet the Demised Premises or any portion thereof in Landlord’s or Tenant’s name, but for the account of Tenant, for such term or terms (which may be for a term extending beyond the Lease Term) and at such rental or rentals and upon such other terms as Landlord may deem advisable, with or without advertisement, and by private negotiations, and receive the rent therefor. Tenant hereby agreeing to pay to Landlord the deficiency, if any, between all Rent reserved hereunder and the total rental applicable to the Lease Term hereof obtained by Landlord re-letting. In no event shall Tenant be entitled to any rentals received by Landlord in excess of the amounts due by Tenant hereunder; and any such demand, reentry and taking possession of the Demised Premises by Landlord shall not of itself constitute an acceptance by Landlord of a surrender of this Lease or of the Demised Premises by Tenant and shall not of itself constitute a termination of this Lease by Landlord.

(c) Landlord may enter upon the Demised Premises without being liable for prosecution or any claim of damages therefor, and perform whatever covenants Tenant is
obligated to do under the terms of this Lease; and Tenant agrees to reimburse Landlord on
demand for any expenses including, without limitation, reasonable attorneys' fees which
Landlord may incur in thus effecting compliance with Tenant's obligations under this Lease, and
Tenant further agrees that Landlord shall not be liable for any damages resulting to Tenant from
such action, whether caused by negligence of Landlord or otherwise.

(d) In the event Landlord terminates this Lease or in the event Landlord takes
possession of the Demised Premises without terminating the Lease, Tenant shall, upon demand,
pay (i) all costs incurred by Landlord in recovering the Demised Premises; (ii) the unamortized
portion of the tenant allowance, if any, paid to Tenant pursuant to this Lease as well as the
unamortized portion of all fees incurred by Landlord in negotiating and entering into this Lease
including, but not limited to, any broker commissions or attorneys' fees incurred; and (iii) all
expenses incurred by Landlord in reletting the Demised Premises including the cost of
redecorating and restoring the Demised Premises and all costs incident to such reletting,
including brokers' commissions, lease assumptions, and attorneys' fees. Further, Landlord, in
addition to all other rights and remedies it may have, shall have the right to remove all or any
portion of Tenant's property from the Demised Premises and any property removed may be
disposed of, at Tenant's expense, in any manner Landlord deems reasonable or store such
property at any public warehouse or elsewhere at the cost of and for the account of Tenant, and
Landlord shall not be responsible for the care and safekeeping thereof. Tenant hereby waives
any and all loss, destruction and/or damage or injury which may be occasioned by any of the
aforesaid acts and agrees to indemnify Landlord for any loss, cost or liability incurred in
connection with the exercise of Tenants' rights under this Section.

(e) Tenant hereby waives (to the extent legally permissible) any and all notices
otherwise required under statutory or common law. To the extent of any inconsistency between
this Lease and any statutory or common law, it is the agreement of the parties that this Lease
shall prevail. No alteration of locks or other security devices and no removal or other exercise of
dominion by Landlord over the property of Tenant or others at the Demised Premises shall be
deemed unauthorized or constitute a conversion, Tenant hereby consenting, after any Event of
Default, to the aforesaid exercise of dominion over Tenant's property within the Demised
Premises. All claims for damages by reason of re-entry and/or repossession and/or alteration of
locks or other security devices are hereby waived, as are all claims for damages by reason of any
distress warrant, forcible detainer proceedings, sequestration proceedings or other legal process.
Tenant agrees that any re-entry by Landlord may be pursuant to judgment obtained in forcible
detainer proceedings or other legal proceedings or without the necessity for any legal
proceedings, as Landlord may elect, and Landlord shall not be liable in trespass or otherwise.

Section 17.3 Non-Waiver. Pursuit of any of the foregoing remedies shall not preclude pursuit
of any other remedy herein provided or any other remedy provided by law or at equity, nor shall
pursuit of any remedy herein provided constitute an election of remedies thereby excluding the
later election of an alternate remedy, or a forfeiture or waiver of any Rent or other charges and
assessments payable by Tenant and due to Landlord hereunder or of any damages accruing to
Landlord by reason of violation of any of the terms, covenants, warranties and provisions herein
contained. No reentry or taking possession of the Demised Premises by Landlord or any other action taken by or on behalf of Landlord shall be construed to be an acceptance of a surrender of this Lease or an election by Landlord to terminate this Lease unless written notice of such intention is given to Tenant. An election by Landlord to terminate Tenant’s right of possession without terminating the Lease shall not preclude Landlord from terminating the Lease at any time thereafter by giving Tenant written notice of intention to terminate the Lease. Forbearance by Landlord to enforce one or more of the remedies herein provided upon an event of default shall not be deemed or construed to constitute a waiver of such default. In determining the amount of loss or damage which Landlord may suffer by reason of termination of this Lease or the deficiency arising by reason of any reletting of the Demised Premises by Landlord as above provided, allowance shall be made for the expense of repossession.

Section 17.4 Remedies Cumulative. Any and all rights, remedies and options given in this Lease to Landlord shall be cumulative and in addition to any without waiver of or in derogation of any right or remedy given to it under any law now or thereafter in effect.

Section 17.5 Attorney’s Fees. In the event of the employment by Landlord of an attorney to collect any rents or other sums due hereunder by Tenant, or to enforce the performance of any obligation hereunder, or on account of the breach by Tenant of any term, condition or covenant hereof, Tenant will pay all costs and expenses thereof, including a reasonable attorney’s fee.

Section 17.6 Percentage Rent Damages. Intentionally deleted.

Section 17.7 Landlord Default. In the event of any default by Landlord, Tenant’s exclusive remedy shall be an action for damages (Tenant hereby waiving the benefit of any laws granting it a lien upon the property of Landlord and/or upon rent due Landlord), but prior to any such action Tenant will give Landlord written notice specifying such default with particularity, and Landlord shall thereupon have a reasonable period, but in no event less than thirty (30) days, in which to commence to cure any such default. Unless and until Landlord fails so to commence to cure any default after such notice or having so commenced thereafter fails to exercise reasonable diligence to complete such curing, Tenant shall not have any remedy or cause of action by reason thereof. All obligations of Landlord hereunder will be construed as independent covenants, not conditions; and all such obligations will be binding upon Landlord only during the period of its possession of the Complex and not thereafter.

ARTICLE XVIII

Succession to Landlord’s Interest

Section 18.1 Successors. The covenants, conditions and agreements herein contained shall inure to the benefit of and be binding upon Landlord, its successors and assigns, and shall be binding upon Tenant, its heirs, executors, administrators, successors and assigns, and shall inure to the benefit of Tenant and only such assigns of Tenant to whom the assignment by Tenant has
been consented to by Landlord. Nothing contained in this Lease shall in any manner restrict Landlord’s right to assign or encumber this Lease in its sole discretion, and it is further agreed, anything to the contrary herein contained notwithstanding, that in the event Landlord conveys its interest in the Complex, Landlord shall be relieved of all further obligations hereunder.

Section 18.2 Attornment. Should Landlord assign this Lease as provided for above, or should Landlord enter into a first-in-priority security deed affecting the Complex and should the holder of such deed succeed to the interest of Landlord, Tenant shall be bound to said assignee or any such deed holder under all the terms, covenants and conditions of this Lease for the balance of the term hereof remaining after such succession, and Tenant shall attorn to such succeeding party as its Landlord under this Lease promptly under any such succession. Tenant agrees that should any party so succeeding to the interest of Landlord require a separate agreement of attornment regarding the matters covered by this Lease, then Tenant shall within five (5) days after request enter into any such “attornment agreement,” provided the same does not materially and adversely modify any of the provisions of this Lease and has no material adverse effect upon Tenant’s continued occupancy of the Demised Premises.

Section 18.3 Subordination. Upon request of Landlord, Tenant shall within five (5) days after request subordinate its rights hereunder to the lien of any mortgage or security deed or the lien resulting from any other method of financing or refinancing now or hereafter in force against the Complex, any part thereof or any buildings or improvements hereafter placed thereon and to all advances made or hereafter to be made upon the security thereof and shall execute a document evidencing such subordinate. In connection with any such subordination, Landlord shall use its best efforts to obtain from any such mortgagee a non-disturbance agreement which provides that so long as Tenant is not in default in the payment of rent or in the performance of any of the other terms of this Lease, Tenant’s possession of the Demised Premises and Tenant’s rights under this Lease shall not be disturbed, diminished or interfered with by the holder of the mortgage or by the purchaser in any mortgage foreclosure proceedings, provided that Tenant agrees in writing to attorn such mortgagee.

Section 18.4 Notice to Mortgagee. If the Demised Premises are at any time during the term of this Lease subject to a Landlord’s mortgage then, in any instance in which Tenant gives notice to Landlord alleging default by Landlord in performance of any covenant or obligation under this Lease, Tenant will also simultaneously give a copy of such notice to Landlord’s mortgagee (at the post office address as to which such Landlord’s mortgagee shall have given Tenant notice) and Landlord’s mortgagee shall have the right (but no obligation) to cure or to remedy such default of Landlord during the same time that is permitted to Landlord hereunder for the remedying or curing of such default, plus an additional period of thirty (30) days. Tenant will accept such curative or remedial action taken by a Landlord’s mortgagee with the same effect as if such action had been taken by Landlord, and Tenant shall not seek damages from Landlord or any other relief by reason of any such default of Landlord if Landlord’s mortgagee shall have cured or remedied such default within the time allowed herein (including the aforesaid additional thirty (30) day period) or is then attempting to foreclose its lien upon or obtain possession of the Complex.
Section 18.5 Estoppel Certificate. Within ten (10) days of delivery from Landlord to Tenant, Tenant shall execute an estoppel agreement as requested by any bona-fide Lender or Owner (whether existing or proposed) of the Complex and the failure of Tenant to timely comply with this Section shall immediately entitle Landlord to all of its remedies in the event of a default.

ARTICLE XIX

Quiet Enjoyment

Section 19.1 Quiet Enjoyment. Landlord agrees that if Tenant pays the rent and other charges herein provided and shall perform all of the covenants and agreements herein stipulated to be performed on Tenant’s part, Tenant shall, at all times during said Term, have the peaceable and quiet enjoyment and possession of the Demised Premises without any manner of hindrance from Landlord or any persons lawfully claiming through Landlord, except as to such portion of the Demised Premises or Complex as shall be taken under the power of eminent domain or which may be claimed by any mortgagee of the Demised Premises or the Complex.

ARTICLE XX

Notices

Section 20.1 Notices. Any notice, request, demand, approval, consent or other communication which Landlord or Tenant may be required or permitted to give to the other party shall be in writing and shall be (i) mailed by certified mail, return receipt requested at the address specified on Page 1, or (ii) sent by a nationally recognized overnight courier service, to the other party at the address specified on Page 1, or (iii) by hand delivery or posting the same to the door to the Demised Premises if such communication is to Tenant, or to such other address as either party hereof shall have designated by notice to the other.

All notices shall be deemed to have been given upon deposit in the United States mail, postage prepaid and properly addressed as provided above or (if to Tenant) upon delivery to Tenant at the Demised Premises, either in person or by posting a copy of any such notice to the front door of the Demised Premises.

ARTICLE XXI

Security Deposit

Section 21.1 Security Deposit. Tenant shall deposit with Landlord the sum of $2,500.00 as security for the faithful performance and observance by Tenant of the terms, provisions and
conditions of this Lease. It is agreed that in the event Tenant defaults in respect of any of the terms, provisions and conditions of this Lease, including, but not limited to, the payment of rent and additional rent, Landlord may use, apply or retain the whole or any part of the security so deposited to the extent required for the payment of any rent and additional rent or any other sums as to which Tenant is in default or for any sum which Landlord may expend or may be required to expend by reason of Tenant’s default in respect of any of the terms, covenants and conditions of this Lease, including, but not limited to, any damages or deficiency in the re-letting of the Demised Premises, whether such damages or deficiency accrued before or after summary proceedings or other reentry by Landlord. In the event that Tenant shall fully and faithfully comply with all the terms, provisions, covenants and conditions of this Lease, the security shall be returned to Tenant without interest, after the expiration or earlier termination of the Lease and after delivery of entire possession of the Demised Premises to Landlord as required under the Lease.

ARTICLE XXII

Miscellaneous

Section 22.1 Severability. If any term or provision of this Lease or the 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.

Section 22.2 Landlord and Tenant Relationship. Nothing contained in this Lease shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent or of partnership or of joint venture or of any association whatsoever between Landlord and Tenant, it being expressly understood and agreed that neither the computation of rent nor any other provisions contained in this Lease nor any act or acts of the parties hereto shall be deemed to create any relationship between Landlord and Tenant other than the relationship of landlord and tenant.

Section 22.3 Authorization. This writing contains the entire agreement between the parties hereto, and no agent, representative, salesman or officer of Landlord has authority to make or has made any statement, agreement or representation, either oral or written, in connection herewith, modifying, adding or changing the terms and conditions herein set forth. No modification of this Lease shall be binding unless such modification shall be in writing and signed by the parties hereto. Tenant hereby further recognizes and agrees that this Lease shall have no force or validity until and unless it is returned to Tenant duly executed by Landlord. Tenant warrants to Landlord that, if Tenant is a corporation, (a) the execution and delivery of this Lease has been duly authorized by the Board of Directors of Tenant, and (b) the making of this Lease does not require any vote or consent of shareholders.

229 North Perry Highway, Mercer, PA

Cannabis Square, LLC

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Section 22.4 captions. The captions or titles used throughout this Lease are for reference and convenience only and shall in no way define, limit or describe the scope or intent of this Lease. Words of any neuter gender used in this Lease shall be held to include both the masculine and feminine gender and words in the singular number shall be held to include the plural, and vice-versa.

Section 22.5 no personal liability. Tenant or any other party claiming by, through or under Tenant shall look solely to the interests of Landlord in the Complex property for the collection of any claim, demand, cost, expense, judgment or other judicial process requiring the payment of money for any default or breach by Landlord of any of its obligations under this Lease. No other assets of Landlord or its officers, directors, or partners shall be subject to levy, execution or other judicial process for the satisfaction of any claim of Tenant. Under no circumstances whatsoever shall Landlord ever be liable hereunder for consequential damages or special damages. The term "Landlord" shall mean only the owner, for the time being of the Complex, and in the event of the transfer by such owner of its interest in the Complex, such owner shall thereupon be released and discharged from all covenants and obligations of Landlord thereafter accruing, but such covenants and obligations shall be binding during the Lease Term upon each new owner for the duration of such owner’s ownership.

Section 22.6 delivery certificates. Within five (5) days after request by Landlord, Tenant shall delivery to Landlord a written and acknowledged statement certifying that Tenant has accepted possession of the Demised Premises, that this Lease is unmodified and in full force and effect (or stipulate such modifications, if any), and the dates to which the Rent and other charges have been paid in advance, if any, it being intended that any such statement delivered pursuant to this Article may be relied upon by any prospective purchaser or mortgagee of the fee of the Complex of which the Demised Premises form a part.

Section 22.7 additional terms and conditions. Not applicable.

Section 22.8 time of essence. In all instances where Tenant is required hereunder to pay any sum or do any act at a particular indicated time or within an indicated period, it is understood that time is of the essence.

Section 22.9 no set-off. The obligation of Tenant to pay all rent and other sums hereunder provided to be paid by Tenant and the obligation of Tenant to perform Tenant’s other covenants and duties hereunder constitute independent, unconditional obligations to be performed at all times provided for hereunder, save and except only when an abatement thereof or reduction therein is hereinabove expressly provided for and not otherwise. Tenant waives and relinquishes all rights which Tenant might have to claim any nature of lien against or withhold, or deduct from or off-set against any rent and other sums provided hereunder to be paid Landlord by Tenant. Tenant waives and relinquishes any right to assert, either as a claim or as a defense, that Landlord is bound to perform or is liable for the nonperformance of any implied covenant or implied duty of Landlord not expressly herein set forth.

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Section 22.10 Independent Covenants. So long as Tenant has not been wrongfully or constructively evicted from the Demised Premises, the doctrine of independent covenants will apply in all matters relating to this Lease including, without limitation, all obligations of Landlord and Tenant to perform their respective obligations under this Lease.

Section 22.11 Relocation. At any time during the Term of this Lease, upon at least thirty (30) days prior written notice to Tenant ("Notice of Relocation"), Landlord may require Tenant to relocate to another lease space of approximately the same size as the Demised Premises within the Complex ("Relocation Space"). Within ten (10) days following the date of the Notice of Relocation, Tenant shall notify Landlord in writing either that (a) Tenant agrees to relocate to the Relocation Space or (b) Tenant elects to terminate this Lease. Failure by Tenant to respond to the Notice of Relocation within the aforesaid ten (10) days, will be deemed to mean that Tenant has elected to terminate this Lease. In the event that Tenant elects (or is deemed to have elected) to terminate this Lease in lieu of relocating to the Relocation Space, then the Lease shall terminate thirty (30) days after the date of Landlord’s Notice of Relocation. Provided Tenant agrees to relocate to the Relocation Space as provided above, Landlord shall, at its cost and expense, complete construction of the Relocation Space on a “Turn Key” basis substantially similar to the then existing Demised Premises. Landlord shall pay all reasonable out-of-pocket expenses of any such relocation, including the expenses of moving and reconstruction of all Tenant-furnished improvements (if any) and Landlord-furnished improvements (if any) at the Demised Premises. In the event the Relocation Space is larger than the Demised Premises, the Minimum Rent and additional charges due under this Lease shall not be altered; however, in the event the Relocation Space is smaller than the Demised Premises, the Minimum Rent and all additional charges shall be proportionately reduced based upon the floor area of the Relocation Space. Except for the reduction (if any) in Minimum Rent and additional charges, upon Tenant’s relocation to the Relocation Space, all of the terms, covenants and conditions of this Lease shall continue unchanged and in full force and effect, except that a description of the Relocation Space shall be substituted for the description of the Demised Premises set forth on Exhibit A, and thenceforth the Relocation Space shall be deemed for all purposes to be the Demised Premises. Failure by Tenant to relocate to the Relocation Space following construction of same by Landlord shall constitute an “Event of Default” hereunder (as defined in Article XVII) and Landlord shall be entitled to all remedies available to it under the terms of this Lease or at law and Tenant shall be liable for all costs incurred by Landlord in constructing the improvements at the Relocation Space.

Section 22.12 Force Majeure. Excepting rental payments, in the event Landlord or Tenant shall be delayed, hindered in or prevented from the performance of any act required hereunder by reason of strikes, lockouts, labor troubles, inability to procure materials, failure of power, unavailability of any utility service, restrictive governmental laws or regulations, riots, insurrections, the act, the failure to act, or default of another party, war, or other reason beyond Landlord’s or Tenant’s control (individually “Force Majeure”), then performance of such act shall be excused for the period of the delay, and the period of the performance of any such act shall be extended for a period equivalent to the period of such delay. Within ten (10) days following occurrence of Force Majeure, the party claiming a delay due to such event shall give
written notice to the other setting forth a reasonable estimate of such delay; provided that in no event shall any delay in Tenant’s opening for business as a result of any such cause or causes be in excess of thirty (30) days. The provisions of this Section shall not affect or apply to any obligation for the payment of money. No problem arising out of or relating to Tenant’s computer software, hardware, external interfaces or external computing infra-structure shall be considered an event of Force Majeure or in any other way excuse Tenant from full performance under its Lease with Landlord.

Section 22.13 No Default. It shall be a condition precedent to Tenant’s right to exercise any remedy or right set forth herein that Tenant shall not be in default hereunder and that no condition exist which with the passage of time or giving of notice would constitute a default hereunder.

Section 22.14 Broker. No broker has been involved in this transaction and if any claims for brokerage commissions or fees are ever made in connection with this transaction, each party shall indemnify and hold harmless the other from and against any and all such claims or demands with respect to any brokerage fees or agent’s commissions or other compensation asserted by any person, firm or corporation in connection with this Lease.

Section 22.15 Construction. The parties have participated jointly in the negotiation and drafting of this Lease. In the event that an ambiguity or question of intent or interpretation arises, this Lease shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Lease.

ARTICLE XXIII

Diversion of Sales

Section 23.1 Diversion of Sales. Intentionally deleted.

ARTICLE XXIV

Tenant’s Bankruptcy

Section 24.1 Adequate Protection. Landlord and Tenant agree that if Tenant ever becomes the subject of a voluntary or involuntary bankruptcy, reorganization, composition, or other similar type proceeding under the Federal Bankruptcy Laws, as now enacted or hereafter amended, then “adequate protection” of Landlord’s interest in the Demised Premises pursuant to the provisions of Sections 361 and 363 (or their successor sections) of the Bankruptcy Code, 11 U.S.C. Paragraph 101 et seq. (such Bankruptcy Code as amended from time to time being herein
referred to as the "Bankruptcy Code") prior to assumption and/or assignment of the Lease by Tenant shall include, but not be limited to all (or any part) of the following:

(a) The continued payment by Tenant of all Minimum Rent and all other sums due and owing under this Lease the performance of all other covenants and obligations under this Lease by Tenant;

(b) The hiring of security guards to protect the Demised Premises if Tenant abandons and/or ceases operations such obligation of Tenant only to be effective so long as Tenant remains in possession and control of the Demised Premises to the exclusion of Landlord;

(c) The furnishing of an additional security deposit by Tenant in the amount of three (3) times the then-current monthly Minimum Rent payable hereunder.

Section 24.2 Adequate Assurance of Future Performances. Landlord and Tenant agree that if Tenant ever becomes the subject of a voluntary or involuntary bankruptcy, reorganization, composition or other similar type proceeding under the Federal Bankruptcy Laws, as now enacted or hereafter amended, then "adequate assurance of future performance" by Tenant and/or any assignee of Tenant pursuant to Bankruptcy Code Section 365 (or its successor section) will include (but not be limited to) payment of an additional, new security deposit in the amount of three (3) times the then-current monthly Minimum Rent payable hereunder.

Section 24.3 Assignment in Bankruptcy. Any person or entity to which this Lease is assigned pursuant to the provisions of the Bankruptcy Code, shall be deemed without further act or deed to have assumed all of the obligations of Tenant arising under this Lease on and after the effective date of such assignment. Any such assignee shall, upon demand by Landlord, execute and deliver to Landlord an instrument confirming such assumption of liability.

Section 24.4 Certain Defined Terms. This is a lease of real property in a "Complex" within the meaning of Section 365(b)(3) of the Bankruptcy Code.

Notwithstanding anything in this Lease to the contrary, all amounts payable by Tenant to or on behalf of Landlord under this Lease, whether or not expressly denominated as "rent", shall constitute "rent" for the purposes of Section 502(b)(7) of the Bankruptcy Code.

Section 24.5 Assignment. If this Lease is assigned to any person or entity pursuant to the provisions of the Bankruptcy Code, any and all monies or other considerations payable or otherwise to be delivered in connection with such assignment shall be paid or delivered to Landlord, shall be and remain the exclusive property of Landlord and shall not constitute property of Tenant or of the Estate of Tenant within the meaning of the Bankruptcy Code. Any and all monies or other considerations constituting Landlord’s property under the preceding sentence not paid or delivered to Landlord shall be held in trust by Tenant for the benefit of Landlord and shall be promptly paid to or turned over to Landlord.
IN WITNESS WHEREOF, the parties have executed this Lease on the date reflected on the first page hereof.

LANDLORD:

Witness:  

Cannabis Square Holdings, LLC  

By:  

VP-GENERAL COUNSEL  

TITLE OF WITNESS  

W. JOHN KNOX  

PRINT NAME OF WITNESS  

MARCH 16, 2017  

DATE  

Its:  

PRES.  

TITLE OF OFFICER  

GREGORY J. RUBINO  

PRINT NAME OF OFFICER  

MARCH 16, 2017  

DATE  

TENANT:

Witness:  

Cannabis Square, LLC  

By:  

VP-GENERAL COUNSEL  

TITLE OF WITNESS  

W. JOHN KNOX  

PRINT NAME OF WITNESS  

MARCH 16, 2017  

DATE  

Its:  

PRES.  

TITLE OF OFFICER  

GREGORY J. RUBINO  

PRINT NAME OF OFFICER  

MARCH 16, 2017  

DATE
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 Pennsylvania
County of Erie

The undersigned, GREGORY J. RUBINO, 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>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
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<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</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).

Signature of Affiant and Title 3/15/17
Date

Sworn to and subscribed before me this 16th day of March, 2017.

Notary Public

Commonwealth of Pennsylvania
NOTARIAL SEAL
JENNIFER E. GIAMBRONE, NOTARY PUBLIC
City of Erie, Erie County
My Commission Expires June 12, 2017

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 Pennsylvania
County of Erie

The undersigned, GREGORY J. RUBINO, 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 of Affiant and Title  
3/15/17  
Date

Sworn to and subscribed before me this 16th day of March, 2017

______________________________________________________  
Notary Public

Commonwealth of Pennsylvania

NOTARIAL SEAL
JENNIFER E. GIABRONE, NOTARY PUBLIC
City of Erie, Erie County
My Commission Expires June 12, 2017

MY COMMISSION EXPIRES:

A photocopy, facsimile or other electronic version of this document shall be accepted as an original signature.
Attachment I: Affidavit of Capital Sufficiency

Instructions:

- The applicant must submit an affidavit stating that the applicant meets the capital requirements set forth in §1141.30 (relating to capital requirements)
- Note that there are two different versions below:
  - Attachment I-1 is the affidavit for a grower/process applicant
  - Attachment I-2 is the affidavit for a dispensary applicant
- Execute the appropriate affidavit and save as a PDF file called "Attachment I," using the appropriate file name format. A cover sheet is not needed

REDACTED
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 Erie

I/WE, GREGORY J. RUBINO

DOH REDACTED

For the following applicant:

Cannabis Square, LLC

________________________________________________________________________
NAME OF BUSINESS

240 West 11th Street, Suite B-050  814-454-1800

ADDRESS          PHONE

Erie               PA        16501        Erie

________________________________________________________________________
CITY          STATE        ZIP CODE        COUNTY

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 11th day of March, 2017.

Notary Public

Commonwealth of Pennsylvania
NOTARIAL SEAL
JENNIFER E. GIAMBRONE, NOTARY PUBLIC
City of Erie, Erie County
My Commission Expires June 12, 2017

A photocopy, facsimile or other electronic version of this document shall be accepted as an original signature.
Attachment J: Sample Medical Marijuana Product Label

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

<table>
<thead>
<tr>
<th>Business Name, as it appears on the applicant’s certificate of incorporation, charter, bylaws, partnership agreement or other official documents:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Applicable</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Trade names and DBA (doing business as) names:</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Principal Business Address:</th>
</tr>
</thead>
<tbody>
<tr>
<td>City:</td>
</tr>
<tr>
<td>Phone:</td>
</tr>
</tbody>
</table>
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)

CANNABIS SQUARE, LLC

FROM: ____________________________  Applicant’s Name

I, GREGORY J. RUBINO, 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 and agree 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 3rd day of Mar., 2017.

Authorized Signatory

Gregory Fundo

STATE OF Pennsylvania
COUNTY OF Erie

On this 16th day of March, 2017, before me, a Notary Public, personally appeared Gregory Fundo (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

Commonwealth of Pennsylvania

Notarial Seal
JENNIFER E. GIAIMBRO, NOTARY PUBLIC
City of Erie, Erie County
My Commission Expires June 12, 2017

23
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:
CANNABIS SQUARE, LLC
Trade names and DBA (doing business as) names:
CANNABIS SQUARE
Principal Business Address: 240 West 11th Street, Suite B-050
City: Erie State: PA Zip Code: 16501

DOH REDACTED

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>Berks</th>
<th>Bucks</th>
<th>Chester</th>
<th>Delaware</th>
<th>Lancaster</th>
<th>Montgomery</th>
<th>Philadelphia</th>
</tr>
</thead>
</table>
1- Southeast

<table>
<thead>
<tr>
<th></th>
<th>Lackawanna</th>
<th>Lehigh</th>
<th>Luzerne</th>
<th>Northampton</th>
</tr>
</thead>
</table>
2- Northeast

<table>
<thead>
<tr>
<th></th>
<th>Blair</th>
<th>Cumberland</th>
<th>Dauphin</th>
<th>York</th>
</tr>
</thead>
</table>
3- Southcentral

<table>
<thead>
<tr>
<th></th>
<th>Centre</th>
<th>Lycoming</th>
<th>Allegheny</th>
<th>Butler</th>
<th>Washington</th>
<th>Westmoreland</th>
</tr>
</thead>
</table>
4- Northcentral

<table>
<thead>
<tr>
<th></th>
<th>Erie</th>
<th>McKeans</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
</table>
5- Southwest

<p>| | | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
</table>
6- Northwest

For each region for which you plan to submit multiple applications, please indicate the counties in order of priority, with 1 being the highest.
2015 Population

<table>
<thead>
<tr>
<th>Demographic</th>
<th>County</th>
<th>PA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Population</td>
<td>279,858</td>
<td>12,779,559</td>
</tr>
<tr>
<td>Female</td>
<td>141,951</td>
<td>6,534,215</td>
</tr>
<tr>
<td>Male</td>
<td>137,907</td>
<td>6,245,344</td>
</tr>
</tbody>
</table>

Population by Race

<table>
<thead>
<tr>
<th></th>
<th>County</th>
<th>PA</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>87.5%</td>
<td>81.6%</td>
</tr>
<tr>
<td>Black</td>
<td>7.1%</td>
<td>11.0%</td>
</tr>
<tr>
<td>Other</td>
<td>5.4%</td>
<td>7.4%</td>
</tr>
<tr>
<td>Hispanic Origin (all races)</td>
<td>3.8%</td>
<td>6.4%</td>
</tr>
</tbody>
</table>

Population by Age

<table>
<thead>
<tr>
<th>Age</th>
<th>County</th>
<th>PA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ages 0 to 17</td>
<td>22.1%</td>
<td>21.3%</td>
</tr>
<tr>
<td>Ages 18 to 24</td>
<td>11.1%</td>
<td>9.7%</td>
</tr>
<tr>
<td>Ages 25 to 34</td>
<td>12.6%</td>
<td>12.6%</td>
</tr>
<tr>
<td>Ages 35 to 44</td>
<td>11.5%</td>
<td>12.0%</td>
</tr>
<tr>
<td>Ages 45 to 54</td>
<td>13.7%</td>
<td>14.4%</td>
</tr>
<tr>
<td>Ages 55 to 64</td>
<td>13.7%</td>
<td>13.6%</td>
</tr>
<tr>
<td>Ages 65 to 74</td>
<td>8.2%</td>
<td>8.6%</td>
</tr>
<tr>
<td>Ages 75 and Older</td>
<td>7.1%</td>
<td>7.7%</td>
</tr>
<tr>
<td>Median Age</td>
<td>39.2</td>
<td>40.7</td>
</tr>
</tbody>
</table>

Source: U.S. Census 5 Year Estimate 2011-2015 (Tables: DP05 and B01001)

2015 Veterans

<table>
<thead>
<tr>
<th></th>
<th>County</th>
<th>PA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Veterans</td>
<td>21,246</td>
<td>870,770</td>
</tr>
<tr>
<td>Median Veteran Income</td>
<td>$32,723</td>
<td>$34,110</td>
</tr>
<tr>
<td>Median Non-Veteran Income</td>
<td>$22,942</td>
<td>$26,783</td>
</tr>
<tr>
<td>Veteran Unemployment Rate</td>
<td>7.3%</td>
<td>7.2%</td>
</tr>
</tbody>
</table>

Source: U.S. Census 5 Year Estimate 2011-2015 (Table: S2101)

Online Job Postings

<table>
<thead>
<tr>
<th></th>
<th>County</th>
<th>PA</th>
</tr>
</thead>
<tbody>
<tr>
<td>December 2016</td>
<td>2,553</td>
<td>179,813</td>
</tr>
<tr>
<td>December 2015</td>
<td>3,444</td>
<td>200,056</td>
</tr>
<tr>
<td>Annual Volume Change</td>
<td>-891</td>
<td>-21,443</td>
</tr>
<tr>
<td>Annual Percent Change</td>
<td>-25.9%</td>
<td>-10.7%</td>
</tr>
</tbody>
</table>

Source: The Conference Board Help Wanted On-Line™

Income

<table>
<thead>
<tr>
<th></th>
<th>County</th>
<th>PA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per Capita Personal Income</td>
<td>$40,425</td>
<td>$49,745</td>
</tr>
<tr>
<td>Total Personal Income</td>
<td>$11,240,073</td>
<td>$636,857,158</td>
</tr>
<tr>
<td>Median Household Income</td>
<td>$45,971</td>
<td>$53,599</td>
</tr>
<tr>
<td>Median Family Income</td>
<td>$58,746</td>
<td>$66,158</td>
</tr>
</tbody>
</table>

Note: Total Personal Income is displayed in thousands.
Note: Median incomes are in 2015 adjusted dollars.
Source: Personal Incomes - Bureau of Economic Analysis (BEA) - 2015
Source: Median Incomes - U.S. Census 2011-2015 (Tables: B19013 & B19113)

Top 10 Employers by Employment in Q2 of 2016

1. General Electric Company
2. Erie Indemnity Co
3. UPMC Hamot
4. State Government
5. Wal-Mart Associates Inc
6. Saint Vincent Health Center
7. Federal Government
8. School District of the City of Erie
9. Erie County
10. Dr Gertrude A Barber Center Inc

Source: Quarterly Census of Employment and Wages
Center for Workforce Information & Analysis
Crawford County Profile

2015 Population

<table>
<thead>
<tr>
<th>Demographic</th>
<th>County</th>
<th>PA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Population</td>
<td>87,343</td>
<td>12,779,559</td>
</tr>
<tr>
<td>Female</td>
<td>44,655</td>
<td>6,534,215</td>
</tr>
<tr>
<td>Male</td>
<td>42,688</td>
<td>6,245,344</td>
</tr>
</tbody>
</table>

Population by Race

<table>
<thead>
<tr>
<th>Race</th>
<th>County</th>
<th>PA</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>95.8%</td>
<td>81.6%</td>
</tr>
<tr>
<td>Black</td>
<td>1.9%</td>
<td>1.0%</td>
</tr>
<tr>
<td>Other</td>
<td>2.3%</td>
<td>7.4%</td>
</tr>
<tr>
<td>Hispanic Origin (all races)</td>
<td>1.2%</td>
<td>6.4%</td>
</tr>
</tbody>
</table>

Population by Age

<table>
<thead>
<tr>
<th>Age</th>
<th>County</th>
<th>PA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ages 0 to 17</td>
<td>21.6%</td>
<td>21.3%</td>
</tr>
<tr>
<td>Ages 18 to 24</td>
<td>9.7%</td>
<td>9.7%</td>
</tr>
<tr>
<td>Ages 25 to 34</td>
<td>10.5%</td>
<td>12.6%</td>
</tr>
<tr>
<td>Ages 35 to 44</td>
<td>11.4%</td>
<td>12.0%</td>
</tr>
<tr>
<td>Ages 45 to 54</td>
<td>14.2%</td>
<td>14.4%</td>
</tr>
<tr>
<td>Ages 55 to 64</td>
<td>14.7%</td>
<td>13.6%</td>
</tr>
<tr>
<td>Ages 65 to 74</td>
<td>10.2%</td>
<td>8.6%</td>
</tr>
<tr>
<td>Ages 75 and Older</td>
<td>7.7%</td>
<td>7.7%</td>
</tr>
<tr>
<td>Median Age</td>
<td>43.1</td>
<td>40.7</td>
</tr>
</tbody>
</table>

Source: U.S. Census 5 Year Estimate 2011-2015 (Tables: DP05 and B01001)

2015 Veterans

<table>
<thead>
<tr>
<th>County</th>
<th>PA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Veterans</td>
<td>7,229</td>
</tr>
<tr>
<td>Median Veteran Income</td>
<td>$30,016</td>
</tr>
<tr>
<td>Median Non-Veteran Income</td>
<td>$21,382</td>
</tr>
<tr>
<td>Veteran Unemployment Rate</td>
<td>9.7%</td>
</tr>
</tbody>
</table>

Source: U.S. Census 5 Year Estimate 2011-2015 (Table: S2101)

Online Job Postings

<table>
<thead>
<tr>
<th>County</th>
<th>PA</th>
</tr>
</thead>
<tbody>
<tr>
<td>December 2016</td>
<td>640</td>
</tr>
<tr>
<td>December 2015</td>
<td>821</td>
</tr>
<tr>
<td>Annual Volume Change</td>
<td>-181</td>
</tr>
<tr>
<td>Annual Percent Change</td>
<td>-22.0%</td>
</tr>
</tbody>
</table>

Source: The Conference Board Help Wanted OnLine™

Income

<table>
<thead>
<tr>
<th>County</th>
<th>PA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per Capita Personal Income</td>
<td>$36,967</td>
</tr>
<tr>
<td>Total Personal Income</td>
<td>$3,197,087</td>
</tr>
<tr>
<td>Median Household Income</td>
<td>$44,579</td>
</tr>
<tr>
<td>Median Family Income</td>
<td>$54,978</td>
</tr>
</tbody>
</table>

Note: Total Personal Income is displayed in thousands.
Note: Median Incomes are in 2015 adjusted dollars.
Source: Personal Incomes - Bureau of Economic Analysis (BEA) - 2015
Source: Median Incomes - U.S. Census 2011-2015 (Tables: B19013 & B19113)

Unemployment Rate, Jan. 2006 to Dec 2016

<table>
<thead>
<tr>
<th>Year</th>
<th>County Max</th>
<th>County Min</th>
<th>PA Max</th>
<th>PA Min</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>10.7%</td>
<td>4.6%</td>
<td>8.7%</td>
<td>4.3%</td>
</tr>
</tbody>
</table>

Local Area Unemployment Statistics

Dec 2016

<table>
<thead>
<tr>
<th></th>
<th>County</th>
<th>PA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unemployment Rate</td>
<td>6.6%</td>
<td>6.6%</td>
</tr>
<tr>
<td>Labor Force</td>
<td>41,400</td>
<td>6,510,000</td>
</tr>
<tr>
<td>Employed</td>
<td>39,000</td>
<td>6,144,000</td>
</tr>
<tr>
<td>Unemployed</td>
<td>2,500</td>
<td>366,000</td>
</tr>
</tbody>
</table>

Notes: Current month's data is preliminary. Data are Seasonally Adjusted.

Unemployment Compensation Exhaustees

Jan 2016 to Dec 2016

<table>
<thead>
<tr>
<th>Industry</th>
<th>Volume</th>
<th>County</th>
<th>PA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural Resources &amp; Mining</td>
<td>50</td>
<td>3,960</td>
<td>6.5%</td>
</tr>
<tr>
<td>Construction</td>
<td>60</td>
<td>12,130</td>
<td>8.0%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>510</td>
<td>17,440</td>
<td>41.0%</td>
</tr>
<tr>
<td>Trade, Transportation &amp; Utilities</td>
<td>80</td>
<td>21,630</td>
<td>10.5%</td>
</tr>
<tr>
<td>Information</td>
<td>0</td>
<td>1,800</td>
<td>1.5%</td>
</tr>
<tr>
<td>Financial Activities</td>
<td>20</td>
<td>5,730</td>
<td>2.5%</td>
</tr>
<tr>
<td>Professional &amp; Business Services</td>
<td>90</td>
<td>20,240</td>
<td>12.0%</td>
</tr>
<tr>
<td>Education &amp; Health Services</td>
<td>80</td>
<td>17,250</td>
<td>10.5%</td>
</tr>
<tr>
<td>Leisure &amp; Hospitality</td>
<td>30</td>
<td>7,510</td>
<td>4.0%</td>
</tr>
<tr>
<td>Other Services</td>
<td>20</td>
<td>2,900</td>
<td>2.5%</td>
</tr>
<tr>
<td>Government</td>
<td>0</td>
<td>1,100</td>
<td>1.0%</td>
</tr>
<tr>
<td>Info Not Available</td>
<td>20</td>
<td>2,310</td>
<td>2.5%</td>
</tr>
<tr>
<td>Total</td>
<td>760</td>
<td>114,000</td>
<td>100%</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

- Meadville Medical Center
- State Government
- Crawford County
- Wal-Mart Associates Inc
- Crawford Central School District
- Allegheny College
- Acute Precision Aerospace Inc
- Ainsworth Pet Nutrition LLC
- Penncrest School District
- Wesbury United Methodist Community

Source: Quarterly Census of Employment and Wages

Center for Workforce Information & Analysis
Mercer County Profile

2015 Population

Demographic | County | PA
--- | --- | ---
Total Population | 115,320 | 12,779,559
Female | 58,586 | 6,534,215
Male | 56,734 | 6,245,344

Population by Race

| Race | County | PA |
--- | --- | --- |
White | 91.4% | 81.6% |
Black | 5.7% | 11.0% |
Other | 2.9% | 7.4% |
Hispanic Origin (all races) | 1.3% | 6.4% |

Population by Age

| Age | County | PA |
--- | --- | --- |
Ages 0 to 17 | 20.6% | 21.3% |
Ages 18 to 24 | 9.9% | 9.7% |
Ages 25 to 34 | 10.1% | 12.6% |
Ages 35 to 44 | 11.2% | 12.0% |
Ages 45 to 54 | 14.3% | 14.4% |
Ages 55 to 64 | 14.5% | 13.6% |
Ages 65 to 74 | 9.8% | 8.6% |
Ages 75 and Older | 9.6% | 7.7% |
Median Age | 44.2 | 40.7 |

Source: U.S. Census 5 Year Estimate 2011-2015 (Tables: DP05 and B01001)

2015 Veterans

| County | PA |
--- | --- |
Total Veterans | 9,802 | 870,770 |
Median Veteran Income | $30,176 | $34,110 |
Median Non-Veteran Income | $21,760 | $26,783 |
Veteran Unemployment Rate | 7.8% | 7.2% |

Source: U.S. Census 5 Year Estimate 2011-2015 (Table: S2101)

Online Job Postings

| County | PA |
--- | --- |
December 2016 | 892 | 178,813 |
December 2015 | 1,371 | 200,056 |
Annual Volume Change | -479 | -21,443 |
Annual Percent Change | -34.9% | -10.7% |

Source: The Conference Board Help Wanted OnLine™

Income

| County | PA |
--- | --- |
Per Capita Personal Income | $37,820 | $49,745 |
Total Personal Income | $4,320,278 | $636,857,158 |
Median Household Income | $44,156 | $53,599 |
Median Family Income | $56,546 | $60,158 |

Note: Total Personal Income is displayed in thousands.
Note: Median incomes are in 2015 adjusted dollars.
Source: Personal Incomes - Bureau of Economic Analysis (BEA) - 2015
Source: Median Incomes - U.S. Census 2011-2015 (Tables: B19013 & B19113)

Unemployment Rate, Jan. 2006 to Dec 2016

| Year | County Max | County Min |
--- | --- | --- |
2006 | 12.1% | 5.5% |
2007 | 11.8% | 5.3% |
2008 | 11.5% | 5.1% |
2009 | 11.2% | 4.9% |
2010 | 10.9% | 4.7% |
2011 | 10.6% | 4.5% |
2012 | 10.3% | 4.3% |
2013 | 10.0% | 4.1% |
2014 | 9.7% | 3.9% |
2015 | 9.4% | 3.7% |
2016 | 9.1% | 3.5% |

Note: Current month's data are preliminary. Data are Seasonally Adjusted.

Local Area Unemployment Statistics

| Year | County | PA |
--- | --- | --- |
Dec 2016 | | |
Unemployment Rate | 6.1% | 5.6% |
Labor Force | 52,700 | 6,510,000 |
Employed | 49,500 | 6,144,000 |
Unemployed | 3,200 | 366,000 |

Unemployment Compensation Exhaustees

| Year | County | PA |
--- | --- | --- |
Jan 2016 to Dec 2016 | | |
Pre-UC Industry | Volume | Percent of Total |
--- | --- | --- |
Natural Resources & Mining | 20 | 3,960 | 2.0% | 3.5% |
Construction | 90 | 12,130 | 10.0% | 10.5% |
Manufacturing | 300 | 17,440 | 33.5% | 15.5% |
Trade, Transportation & Utilities | 150 | 21,630 | 16.5% | 19.0% |
Information | 10 | 1,800 | 1.0% | 1.5% |
Financial Activities | 10 | 5,730 | 1.0% | 5.0% |
Professional & Business Services | 100 | 20,240 | 11.0% | 18.0% |
Education & Health Services | 140 | 17,250 | 15.5% | 15.0% |
Leisure & Hospitality | 40 | 7,510 | 4.5% | 6.5% |
Other Services | 20 | 2,900 | 2.0% | 2.5% |
Government | 10 | 1,100 | 1.0% | 1.0% |
Info Not Available | 10 | 2,310 | 1.0% | 2.0% |
Total | 900 | 114,000 | 100% | 100%

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

- General Electric Company
- Sharon Pennsylvania Hospital Co
- UPMC Horizon
- Wal-Mart Associates Inc
- State Government
- F N B Corporation
- George Junior Republic in PA
- NLMK Pennsylvania Corp
- John Maneely Co
- St Paul Homes

Source: Quarterly Census of Employment and Wages

Center for Workforce Information & Analysis
Gregory J. Rubino - President, Treasurer and Secretary

Purpose and Scope: Set strategy and direction for the entire organization. Model and embrace the organization’s culture, values, and behavior. Manage all company accounts, directs and supports Cannabis Square Committees.

Organizational Relationship: Lead the executive team, participate in and support Advisory Committees.

Responsibilities: Build and lead the executive team. Develop and execute long term strategy in conjunction with Advisory Board recommendations. Abide by specific internally-established control systems and authorities; lead by personal example and encourage all employees to conduct their activities in accordance with all applicable laws, standard operating procedures and policies, including its environmental, safety and health policies. Oversee non-profit fundraising planning and implementation.

Role Requirements: Attend and participate in community outreach programs. Develop synergistic relationship with industry experts. Provide an innovative approach to address the complexities of various financial structures, outsourcing opportunities, public communications and competitive intelligence. Foster and assist associates and colleagues in the transition to the cultural and business norms of medical marijuana.

Industry Prerequisite: Previous career path in related field or position as President or key executive position in small business organization. Aptitude and ability to comply with all Pennsylvania medical marijuana industry compliance, laws, and regulations.

Training Requirements: Participate in and provide attendance certification of the mandatory 2-hour Department of Health training as stated in Pennsylvania Rules and Regulations - §1141.48. Engage in and recommend external industry training related to medical marijuana and participate in recommended internal training on relevant topics such as, but not limited to: proper record keeping, diversion of medical marijuana, and emergency operating procedures, and best industry practices.

Technology Requirements: Demonstrate skills necessary to utilize computer technology and the willingness to develop and evolve technological requirements of modern medical marijuana organizations. Stay relevant to techniques, methods, and compliance for tracking medical marijuana product from seed to sale. Show competence in industry terminology and scientific techniques relevant medicinal marijuana
**W. John Knox, Esq. – VP General Counsel**

**Purpose and Scope:** Safeguards company reputation by guaranteeing that the company strictly follows law guidelines and gives legal advice to management about all relevant issues. The General Counsel will effectively ensure legal conformity and minimize probability of exposure.

**Organizational Relationship:** Advises the executive team and managerial staff on cannabis legal compliance matters, financial concerns, and best business practices.

**Role Requirements:** Proven experience as a legal counsel in business environment. Excellent knowledge and understanding of corporate law and procedures. Full comprehension of the influences of the external environment on the company. Demonstrated ability to create legal defensive or proactive strategies. High degree of professional ethics and integrity. Sound judgment and ability to analyze situations and information. Outstanding communication skills.

**Responsibilities:** Give accurate and timely counsel to executives in a variety of legal topics (labor law, partnerships, international ventures, finance, etc.). Collaborate with management to devise efficient defense strategies if needed. Research and evaluate different risk factors regarding business decisions and operations. Apply effective risk management techniques and offer proactive advice on possible legal issues. Communicate and negotiate with external parties (regulators, external counsel, public authority etc.), creating relationships of trust. Draft and solidify agreements, contracts and other legal documents to ensure the company’s full legal rights. Deal with complex matters with multiple stakeholders and forces. Provide clarification on legal language or specifications to everyone in the organization. Conduct work with integrity and responsibility. Maintain current knowledge of alterations in applicable legislation.

**Industry Prerequisite:** Shares an interest in the medical cannabis field and helps facilitate the necessary steps to ensure legally-compliant operations. Earned M.A. or B.S. degree in criminal justice, pre-law, accounting, business administration, or related field and a juris doctor degree. Must be licensed to practice law in Pennsylvania. Prior experience in partnering or leading an executive team. Coherent understanding of Pennsylvania medical cannabis laws, compliance, and regulations.

**Beverly A. Alward - General Manager**

**Purpose and Scope:** Plan, organize, lead and control the daily operations. Coordinate key functions and talent distribution.

**Organizational Relationship:** Reports to President.

**Responsibilities:** Monitor daily operations and ensures objectives and goals are met. Ensure overall delivery and quality to the patient. Attend and participate in community outreach programs. Foster and assist associates and colleagues in the transition to the cultural and business norms of medical marijuana. Provides in depth reporting and production analysis on key areas of the operation. Ensure customer/patient satisfaction.
**Role Requirements:** Ensure the development and implementation of the organization’s strategic plan and support employee professional development. Attend and participate in community outreach programs. Foster and assist associates and colleagues in the transition to the cultural and business norms of medical marijuana.

**Industry Prerequisite:** Demonstrate leadership and applied knowledge in supervision and management of production and retail teams. Practical and demonstrated experience in the marijuana industry or advocacy group. Aptitude and ability to comply with all Pennsylvania medical marijuana industry compliance, laws, and regulations. Must have a clear understanding and abide by Pennsylvania’s advertising by a medical marijuana organization §1141.50.

**Training Requirements:** Participate in and provide attendance certification of the mandatory 2-hour Department of Health training as stated in Pennsylvania Rules and Regulations - §1141.48. Engage in and recommend external industry training related to medical marijuana and participate in recommended internal training on relevant topics such as, but not limited to: proper record keeping, preserving plant integrity when handling, diversion of medical marijuana, and emergency operating procedures, and best industry practices.

**Technology Requirements:** Demonstrate skills necessary to utilize computer technology and the willingness to develop and evolve technological requirements for modern medical marijuana. Stay relevant to techniques, methods, and compliance for tracking medical marijuana product from seed to sale. Show competence in industry terminology and scientific techniques relevant medicinal marijuana.

**Frank Timpano -: Medical Products Handling Manager**

**Purpose and Scope:** Manage and optimize inventory control procedures. Ensure product stock is compliant and adequate for distribution channels.

**Organizational Relationship:** Reports to Chief Operations Officer

**Responsibilities:** Replenish supplies and product to meet patient demand. Standardize labeling and packaging to accommodate compliance. Analyze data and anticipate future needs. Evaluate suppliers to achieve costs effective solutions and foster business relationships.

**Role Requirements:** Demonstrate expertise with data analysis and forecasting methods to provide accurate inventory management with reliability. Attend and participate in community outreach programs. Foster and assist associates and colleagues in the transition to the cultural and business norms of medical marijuana.

**Industry Prerequisite:** Demonstrate leadership and applied knowledge in inventory management. Practical and demonstrated experience in the marijuana industry or advocacy group. Aptitude and ability to comply with all Pennsylvania medical marijuana industry compliance, laws, and regulations.

**Training Requirements:** Participate in and provide attendance certification of the mandatory 2-hour Department of Health training as stated in Pennsylvania Rules and Regulations - §1141.48. Engage in and
recommend external industry training related to medical marijuana and participate in recommended internal training on relevant topics such as, but not limited to: proper record keeping, preserving medicine integrity when handling, diversion of medical marijuana, and emergency operating procedures, and best industry practices.

*Technology Requirements:* Demonstrate skills necessary to utilize computer technology and the willingness to develop and evolve technological requirements for modern medical marijuana. Stay relevant to techniques, methods, and compliance for tracking medical marijuana product from seed to sale. Show competence in industry terminology and scientific techniques relevant medicinal marijuana.

**Dr. Danielle Sanders, M.D. - Medical Director**

*Purpose and Scope:* To help staff interact with patients and to develop effective strategies for dispensing various blends of medicine to treat specific conditions. To serve and counsel in matters of the medical marijuana patient, product delivery, and efficacy to ensure medical services and operations are in compliance with Pennsylvania regulatory and licensing agencies.

*Organizational Relationship:* The Medical Director reports directly to the President.

*Responsibilities:* Establish and/or maintain working and collaborative relationships in the health provider community, on behalf of Applicant. Develop relationships with hospitals and specialty providers to educate and advocate the use of medical marijuana. Inspire hands-on staff training to communicate on changes in regulatory or best practices methods.

*Role Requirements:* Provide expertise to address questions and concerns from patients, staff and executive team. Collaborate with other local healthcare professionals to establish a resource network within the community. Foster open communication with patients, principals, and employees. Attend and participate in community outreach programs.

*Industry Prerequisite:* Board certified experience and track record as clinical director or other clinical managerial position. Experience in clinical supervision and program management with medical conditions qualified under the Act. Must be intimately familiar with Pennsylvania medical industry compliance, laws, and regulations.

*Training Requirements:* Participate in and provide attendance certification of the mandatory 2-hour Department of Health training as stated in Pennsylvania Rules and Regulations - §1141.48. Engage in recommended external industry training related to medical marijuana and participate in recommended internal training on relevant topics such as, but not limited to: handling of marijuana-derived medicines, the side effects of medical marijuana, the medical benefits of marijuana, consuming medical marijuana safely, and dosage recommendations.

*Technology Requirements:* Demonstrate ability to utilize computer technology and the willingness to develop and adapt to the evolving technological requirements of modern medical marijuana. Stay relevant to techniques, methods, and compliance for tracking medical marijuana product from seed to sale. Show competence in industry terminology and scientific techniques relevant medicinal marijuana.
Joseph Weindorf - Senior Security Director

Purpose and Scope: Direct the development, implementation and evaluation of the Applicant’s security program and risk minimization programs to ensure a secure facility, physical security and security of assets, intellectual assets, information technology/computer systems and a secure environment for the employees and patients.

Organizational Relationship: Reports directly to President to assess, relate, and analyze security issues, concerns or incidents.

Responsibilities: Plan, examine, analyze, evaluates and supervise Cannabis Square’s security operations, inclusive of physical security assets and security personnel. Evaluate current procedures, practices and precedents for accomplishing activities and functions relative to security. Assist in preparation of emergency management and contingency planning. Serve as Applicant’s liaison with public law enforcement, fire and other agencies as it relates to security and personnel.

Role Requirements: Develop preventative security programs and propose changes and updates to ensure operational security at all times. Provide security training to all employees. Foster and assist associates and colleagues in the transition to the cultural and business norms of medical marijuana.

Industry Prerequisite: Shows strong leadership and applied knowledge in crisis management, strategic planning and risk analysis. Provide proof of law enforcement experience and/or a position association with local law officials. Practical and demonstrated experience in security systems and procedures. Possess experience, education, or knowledge in the marijuana industry or related field. Aptitude and ability to comply with all Pennsylvania medical marijuana industry compliance, laws, and regulations.

Training Requirements: Participate in and provide attendance certification of the mandatory 2-hour Department of Health training as stated in Pennsylvania Rules and Regulations - §1141.48. Engage in and recommend external industry training related to medical marijuana and participate in recommended internal training on relevant topics such as, but not limited to: proper record keeping, diversion of medical marijuana, and emergency operating procedures, and best industry practices.

Technology Requirements: Demonstrate skills necessary to utilize computer technology and the willingness to develop and evolve technological requirements of modern medical marijuana. Stay relevant to techniques, methods, and compliance for tracking medical marijuana product from seed to sale. Show competence in industry terminology and scientific techniques relevant medicinal marijuana.

Peter Mitchell & Michael Nolan – Co-Directors of Security

Purpose and Scope: Assist the Senior Security Director with the development, implementation and evaluation of the Applicant’s security program and risk minimization programs to ensure a secure facility, physical security and security of assets, intellectual assets, information technology/computer systems and a secure environment for the employees and patients.

Organizational Relationship: Report to Senior Security Director to assess, relate, and analyze security issues, concerns or incidents.
**Responsibilities:** Plan, examine, analyze, evaluate and supervise Cannabis Square’s security operations, inclusive of physical security assets and security personnel. Evaluate current procedures, practices and precedents for accomplishing activities and functions relative to security. Assists in preparation of emergency management and contingency planning. Serve as Applicant’s liaison with public law enforcement, fire and other agencies as it relates to security and personnel.

**Role Requirements:** Develop preventive security programs and propose changes and updates to ensure operational security at all times. Provide security training to all employees. Foster and assist associates and colleagues in the transition to the cultural and business norms of medical marijuana.

**Industry Prerequisite:** Show strong leadership and applied knowledge in crisis management, strategic planning and risk analysis. Provide proof of law enforcement experience and/or a position association with local law officials, and practical and demonstrated experience in security systems and procedures. Possess experience, education, or knowledge in the marijuana industry or related field. Aptitude and ability to comply with all Pennsylvania medical marijuana industry compliance, laws, and regulations.

**Training Requirements:** Participate in and provide attendance certification of the mandatory 2-hour Department of Health training as stated in Pennsylvania Rules and Regulations - §1141.48. Engage in and recommend external industry training related to medical marijuana and participate in recommended internal training on relevant topics such as, but not limited to: proper record keeping, monitor employees to assist in ensuring an effective chain of custody for all products, diversion of medical marijuana, and emergency operating procedures, and best industry practices.

**Technology Requirements:** Demonstrate skills necessary to utilize computer technology and the willingness to develop and evolve technological requirements of modern medical marijuana. Stay relevant to techniques, methods, and compliance for tracking medical marijuana product from seed to sale. Show competence in industry terminology and scientific techniques relevant medicinal marijuana.

**Lawrence Bolla, Esq. - Chief Compliance Officer**

**Purpose and Scope:** Assist the General Counsel in ensuring compliance with the rules and regulations of regulatory agencies, that company policies and procedures are being followed, and that behavior in the organization meets the organizations standards of conduct.

**Organizational Relationship:** Reports to President

**Role Requirements:** Advises as needed on necessary actions to ensure achievement of the objectives of an effective compliance program. Monitor and enforce compliance policies and process.

**Responsibilities:** Monitors and enforces compliance policies and process. Assists the General Counsel to engage in general operation of the compliance control systems and related activities to prevent illegal, unethical, or improper conduct.

**Industry Prerequisite:** Coherent understanding of compliance with Pennsylvania medical cannabis laws.
**Organizational Purpose**

Purpose and Scope: Oversees daily operations and management of retail dispensary and staff.

Organizational Relationship: Reports to General Manager

Responsibilities: Generate and implement compliant standard operating procedures for the operation of the retail store to include operating hours, scheduling, inventory tracking, procurement, and expenses. Provide reports detailing sales, inventory, and cash management. Demonstrate expertise with retail management and oversees inventory with reliability. Open or close the store. Report patient feedback to General Manager.

Role Requirements: Provide employee training and guidance on all activities in the retail space. Attend and participate in community outreach programs. Foster and assist associates and colleagues in the transition to the cultural and business norms of medical marijuana.

Industry Prerequisite: Retail management and inventory control experience is required. Aptitude and ability to comply with all Pennsylvania medical marijuana industry compliance, laws, and regulations. Must have a clear understanding and abide by Pennsylvania’s advertising by a medical marijuana organization. §1141.50.

Training Requirements: Participate in and provide attendance certification of the mandatory 2-hour Department of Health training as stated in Pennsylvania Rules and Regulations - §1141.48. Engage in and recommend external industry training related to medical marijuana and participate in recommended internal training on relevant topics such as, but not limited to: proper record keeping, diversion of medical marijuana, and emergency operating procedures, and best industry practices.

Technology Requirements: Proven experience with Point of Sale (POS) systems. Demonstrate the skills necessary to utilize computer technology and the willingness to develop and evolve technological requirements for modern medical marijuana. Stay relevant to techniques, methods, and compliance for tracking medical marijuana product from seed to sale. Show competence in industry terminology and scientific techniques relevant medicinal marijuana.

Assistant Store Manager

Purpose and Scope: Supports store manager with daily operations and management of retail dispensary and staff.

Organizational Relationship: Reports to Store Manager
Responsibilities: Adheres to strict compliant standard operating procedures for the operation of the retail store. Preparés to open or close the store. Assist with scheduling, inventory tracking, procurement, and operating expenses. Gathers data for weekly reports detailing sales, inventory, and cash management. Demonstrates ability to assist patients, store manager, and sales support staff.

Role Requirements: Assists store manager with employee training and guidance. Attend and participate in community outreach programs. Foster and assist associates and colleagues in the transition to the cultural and business norms of medical marijuana.

Industry Prerequisite: Aptitude and ability to comply with all Pennsylvania medical marijuana industry rules, laws, and regulations. Must have a clear understanding and abide by Pennsylvania’s advertising by a medical marijuana organization §1141.50.

Training Requirements: Participate in and provide attendance certification of the mandatory 2-hour Department of Health training as stated in Pennsylvania Rules and Regulations - §1141.48. Engage in and recommend external industry training related to medical marijuana and participate in recommended internal training on relevant topics such as, but not limited to: proper record keeping, diversion of medical marijuana, and emergency operating procedures, and best industry practices.

Technology Requirements: Proven experience with Point of Sale (POS) systems. Demonstrate the skills necessary to utilize computer technology and the willingness to develop and evolve technological requirements for modern medical marijuana. Stay relevant to techniques, methods, and compliance for tracking medical marijuana product from seed to sale. Show competence in industry terminology and scientific techniques relevant medicinal marijuana.

Sales Support Staff

Purpose and Scope: Performs tasks related to daily operations of the dispensary.

Organizational Relationship: Reports to Store Manager

Responsibilities: Adheres to strict compliant standard operating procedures for the operation of the retail store. Possess an expert knowledge of products, prices, and dosage units relating to medical marijuana. Share information with patients in a friendly and professional manner. Provide accurate invoices and inventory counts. Ensure the store is clean, organized, and welcoming at all times. Demonstrate ability to assist patients, store managers, and other sales support staff.

Role Requirements: Ability to discuss medical marijuana in terms patients understand and appreciate. Possess a compassionate understanding for patients and their questions. Attend and participate in community outreach programs. Foster and assist associates and colleagues in the transition to the cultural and business norms of medical marijuana.
Industry Prerequisite: Aptitude and ability to comply with all Pennsylvania medical marijuana industry compliance, laws, and regulations. Must have a clear understanding and abide by Pennsylvania’s advertising by a medical marijuana organization §1141.50.

Training Requirements: Participate in and provide attendance certification of the mandatory 2-hour Department of Health training as stated in Pennsylvania Rules and Regulations - §1141.48. Engage in and recommend external industry training related to medical marijuana and participate in recommended internal training on relevant topics such as, but not limited to: proper record keeping, diversion of medical marijuana, and emergency operating procedures, and best industry practices.

Technology Requirements: Proven experience with Point of Sale (POS) systems. Demonstrates the skills necessary to utilize computer technology and the willingness to develop and evolve technological requirements for modern medical marijuana. Stay relevant to techniques, methods, and compliance for tracking medical marijuana product from seed to sale. Show competence in industry terminology and scientific techniques relevant medicinal marijuana.

Administrative Support Staff / Patient Intake Coordinator

Purpose and Scope: Supports reception of patients and visitors to the dispensary.

Organizational Relationship: Reports to Store Manager

Responsibilities: Provides initial greeting to patients and visitors to the dispensary. Adheres to strict compliant standard operating procedures for the operation of the retail store. Requests and verifies patient identification and logs intake information. Provides a pleasant and informed atmosphere for visitors and patients. Possesses an expert knowledge of products, prices, and dosage units relating to medical marijuana. Ensures the reception area is clean, organized, and welcoming at all times. Demonstrates ability to assist patients, store managers, and other sales support staff.

Role Requirements: Ability to discuss medical marijuana in terms patients understand and appreciate. Possess a compassionate understanding for patients and their questions. Attend and participate in community outreach programs. Foster and assist associates and colleagues in the transition to the cultural and business norms of medical marijuana.

Industry Prerequisite: Exhibit a friendly and professional demeanor. Aptitude and ability to comply with all Pennsylvania medical marijuana industry compliance, laws, and regulations. Must have a clear understanding and abide by Pennsylvania’s advertising by a medical marijuana organization §1141.50.

Training Requirements: Participate in and provide attendance certification of the mandatory 2-hour Department of Health training as stated in Pennsylvania Rules and Regulations - §1141.48. Engage in and recommend external industry training related to medical marijuana and participate in recommended internal training on relevant topics such as, but not limited to: proper record keeping, preserving plant integrity when handling, diversion of medical marijuana, and emergency operating procedures, and best industry practices.
Technology Requirements: Proven experience with Point of Sale (POS) systems. Demonstrate the skills necessary to utilize computer technology and the willingness to develop and evolve technological requirements for modern medical marijuana. Stay relevant to techniques, methods, and compliance for tracking medical marijuana product from seed to sale. Show competence in industry terminology and scientific techniques relevant medicinal marijuana.
Title: President, Treasurer, and Secretary– Greg Rubino

Qualifications: Gregory J. Rubino is CEO of the Passport Group of Real Estate Companies. A native of Erie, he attended Sacred Heart Parochial School, Cathedral Preparatory School and Gannon University. Mr. Rubino has been a partner, officer, or shareholder in many start-up businesses or business acquisitions, such as the Beachcomber Inn, an 80-room tourist-destination motel located at the entrance to Presque Isle State Park. He was a partner in the Erie Broadcasting company, which acquired the Fox 66 TV station from Gannon University, and increased the transmission signal strength by a factor of 15. The property was then marketed to the Nexstar Group. He was vice president of the former Erie Cardinals professional baseball club, and was Vice President with Lake Erie Auto Leasing. At Metro Center, Inc., he developed a former hospital facility into a 150,000 sq. ft., multi-tenant professional and medical project. At Claridge Realty Holdings, LLC, he owned real estate leased to the federal government. Mr. Rubino also acted as the lead real estate developer for the $275+ million Presque Isle Downs racetrack and casino. His specific areas of concentration are business development, and the sale or leasing of properties for third-party clients.

As an active member of his community, Mr. Rubino has served with the following organizations: the Multiple Sclerosis Society; the United Way; and the Committee for the 2004 United States Women’s Amateur Golf Championship. He is a three-time member of the Executive Leadership Committee of the Erie Chapter of the American Heart Association, and the former co-chair of the Heart Ball Erie PA Chapter, American Heart Association and Former Co-Chair of the Heart Ball. Mr. Rubino received the prestigious Giuseppe Mazzini Civic Association Man of the Year award for his dedication to his community. Mr. Rubino brings a wealth of business experience and leadership to his role as CEO of Cannabis Square. He is an advocate for health and wellness through medical marijuana, and wants the qualified patients of Erie to have a dispensary in which they can trust. He believes in his team, and in team work for results. Mr. Rubino is dedicated to strict compliance with the laws and regulations applicable to medical marijuana dispensaries, and community safety is his number one priority. Mr. Rubino has a track record of business success, and Cannabis Square is the culmination of his life of community service through business.

Title: General Counsel and Assistant Secretary - W. John Knox, III, ESQ.

Qualifications: Atty. W. John Knox brings 11 years of distinguished legal practice with him to his role as General Counsel for Cannabis Square. Today, he is the owner and managing member of Knox Legal Advisors, LLC, an Erie Pennsylvania practice specializing in commercial transactions, civil litigation, and real estate transactions. In addition, Mr. Knox is the Vice President and General Counsel for The Passport
Companies and is responsible for overseeing the legal matters and issues associated with The Passport Companies, where he oversees commercial real estate brokerage, real estate development, and real estate management activities. Prior to founding Knox Legal Advisors, Mr. Knox spent seven years at Richards & Associates in Erie, where he focused on tax exempt finance, real estate transactions, commercial transactions and civil litigation. Notably, Mr. Knox was one of a three member legal team that served as Lead Counsel to the Commonwealth of Pennsylvania in the largest bond issuance in Pennsylvania history. Mr. Knox graduated from the Pennsylvania State University Dickinson School of Law and Policy and served as class president. He currently serves on the Boards of Community Health Net, Inc. and the Our Lady of Peace School Advisory Committee. He is a past Board Member and Instructor for the Risk Management Program at the Mercyhurst College. In June 2017, Mr. Knox will be named President of Erie Philharmonic, Inc., where he also previously served as Vice-President and General Counsel. Mr. Knox is intimately familiar with the laws and regulations pertaining to medical marijuana operations in Pennsylvania, and looks forward to educating the Cannabis Square team to ensure compliance. He will work with management to develop compliance-based SOPs, and will regularly review and update company policies to ensure maximum compliance. Mr. Knox also looks forward to interacting and cooperating with industry regulators to ensure that Cannabis Square is transparent and sets the bar high for medical marijuana operations in the Commonwealth.

**Title: Medical Director - Danielle Sanders, M.D.**

**Qualifications:** Danielle Sanders, M.D. is an accomplished family physician and co-owner of Erie Medical Rehab in Erie, Pennsylvania. Ms. Sanders graduated Cum Laude from Duke University, and obtained her M.D. from Indiana University School of Medicine. She completed her Family Medicine Residency at Akron City Hospital in Akron, Ohio. Before starting Erie Medical Rehab, Ms. Sanders was a History and Physical Diagnosis physician in the Summa Health System, an Urgent Care Physician at Kaiser Permanente, and Family Physician at Goodyear Family Medical Center in Akron. Ms. Sanders is prepared to provide sound advice about the benefits of medicinal marijuana products to Cannabis Square’s qualified patients. Dr. Sanders has a structured knowledge of clinical facility operations and can provide valuable input on setup, execution, and success using proven best practices from her years in various medical services practices. She represents a mature and scientific attitude toward marijuana and its healing benefits. She is passionate about ensuring that Cannabis Square always puts patient-needs first, and that the facility is customer friendly and a place where qualified medical marijuana patients can find the relief they seek.

**Title: Senior Security Director – Joseph Weindorf**

**Qualifications:** Joseph Weindorf began his public safety career as a Police Officer for the City of Erie Police Department. There, he worked on the Department’s Crime Prevention Unit, which included “Target Hardening” techniques for residence and business. He then became Director of Public Safety for Erie County, where he was responsible for Emergency Services and Hazardous Materials Services for the County. Mr. Weindorf is a retired Magisterial District Judge and a Senior Magisterial Court Judge. In the private sector, he worked as a forensic consultant and provided forensic mental health services for a community-based mental health organization. He is the president and owner of Organizational Change Resources, LLC, a business consulting firm specializing in emergency and security operations. Dedicated to security and public safety, Mr. Weindorf founded the Northwest Pennsylvania Business Coalition for Homeland Security,
Inc., a nonprofit that supports public safety agencies. Mr. Weindorf is a licensed private investigator in the State of Pennsylvania, and he regularly trains and speaks on the topics of investigations and law enforcement. Mr. Weindorf has provided comprehensive emergency operations and security plans to a variety of organizations, and is now bringing this skill to his work with Cannabis Square. He has served on numerous inter-governmental committees related to public safety issues, and has authorized enterprise risk management plans for local and regional organizations. Mr. Weindorf’s career in public safety, law enforcement, and crime prevention is unparalleled. He is a proven expert and leader in the security industry, has been recognized for effecting positive and lasting changes in his community, and will help Cannabis Square design and implement one of the most top-notch security plans for any business in Pennsylvania. Under the leadership of Mr. Weindorf, Cannabis Square will set the bar high for safety, security, and compliance at its dispensaries.

Title: Co-Director of Security – Officer Peter M. Mitchell

Qualifications: A former United States Marine Corps sergeant and distinguished Police Detective Sergeant since 2001, Officer Peter M. Mitchell has served for the safety of his community for many years. He began his career at the City of Erie Police Department as a patrol officer, where he faithfully performed the daily tasks of patrol with a focus on law enforcement and crime prevention. During his time in patrol, Sergeant Mitchell became fluent in narcotics recognition and investigations. He spent time with the Anti-Crime unit and the Drug and Vice Unit gaining further experience in these areas, and brings this professional experience with him to Cannabis Square. Most recently, Sergeant Mitchell was assigned to the Saturation Unit at the Police Department, where he initiated and was involved in many different types of investigations. He also worked as a supervisor on the Department’s Gun Task Force, working closely with the ATF, FBI, Pa. State Police, District Attorney’s Office, The United States Attorney’s office, and other agencies. Sergeant Mitchell was promoted to the rank of Detective, then Sergeant in 2016, and was also reassigned as the Department’s Intelligence Officer. As Intelligence Officer, he analyzes gang members and their activity, prepares intelligence reports, maps crime and crime statistics, is the Department’s Megan’s Law Coordinator, and follows up on firearm recoveries and denials. He is well connected in the law enforcement within the Erie community, and looks forward to bringing his extensive knowledge of security and law enforcement to Cannabis Square to help create a safe and compliant dispensary. Sergeant Mitchell is a strong advocate for community safety and regularly attends events at community centers, intelligence meetings and neighborhood watch groups. A venerated community man, Sergeant Mitchell is also involved with a number of community groups such as Lucy’s First Step, Erie Fraternal Order of Police, Lodge #7, Unified Erie member, US Attorney’s Community Police Relations Group, and the Millcreek Township School District, to name a few. Sergeant Mitchell is committed to the security and safety of Cannabis Square’s employees, customers, and nearby residents. He will train and supervise other security staff, and help the team create stringent security-related SOPs. Cannabis Square’s presence in Pennsylvania will improve the safety of the surrounding community thanks to Sergeant Mitchell’s involvement.
Title: Co-Director of Security – Officer Michael A. Nolan

Qualifications: Michael A. Nolan began his career over two decades ago as a uniformed Patrolman at the City of Erie Police Department. In that capacity, he was responsible for patrolling the city of Erie, participating in crime prevention efforts, responding to calls for service, enforcing traffic laws, basic investigations and arresting suspects. In 1995 he was assigned the Department’s Drug & Vice Unit, which is responsible for initiating proactive investigations into illegal drug activity. These investigations include sensitive undercover work, surveillance, suspect and witness interviews, work with confidential informants, reporting, and court testimony. Officer Nolan was trained at the FBI National Academy in Quantico, Virginia in 2008, where he perfected his knowledge of investigative interviewing, forensics, police and media relations, and statement analysis. An outstanding officer on the Erie Police Force, he has regularly received praise from superiors, the District Attorney’s Office, the Attorney General’s Office, the U.S. Attorney’s Office, and from the judges and defense attorneys he interacts with. He is recognized as an expert in his field and is frequently called upon to provide expert testimony in outside drug cases. Officer Nolan has Class A Pennsylvania electronic surveillance certification, is certified by the Pennsylvania State Police as a firearm instructor, and is certified in First Aid, CPR and use of Naloxone. He serves as a plain-clothes security professional at his community Church during service hours, and also performs security functions on a contract basis for individuals and organizations in Erie. Officer Nolan is a member of the Erie Fraternal Order of Police-Lodge #7, the FBI National Academy Associates, and the US Attorney’s Community Police Relations Group. Officer Nolan knows what it takes to keep a business, its employees, its customers, and the surrounding community safe. His extensive experience fighting drug related crime facilitate his work in the medical marijuana industry. As Co-Director of Security for Cannabis Square, Officer Nolan intends to facilitate one of the tightest and most advanced security details in the Pennsylvania medical marijuana industry.

Title: Advisor - Governance Committee Chair – Marlene D. Mosco

Qualifications: Marlene D. Mosco recently retired as Regional President of PNC Bank. Her responsibilities included overseeing all business and management, with an emphasis on the wealth management and corporate banking businesses. Ms. Mosco joined Marine Bank (predecessor to PNC) in 1968 as training director and has served as marketing officer, public relations director, manager of marketing, vice president and director of marketing, and as senior vice president and manager of retail banking for PNC North. Previously, she served as executive vice president of Regional Community Bank in the Northwestern Pennsylvania Region.
In service to her community, Mosco was the 2013 chair of the United Way of Erie; chair of the Board of Trustees at Mercyhurst University; trustee of the Boys and Girls Club of Erie; and a member of the board and former chair of the Erie County Convention Center Authority. She is member of the Core Committee of the Inner-City Neighborhood Art House; the Erie Sight Center; board of cooperators, Hamot Health Foundation; cooperator of the St. Vincent Health Foundation; and board of trustees of the Lake Erie College of Osteopathic Medicine. In addition, she is a sustaining member of the Junior League of Erie and was its president in 1985.

In recognition of her professional and community accomplishments, in 2012, Mosco received the President’s Hall of Fame Award from Vila Maria Academy and the President’s Award from the Erie County Historical Society; in 2008, she was awarded the United Way of Erie County’s Tocqueville Award in recognition of her outstanding volunteer service to the Erie community; in 2007 she received the CEO of the Year Award from the Boys and Girls Club of Erie; in 2005, she was honored as the Distinguished Daughter of Pennsylvania, which recognizes women for their accomplishments of statewide and national importance; in 2004 she was honored with the Villa Maria Academy Community Treasure Award and the Erie Arts Council Art Service Award; she was the recipient of the Giuseppe Mazzini Civic Associations’ Person of the Year Award.

Ms. Mosco earned her Bachelor of Science degree in Business Administration from Mercyhurst University. Cannabis Square is looking forward to Ms. Mosco’s advice and leadership as the medical marijuana business seeks robust banking relationships with established institutions.

**Title: Advisor - Governance Committee Vice-Chair – Lisa M. Rubino**

**Qualifications:** Lisa Rubino has been a top real estate agent in Erie since 1994. She was a top sales agent at Sue Sotto Realtors, Inc. and then moved on to be a Top Five Individual Producer at Re/Max Real Estate. The next year she was named Individual Top Producer at Re/Max and continues to excel in her work. She is passionate about her community. Ms. Rubino spent four years on the Board of Directors of the R. Benjamin Wiley Charter School.

**Title: Chief Compliance Officer - Lawrence Bolla, Esq.**

**Qualifications:** Attorney Lawrence Bolla is a shareholder at the Quinn Law Firm in Erie, Pennsylvania. He has been admitted to practice law in Pennsylvania since 1974, and is intimately familiar with Pennsylvania’s laws and regulations, including those pertaining to medical marijuana. He has represented corporate clients—including Erie Power Technologies, Inc. Creditor’s Committee and First National Bank—in sophisticated litigation. Mr. Bolla is a certified Bankruptcy law specialist, and his practice involves the representation of debtors, secured creditors, unsecured creditors, and Chapter 7 Trustees in bankruptcy. His practice involves litigation in all courts under the purview of the Supreme Court of Pennsylvania, as well as the United States District Court for the Western District of Pennsylvania, and the United States Court of Appeals for the Third Circuit. In addition, Mr. Bolla is admitted to practice before all courts in the State of New York and the State of Ohio. Mr. Bolla’s legal expertise and thorough knowledge of Pennsylvania laws and regulations will ensure that Cannabis Square maintains compliance with all applicable regulations for Pennsylvania businesses, and, especially, medical marijuana dispensaries.
Title: Advisor - Veterans Outreach Committee Chair – Joseph Lochbaum

Qualifications: Joseph Lochbaum is a 6-year U.S. Navy Veteran and served during the Desert Storm War. Upon honorable discharge, he began working with in the medical industry. He later founded and currently serves as President/Owner of Wheelchairs and More Corp., a durable medical equipment company, established in 2001. Mr. Lochbaum has dedicated himself to providing medical equipment for preventing and alleviating pain to his disabled patients thus improving their overall quality of life. He currently employs 12 full-time and 3 part-time personnel that were hired after extensive interviews and background checks. He has obtained contracts with Medicare, PA Medical Assistance, Blue Cross, UPMC, United Healthcare and Amerihealth, among others. He utilizes HIPPA and a secure electronic software to maintain compliance with the guidelines outlined in the medical industry.

Mr. Lochbaum has successfully taken his company thru the Community Health Accreditation Partner process to ensure his company meets hospital standards of excellence. He has extensive knowledge maintaining up to date policies and procedures as well as establishing corrective actions when required. Mr. Lochbaum works with thousands of patients suffering from chronic debilitating and aging conditions as well as from all economic backgrounds. He fully understands the compassion, needs, and procedures for providing services to patients under a financial hardship to ensure a person’s health and wellbeing. He has built relationships and donates to many organizations, Erie Hospice, The Multiple Sclerosis Society, the ALS Society, the Muscular Dystrophy Association, Department of Aging, Voices of Independence, Community Resources for Independence, as well as working with various hospitals and nursing homes throughout over western Pennsylvania. He has a daily understanding and heightened perspective of the pain relief that medical marijuana may provide for the people he has worked with over the years.

Mr. Lochbaum is also founder owner of LELD Inc., one of the largest construction companies in the U.S. dedicated to installing medical overhead safe-patient-handling devices. He works with both acute- and long-term care facilities (both private and government) throughout the United States. Understanding the need for safe patient handling, LELD Inc has installed thousands of overhead ceiling lifts used to safely transfer patients from bed to chair or bathroom. He understands the need for safety of both patients and staff. His employees and sub-contractors all go through E-Verify to ensure U.S. citizenship and eligibility to work in the United States.

Mr. Lochbaum sponsors various local school athletic programs. He hosts Educational seminars for both Gannon and Mercyhurst Universities to educate and prepare graduating students on how to ensure that a patient is provided the proper piece of equipment to maximize their quality of life. He believes that his business experience within the medical industry will help with understanding the needs of the qualified individuals that Cannabis Square, LLC can serve.

Title: Advisor - Veterans Outreach and Diversity & Training Committees - William Vorsheck

Qualifications: Mr. William Vorsheck received his Bachelor of Arts degree in Psychology from Indiana University of Pennsylvania in 1984 and a Master’s in Clinical Psychology from Edinboro University of Pennsylvania in 1989. From 1986 to 2015, Mr. Vorsheck was a psychologist in private practice at the Erie Institute of Hypnosis and Psychotherapy. He served both as a therapist and as a business manager of the practice. Mr. Vorsheck was responsible for other psychologists, social workers and psychotherapists at
the Institute. In his own psychotherapeutic practice, Mr. Vorsheck worked with a wide range of issues and clients. This diversity of experience makes him especially qualified to advise Cannabis Square as to veterans outreach and diversity in its workforce. Beginning in the late 1990s, Mr. Vorsheck pursued business opportunities in real estate. With a community-benefit mindset, he and his partners developed neighborhood centers, plazas and residential developments in Erie County Pennsylvania and in Pinellas and Hernando Counties in Florida. Mr. Vorsheck takes civic engagement very seriously, and his current civic responsibilities include involvement as a board member on several nonprofit organizations and charitable foundations. He currently serves on the board of the Flagship Niagara League division of the Erie Maritime Museum and on the board of Notre Dame, a local diocesan summer camp in Erie, Pennsylvania. He also serves on the board of the Vorsheck Family Foundation, which distributes over $250,000 annually to local and international charities. His unique combination of business experience plus twenty-six years in the mental health field working clients of all races, socioeconomic backgrounds, and dispositions makes him a valuable asset to Cannabis Square. He is looking forward to leading the company in diversity outreach, and training executives and staff on diversity sensitivity.

Title: Advisor - Diversity and Training Committee Chair - Shantel Hilliard, MA

Qualifications: Shantel Hilliard is the Executive Director of the Booker T. Washington Center in Erie, Pennsylvania, which strives to improve the conditions for work, play, study, health and living in the Erie community and to work with other agencies whose goals and objectives are consistent with those of the Center. As Executive Directory he coordinates Center events, manages a staff of 15, and assures that the organization has a long-range strategy which achieves its mission. He also provides leadership in developing program, organizational and financial plans with the Board of Directors and staff, and carries out plans and policies authorized by the Board. Mr. Hilliard started at the Booker T. Washington Center in 2003 as Associate Director. He has worked closely with the Center’s Drug and Alcohol Programs, worked with the Department of Health on the Tobacco Control Program, and worked with local and state funding sources to keep the Center’s doors open. The Booker T. Washington center serves a diverse population of Erie residents, making Mr. Hilliard and excellent advocate for diversity at Cannabis Square. As Diversity and Training Committee Chair for Cannabis Square, he will promote a spirit of volunteerism at the company, and ensure that the team always has an eye on diversity and diversity sensitivity in all areas of the organization’s work. Mr. Hilliard understands the spirit and the importance of the Diversity Requirements implemented by the Pennsylvania Legislature, and is committed to ensuring that Cannabis Square strives to meet and regularly exceed the stated diversity goals. He will work with the rest of the Diversity and Training Committee and the company’s executive team to implement the Diversity Plan, set regular reporting goals, and improve the plan and the company’s efforts from year to year. Mr. Hilliard is a proven leader, and Cannabis Square is fortunate to have him on its team.
Title: Advisor - Diversity and Training Committee – Stanley McClure

Qualifications: A native of Pennsylvania, Stanley McClure knows what it takes to create a diverse and inclusive workforce at Cannabis Square. He has worked in his community as a realtor since 1998. His real estate practice focuses on commercial real estate, rental coordination, residential sales, and relocation assistance. He has assisted a variety of individuals with their real estate needs. He understands his community well, and is passionate about diversity and inclusivity in the work force. Mr. McClure’s presence on Cannabis Square’s Diversity and Training Committee will help the team implement and improve its diversity plan, and ensure that all team members are on board with the vision and mission of this plan.

Title: Advisor - Diversity and Training Committee - Daniel Bolla

Qualifications: Daniel Bolla has worked for the past 10 years in the fields of drugs, alcohol and mental health recovery for both adolescents and adults. He earned his bachelor’s degree in criminal justice from Edinboro University, and has been credentialed as a Pennsylvania Client Placement Criteria mobile assessor. He is driven by a passion for service and believes in the commitment to diversity made by Cannabis Square. Dan co-chair of the Erie County (Pa.) Drug and Alcohol Coalition, where he organizes an annual drug and alcohol and drug prevention conference in Erie, PA. He currently works as a Client Services Consultant at a private drug and alcohol rehabilitation facility. There, he coordinates the marketing and outreach efforts to different networks of professionals, and is instrumental in assisting hospitals, doctors, physician’s assistants, nurses, Psychiatrists/Psychologists, insurance companies and treatment providers to work together to heal patients addicted to drugs and alcohol. Mr. Bolla works closely with local law enforcement in his marketing and intervention efforts, and works with local and regional community leaders to help raise awareness of the ongoing issues around addiction, and provide a resource to those in need. Having worked with individuals from all backgrounds, Mr. Bolla is uniquely qualified to advise Cannabis Square’s team about diversity and diversity training. He looks forward to furthering the healing mission of the company, and helping create a workforce that is as diverse as the individuals who stand to benefit from medical marijuana products.

Title: General Manager of Dispensaries - Beverly A. Alward

Qualifications: Beverly Alward brings a mix of healthcare practice and business management to her work with Cannabis Square. She is currently working towards her Masters of Nursing from Duquesne University in Pittsburgh, and is a practical student nurse instructor at the Great Lakes Institute of Technology, where she instructs first and second year students. Ms. Alward earned a Master Certificate in Cannabis from the Cannabis Training University in Denver, CO. She believes in the benefits of medical marijuana and wants to bring these benefits to the qualified patients of Pennsylvania by helping operate what is to be one of the best dispensaries in the Commonwealth. In her career, Ms. Alward has provided patient care but also has to adhere to state medical rules and regulations including HIPPA. Therefore, she is intimately aware of the importance of following regulations closely and ensuring staff compliance with all applicable rules and regulations. Ms. Alward served as the Corporate Compliance Officer for the Meadville Rehabilitation and Nursing Center, and was a member of the Safety Committee for the Cambridge Springs Rehabilitation and Nursing Center. Throughout her nursing career, Ms. Alward has held positions of leadership—Registered Nurse Supervisor, Assistant Director of Nursing, and Director of Nursing are a few of the titles she has held at various healthcare organizations throughout Erie and the State. As such, Ms. Alward is not just intimately familiar with patient-services, but also personnel management, regulatory compliance, and
SOP design and implementation. She brings this unique combination of skills to Cannabis Square, where she will foster a welcoming and educated team of professionals to serve the needs of qualified medical marijuana patients in Pennsylvania. As a community volunteer, Ms. Alward is involved with the Cussew-ago Youth Association and serves as the Fundraiser & Concessions Officer. She is also a board member and fundraising officer for the Cambridge Springs Little Gridders.

**Title: Inventory Manager / Medical Products Handler - Frank R. Timpano**

**Qualifications:** Frank R. Timpano is a licensed pharmacist in Pennsylvania and Ohio, with a Bachelor’s of Science in Pharmacy from the University of Pittsburgh. Mr. Timpano brings thirty years of retail pharmacy experience to the team. He has an established reputation for maintaining excellent inter-personal relationships with patients, technicians, store employees, pharmaceutical representatives, medical professionals, and insurance providers. As a staff pharmacist at Walmart Pharmacy, Mr. Timpano has the proven ability to work efficiently with high-volumes of products. He worked in Walmart stores dispensing more than 3,000 prescriptions weekly. Mr. Timpano spent six years at Rite Aid Pharmacy, another high-volume pharmaceuticals dispenser. These experiences qualify Mr. Timpano to manage inventory and medical products for Cannabis Square. He consults regularly with physicians and patients regarding medication dosage, drug interactions, disease management, and potential side effects of prescription and OTC medications, and looks forward to transferring this healthcare knowledge into the medical marijuana industry. Mr. Timpano has always been dedicated to providing outstanding patient care with an emphasis on accuracy, safety, and efficiency. He is familiar with, and prepared to operate in full compliance with applicable Commonwealth laws and regulation regarding medical marijuana industry, and will be responsible for helping implement and standardize inventory management SOPs. Mr. Timpano will oversee the training of Cannabis Square’s inventory associates, and supervise inventory activity and medical products handling to ensure strict compliance with regulations and SOPs. Mr. Timpano will work cooperatively with regulators to ensure adherence to recall notices, and alert the proper parties of any evidence of diversion. Mr. Timpano recognizes the importance of strict and careful inventory management in the medical marijuana industry, and looks forward to bringing his wealth of experience as a pharmacist to his work at Cannabis Square.

**Title: Advisor - Real Estate & Construction Committee - Michael Hammel**

**Qualifications:** Michael Hammel is president and CEO of M.C. Hammel Properties and M.C. Hammel Construction. He has almost two decades of experience with real estate investments and property renovation and construction, and will serve Cannabis Square’s executive team as a real estate and construction advisor. In 2016, he completed several medical-related construction projects for UPMC and thus has experience in medical office construction. Mr. Hammel purchased his first piece of real estate in August of 2000 with a five-thousand-dollar loan from his parents, and today his business has grown to include a broad portfolio of residential and commercial holdings and over one million dollars in revenue annually. M.C. Hammel Construction was born of a need to renovate the investment properties held by M.C. Hammel Properties. Mr. Hammel has hands-on experience with every phase of a construction project, including contracting and managing accounts. His experience is an asset to the Cannabis Square team. A community-oriented business man, Mr. Hammel serves on the boards of the Golf Committee at The Kahkwa Club and Mercy Center of the Arts.

**Title: Advisor - Real Estate & Construction Committee – Daryl E. Terella**
Qualifications: Daryl Terella is Senior Vice President of Passport Realty, LLC, which has offices in Erie, Pennsylvania. He is responsible for managing and marketing brokerage properties for Passport clients as well as Buyer/Tenant representation. Born in Erie, he attended Blessed Sacrament Parochial School, Cathedral Preparatory School and graduated from Indiana University of Pennsylvania with a BS in Business and Marketing. Mr. Terella is currently serving on the Board of Economic Development Corporation (EDC), and served for many years as a Member of the Board of Erie County (EDC) and on the Board (and as Secretary of the Corporation) of the Greater Erie County Economic Development Corporation (GEIDC). He has also served as a Director of the Greater Erie Board of Realtors. He is a member of the International Council of Shopping Centers. Mr. Terella has been a licensed realtor in the State of Pennsylvania since 1981, involved with land and property acquisition and disposition, and development and leasing in the office, retail, hotel and industrial markets. He has worked with clients such as CVS Pharmacy, Country Fair Convenience Stores, Tim Horton’s, Taco Bell, Olive Garden; he helped with the development of a 550,000 square foot shopping center anchored by Giant Eagle, Sam’s Club, Kmart and John V. Schultz Furniture. Mr. Terella assisted a private developer with zoning and development plan approvals for a 100+ -acre property to be developed in Erie County, with a mix of retail, hotel, office and residential uses. His diverse experience and proven track record will serve the company’s Real Estate & Construction Committee well.

Title: Advisor – Marketing Committee- Julie L. Coates

Qualifications: As the Media Manager with Passport Realty, LLC, Julie Coates is responsible for website management and media design and is regularly implementing new design features to enhance the customer web experience. As a Social Media Marketing Specialist for North East Dental Arts, Ms. Coates updated the business website, created a monthly and yearly marketing budget, wrote a monthly newsletter, created graphics for internal monitors, and designed all advertisements. Prior to focusing on marketing and website management, Ms. Coates spent 14 years as a Meteorologist and News Reporter for WICU/WSEE/One Caribbean Television. She brings diverse media experience with her to the Cannabis Square team, where she looks forward to creating and managing a website that is educational for the qualified medical marijuana patients of Pennsylvania. The internet has become people’s first stop for all kinds of information, and Ms. Coates recognizes that Cannabis Square’s website will be a source of information for many qualified medical marijuana patients, and therefore she stresses the importance of a well-designed, user-friendly website with easy-to-understand content. Her media experience will help the company build marketing relationships with community and commonwealth entities. She has a distinguished understanding of the complexities, compliance, and best business practices for the medical marijuana industry.

Title: Advisor - Marketing Committee Chair - Joshua Porreco

Qualifications: Joshua Porreco will advise the Cannabis Square team as the Chair of the Marketing Committee. Mr. Porreco owns and manages several estate LLCs. Mr. Porreco achieved his B.S. in Business Management at Florida Atlantic University, and has been in the business and marketing world ever since. He worked as a corporate banker at Wachovia bank for two years, and before that was general manager of a large auto dealership in Florida. Mr. Porreco appreciates the opportunity to bring his advice into this
new field in the State of Pennsylvania, and looks forward to helping Cannabis Square on the path to success.

**Title: Advisor - Marketing Committee - Jason Porreco**

**Qualifications:** Jason Porreco has extensive sales and marketing experience and he is excited to be in an advisory role and help to implement a marketing plan for the company. From 2006 to 2015, Mr. Porreco served as General Manager of Bianchi Honda in Erie, Pennsylvania. He then became dealer Principal and owner of Bianchi Honda and Porreco Nissan in Erie. Thanks to excellent leadership, Bianchi Honda earned the prestigious President’s Award 19 years in a row, and is the only automotive dealership to consecutively earn this award that many times. Bianchi Honda is now the number one Honda dealership in Pennsylvania. Mr. Porreco excels in customer satisfaction and is committed to fair and honest advertising.

**Title: Advisor - Facilities Development Committee – Shelane A. Buehler**

**Qualifications:** Shelane Buehler is President of Buehler & Associates, a full service architectural firm and Certified Woman Business Enterprise (a certified WBE). She is a LEED ® accredited professional with over 25 years of practice in architecture. Her leadership and proven track record have earned her a professional reputation for design ingenuity, financial responsibility and client service in the design and construction of educational, hospitality, healthcare, civic, industrial and commercial facilities. Her extensive experience and hands-on approach includes design, project management and coordination of all phases of projects from initial programming through construction administration to ensure that the design intent is carried throughout the project completion. Ms. Buehler is ultimately responsible for all phases of design, service and quality assurance and for delivering projects to meet client expectations on time and within budget. She is a licensed architect in the states of Pennsylvania, New York, Ohio, and Mississippi. Ms. Buehler has sat on the Boards of several community-service organizations, including Hamot Health Foundation and the Sarah Reed Children’s Center. Among her largest projects at Buehler & Associates are several Gannon University projects: the Center for Business Ingenuity, the Center for Advanced Engineering, the Center for Communication and the Arts, and the Biomedical Engineering Labs. Her extensive experience in a variety of projects with mixed uses make her an asset to Cannabis Square’s Facilities Development Committee.

**Title: Patient, Community and Government Outreach Director**

**Qualifications:** Respectable and sensitive approach to clients, advocates, and government agencies. Instrumental in local non-profit events to promote community well-being and advocacy. Insightful approach to openly communicate with patients. Sincerely nurture relationships with community leaders, media outlets, and other industry-related ancillary businesses while abiding by the Pennsylvania Advertising Rules and Regulations - §1141.50. Advanced understanding of the complexities, compliance, and best business practices for the medical marijuana industry. Clear comprehension of industry terminology and scientific methods used to create medical marijuana products. Committed to enforcing industry compliance, laws, and regulations. Certified participation in the mandatory 2-hour Department training as required by Pennsylvania Rules and Regulations - §1141.48.

**Title: Research and Development Specialist**
Qualifications: Disciplined experience in research and development uncovering new products, efficient methodologies, and product formulations. Capable of following and adhering to compliance standards in when considering advancements or new patents. Engaged with third party companies to collaborate and exchange ideas in the scientific community. Proven competency in laboratory environment and clinical space. Advanced understanding of the complexities, compliance, and best business practices for the medical marijuana industry. Clear comprehension of industry terminology and scientific methods used to create medical marijuana products. Committed to enforcing industry compliance, laws, and regulations. Certified participation in the mandatory 2-hour Department training as required by Pennsylvania Rules and Regulations - §1141.48.

Title: Information and Technology Specialist

Qualifications: Advanced knowledge in all electronic formats transferring or translating data. Established skill set addressing software, hardware, applications, cybersecurity and data management systems. Meticulously monitor electronic activity to divulge inconsistencies and potential threats. Distinguished understanding of the complexities, compliance, and best business practices for the medical marijuana industry. Clear comprehension of industry terminology and scientific methods used to create medical marijuana products. Committed to enforcing industry compliance, laws, and regulations. Certified participation in the mandatory 2-hour Department training as required by Pennsylvania Rules and Regulations - §1141.48.

Title: Marketing and Public Relations Officer

Qualifications: Contribute reliable and precise marketing campaigns and promotions to gauge interest. Diplomatic approach differentiating competitor qualities and tactics. Create and promote brand identification using cost-effective methods. Entice and embrace community inclusiveness. Establish media and marketing relationships with community and commonwealth entities and understanding of the complexities, compliance, and best business practices for the medical marijuana industry. Clear comprehension of industry terminology and scientific methods used to dispense medical marijuana products. Committed to enforcing industry compliance, laws, and regulations. Certified participation in the mandatory 2-hour Department training as required by Pennsylvania Rules and Regulations - §1141.48. Enhance relationships with community leaders, media outlets, and industry-related ancillary businesses while abiding by the Pennsylvania Advertising Rules and Regulations - §1141.50.

Title: Community Outreach Coordinator

Qualifications: Proactively build and maintain meaningful associations with local community. Volunteer at local festivals and fairs to connect with locals, tourists, and potential patients. Enthusiastic engaged when sharing information and educating the public about medical marijuana. Distinguished understanding of the complexities, compliance, and best business practices for the medical marijuana industry. Clear comprehension of industry terminology and scientific methods used to create medical marijuana products. Committed to enforcing industry compliance, laws, and regulations. Certified participation in the mandatory 2-hour Department training as required by Pennsylvania Rules and Regulations - §1141.48.
Enhances relationships with community leaders, media outlets, and industry-related ancillary businesses while abiding by the Pennsylvania Advertising Rules and Regulations - §1141.50.

**Title: Security Staff**

**Qualifications:** Devoted to the safety and security of patients, staff, and facility. Ensure compliant measures are taken for security breaches or threats using standard operating procedures and protocol to resolve or deescalate incidents. Comprehensive understanding of the intricacies, compliance, and best business practices for the medical marijuana industry. Differentiate industry terminology and scientific methods used to create medical marijuana products. Dedicated to enforcing industry compliance, laws, and regulations. Certified participation in the mandatory 2-hour Department training as required by Pennsylvania Rules and Regulations - §1141.48.

**Title: Store Manager**

**Qualifications:** Provide an amicable and pleasant experience for every patient and employee. Motivate and inspire employees to see the big picture of the industry. Educate and validate employees’ knowledge to assist patients. Comprehensive understanding of the intricacies, compliance, and best business practices for the medical marijuana industry. Differentiate industry terminology and scientific methods used to create medical marijuana products. Dedicated to enforcing industry compliance, laws, and regulations. Certified participation in the mandatory 2-hour Department training as required by Pennsylvania Rules and Regulations - §1141.48. Sincerely nurture relationships with community leaders, media outlets, and other industry-related ancillary businesses while abiding by the Pennsylvania Advertising Rules and Regulations - §1141.50.

**Title: Assistant Store Manager**

**Qualifications:** Dynamically learn management methods and retail requirements quickly and effectively. Attentive to store manager needs to create a flexible and organized retail space. Comprehensive understanding of the intricacies, compliance, and best business practices for the medical marijuana industry. Differentiate industry terminology and scientific methods used to create medical marijuana products. Dedicated to enforcing industry compliance, laws, and regulations. Certified participation in the mandatory 2-hour Department training as required by Pennsylvania Rules and Regulations - §1141.48. Sincerely nurture relationships with community leaders, media outlets, and other industry-related ancillary businesses while abiding by the Pennsylvania Advertising Rules and Regulations - §1141.50.

**Title: Administrative Support and Intake**

**Qualifications:** Strengthen relationships with patients and visitors to the retail store. Embody a pleasant and sociable disposition to provide a favorable atmosphere. Comprehensive understanding of the intricacies, compliance, and best business practices for the medical marijuana industry. Differentiate industry terminology and scientific methods used to create medical marijuana products. Dedicated to enforcing industry compliance, laws, and regulations. Certified participation in the mandatory 2-hour Department training as required by Pennsylvania Rules and Regulations - §1141.48. Sincerely nurture
relationships with community leaders, media outlets, and other industry-related ancillary businesses while abiding by the Pennsylvania Advertising Rules and Regulations - §1141.50.

Title: Sales Support Staff

Qualifications: Innovate the patient experience with confidence, knowledge and compassion. Embrace a plus one mentality to go above and beyond the patient expectation. Comprehensive understanding of the intricacies, compliance, and best business practices for the medical marijuana industry. Differentiate industry terminology and scientific methods used to create medical marijuana products. Dedicated to enforcing industry compliance, laws, and regulations. Certified participation in the mandatory 2-hour Department training as required by Pennsylvania Rules and Regulations - §1141.48. Sincerely nurture relationships with community leaders, media outlets, and other industry-related ancillary businesses while abiding by the Pennsylvania Advertising Rules and Regulations - §1141.50.
ATTACHMENT
EMPLOYEE QUALIFICATIONS, DESCRIPTION OF DUTIES AND TRAINING

PA Application

Part D, Section 9 C.

**Staff Training Requirements:** Each prospective employee shall participate in and receive confirmation of satisfactory passage of the two-hour training requirement per Pennsylvania Rules and Regulations §1141.48, without exception; no applicant or candidate for hire will begin operational duties before successfully completing and providing evidence certifying the two-hour training requirement. A copy of such certification shall be provided by the employee to Cannabis Square.

In addition to the state training requirement, potential candidates will be subjected to competency-based assessment for evaluating knowledge and skills, as well as the demonstration of the application of the knowledge and skills in the operation. If a new hire already knows the compliance regulations, allow an opportunity to test out and continue to areas that need improvement. Company policy will align company-wide standard operating procedures and training curriculum to cover specific provisions and responsibilities covered in the Pennsylvania Rules and Regulations §1141.48 for principals and employees of cannabis operations. Topics will include: proper handling of medical marijuana, accurate record keeping, and how to prevent and detect the diversion of medical marijuana. Also included in the training will be best practices for: security procedures, to address employee access points, as well as vendor and visitor access points; safety procedures, including responding to a medical emergency, fire, or a chemical spill; and threatening events like armed robbery, burglary, or criminal incident.

The company will arrange for retraining employees when changes in policy occur. All positions including principals, managers, and support staff are required to schedule and successfully complete the training as soon as it becomes available at the Department of Health, located specifically in the Applicant’s Pennsylvania region. The required training is available at no cost to all medical marijuana organization’s principals and employees. Initial contact will be made on an employee applicant’s behalf to confirm and arrange the 2-hour training course. Requests for location, dates, and available time slots for the training are made and passed to staff awaiting hiring or retraining information. The company will provide various Department of Health links for FAQ’s, training schedule, and updates to State training requirements to staff via company intranet. The Human Resource Manager communicates information to principals, managers, and employees on a continual basis. As part of standard operating procedures and document retention, training attendance records pertaining to internal and external training, including a copy of the Pennsylvania certification for completing the 2-hour required course, as required by Pennsylvania Rules and Regulations §1141.48, will be retained and stored for future compliance audits.
Apply Best Business Practice: To ensure consistent quality, the use of standard operating procedures will support training and reduce risk. Using adopted publications like: Best Management Practices (BMP), which offers land and resource management techniques to determine the most effective and practical means of maximizing beneficial results and minimizing negative impacts; and Good Handling Practices (GHP), are audits that verify the medical marijuana is handled, and stored as safely as possible to minimize risks of contamination. All employees will use BMP or GHP or similar resources to conform to uniform standard operating procedures and the company will incorporate specialized training to communicate all policy and procedure changes or updates. Each department head will be in charge of further developing and implementing standard operating procedures, as well as teaching the material to relevant staff members.

Continual Training Support: The company believes training employees shows them you’re genuinely interested in their personal development, thus allowing them to give their best to the organization, which can eventually lead to better productivity, happier customers and higher revenue. The Applicant will promote continuous learning by introducing new skills required to make jobs more efficient. Trained employees will make fewer mistakes because of increased proficiency. Certain training may require the employee to complete an interactive learning module or an assessment prior to completion. Standard operating procedures with particularly complicated or critical information will require the employee to demonstrate proficiency to a supervisor or manager. The supervisor or manager will then log into the Knowledge and Learning Management System and provide an electronic signature certifying the employee passed all proficiency requirements to their satisfaction. Records of all training will be retained in the LMS and will be available for inspection as stated in Pennsylvania Rules and Regulations §1141.48.

Assertive Compliance Accountability: Compliance training is not a onetime occurrence, rather it needs to keep pace with the changing regulatory norms of the industry. By conducting audits and monitoring performance, the Applicant can identify areas of improvement. Plan modification efforts will take place through proactive evaluations which reflect commitment to continuous improvement and sustainability. Employee and patient surveys, including transaction and point-of-sale testing, will be used for periodic testing to gauge training needs and customer satisfaction. A plan of disciplinary or retraining action will be initiated when policies are misused. Applicant is prepared to enforce policies or retrain employees to ensure a stable organizational reputation. Such a plan also encourages employees throughout the organization to remain compliant if they can see there are consequences to rule-breaking. The company will provide transparency about the reason for policy training to foster good faith among staff.

Comprehensive Training and Resource Library: Training is important but knowledge may fade quickly if training is infrequent or if the employee cannot refer back to the original policy or procedure. The Applicant will establish a resource library with copies of all training materials, standard operating procedures, company policies, employee handbook, marketing collateral materials, medical cannabis strains and profiles and other industry relevant information. Delivery method of material will include the company intranet, onsite company library, and digital downloads.
Train-the-Trainer: Devise a train-the-trainer program to prepare instructors to present information effectively, respond to participant questions and lead activities that reinforce learning. They will also direct participants to supplementary resources and reference materials. Instructors will learn to lead discussions, listen effectively, make accurate observations and help participants to link training to their jobs. They learn things like how to maintain eye contact, maintain a positive attitude, speak in a clear voice, gesture appropriately, and maintain interest and dispel confusion.

Coaching and Mentoring Programs: The company will encourage employees to continually improve competencies and to develop new in-house alliances where necessary to achieve their goals and to work within their area of personal competence and qualify their experience in relationship to their current role. Creatively apply tools and techniques which may include one-to-one training, facilitating, counseling & networking. Facilitate the exploration of needs, motivations, desires, skills and thought processes to assist the employee in making real, lasting change.
IMPLEMENTATION OF AN INVENTORY MANAGEMENT PROCESS

DOH REDACTED

DOH REDACTED
MEMORANDUM OF UNDERSTANDING

The parties, CANNABIS SQUARE, LLC, with an address of 240 West 11th Street, Erie, Pennsylvania 16501 and ACCESS ERIE PA, LLC, with an address of 100 State Street, Suite 700, Erie, Pennsylvania 16507 hereby enter into this Memorandum of Understanding (the “Memorandum”) on this ___ day of February, 2017, setting forth in support thereof the following:

WHEREAS, on April 17, 2016, the Commonwealth of Pennsylvania enacted the Medical Marijuana Act (the “Act”) at P.L. 84, No. 16, wherein Medical Marijuana Organizations such as growerprocessors and dispensaries were authorized to receive permits from the Pennsylvania Department of Health (the “Department”) to grow, process and dispense medical marijuana products;

WHEREAS, ACCESS ERIE PA, LLC (the “Grower”) intends to submit an application to the Department seeking a permit to operate as a Growerprocessor in Erie, Pennsylvania located in Medical Marijuana Region 6Northwest (“Region 6”), as defined by the Department’s regulations;

WHEREAS, CANNABIS SQUARE, LLC (the “Dispensary”) intends to submit an application to the Department seeking a permit to operate as a dispensary in Erie, Pennsylvania, Meadville, Pennsylvania and Mercer, Pennsylvania located in Medical Marijuana Region 6;

WHEREAS, the parties have expressed an interest and desire to establish a formal commercial relationship in the event that both parties are awarded permits from the Department in response to their respective applications;

NOW THEREFORE, in consideration of the promises and mutual covenants contained herein, and for good and valuable consideration, the receipt and adequacy of which each party acknowledges, the Grower and Dispensary agree:

1.) Contingent upon the Department awarding permits to both parties in response to their respective applications, the parties shall enter into a mutuallyagreeable Master Agreement (the “Master Agreement”) which shall provide, inter alia, that in response to purchase orders submitted by the Dispensary, the Grower shall supply the Dispensary with legal medical marijuana products, at a mutually agreeable price, for sale and distribution by the Dispensary at its facilities to authorized patients throughout Region 6;

2.) The Master Agreement shall be a nonexclusive agreement to supply the Dispensary with legal medical marijuana products, for sale and distribution by the Dispensary at its facilities to authorized patients throughout Region 6, wherein the Dispensary shall be free to enter into agreements, including supply agreements and/or other
agreements, with other legally permitted grower/processors doing business within the Commonwealth;

3.) Furthermore, the parties’ obligations set forth in the Master Agreement shall be at all times relevant hereto, subject to and contingent upon regulatory approval of the Department, and neither the Grower nor the Dispensary shall be obligated to the other party in the event that the Department suspends, revokes and/or fails to renew a party’s respective permit.

4.) Furthermore, the Grower represents and agrees that it will not submit an application to the Department for a dispensary permit that would allow the Grower to operate a dispensary in Region 6 to complement its grower/processor operations and activities.

5.) Both parties, at their discretion, are free to reference and cite the execution of this Memorandum in their respective applications to the Department and/or submit copies of this Memorandum to the Department to supplement their respective applications.

[SIGNATURES ON FOLLOWING PAGE(S)]
IN WITNESS WHEREOF, the parties have executed this Memorandum on the 21st day of February, 2017.

WITNESS

[Signature]

W. John Knox

PRINT NAME OF WITNESS

DATE OF SIGNATURE

CANNABIS SQUARE, LLC

[Signature]

GREGORY J. RUBINO

DATE OF SIGNATURE

2/24/2017

WITNESS

[Signature]

Dana M. Rubenstein

PRINT NAME OF WITNESS

DATE OF SIGNATURE

ACCESS ERIE PA, LLC

[Signature]

LES HOLLIS, CEO

DATE OF SIGNATURE

2/24/2017
ATTACHMENT

OTHER PERSONS HOLDING AN INTEREST IN THE PROPOSED SITE OR FACILITY
(CONT’D.)

PA APPLICATION

PART E, SECTION 21 C.

Section 21-Ownership

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

Name and Residential Address

First Name: Stanley  Middle Name:  Last Name: McClure  Suffix: 

Occupation: Realtor  Title in the applicant’s business: Member of Diversity & Training Committee

Also known as: Stan McClure  Date of birth: DOH REDACTED

Nature, type, terms and conditions of the interest in the applicant:

DOH REDACTION

Name and Residential Address

First Name: Shelane  Middle Name: A  Last Name: Buehler  Suffix: 

Occupation: Architect and President of Buehler & Associates (WBE)  Title in the applicant’s business: Member of Facilities Development Committee

Also known as: Shelley Buehler  Date of birth: DOH REDACTED

Nature, type, terms and conditions of the interest in the applicant:

DOH REDACTION
Section 21-Ownership

A. For C-Corporations, S-Corporations, LLCs and LLLCs

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<tr>
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<td>Middle Name: DiTullio</td>
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<tr>
<td>Occupation: Former CEO of PNC Bank</td>
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### Name and Residential Address

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<td>John</td>
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**Occupation:** Attorney  
**Title in the applicant's business:** Financial Backer

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**Occupation:** Addiction Counselor  
**Title in the applicant's business:** Financial Backer  
**Also known as:** Dan Bolla  
**Date of birth:** DOH REDACTED

### Stock type

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### PA APPLICATION

#### PART C, Section 4A.

A. Please list all Principals, Financial Backers and Operators

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ATTACHMENT

PROCESS FOR CREATING AND MONITORING THE LABELING USED FOR MEDICAL MARIJUANA PRODUCTS

PA APPLICATION

Part D, Section 13 B.
Overview
The principal officers will implement a thorough recordkeeping plan to maintain the integrity of the Medical Marijuana Program and comply with all local, state and Federal regulations. As a prospective medical marijuana organization, Cannabis Square is focused on establishing stringent recordkeeping protocols that ensure data acquired by all data gathering, logging and tracking systems is responsibly and accurately maintained. Additionally, inventory protocol, electronic tracking system use, equipment maintenance, and other extensive business records will be created and kept to comply with DOH, OSHA and local regulations.

In compliance with § 1161.39, Electronic Tracking System, and DOH Section 701 of the Act (35 P.S. § 10231.701), Cannabis Square will maintain a daily log of each day's beginning inventory, acquisitions, amounts purchased and sold, disbursements, disposals and ending inventory. Cannabis Square will also record prices paid and amounts collected from patients and caregivers in the electronic tracking system.

The inventory protocols will require all inventories and inventory audit records to be retained as part of recordkeeping policies and to ensure oversight of facility management and personnel, in compliance with § 1161.32, Inventory Data. As part of this comprehensive recordkeeping plan, Cannabis Square will also have additional specific systems in place to record and track critical business operations, administrative and compliance actions, including:

1) Accounting data       6) Regulatory Inspections
2) Advertising           7) Standard operating procedures, including
3) Approved vendors      updates and accessibility
4) Criminal and policy violation investigations
5) Employment data, including background checks and employee training
8) Voluntary and mandatory recalls data
9) Waste management

Keeping complete, detailed, organized records of inventory and all dispensing transactions is critical to ensuring that patients receive the highest quality medicine in its purest forms, as directed by the patient certification. A summary of Cannabis Square’s recordkeeping procedures relating to different business operations, administrative and compliance activities are outlined in the following sections of the plan.
Dispensary Operations
The proposed dispensary will act as a critical link between patients and caregivers and the grower/processors that produce medical marijuana products in approved forms. With an emphasis on the importance of keeping thorough, detailed records, employees will be trained to perform a host of inventory management tasks each regularly-scheduled shift. In conjunction with the recordkeeping tasks that are part of inventory management, detailed inventory procedures are further described in Cannabis Square’s inventory management plan submitted as part of this dispensary permit application.

Business Management Platform
Cannabis Square will utilize industry specific tracking software with bank-level encryption to comprehensively manage all inventory. The system will efficiently track every product within the dispensary, both in active form and in back stock, as purchase orders and sales, as well as medical marijuana waste or recalled products scheduled for return to grower/processors. Active inventory will be the limited portion of inventory that stocks and replenishes the sales floor and back stock will be the remaining, static inventory in the secure storage area, which is only transferred to the active inventory when active totals are depleted.

The business management platform will also serve as Cannabis Square’s system for recording inventory sales. The platform will allow the company to monitor, in real time, inventory levels and movement, along with sales totals and patient counts. The platform will allow authorized employees to track the purchasing habits of clients and accurately predict demand. This tool will be effective for forecasting inventory needs, as it will allow the manager to analyze historical purchase data and inventory trends. Business management platform data and records will primarily be stored electronically and be subject to electronic backup requirements. However, employees will be required to adhere to the same recordkeeping policies and procedures for printed, hand-written or other analog records.

Business management platforms will communicate with the electronic system and relevant files will be accessible via download/upload to and from each network. Inventory levels will be accurately reflected in the electronic tracking system, business management platforms, and in physical count. These metrics will be analyzed and adjusted by Company management based on regularly scheduled audits, including daily, weekly, monthly, quarterly, and annual reviews.

Medical Marijuana Product Inventory Records
The most important aspect of dispensary operations related to recordkeeping is accurate inventory records. Through employee training, the company will create a thorough understanding of both the electronic tracking system and business management platform. By preparing employees to input accurate data daily, Cannabis Square can ensure the tracking system and business management platforms match and reflect the correct acquisitions, sales, waste and losses.

Medical marijuana products will be received and entered into inventory in the electronic tracking system and business management platforms as a lot, batch or grouping of products. Then, the items will be placed into a product storage bin/container, similar to the one shown in Figure 1, and identified as back stock or ready-for-sale, active inventory. Only active inventory batches, lots or groups will be used to fulfill orders from patients and caregivers.
Medical Marijuana Inventory Auditing (Active Inventory)
Sellable inventory will be divided into two separate types: active and back stock. Active inventory is the inventory that will be utilized to stock the sales floor and back stock will be the items that remain static in storage until active inventory is depleted and requires re-stocking. Inventory procedures will require that active inventory be counted on a daily basis. To ensure efficacy and accuracy, procedures will require management to conduct monthly inventory reviews and quarterly comprehensive inventories of medical marijuana products at the facility. Daily inventory counts of active inventory will not be conducted during business hours, so they can be taken at a time when no inventory is being removed or added to the electronic tracking system, business management platforms, or physical allotments.

Daily active inventory counts will be conducted as part of dispensary closing procedures. Active inventory will be counted and compared to digital records in the electronic tracking system and business management platforms. Reconciliations of inventory will be conducted under the supervision and authorization of Company management. Should the counts reflect a discrepancy, inventory reconciliations will reflect the reason for the inventory adjustment. If there is evidence of unlawful product diversion, management will be notified and the issue will be reported to the Department and the authorities, as required by regulation. Operating procedures will include extraordinary precautions to prevent unlawful product diversion. Records related to diversion investigations are referenced in the criminal and policy violation investigation section of Compliance Recordkeeping, included in this recordkeeping plan.

Medical Marijuana Inventory Auditing (Back Stock Inventory)
Back stock inventory counts will be conducted weekly, and reports will be generated that reflect accurate digital and physical amounts of each medical marijuana product within the facility. Back stock inventory will be static throughout the day, and handled only by authorized employees when active inventory is depleted. Static inventory may be counted during business hours and reports may be generated while active inventory is dispensed. Regular reviews of inventory will be conducted to verify actual physical inventory is consistent with the digital inventory reflected in the electronic tracking system and business management platforms. Every medical marijuana product will be stored in a manner that ensures that it may be counted daily.

Cannabis Square will create and maintain written and electronic records of all inventories. Records 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 review. To ensure the proper management of inventory, all items that enter and leave Company facilities will be tracked, monitored and systematically arranged within limited access areas (LAA).

Items that will be dispensed to patients and require monitoring are outlined in §1151.28, Forms of Medical Marijuana, and will be detailed in standard operating procedures. Items that will be counted and included in regularly-scheduled inventory reviews include, pills, oils, cartridges, tinctures, topical gels, creams and ointments, liquids, and any medical marijuana product that a doctor may find medically appropriate for administration by vaporization or nebulization. Inventory logs will be used to gather data and inputs will be entered into the electronic tracking system. Employees will adhere to strict chain of custody procedures and the storage of medical marijuana will remain under constant, twenty-four (24) hour surveillance, as described in Cannabis Square’s security and storage plans.

![Figure 2 - Example Inventory Audit, Image Courtesy of Shutterstock.com](image)

**Recordkeeping During Dispensing**

At all times, Cannabis Square will comply with applicable laws and regulations governing recordkeeping during dispensing, including § 1161.32, Inventory Data, and § 1161.23, Dispensing Medical Marijuana, of the Department rules.

During the dispensing of medical marijuana, a receipt will be produced that includes all information required by the Department to include:

1. Name, Address and Identification Number of Dispensary
2. Name and Address of patient or caregiver
3. Date of dispensing
4. Medical practitioner’s requirement or limitation on the form of medical marijuana
5. Form and quantity of medical marijuana products dispensed

**Updating Patient Certifications**

Each patient or caregiver will be required to adhere to the patient certification filed in the electronic tracking system, with regard to form and 30-day supply quantity. Employees will be required to verify the certification and if the practitioner has not set forth recommendations, requirements or limitations for
the form or dosage of medical marijuana, they will ensure the patient or caregiver consults with the on-site physician or pharmacist (physician’s assist or certified registered nurse practitioner, if 2nd or 3rd location), prior to dispensing. Upon completion of the consultation, employees will be required to update the patient certification within the electronic tracking system. Patient certification details will not be stored in the business management platform.

**Patient Certification Destruction**

Employees will be trained to refrain from entering patient certification details in the business management platform and to destroy any printed or electronic copy of a patient certification used during dispensing, in compliance with § 1161.23, Dispensing Medical Marijuana. Any employee found to be in violation of this policy or regulation will be subject to disciplinary action, up to and including termination.

**Cash Management.** Our Co-Director of Security has contacted Loomis U.S., a firm that specializes in cash management and security. When operations begin, the Company will engage Loomis U.S. contractually. Loomis simplifies cash management for retailers and commercial businesses by using its national cash distribution to dramatically reduce time and deposit tracking by location. Additionally, Loomis offers outsourced vaults for companies like Cannabis Square that wish to cut costly investments in vault infrastructure and facility leases.

Loomis’ comprehensive capabilities include change order preparation, order fulfillment, deposit consolidation, cash preparation, and residual processing. Cash operations feature a balance-and-audit function, bolstering daily processing operations with independent auditing and quality control.

After pickup, Loomis vehicles return to a secure cash center where the Company’s cash will be scanned, counted, recorded, and added to our balance report. Then, cash value is notified to the Company, processed, and stored for future disposition as directed by the Company. Account management is simplified through Loomis Direct, a single-access-point online portal, which provides real-time account processing data to the Company’s management PC or a selected mobile device held by an Executive Team member, 24/7.

**Receipt and Sale of Medical Marijuana**

All medical marijuana will be tracked and monitored in the electronic tracking system and by physical inventory audits. Each activity associated with any medical marijuana or medical marijuana product will include a digital time, date, and location stamp within the Business Management Platform. This timestamp will be used to produce a receipt that may be printed and made available to DOH, law enforcement, and Company management. Data reflected on platform receipts will also be used to produce transport manifests as required by § 1161.36, Transport Manifests. Included in auditing procedures is the accurate documentation of transportation dates, approximate times of departure/arrival, transport vehicle specification, delivery route information and other data that may pertain to the successful tracking and monitoring of Company inventory.

Inventory procedures will also include the counting, storage, and facilitating of funds transferred to and from Cannabis Square. Funds will be managed by employees trained to receive, deliver, count, sort, document, and securely store cash, checks, and other methods of payment. Money will be accounted for and recorded via multilevel auditing and secure accounting procedures. Funds will be counted and temporarily stored in lockable bank bags in the safe or vault area of the facility, until the funds are safely
transferred to the next individual, as defined in currency chain of custody procedures. Funds used for the purchase of marijuana products will be linked to specific items, lots, and batches within business management platforms.

The purchase and sale of medical marijuana products will be reflected in business management platforms and the electronic tracking system and will clearly demonstrate the exact products sold, the price of the items, methods of payment, and account details of other medical marijuana organizations where funds were received or paid. Receipts of purchases and sales will be made readily available to medical marijuana organizations, law enforcement officials and DOH. Receipts will be observed for their accurate reflection of the transfer of medical marijuana products and funds as part of daily sales and inventory reports.

**Recordkeeping of Transport**
Cannabis Square will keep detailed records of all transport of medical marijuana and marijuana infused products, including:
- Transport Manifests
- Receipts
- Invoices
- Bills of Lading
- Shipping Invoices
- Packing Slips or any other shipping documents

Copies of documents will be easily accessible to local, state and Federal regulators, as well as employees designated as document auditors. Documents will not be easily accessible to employees who are not document auditors, unless they require access for the completion of job duties in their official capacity.

**Transportation Manifests**
All transfers of medical marijuana products to and from the dispensary will be accompanied by transportation manifests that detail the credentials of individuals shipping and/or receiving medical marijuana. The specific details required by DOH are outlined in §1161.36, Transport Manifests. Required data will be entered into the electronic tracking system, business management platforms, and will represent exact contents of deliveries and returns of recalled product to grower/processor facilities. Original or copies of transportation manifests will be kept on file for a minimum of four years and made available to the DOH to aid any regulatory compliance action.

**Administration**
Cannabis Square will maintain detailed, accurate business records capturing day-to-day administration of dispensary operations.

**Electronic Records Backup**
All electronic records will have a back-up system maintained by a third-party data center that is a tier 3 or tier 4 facility, ensuring vital information is never permanently lost, compromised or destroyed. The ability to restore data following an outage, computer or equipment failure will enable to Cannabis Square to seamlessly maintain compliant recordkeeping of facility operations. Archives of physical records will also be maintained.
**Accounting Data**

Cannabis Square is committed to the transparency of accounting data and adhering to Generally Accepted Accounting Principles (GAAP) in financial reporting. To achieve this goal, the company will contract with a certified public accountant (CPA) or employ a CPA and/or qualified accounting professionals to manage company financial information and reporting. All financial records will be maintained on secure, internal computer networks and be duplicated using the electronic records backup system, ensuring Cannabis Square will never experience a catastrophic loss of financial data.

**Approved vendors**

Sourcing the most qualified and effective vendors to service Cannabis Square in all aspects of operations, especially facility and equipment maintenance, is imperative to successfully serving the patients of the Commonwealth. Accounting personnel and management will coordinate to ensure that the company maintains a current and frequently-updated list of approved vendors that have been vetted by providing Cannabis Square with a completed IRS Form W-9, Request for Taxpayer Identification Number and Certification, complete contact and payment information, as well as a designated point of contact. Only owners, principals and designated employees will be permitted to enter into business contracts on behalf of Cannabis Square. They will be required to ensure vendors register with the company and are designated as an approved vendor, prior to providing goods or services. Completed vendor records, W-9 forms and all other accounting records will be maintained by accounting personnel in compliance with IRS and any other regulatory requirements.

A list of approved vendors will be kept on site for easy reference by the Dispensary Manager and management personnel. This list will include, but is not limited to, the following vendor types:

- Medical Marijuana Transport
- Waste Disposal
- Pest Management
- Alarm & Surveillance System Service & Repair
- Security Firm
- IT Firm
- Software Technical Support
- Facility Services
  - Electrical
  - Floor Care
  - HVAC
  - Landscaping
  - Locksmith
  - Parking Lot Maintenance
  - Plumbing
  - Snow Removal
  - Supply Provider/Sanitary Towel Service
  - Window Washing

**Advertising Records**

Cannabis Square will provide all proposed advertising and/or marketing materials to the DOH for approval, prior to publication or distribution to medical marijuana organizations. Copies of approved advertisements, marketing plans, etc. will be retained on file for a period no less than four years, mimicking other records retention requirements.
**Employee Records**

Detailed and rigorous recordkeeping of employee records is important to any business and Cannabis Square values the need for strict employee record protocols. The human resources department or a designated employee will be required to maintain accurate personnel records for each employee. Such records must be maintained for at least four years and include:

1. All materials submitted to the Department;
2. Completed IRS W-4 Form;
3. A copy of their Employee ID;
4. Documentation of verification of references;
5. The job description or employment contract that includes a description of duties, authority, responsibilities, qualifications, and supervision;
6. Documentation of all training received by the employee and the signed statement of the employee indicating the date, time, and place the training was received and the topics discussed, including the name and title of presenters;
7. Records of any relevant professional licensure issued by a regulatory agency and verification of education requirements for licensure;
8. Documentation of periodic performance evaluations; and

**Organizational Charts and Job Descriptions**

Cannabis Square will maintain a current organizational chart and job descriptions for each employee and volunteer position, including advisory board members. Job descriptions will be reviewed at least annually for revision of essential duties and responsibilities and will be updated anytime a fundamental change is made to the role.

**Background Check/Investigation Information**

All prospective employees will undergo a thorough background check and investigation to determine their fitness for a position with Cannabis Square within the dispensary facility. Findings of background checks and investigations will be retained, as part of the confidential employee file maintained by the human resources department, during active employment. Upon separation, employee files will be archived and retained for a period no less than four years to align with all other records retention requirements set forth by the DOH.

**Compensation Records**

The human resources department or a designated employee will maintain records documenting the salary and wages paid to each employee, stipend paid to each executive manager, and any executive compensation, bonus, benefit, or item of value paid to any individual affiliated with Cannabis Square, including executive managers. These confidential records will be maintained for a period no less than four years.

**Employee Training Records**

Cannabis Square will utilize a Knowledge/Learning Management System (KMS or LMS) to facilitate, track, and monitor employee training in compliance with § 1141.48, Training. In addition to training, this information will be used to promote and discipline employees, based on demonstrated competencies.
related to medical marijuana dispensing. Employees may be regularly tested for thorough understanding of regulatory compliance topics, including the Medical Marijuana Program rules, DOH regulations, OSHA and other federal agency compliance. Employees will also be trained and expected to demonstrate competencies related to compliance with company policies, standard operating procedures and facility management protocols.

(c) As required under the act, a physician, a pharmacist, a physician assistant or a certified registered nurse practitioner shall, prior to assuming any duties at a facility, successfully complete a 4-hour training course developed by the Department. The course must provide instruction in the latest scientific research on medical marijuana, including the risks and benefits of medical marijuana, and other information deemed necessary by the Department.

License Verification & Monitoring
In compliance with § 1161.25, Licensed Medical Professionals At Facility, Cannabis Square will employ physicians, pharmacists, physician’s assistants or certified registered nurse practitioners. As it relates to recordkeeping, the company will verify the license of all medical professionals, upon hire, through the Pennsylvania Department of State, Bureau of Professional and Occupational Affairs (BPOA) online system (Pennsylvania Licensing System Verification service, https://www.pals.pa.gov). During employment, Cannabis Square will monitor medical professional licensure every 6 months and terminate any employee who does not hold an active license in good standing.

Insurance Records
Cannabis Square will maintain liability insurance in amounts as required by DOH and will retain certificates of insurance and other policy records. Maintaining an active workers’ compensation insurance policy is important to protecting the health and safety of employees in the Commonwealth. The company will retain certificates of insurance and other policy records for no less than four years, or the duration required by law.

Compliance Recordkeeping
Whether records are maintained for DOH, OSHA, EPA, or another regulatory agency, all compliance records will be kept in the same detailed, organized manner. This ensures records are easily accessible for operations, inspections or investigations.

Regulatory Inspections
Ensuring that patients and caregivers in the Commonwealth receive high quality, pure forms of medical marijuana products is dependent upon a plethora of regulatory inspections that will take place from the time a permit is issued to Cannabis Square, until operations commence and regularly following commencement of operations. Cannabis Square will retain inspection records, regulatory agency recommendations and records supporting resolution of any warnings or violations for a period no less than four years.

OSHA Records
Compliance with OSHA regulations ensures that employees are protected from harm, injury or death in the workplace. Cannabis Square is committed to meeting and where possible, exceeding, OSHA requirements. The OSHA 300 log (Log of Work-Related Injury and Illness) is the primary OSHA compliance
document. The human resources department will be responsible for completion of the log and ensuring that it is conspicuously posted in all facilities for employee inspection. In addition to the OSHA 300 log, the company will maintain compliance records for all applicable OSHA industry standards, including some of the most commonly accessed standards. These include:

- Bloodborne Pathogens – 1910.1030
- Hazard Communication – 1910.1200
- Hazardous Waste Operations and Emergency Response – 1910.120
- Lockout/Tagout – 1910.147
- Personal Protective Equipment – 1910.132
- Respiratory Protection – 1910.134

**Local Fire & Zoning Records**

Cannabis Square will coordinate with the local fire department and zoning office to retain all permit application materials, issued permits, inspection records and any other pertinent local fire department and zoning documents, as part of the recordkeeping plan. Records may also include architectural and mechanical drawings or renderings, site maps or plans, and engineering reports or certifications.

**DOH Records**

Employees will be trained to adhere to all company recordkeeping protocols, with emphasis on DOH recordkeeping requirements. The Operations section at the beginning of this document included a summary of DOH-required inventory and dispensing transaction recordkeeping. Beyond inventory and dispensing transaction records, Cannabis Square will maintain and retain records in compliance with all other DOH rules, as summarized in the following subsections.

**Department of Health Reports (Annual & Quarterly)**

Providing DOH with accurate inventory and sales summaries enables the agency to publish it on the Department’s public website. As required by DOH Section 701 of the Act (35 P.S. § 10231.701), the Dispensary Manager or another designated employee will prepare a report within one year of the issuance of Cannabis Square’s permit and quarterly thereafter, to include the following summary:

1) Amount of medical marijuana purchased by the dispensary during the period for which the report is being submitted
2) Per-dose price of medical marijuana purchased by the dispensary, in a unit of measurement as determined by the DOH
3) Per-dose price of an amount of medical marijuana dispensed to a patient or caregiver by the dispensary, in a unit of measurement as determined by the DOH

These reports will be compiled with information from the business management platforms, the electronic tracking system and any other records kept as part of the company’s recordkeeping plan.

**Facility Maintenance, Cleaning & Sanitation Logs**

Dispensary facility maintenance, cleaning and sanitation will comply with § 1161.29, Plans of Operation, and be based on the procedures outlined in the sanitation and safety plan provided with this application. Dispensary employees will conduct regularly scheduled maintenance and cleaning of the storage area, to ensure that it is properly maintained and kept in a clean and orderly condition, free from infestation by
insects, rodents, birds and any pests, as required by § 1161.33 (b), Storage Requirements. A manager with appropriate clearance will provide access to the room and supervise employees as they perform all necessary maintenance and cleaning of the storage space. Cleaning and Sanitation logs will be kept in compliance with records retention requirements from the Department and will be maintained on file for four years. The Company has already contacted a minority-owned janitorial service company to engage in the education process need for effective regulated cleaning services to each facility.

**Voluntary and mandatory recall data**
For all voluntary and mandatory recalls, records will be kept for a period no less than four years and will include Medical Marijuana Product Recall Forms and correspondence from DOH, grower/processor facilities and/or other medical marijuana organizations related to recalls. Employees will be trained to appropriately identify, isolate, and secure any product subject to recall. Information necessary to properly execute recall procedures in the dispensary, must be provided by the grower/processor’s Recall Coordinator and will include the following:

- Compliance Office (acting as Recall Coordinator) Name & ID
- Effective Date and Time of Recall
- Product Type/Form
- Product Name (If applicable)
- Total amount of recalled product per Harvest Batch, Harvest Lot or Process Lot
- Reason for the recall
- Information about whether the recall is voluntary or mandatory
- Information about whether the product poses a health risk
- Date and Time Recall Reported to DOH (If voluntary)
- Date and Time Recall Made Public (If voluntary or mandatory)
- Return or Disposal Instructions

Cannabis Square will quickly identify affected medical marijuana products, when the Dispensary Manager is notified of a recall. Immediately upon notification, the Compliance Officer will gather critical data pieces. This data includes affected types, forms, batches and lots of medical marijuana, as well as the total amount of affected medical marijuana returned, how it was received, when and by what means of transport. Employees will be trained to be aware of a spectrum of pests and potentially hazardous equipment and materials that may influence a recall.

**Recall Statements and Press Releases**
Cannabis Square will broadcast recall statements and press releases that describe the scope of a recall and any potential health risks associated with consuming recalled medical marijuana products. Copies of recall statements and press releases will be retained for future reference, for a minimum of four years.

**Waste Logs**
Medical marijuana products awaiting disposal will be documented, counted/weighed, and cataloged into business management platforms and the electronic tracking system. All medical marijuana products will be accounted for in both digital and physical logs that reflect the reason for disposal, before it is destroyed and properly disposed. Company waste management procedures will instruct employees on the safe and
compliant handling of medical marijuana waste and all employees will be required to adhere to the regulations prescribed in §1151.40, Management and Disposal of Medical Marijuana Waste.

All waste will be securely stored in a manner that prevents unauthorized access and unlawful product diversion. Employees will be required to log all waste created during the handling, dispensing and storage of medical marijuana products on the Waste Log, store it securely in the designated waste receptacle and immediately notify management or security personnel of any observable tampering or company waste policy violations. The waste logs will be archived for a minimum of four years.

Additional DOH Records and Logs
In addition to the records highlighted in this DOH Records section, Cannabis Square will ensure the following records and logs are kept and maintained for no less than four years to comply with DOH rules:

- Criminal and policy violation investigation findings, reports and evidence
- Security & Surveillance System Records
- Standard Operating Procedures
- Surveillance Room Access Log
- Surveillance System Access Log
- Monthly Maintenance Inspections
- Transportation Manifests
- Visitor’s Log

Information & Recordkeeping Security Incidents
The Director of Security will investigate any reports or notification of recordkeeping misconduct, DOH regulation or policy violations. Any loss or unauthorized alteration of company records discovered or suspected by any employee must be reported to the Director of Security immediately. The Director of Security must report such incidents to the Department and law enforcement as necessary. Upon discovery of a records security breach, the Director of Security must review all recordkeeping and security policies to identify deficiencies and necessary corrective measures. The Director of Security may engage the service of a third-party data security expert, as needed. The alteration, falsification, loss or misplacement of records, failure to complete records/logs, gross inaccuracies, negligence or other errors of records will be considered policy violations and will not be tolerated. Employees will be investigated and disciplined, terminated and/or prosecuted, based upon investigation findings.

Conclusion
Throughout this comprehensive recordkeeping plan, Cannabis Square has provided a summary of procedures and strict protocols for the maintenance of records and documents that it will implement at the proposed dispensary facility. These protocols will ensure that all medical marijuana inventory and dispensing is thoroughly monitored, recorded and regulated in compliance with all DOH, local and federal regulations.

In addition to Cannabis Square’s legal obligation to maintain records of operations information, employees have a responsibility to ensure true and correct records are maintained in a timely and organized manner, which will provide real-time operating information to management. Such information
included in business records is necessary to make quick and informed decisions in the normal course of business and to meet all regulatory requirements for recordkeeping and operations.