



The Commonwealth of Massachusetts
Executive Office of Health and Human Services
Department of Public Health
Bureau of Health Care Safety and Quality
Medical Use of Marijuana Program
99 Chauncy Street, 11th Floor, Boston, MA 02111

CHARLES D. BAKER
Governor

KARYN E. POLITO
Lieutenant Governor

MARYLOU SUDDERS
Secretary

MONICA BHAREL, MD, MPH
Commissioner

Tel: 617-660-5370
www.mass.gov/medicalmarijuana

APPLICATION OF INTENT
Request for a Certificate of Registration to
Operate a Registered Marijuana Dispensary

INSTRUCTIONS

This application form is to be completed by any non-profit corporation that wishes to apply for a Certificate of Registration to operate a Registered Marijuana Dispensary ("RMD") in Massachusetts.

If seeking a Certificate of Registration for more than one RMD, the applicant non-profit corporation ("Corporation") must submit a separate *Application of Intent*, all required attachments, and an application fee for each proposed RMD. Please identify each application of multiple applications by designating it as Application 1, 2 or 3 in the header of each application page. Please note that no executive, member, or any entity owned or controlled by such an executive or member, may directly or indirectly control more than three RMDs.

However, even if submitting an *Application of Intent* for more than one RMD, an applicant need only submit one *Character and Competency form* for each required individual.

Unless indicated otherwise, all responses must be typed into the application forms. Handwritten responses will not be accepted. Please note that character limits include spaces.

Attachments should be labelled or marked so as to identify the question to which it relates.

Each submitted application must be a complete, collated response, printed single-sided, and secured with a binder clip (no ring binders, spiral binding, staples, or folders).

Mail or hand-deliver the *Application of Intent*, with all required attachments, the \$1,500 application fee, and Remittance Form to:

Department of Public Health
Medical Use of Marijuana Program
RMD Applications
99 Chauncy Street, 11th Floor
Boston, MA 02111

RECEIVED

JUN 29 2015

MA Dept of Public Health
99 Chauncy Street
Boston, MA 02111

Application fees are non-refundable and non-transferable.

Application 1 of 1 Applicant Non-Profit Corporation _____

REVIEW

Applications are reviewed in the order they are received.

After a completed application packet and fee is received by the Department of Public Health ("Department"), the Department will review the information and will contact the applicant if clarifications/updates to the submitted application materials are needed. The Department will notify the applicant whether they have met the standards necessary to be invited to submit a *Management and Operations Profile*.

If invited by the Department to submit a *Management and Operations Profile*, the applicant must submit the *Management and Operations Profile* within 45 days from the date of the invitation letter, or the applicant must submit a new *Application of Intent* and fee.

PROVISIONAL CERTIFICATE OF REGISTRATION

Applicants have one year from the date of the submission of the *Management and Operations Profile* to receive a Provisional Certificate of Registration. If an applicant does not receive a Provisional of Certificate of Registration after one year, the applicant must submit a new *Application of Intent* and fee.

REGULATIONS

For complete information regarding registration of an RMD, please refer to 105 CMR 725.100.

It is the applicant's responsibility to ensure that all responses are consistent with the requirements of 105 CMR 725.000, et seq., and any requirements specified by the Department, as applicable.

PUBLIC RECORDS

Please note that all application responses, including all attachments, will be subject to release pursuant to a public records request, as redacted pursuant to the requirements at M.G.L. c. 4, § 7(26).

QUESTIONS

If additional information is needed regarding the RMD application process, please contact the Medical Use of Marijuana Program at 617-660-5370 or RMDapplication@state.ma.us.

Information on this page has been reviewed by the applicant [REDACTED] and the information provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here: [REDACTED]

Application 1 of 1 Applicant Non-Profit Corporation _____

CHECKLIST

The forms and documents listed below must accompany each application, and be submitted as outlined above:

- A fully and properly completed *Application of Intent*, signed by an authorized signatory of the corporation
- A copy of the Corporation's *Certificate of Legal Existence* from the Massachusetts Secretary of State
- Financial account summary(ies) (as outlined in Section D)
- A bank or cashier's check made payable to the *Commonwealth of Massachusetts* for \$1,500.
- A completed *Remittance Form* (use template provided)
- A completed and signed *Character and Competency* form (use template provided) for each of the following actors:
 - Chief Executive Officer; Chief Operating Officer; Chief Financial Officer; individual/entity responsible for marijuana for medical use cultivation operations; individual/entity responsible for the RMD security plan and security operations; each member of the Board of Directors; each Member of the Corporation, if any; and each person and entity known to date that is committed to contributing 5% or more of initial capital to operate the proposed RMD. For entities contributing initial capital to operate the proposed RMD, the *Character and Competency* Form must be completed and signed by the entity's Chief Executive Officer/Executive Director and President/Chair of the Board of Directors.

Information on this page has been reviewed by the applicant where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here: 

Application 1 of 1 Applicant Non-Profit Corporation _____

SECTION A. APPLICANT INFORMATION

1. Healthy Pharms, Inc.

Legal name of Corporation

2. _____

Name of Corporation's Chief Executive Officer

3. _____

Address of Corporation (Street, City/Town, Zip Code)

4. _____

Applicant point of contact (name of person the Department should contact regarding this application)

5. _____

Applicant point of contact's telephone number

6. _____

Applicant point of contact's e-mail address

7. Number of applications: How many *Applications of Intent* do you intend to submit? 1

SECTION B. INCORPORATION

8. Attach a *Certificate of Legal Existence* from the Massachusetts Secretary of State, documenting that the applicant non-profit entity is incorporated as a non-profit in Massachusetts.

SECTION C. CHARACTER AND COMPETENCY

9. Attach a *Character and Competency* form (use template provided) for each of the following actors:

- The Chief Executive Officer; Chief Operating Officer; Chief Financial Officer; individual/entity responsible for marijuana for medical use cultivation operations; individual/entity responsible for the RMD security plan and security operations; each member of the Board of Directors; each Member of the Corporation, if any; and each person and entity known to date that is committed to contributing 5% or more of initial capital to operate the proposed RMD. For entities contributing initial capital to operate the proposed RMD, the *Character and Competency* Form must be completed and signed by the entity's Chief Executive Officer/Executive Director and President/Chair of the Board of Directors.

Information on this page has been reviewed by the applicant _____ here provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here: _____

Application 1 of 1 Applicant Non-Profit Corporation _____

SECTION D. INITIAL CAPITAL REQUIREMENT

Describe the sources, types, and amounts of required initial capital in the table below, showing that the Corporation has at least \$500,000 in its control and available for this *Application of Intent* and at least \$400,000 in its control and available for each additional *Application of Intent*, if any, as evidenced by bank statements, lines of credit, or financial institution statements. Add more tables if needed.

If the required funds are being held in an account in the name of an individual or entity other than the Corporation, the individual or authorized signatory of the entity must provide their signature in the "Signature of Account Holder" column. Their signature below indicates that they are committing the amount of their funds identified in the table to the applicant.

In addition to completing this table, submit a one-page financial account summary for each account listed below documenting the available funds, dated no earlier than 30 days prior to the date the *Application of Intent* was submitted to the Department.

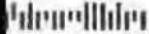
Name on Account	Financial Institution	Type of Account	Amount	Signature of Account Holder
[REDACTED]	Fidelity	Investment	\$ 500,000.00	[REDACTED]
		TOTAL:	\$ 500,000.00	_____

Information on this page has been reviewed by the app [REDACTED] provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory he [REDACTED]



FIDELITY
PREMIUM SERVICESSM

Envelope 900544889



Investment Report

May 1, 2015 - May 31, 2015

Online
FAST(sm)-Automated Telephone
Premium Services
8am - 11pm ET, Mon - Fri

Fidelity.com
800-544-5555
800-544-4442

Fidelity Account SM

Account Summary

Ending value as of May 31	\$651,595.56
Accrued Interest (AI)	\$0.00
Change in AI from last statement	\$0.00
Account trades from Jun 2014 - May 2015	1

Income Summary

Total	\$633.52	\$4,072.27
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Realized Gain/Loss from Sales

Date
0.53

Holdings

(Symbol) as of May 31, 2015

Performance
May 31, 2015

Quantity
May 31, 2015

Price per Unit
May 31, 2015

Total Cost Basis

Total Value
May 31, 2015

Total Value
May 31, 2015

Application 1 of 1 Applicant Non-Profit Corporation _____

ATTESTATIONS

Signed under the pains and penalties of perjury, I, the authorized signatory for the applicant non-profit corporation, agree and attest that all information included in this application is complete and accurate and that I have an ongoing obligation to submit updated information to the Department if the information presented within this application has changed.

[Redacted Signature]

06/24/2015

Signature of Authorized Signatory

Date Signed

[Redacted Name]

Print Name of Authorized Signatory

CEO

Title of Authorized Signatory

I hereby attest that if the non-profit corporation is allowed to proceed to submit a *Management and Operations Profile*, the applicant non-profit corporation is prepared to pay a non-refundable application fee of \$30,000 and the cost of all required background checks, and comply with all *Management and Operations Profile and Siting Profile* requirements.

[Redacted Signature]

06/24/2015

Signature of Authorized Signatory

Date Signed

[Redacted Name]

Print Name of Authorized Signatory

CEO

Title of Authorized Signatory

I hereby attest that I understand that registered marijuana dispensaries are required to conduct background investigations of proposed Dispensary Agents, that such background investigations are subject to the Department's inspection and review, and that the applicant non-profit corporation will not engage the services of a Dispensary Agent that has ever been convicted of a felony drug offense in Massachusetts, or a like violation of the laws of another state, the United States, or a military, territorial, or Indian tribal authority.

[Redacted Signature]

06/24/2015

Signature of Authorized Signatory

Date Signed

[Redacted Name]

Print Name of Authorized Signatory

CEO

Title of Authorized Signatory

Information on this page has been reviewed by the applicant [Redacted] provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here: [Redacted]



William Francis Galvin
Secretary of the
Commonwealth

The Commonwealth of Massachusetts
Secretary of the Commonwealth
State House, Boston, Massachusetts 02133

Date: June 24, 2015

To Whom It May Concern :

I hereby certify that

HEALTHY PHARMS, INC.

appears by the records of this office to have been incorporated under the General Laws of this
Commonwealth on **April 30, 2013** (Chapter 180).

I also certify that so far as appears of record here, said corporation still has legal existence.



In testimony of which,
I have hereunto affixed the
Great Seal of the Commonwealth
on the date first above written.

William Francis Galvin

Secretary of the Commonwealth

Certificate Number: 15063966280

Verify this Certificate at <http://corp.sec.state.ma.us/CorpWeb/Certificates/Verify.aspx>

Processed by: jmu



The Commonwealth of Massachusetts
Executive Office of Health and Human Services
Department of Public Health
Bureau of Health Care Safety and Quality
Medical Use of Marijuana Program
99 Chauncy Street, 11th Floor, Boston, MA 021

CHARLES D. BAKER
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Lieutenant Governor

MARYLOU SUDDERS
Secretary

MONICA BHAREL, MD, MPH
Commissioner

Tel: 617-660-5370
www.mass.gov/medicalmarijuana

August 13, 2015

[REDACTED]
Healthy Pharms, Inc.
22 Milton Street
Somerville, MA 02144

Re: Invitation to submit *Management and Operations Profile*

Dear [REDACTED]

Healthy Pharms, Inc. is invited to submit a *Management and Operations Profile* (Application 1 of 1) to the Department of Public Health ("Department").

On or before September 30, 2015, the Department must receive the *Management and Operations Profile*, along with all required attachments, as outlined in the *Management and Operations Profile* instructions.

The *Management and Operations Profile* must be submitted by mail or hand-delivered to:

Department of Public Health
Medical Use of Marijuana Program
RMD Applications
99 Chauncy Street, 11th Floor
Boston, MA 02111

Please follow all directions posted on the Medical Use of Marijuana Program website when completing the application forms. Please remember to type all responses in the application forms. You may direct any questions regarding the application process to RMDapplication@state.ma.us or 617-660-5370.

Sincerely,

Eric Sheehan, J.D.
Interim Bureau Director
Bureau of Health Care Safety and Quality
Massachusetts Department of Public Health



The Commonwealth of Massachusetts
 Executive Office of Health and Human Services
 Department of Public Health
 Bureau of Health Care Safety and Quality
Medical Use of Marijuana Program
 99 Chauncy Street, 11th Floor, Boston, MA 02111

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 Commissioner

Tel: 617-624-5370
www.mass.gov/medicalmarijuana

MANAGEMENT AND OPERATIONS PROFILE
 Request for a Certificate to Registration to
 Operate a Registered Marijuana Dispensary

RECEIVED
 SEP 11 2015
 99 Chauncy Street
 11th Floor
 Boston, MA 02111
 Department of Public Health

INSTRUCTIONS

This application form is to be completed by a non-profit corporation that wishes to apply for a Certificate of Registration to operate a Registered Marijuana Dispensary ("RMD") in Massachusetts, and has been invited by the Department of Public Health (the "Department") to submit a *Management and Operations Profile*.

Once invited by the Department to submit a *Management and Operations Profile*, the applicant must submit the *Management and Operations Profile* within 45 days from the date of the invitation letter, or the applicant must submit a new *Application of Intent* and fee.

If invited by the Department to submit a *Management and Operations Profile* for more than one proposed RMD, you must submit a separate *Management and Operations Profile*, attachments, and application fee for each proposed RMD. Please identify each application of multiple applications by designating it as Application 1, 2 or 3 in the header of each application page. Please note that no executive, member, or any entity owned or controlled by such an executive or member, may directly or indirectly control more than three RMDs.

However, even if submitting a *Management and Operations Profile* for more than one RMD, an applicant need only submit one background check packet, including authorization forms for all required individuals, and fee associated with the background checks.

Unless indicated otherwise, all responses must be typed into the application forms. Handwritten responses will not be accepted. Please note that character limits include spaces.

Attachments should be labelled or marked so as to identify the question to which it relates.

Each submitted application must be a complete, collated response, printed single-sided, and secured with a binder clip (no ring binders, spiral binding, staples, or folders).

Mail or hand-deliver the *Management and Operations Profile*, with all required attachments, the \$30,000 application fee, and completed Remittance Form to:

Department of Public Health
Medical Use of Marijuana Program
RMD Applications
99 Chauncy Street, 11th Floor
Boston, MA 02111

All fees are non-refundable and non-transferable.

REVIEW

Applications are reviewed in the order they are received.

After a completed application packet and fee is received by the Department, the Department will review the information and will contact the applicant if clarifications/updates to the submitted application materials are needed. The Department will notify the applicant whether they have met the standards necessary to be invited to submit a *Siting Profile*.

PROVISIONAL CERTIFICATE OF REGISTRATION

Applicants have one year from the date of the submission of the *Management and Operations Profile* to receive a Provisional Certificate of Registration. If an applicant does not receive a Provisional of Certificate of Registration after one year, the applicant must submit a new *Application of Intent* and fee.

REGULATIONS

For complete information regarding registration of an RMD, please refer to 105 CMR 725.100.

It is the applicant's responsibility to ensure that all responses are consistent with the requirements of 105 CMR 725.000, et seq., and any requirements specified by the Department, as applicable.

PUBLIC RECORDS

Please note that all application responses, including all attachments, will be subject to release pursuant to a public records request, as redacted pursuant to the requirements at M.G.L. c. 4, § 7(26).

QUESTIONS

If additional information is needed regarding the RMD application process, please contact the Medical Use of Marijuana Program at 617-660-5370 or RMDapplication@state.ma.us.

CHECKLIST

The forms and documents listed below must accompany each application, and be submitted as outlined above:

- A fully and properly completed *Management and Operations Profile*, signed by an authorized signatory of the applicant non-profit corporation (the "Corporation")
- A copy of the Corporation's *Articles of Incorporation*
- A copy of the Corporation's *Certificate of Good Standing* from the Massachusetts Secretary of State
- A copy of the Corporation's bylaws
- An *Employment and Education* form (use template provided) for each of the following individuals: The Corporation's Chief Executive Officer, Chief Operations Officer, Chief Financial Officer, individual/entity responsible for marijuana for medical use cultivation operations, and individual/entity responsible for the RMD security plan and security operations
- A bank or cashier's check made payable to the *Commonwealth of Massachusetts* for \$30,000
- A completed *Remittance Form* (use template provided)
- A sealed envelope with the name of the Corporation and marked "authorization forms," that contains the background check authorization forms (use forms provided) and fee, for each of the following actors:
 - Chief Executive Officer; Chief Operating Officer; Chief Financial Officer; individual/entity responsible for marijuana for medical use cultivation operations; individual/entity responsible for the RMD security plan and security operations; each member of the Board of Directors; each Member of the Corporation, if any; and each person and entity known to date that is committed to contributing 5% or more of initial capital to operate the proposed RMD. For entities contributing initial capital to operate the proposed RMD, authorizations forms must be completed and signed by the entity's Chief Executive Officer/Executive Director and President/Chair of the Board of Directors.

SECTION A. APPLICANT INFORMATION

RECEIVED

MA Dept. of Public Health
89 Charney Street
Boston, MA 02111

SEP 11 2015

1. Healthy Pharms, Inc.
Legal name of Corporation
2. [REDACTED]
Name of Corporation's Chief Executive Officer
3. [REDACTED]
Address of Corporation (Street, City/Town, Zip Code)
4. [REDACTED]
Applicant point of contact (name of person Department of Public Health should contact regarding this application)
5. [REDACTED]
Applicant point of contact's telephone number
6. [REDACTED]
Applicant point of contact's e-mail address
7. Number of applications: How many *Management and Operations Profiles* do you intend to submit?
1

SECTION B. INCORPORATION

8. Attach a copy of the corporation's *Articles of Incorporation*, documenting that the applicant is a non-profit entity incorporated in Massachusetts.
9. Attach a copy of the corporation's *Certificate of Good Standing* from the Massachusetts Secretary of State.
10. Attach a copy of the corporation's bylaws.

Information on this page has been reviewed by the applicant [REDACTED] here provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here: [REDACTED]

SECTION C. NON-PROFIT COMPLIANCE

Answer each of the questions below to explain how the Corporation will remain in compliance with the non-profit requirements of Ch. 369 of the Acts of 2012, the regulations at 105 CMR 725.000, and "Guidance for Registered Marijuana Dispensaries Regarding Non-Profit Compliance." Please refer to the "Guidance for Registered Marijuana Dispensaries Regarding Non-Profit Compliance" document in completing this form.

- 11. Please identify any management company that the applicant intends to utilize and summarize the terms of any agreement or contract, executed or proposed, with the management company.

Healthy Pharms, Inc. does not intend to use a management company at this time.

12. Please identify any agreements or contracts, executed or proposed, in which the applicant will engage in a Related Party Transaction and summarize the terms of each such agreement.

(1) Initial Capital - [REDACTED] has committed funds to Healthy Pharms, Inc. but no terms have been proposed or executed. In the event Healthy Pharms, Inc. obtains a provisional registration as a result of this application, Healthy Pharms will negotiate an agreement with [REDACTED] which will comply with the Department's "Guidance for Registered Marijuana Dispensaries Regarding Non-Profit Compliance" and will disclose the terms to the DPH.

(2) [REDACTED] is a member of the Board of Directors (Director and Treasurer) of Healthy Pharms Inc. and Chief Financial Officer of Healthy Pharms Inc. He is also a Managing Member of 3 Brothers Real Estate, LLC. At the present time, there is no executed or proposed agreement between Healthy Pharms, Inc. and 3 Brothers Real Estate, LLC. In the event Healthy Pharms, Inc. enters into an agreement or other real estate transaction with 3 Brothers Real Estate, LLC the terms of the agreement will reflect fair market value for any property in question and be disclosed to the DPH.

13. Please identify whether any members of the Board of Directors are also serving as employees of the proposed RMD and, if so, their title and role with the proposed RMD.

- (1) [REDACTED] is a Director and President of the Board for Healthy Pharms, Inc. In addition, he will serve as Chief Executive Officer and Chief Operating Officer of Healthy Pharms, Inc.
- (2) [REDACTED] is a Director and Treasurer of the Board of Directors for Healthy Pharms, Inc. In addition, he will serve as Chief Financial Officer of Healthy Pharms, Inc.

14. Please identify whether any members of the Board of Directors are serving as officials, executives, corporate members or board members for any management company, investor or other third party proposed to contract or otherwise conduct business with the proposed RMD.

[REDACTED] is a member of the Board of Directors (Director and Treasurer) of Healthy Pharms Inc. and Chief Financial Officer of Healthy Pharms Inc. He is also a Managing Member of 3 Brothers Real Estate, LLC.


15. Please identify any contract or agreement, executed or proposed, under which a percentage or portion of the applicant's revenue will be distributed to a third party and summarize the terms of any such agreement or contract.

Healthy Pharms, Inc. does not have any contract or agreement, executed or proposed, under which a percentage or portion of its revenue will be distributed to a third party.


The applicant agrees and attests that it will operate in compliance with all applicable state laws and regulations, including, but not limited to, laws regarding child support and taxation, as well as the "Guidance for Registered Marijuana Dispensaries Regarding Non-Profit Compliance."


Signature of Authorized Signatory

09/11/2015
Date Signed


Print Name of Authorized Signatory

Chief Executive Officer
Title of Authorized Signatory

Information on this page has been reviewed by the applicant, and where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here: 

SECTION D. EXPERIENCE

- 16. Attach an *Employment and Education* form (use template provided) for each of the following individuals: The Corporation’s Chief Executive Officer, Chief Operations Officer, Chief Financial Officer, individual/entity responsible for marijuana for medical use cultivation operations, and individual/entity responsible for the RMD security plan and security operations.
- 17. Describe the experience, and length of experience, of the Corporation’s Chief Executive Officer, Chief Operations Officer, and Chief Financial Officer with running a non-profit organization or business.

██████████ (Chief Executive Officer and Chief Operations Officer, Healthy Pharms, Inc. ██████████ has over 20 years of experience in biotechnology pharmaceutical manufacturing. His business expertise is in regulatory compliance and operations management. As Associate Director at Bristol-Myers Squibb, Nat oversaw the design, construction, automation, validation and startup of all aspects of the cell culture portion of the \$1 billion biotech pharmaceutical production facility in Massachusetts, managed a team of 42 engineers, operators and managers with annual budget of \$45 million. Prior to Bristol-Myers Squibb, he worked at MedImmune where he was responsible for the design, construction, validation and startup of a large-scale clinical facility. ██████████ managed the daily operations of the existing multi-product clinical facility with a \$25 million annual budget and a full-time staff of 24-32 professionals. A graduate of Worcester State College, ██████████ received his B.S. in Biology with minors in Chemistry and Art. In addition, he has completed courses at Worcester Polytechnic Institute towards a master’s degree in Biotechnology and Management. Given his extensive experience overseeing operations for large pharmaceutical plants as well as managing people and overseeing large budgets, Nat is well suited for the role of CEO and COO of Healthy Pharms.

██████████ (Chief Financial Officer, Healthy Pharms, Inc.) ██████████ has over 25 years of entrepreneurial and management experience. He is the sole proprietor of two successful restaurants with a combined seating capacity of over 350. He also operates a certified organic farm in Massachusetts. ██████████ operates within a \$5 million dollar yearly budget and oversees approximately 60 employees. His strengths lies in his hands-on approach to managing multiple facets of a business at once, from purchasing, payroll, customer service, management and quality control. ██████████ has extensive experience with integrating concepts and as a result was able to increase annual sales at his restaurants from 3 million to 5 million in less than 5 years. Through his restaurants, ██████████ has participated in and donated his time and resources to numerous community events, festivals and public projects to benefit the City of Cambridge. He has extensive experience working with city officials and inspectors on issues pertaining to licensing and permitting. In addition to his restaurants and certified organic farm, ██████████ owns and manages both commercial and residential units. Given his experience in owning and operating restaurants, a farm and real estate ██████████ is able to recognize and draw from a wide range of resources to ensure the success of Healthy Pharms.

18. Describe the experience, and length of experience, of the Corporation's Chief Executive Officer, Chief Operations Officer, and Chief Financial Officer with providing health care services.

██████████ Chief Executive Officer and Chief Operations Officer, Healthy Pharms, Inc. ██████████ has over 20 years of experience producing pharmaceuticals and developing quality systems that have undergone many FDA and EMEA audits. While at Bristol-Myers Squibb, Nat was responsible for all Media Prep, Inoculum Development, Seed Bioreactors, Production Bioreactors and Harvest operations. Given his prior experience in pharmaceuticals, ██████████ was able consistently produce product that allowed for a straight forward FDA inspection upon completion at the company's \$1 billion facility. Prior to Bristol-Myers Squibb ██████████ managed the daily operations of a large multi-product clinical facility for Medlumune where he was able to dramatically lower the occurrences of process deviations during manufacturing by extensive training and restructuring batch records to be more user friendly. A graduate of Worcester State College, ██████████ received his B.S. in Biology with a minor in Chemistry and Art. As a student, he was an intern and Research Technician at University of Massachusetts Medical School. In addition, he has completed courses at Worcester Polytechnic Institute towards a master's degree in Biotechnology and Management. ██████████ experience in managing large bio-pharmaceutical manufacturing organizations will be critical to optimizing cultivation activities, developing compliant MIPs production operations and developing systems for labeling, tracking, controls, testing and traceability of products and materials for Healthy Pharms.

██████████ (Chief Financial Officer, Healthy Pharms, Inc.) Paul Overgaag does not have experience with providing health care services.

19. Describe the experience, and length of experience, of the Corporation's Chief Executive Officer, Chief Operations Officer, and Chief Financial Officer with providing services for marijuana for medical purposes.

██████████ (Chief Executive Officer and Chief Operations Officer, Healthy Pharms, Inc.) Since founding Healthy Pharms, Inc. in the spring of 2013 ██████████ has worked tirelessly to open and operate a RMD in the Commonwealth of Massachusetts. As a result of his hard work, Healthy Pharms was selected by the DPH to move forward in the RMD application process. In combination with his 20+ years of experience in biotechnology pharmaceutical manufacturing ██████████ has acquired extensive knowledge of the RMD application process and regulatory environment in Massachusetts. In addition, he is able to use his biotech experience to work alongside the Head of Cultivation in order to design and construct a state of the art grow facility to provide marijuana for medical purposes. To date, Nat has completed the Verification Phase as part of the first Healthy Pharms and is currently working with a local municipality to construct and build a best-in-class facility for cultivation and dispensing.

██████████ (Chief Financial Officer, Healthy Pharms, Inc.) Since founding Healthy Pharms, Inc. in the spring of 2013, ██████████ has put forth tremendous effort toward opening and operating a RMD in the Commonwealth of Massachusetts. As a result of his efforts and dedication, Healthy Pharms was selected by the DPH to move forward in the RMD application process. Along with ██████████ he has experience completing the Verification Phase as part of the first Healthy Pharms application and is currently working with a local municipality to construct and build a best-in-class facility for cultivation and dispensing. Given his background as an owner/operator of a certified organic farm and 2 local restaurants ██████████ has extensive experience operating in a highly regulated environment and is able to draw upon his experience to ensure Healthy Pharms' success in providing marijuana for medical purposes.

20. Describe the experience, and length of experience, of the Corporation's individual/entity responsible for marijuana for medical use cultivation operations and individual/entity responsible for the RMD security plan and security operations with providing services for marijuana for medical purposes.

[REDACTED] Head of Cultivation, Healthy Pharms, Inc. [REDACTED]'s experience providing services for medical marijuana purposes dates back to 2012 when he started working as a contractor building and eventually designing indoor gardening facilities ranging from small grow rooms to 3600sqft commercial warehouse operations. In this role, he gained experience building structures, including the operation of indoor irrigation systems and electrical wiring installation and maintenance. He has grown plants in almost every known medium and method, including deep-water culture, aeroponics and organic soil, and gained marijuana cultivation experience in trimming, curing as well as facilities management. Nic currently manages a hydroponic retail store that focuses on providing services for medical marijuana cultivation. As general manager, he has professional relationships with supply representatives allowing him to test many of the newest products in the industry and works with other licensed cultivators to expand his knowledge base on an ongoing basis. [REDACTED] received a certificate from the Master Gardner Program, a 16-week course taught by the Master Garden Association of America in conjunction with faculty from the University of Rhode Island. He recently attended an advanced indoor horticulture seminar to further expand his cultivation skills. [REDACTED] volunteers with patient advocacy groups and other industry groups such as NORML, CPANE and RIPAC. He will be key member of the HPI team and will be crucial in the design and building of a facility that consistently produces high quality medicine.

Erik Euvrard (Head of Security, Healthy Pharms, Inc.) Erik Euvrard has over 20 years of experience providing security services. As owner and Director of Security of Pioneer Services since 2005, he designs and integrates security systems for a wide range of commercial clients that focus on general security while taking into account fire, medical and environmental concerns. His clients rely on his expertise to identify internal and external threats when determining specific security needs. In addition, Erik has extensive experience implementing policies and procedures. Coupled with electronic security and surveillance, these policies and procedures ensure clients minimize losses and effectively manage external and internal threats such as employee theft, and others such as power surges/water leaks. Erik also assists clients in analyzing incidents that have led to or could result in losses and implements measures to better protect the client. In addition to security services, Erik has experience managing inventory and successfully created an inventory system that tracks and accounts for merchandize and equipment from receipt through sale. Given his knowledge and ability to identify internal and external threats, HPI will rely on Erik to develop, implement and review security measures on an on-going basis.

Information on this page has been reviewed by the applicant and where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here: [REDACTED]

SECTION E. OPERATIONS

21. Provide a summary of the RMD's operating procedures for the cultivation of marijuana for medical use.

Healthy Pharms (HPI) marijuana cultivation SOPs will ensure agent, product & public safety; produce consistent, predictable yields based on accepted science; & create transparent, compliant & efficient operations. SOPs will address cultivation topics including, but not limited to: CO2 Systems; Crop/Supply Management; Disease Management; Environmental Controls; Pest Management; Fertilizer/Soil/Media Management; Spray/Feeding Protocols; Nutrient Prep Form; Hygiene/Sanitation; Infected Handler Guidelines; Security/Limited Access Areas; Monitoring/Record keeping; Inventory Management/Storage; Procedure Variances; Quality Assurance; & Water Quality.

Pursuant to 725.105(B)(1)(c)-(f), all phases of our cultivation (strain selection, germination of seeds until superior mother plants are produced; cuttings from mother plants produced by HPI; rooting of cuttings; placement in grow medium for vegetative state; light adjustment for flowering; flushing prior to harvesting; harvesting; trimming; drying and curing) will take place in designated, locked, limited access areas monitored by a surveillance system in compliance with 725.110(D)(1)(d)-(i). Water will be derived from a public water source, public records of analysis will be maintained & available for DPH review.

No non-organic pesticides will be used & cultivation will be consistent with U.S. DOA 7 CFR, Part 205 organic requirements. Soil used for cultivation will meet U.S. Agency for Toxic Substances & Disease Registry's Environmental Media Evaluation Guidelines for residential soil levels. Cultivation process will use best practices to prevent contamination, including, mold, fungus, bacterial diseases, rot, pests, non-organic pesticides, mildew, & other contaminants identified as posing potential harm. Waste disposed of to minimize odor/pests.

Our source soils/solids will be sampled/analyzed prior to use, when new soils/solids are received from a different source, & annually. Representative samples will be collected and kept for DPH review.. All Logbooks & Chain of Custody forms available for DPH review.

HPI is dedicated to quality & safety. Best MGMT Practice ("BMP"), Good Agricultural Practice ("GAP"), Good Cultivation Practice ("GCP"), and Good Handling Practice ("GHP") will be used. HPI has adopted standards from American Herbal Pharmacopocia, American Herbal Products Association and adapted USDA Organic Standards and FDA standards to create a holistic crop MGMT system. HPI will also adopt: HACCP Principles and Application Guidelines (National Advisory Committee on Microbiological Criteria for Foods); Guide to Minimize Microbial Food Safety Hazards for Fresh Fruits and Vegetables (Center for Food Safety and Applied Nutrition), and; A Workbook on Greenhouse Gas Mitigation for Agricultural Managers (Agriculture, Food and Rural Development-AB, Canada).

22. Describe the types and forms of Marijuana Infused Products (“MIPs”) that the RMD intends to produce, if any.

HPI will produce high-quality MIPs & comply with DPH Regs. MIPS will have a legible, affixed label w/ letters at least 1/16” in size and info req’d by 725.105(E)(2)-(3), will not resemble commercially available candy & be packaged in plain/opaque tamper/child-proof containers w/o depictions except HPI logo. MIPs produced not considered a food or drug per M.G.L. c94, s.1.

MIPs will be medicinal in nature, lab tested & packaged in dosage levels allowing patients to self-titrate. Use of 3rd party sample results to calculate extract addition quantities for exact dosage & consistent results.

Product line incl. the following methods, types & forms:

- Transdermal/topical salve and patches
- Creams/lotions
- Oral Mucosal/Sublingual- dissolving tablets
- Tinctures
- Sprays
- Inhalation-ready-to-use CO2 extracted hash oils
- Pre-dosed oil vaporizers
- Ingestion-capsules
- Food/oil/beverages

Accidental ingestion of edibles/beverages to be avoided via responsible packaging and labeling. Food additives will be approved/properly used. Ingredients, THC/CBD concentration profiles will be disclosed and may include: Tetrahydrocannabinol acid; Tetrahydrocannabivarin; Cannabinadiolic acid; Cannabidivarin; Cannabinol; Cannabigerol; Cannabichromene; and other cannabinoids.

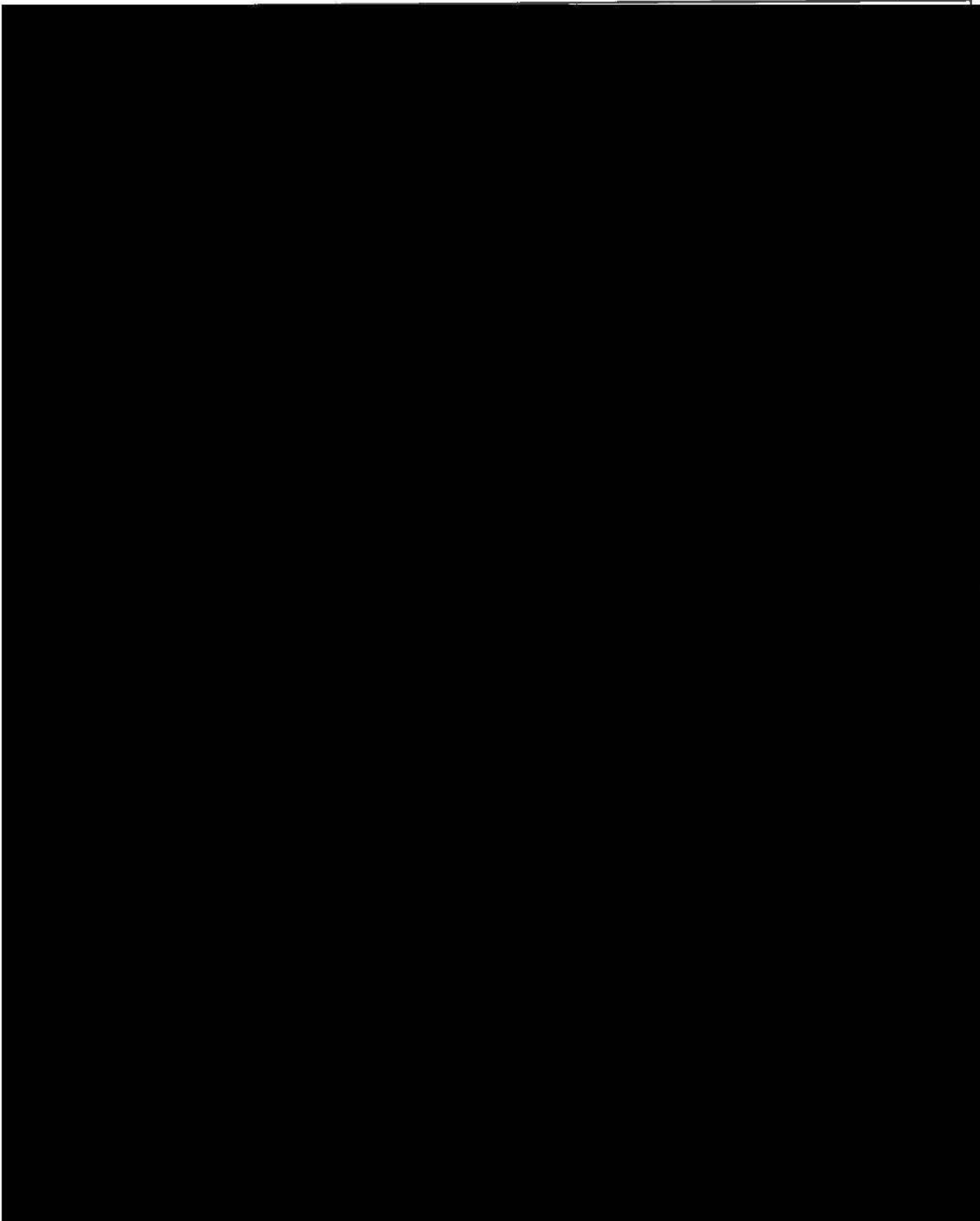
23. Provide a summary of the RMD's methods of producing MIPs, if the RMD intends to produce MIPs.

HPI to create MIPs with consistent cannabinoid profiles for a range of debilitating conditions. MIPs prepared on food-grade stainless steel tables in a safe/sanitary manner per DPH Regs & packaged in a secure area, will be HACCP compliant.

Leaves & flowers of female plants processed in a safe/sanitary manner, well cured & free of seeds, stems, dirt, sand, debris & other foreign matter; and free of contamination by mold, rot, fungus & bacterial disease. Ingredients from DPH approved source will be safe, unadulterated & labeled. Agents wear gloves & utilize ware washing facilities in kitchen w/o pests. Surfaces, utensils, equipment & linens properly sanitized, stored, dried & handled to prevent contamination during prep, storage & display. Proper cooling methods to prevent microorganism growth, and approved thawing methods & accurate thermometers. TPHC used if appropriate.

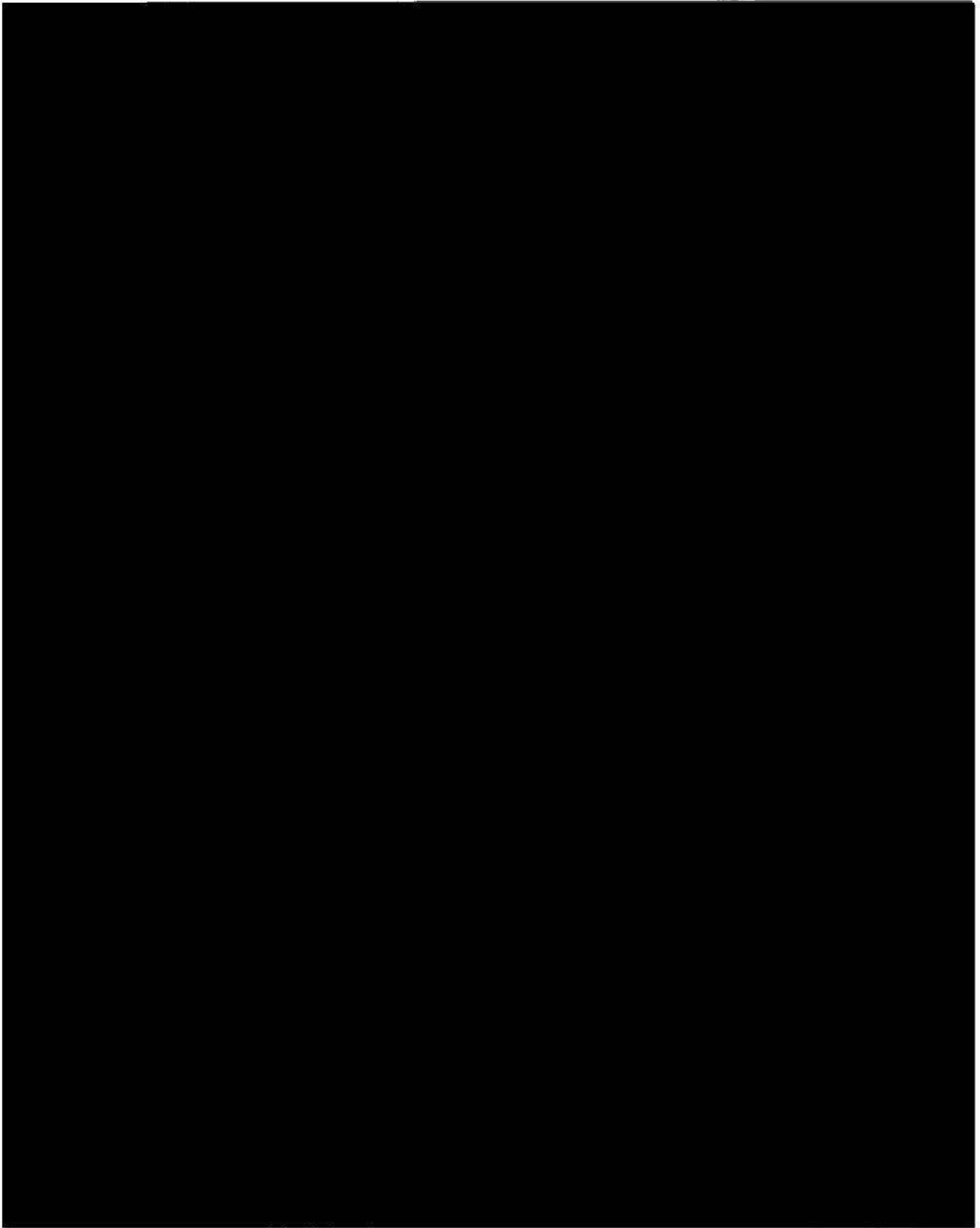
Extraction/Refining: prep w/ lab quality grinder; oil (butter/olive oil), ethanol and/or supercritical CO2 extraction; external testing for cannabinoid profile & potency; decarboxylation. If practicable fractioning to produce pure active cannabinoids; fracture, separate & purify to produce concentrates that are high in specific, single cannabinoids using HPLC.

24. Provide a summary of the RMD's operating procedures for the provision for security at the RMD.



Information on this page has been reviewed by the applicant and where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here [REDACTED]


25. Provide a summary of the RMD's operating procedures for the prevention of the diversion of marijuana.



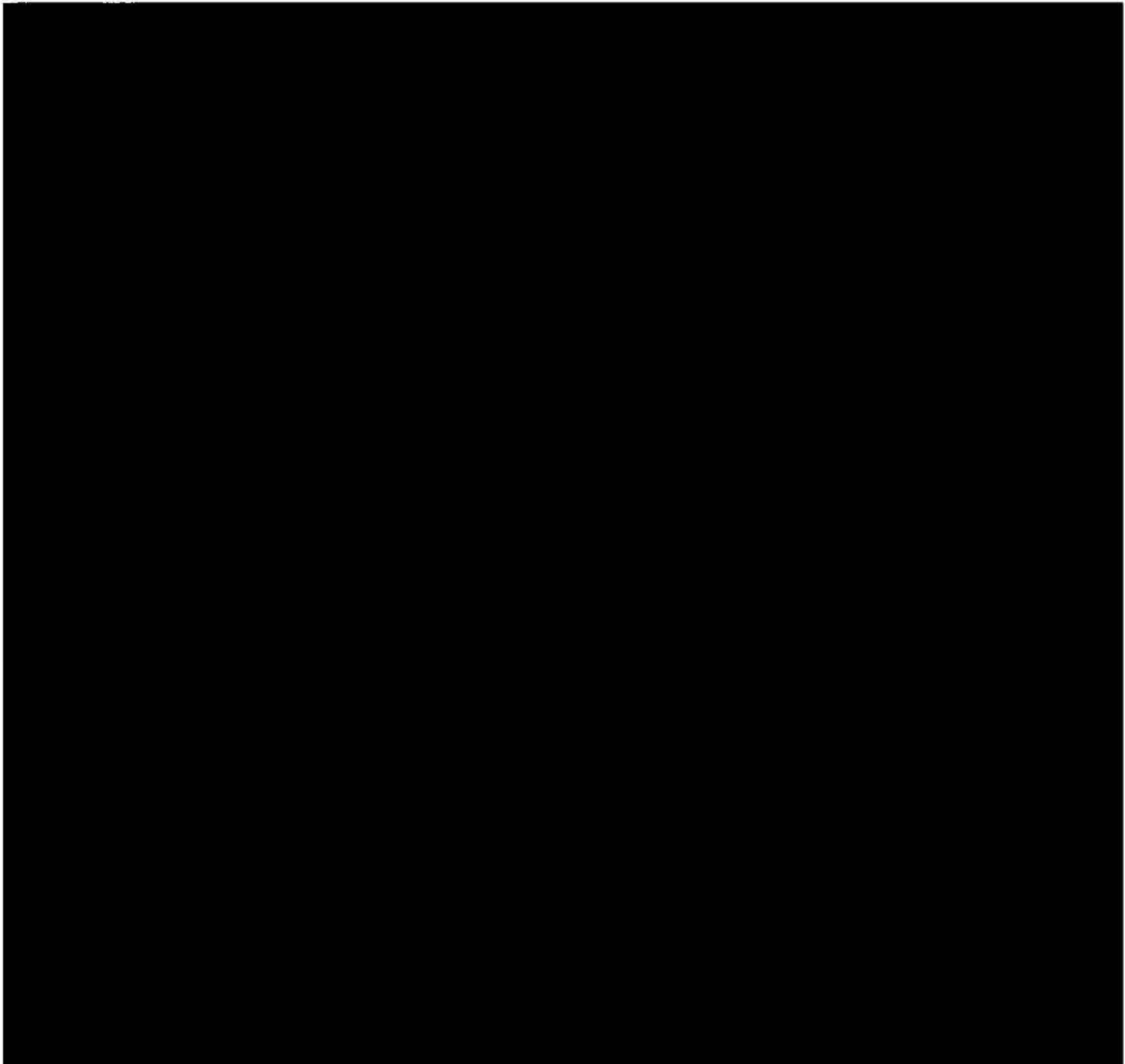
Information on this page has been reviewed by the applicant where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here

26. Provide a summary of the RMD's operating procedures for the storage of marijuana for medical use.

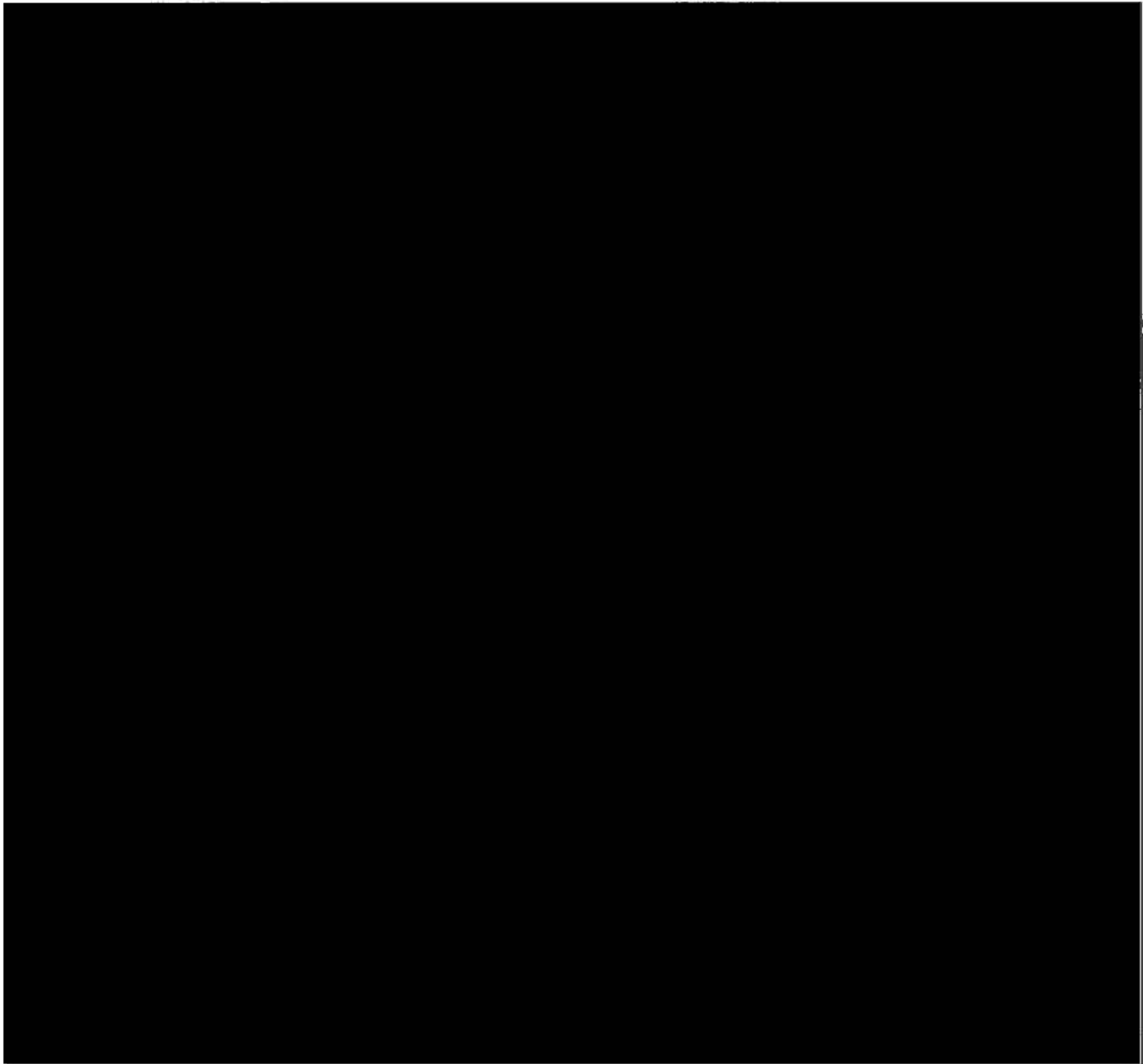


Information on this page has been reviewed by the applicant and where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here 

27. Provide a summary of the RMD's operating procedures for the transportation of marijuana for medical use.



28. Provide a summary of the RMD's operating procedures for inventory management.



29. Provide a summary of the RMD's operating procedures for quality control and testing of product for potential contaminants.

HPI SOPs comply with DPH Regs and protocols for quality control/testing.

All sampling:

- Sample in decontaminated area
- Use proper tools for sample & disposable gloves
- Separate & store in appropriate container
- Use Chain of Custody form
- Records kept > 1yr

Finished MJ:

- Sample from 5% of finished MJ
- Plan for each product produced
- Log identifies date/time, product, collector & procedure (grinding, mixing)
- Sample ID'd by batch#, ID#, batch impacted
- Labels show same + date/time of collection & collector

Grow Media:

- Source soils & solids prior to use, when changed, not less than 1X/ 6 mo. w/ duplicates every 20X
- Media lots tracked to the plants they are used with and logged per DPH requirements
- Non-PWS: sampled prior to use & quarterly; PWS: records maintained & avail.

Testing: Completed post sampling by DPH approved independent ISO 17025 lab. Tested for cannabinoid profile and contaminants (mold, mildew, heavy metals, plant-growth regulators, non-organic pesticides, & info DPH requires). Excess MJ from lab destroyed. Lab tech to provide a signed narrative detailing:

- Sample
- Analysis
- Methods
- Chain of custody docs
- Info sought
- Summary & detail of results incl. units of measure, dates & times

Results kept >1yr; how destruction of product, investigation of source of contamination & mitigation steps. No HPI agent will have financial interest in lab. No lab employee will get compensation from HPI. Lab employees will be registered HPI agents.

30. Provide a summary of the RMD's operating procedures for maintaining confidentiality of registered qualifying patients, personal caregivers, and dispensary agents, as required by law.

In compliance with 105 CMR 725.200, 725.105(H)(I), patients, caregivers, & agent info is confidential & shall not be disclosed without the written consent of the individual to whom the information applies, or as required under or court order. DPH may access this information to carry out official duties. HPI agents will have documented mandatory confidentiality training.

Patient tracking software will be in accordance with HIPAA principles & encrypted. Network servers will be protected by SSL, firewall, biometric locks in a secure area with 24hr surveillance. Software & infrastructure will be updated regularly, including relevant security patches. Software will be compliant & compatible with DPH's electronic system. Access to database limited to key agents.

Data security strategies incl. frequent password changes, length & character diversity requirements for passwords, restrictions of personal flash/thumb drives on computers, marking software for each system and securing when not in use. Emails to patients will say "Confidential" & be sent on secure servers, either individually, using BCC, or using secure bulk email and will not provide patient info or refer to MJ in subject line.

Hard copies of records stored in secure locked area, w/ limited access. Any loss/alteration of records related to MJ/MIPS, patients, caregivers, or agents reported to DPH, law enforcement & protected party.

Depending on siting & balanced with security, parking, entrance & exit will be discreet.

31. Provide a summary of the RMD's personnel policies.

HPI is in compliance with 105 CMR 725.105(1)(4) & is committed to safety, professional development, compliance, equitable compensation & healthcare benefits. Board members/directors, agents, executives & volunteers will be registered dispensary agents & remain compliant pursuant to 725.030(A)-(C) & (E).

To strengthen the local community, recruiting locally will be a priority. Agents will receive training on confidentiality, internal security policies, emergency procedures and will complete training specific to their job function. Agents will receive, at minimum, 8hrs of on-going training annually. Any agent who diverts MJ or engages in unsafe practices will be dismissed and such activities will be reported to law enforcement & DPH.

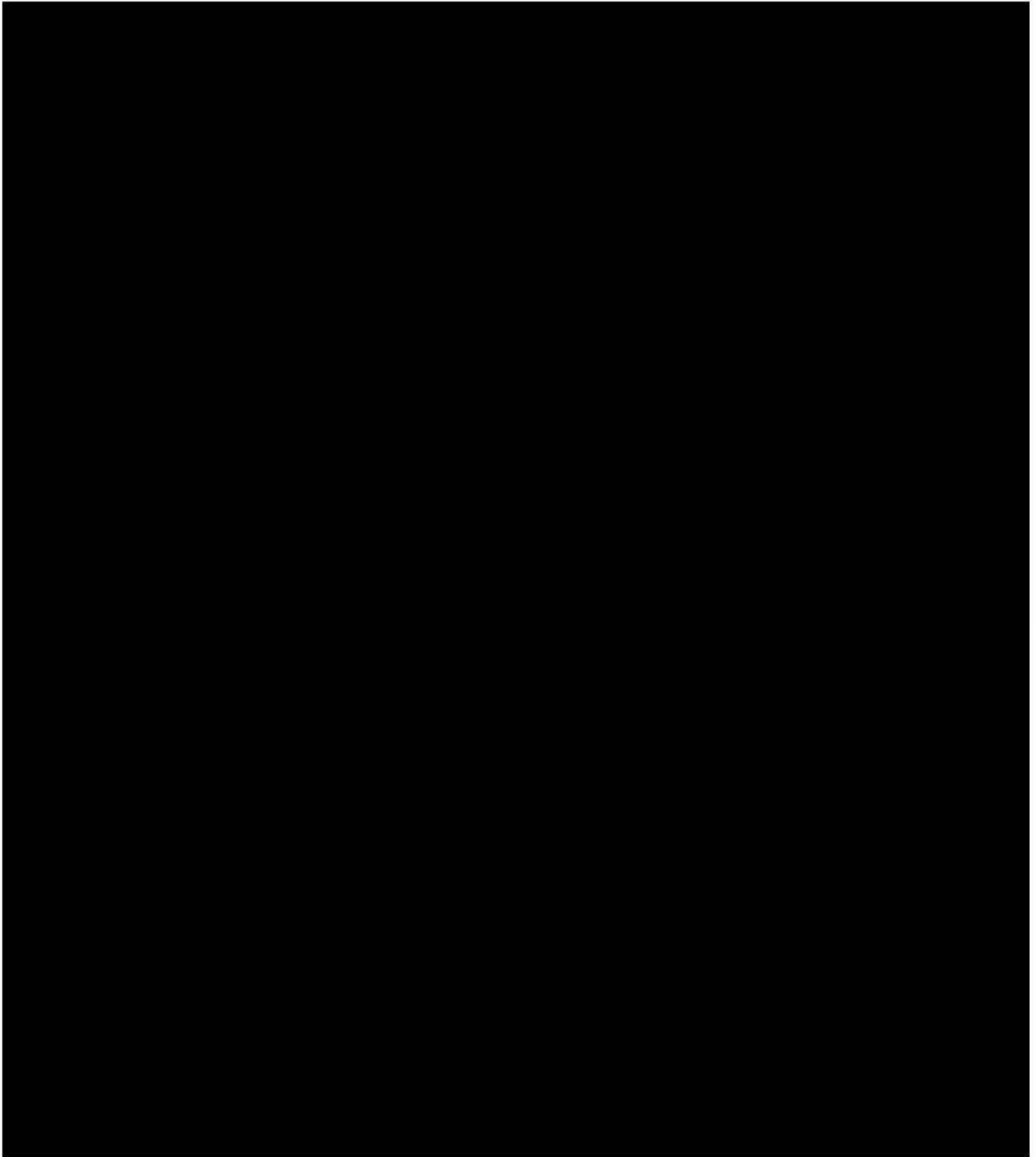
Agents in contact with MJ or non-edible MIPs, will be subject to the requirements for food handlers specified in 105 CMR 300.000 & shall conform to sanitary & good hygienic practices.

HPI provides equal opportunities regardless of race, religion, ethnicity, sexual orientation or other factors resulting in discrimination. Policies include:

- Safety
- Harassment
- Work hours
- Job reviews
- Maintaining an alcohol, tobacco, & drug free workplace
- Compensation
- Benefits
- Vacation/Holidays/Leaves
- Training/professional development
- Record keeping
- Agent registration
- Compliance
- Security
- Standards of Conduct
- Confidentiality

Personnel records will be kept for at least 1yr following termination. HPI to notify DPH no more than 1 business day after termination.

32. Provide a summary of the RMD's operating procedures for dispensing of marijuana for medical use.



Information on this page has been reviewed by the applicant and is here provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here: [REDACTED]

33. Provide a summary of the RMD's operating procedures for record keeping.

HPI SOPs ensure secure records compliant w/ 105 CMR 725.105 & 725.100 Records maintained & available to DPH include:

- Inventory
- Sales/Seed-to-Sale Tracking/Cultivation Records- incl. ID of buyer, quantity, form, price & inventory records per DPH requirements
- Personnel Records- incl. staffing plan/org charts/job descriptions/training materials; list of non-profit BOD&EMT; records for agents kept for >1 yr. after termination incl. agent registration/de-registration notification, age, criminal history including CORI (separate from others); agents' written acknowledgment of limitations on cultivate/harvest/prepare/package/transport/dispense authority; attestation that agent will not divert; DPH ID card; agent application fee; yearly renewal of DPH ID; changes to submitted info; salaries/wages/stipends/compensation/bonuses/benefits to anyone associated with HPI
- Business Records-assets & liabilities; monetary transactions; account info incl. journals/ledgers/ supporting documents/agreements/checks/invoices/vouchers; 3rd party financial audits
- Training Records
- Patient Ed. Materials
- Waste Disposal
- Transportation
- Product Testing
- Recalls/Withdrawals/Complaints
- Security
- Incident Reports-notify PD & DPH w/in 24hrs of discovering loss/unauthorized alteration of records
- SOPs/Changes to SOPs
- DPH correspondence

Records to be kept in secured locations per DPH regulations. After closure records kept >2 years at HPI expense in form/location acceptable to DPH.

34. Provide a summary of the RMD's plans for providing patient education.

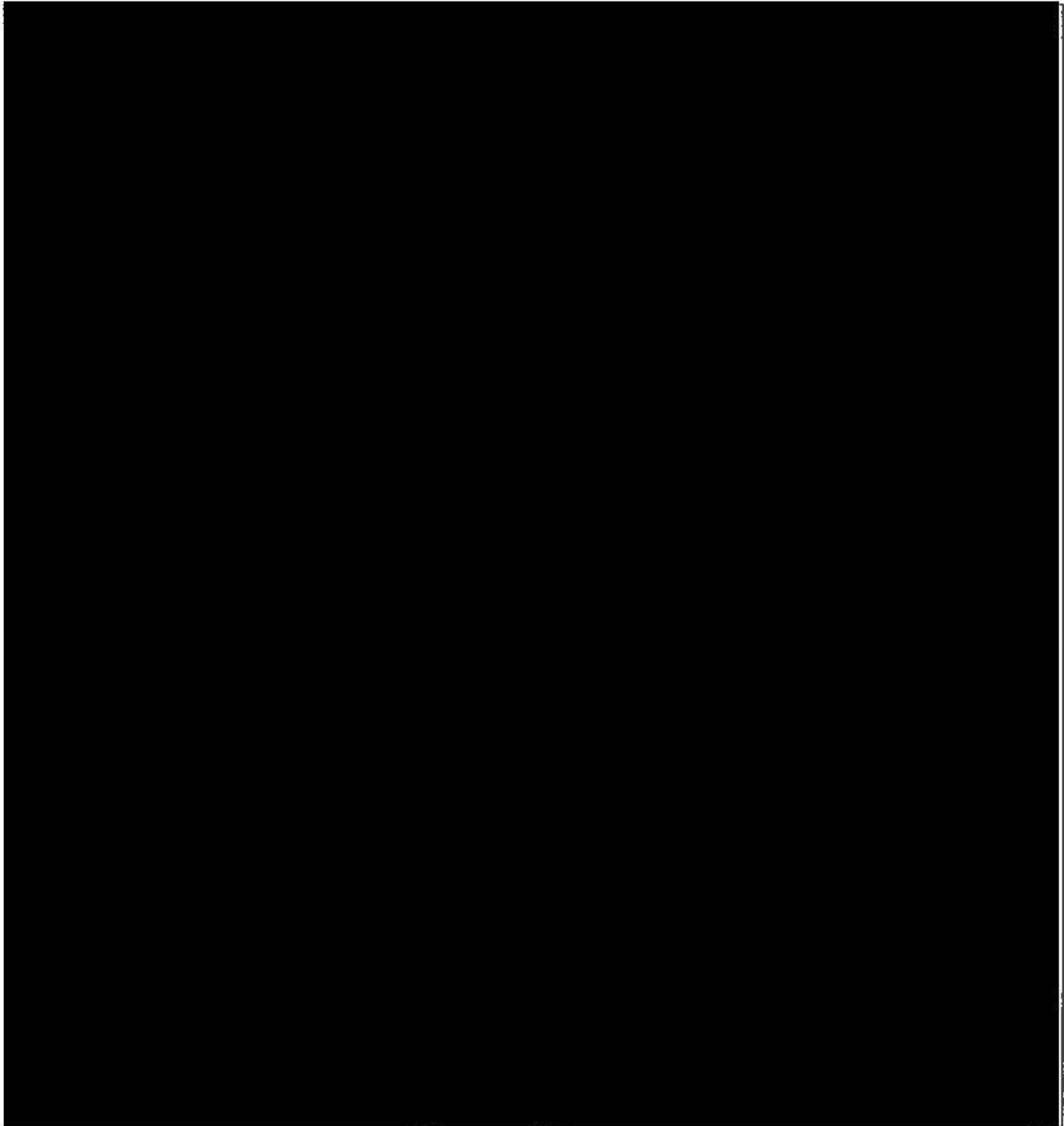
Pursuant to 725.105(K), HPI will have an adequate supply of up-to-date educational materials for patients/caregivers and will hold educational events.

Materials minimally will include:

- Warnings: marijuana has not been analyzed or approved by the FDA & there is limited information on side effects; potential health risks; marijuana should be kept away from children; driving under the influence of marijuana prohibited by M.G.L. c. 90, s. 24 & machinery should not be operated
- Condition-specific booklets
- Patient Log: to track the strains used and their associated effects
- Info to assist in selection, descriptions of the differing effects of strains, as well as the various forms & routes of administration
- Info to enable patients to track strains used & associated side effects
- Info describing proper dosage & titration for different routes of administration emphasizing use of smallest amount possible to achieve the desired effect & explanation of the impact of potency
- Info regarding tolerance, dependence & withdrawal
- Substance abuse signs & symptoms & referral info for treatment programs
- Statement that patients may not distribute marijuana to other individuals & that unused, excess or contaminated product must be returned to HPI for disposal
- Patient Rights
- Any other info required by DPH

Materials will be available in languages accessible to all patients/caregivers, including for the visually- and hearing-impaired and available to DPH upon request.

35. Provide a summary of the RMD's operating procedures for patient or personal caregiver home-delivery, if the RMD plans to provide home-delivery services.



36. Provide a summary of the RMD's policies and procedures for the provision of marijuana for medical use to registered qualifying patients with verified financial hardship without charge or at less than the market price.

Providing reduced cost medicine to patients with financial hardship is core to the HPI mission. The budget & number of patients awarded access to the program will grow as revenue permits.

HPI's financial assistance program is an income-based sliding scale program. Patient eligibility will be reviewed every 3 months. Any single patient is eligible for up to 4 points based on the following guidelines:

- Is patient a MassHealth recipient? If yes, 1 point
- Is patient a SSI recipient? If yes, 1 point
- Annual gross household income less than 150% of federal poverty level for current year? If yes, 1 point
- Annual gross household income between 151% and 300% of federal poverty level for current year? If yes, 1 point

The amount of free/low cost MJ will be based on the # of points of the patient:

- 4 points - patient responsible for 50% of cost beyond free 1.0 gram of MJ flowers or the equivalent in non-smoking medicine products every week
- 3 points - patient responsible for 70% of cost beyond free 1.0 gram of MJ flowers or the equivalent in non-smoking medicine products every week
- 2 points - patient responsible for 80% of cost of medicine
- 1 point - patient responsible for 90% of cost of medicine

Via this program HPI limits the amounts of free/low cost medicine to avoid diversion by patients who receive discounted medicine.

37. Provide a summary of the training(s) that the RMD intends to provide to Dispensary Agents.

HPI has identified areas training required for all agents to perform job duties and functions safely and in compliance with all applicable laws and regulations. Training programs will be tailored to the roles and responsibilities of the job function of each dispensary agent. Dispensary agents must complete training prior to performing job functions. At a minimum, 8 hours of on-going training will be required annually. All training records will include a signed statement of the agent indicating the date, time, and place they received training and the topics discussed, including the name and title of presenters.

HPI training will include, but is not limited to:

- New hire orientation; including overview of the Act for Humanitarian Use of Medical Marijuana and 105 CMR 725.000
- Compliance, regulation, and law
- Privacy and Confidentiality
- Cultivation safety and security
- Dispensary safety and security
- Emergency and incident management
- Medical marijuana science
- Community and patient relations
- Record keeping
- Reporting requirements
- Product handling and sanitation
- Monthly department meetings
- Inventory management and diversion prevention
- Manufacturing safety
- Transportation
- Training evaluations
- Performance reviews

HPI realizes that MJ is a polarizing subject & many patients may seek it as a last resort for their debilitating condition. HPI will ensure that agents treats patients with kindness, respect & understanding.

38. Will the Corporation provide worker's compensation coverage to the RMD's Dispensary Agents?

Yes No

39. Will the Corporation obtain professional and commercial insurance coverage?

Yes No

40. Describe the Corporation's plan to obtain liability insurance or place in escrow the required amount to be expended for coverage of liabilities.

HPI plans to contract with an insurance provider to maintain general liability insurance coverage for no less than \$1,000,000 per occurrence and \$2,000,000 in aggregate annually and product liability coverage for no less than \$1,000,000 per occurrence and \$2,000,000 in aggregate annually. The deductible for this policy will be no higher than \$5,000 per occurrence.

If an insurance agreement cannot be obtained, HPI will place a minimum of \$250,000 in escrow to be expended only for the coverage of liabilities. Any expenditure from this escrow account will be replenished within 10 business days.

SECTION F. CAPITAL CONTRIBUTORS

List all persons and entities known to date that are committed to contributing 5% or more of initial capital to operate the proposed RMD. For entities contributing initial capital to operate the proposed RMD, list the entity's Chief Executive Officer/Executive Director and President/Chair of the Board of Directors.

Attach additional tables if needed.

Individual Name	Amount of Initial Capital Committed	Percentage of Initial Capital Committed
[REDACTED]	\$ 500,000.00	100%
	\$	
	\$	
	\$	
	\$	

Information on this page has been reviewed by the applicant [REDACTED] and is provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here [REDACTED]

Entity Name	Leadership Names	Amount of Initial Capital Committed	Percentage of Initial Capital Committed
	Entity CEO/ED: Entity President/Chair:	\$	
	Entity CEO/ED: Entity President/Chair:	\$	
	Entity CEO/ED: Entity President/Chair:	\$	
	Entity CEO/ED: Entity President/Chair:	\$	
	Entity CEO/ED: Entity President/Chair:	\$	

Information on this page has been reviewed by the applicant where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here _____

ATTESTATIONS

Signed under the pains and penalties of perjury, I, the authorized signatory of the non-profit applicant corporation, agree and attest that all information included in this application is complete and accurate and that I have an ongoing obligation to submit updated information to the Department if the information presented within this application has changed.


Signature of Authorized Signatory

09/11/15
Date Signed



Print Name of Authorized Signatory

Chief Executive Officer

Title of Authorized Signatory

I hereby attest that if the corporation is allowed to proceed to submit a *Siting Profile*, the corporation is prepared to comply with all *Siting Profile* requirements.


Signature of Authorized Signatory

09/11/15
Date Signed



Print Name of Authorized Signatory

Chief Executive Officer

Title of Authorized Signatory



The Commonwealth of Massachusetts
William Francis Galvin

Minimum Fee: \$35.00

Secretary of the Commonwealth, Corporations Division
One Ashburton Place, 17th floor
Boston, MA 02108-1512
Telephone: (617) 727-9640

Restated Articles of Organization

(General Laws, Chapter 180, Section 7)

Federal Employer Identification Number: 463447386 (must be 9 digits)

We, [REDACTED] President Vice President,

and [REDACTED] Clerk Assistant Clerk,

of HEALTHY PHARMS, INC.

located at: 19 NORWOOD AVENUE SOMERVILLE, MA 02145 USA

do hereby certify that the following Restatement of the Articles of Organization was duly adopted at a meeting held on: 10/6/2014, by vote of:

0 members, 5 directors, or 0 shareholders,

being at least two-thirds of its members/directors legally qualified to vote in meetings of the corporation (or, in the case of a corporation having capital stock, by the holders of at least two thirds of the capital stock having the right to vote therein):

ARTICLE I

The exact name of the corporation is:

HEALTHY PHARMS, INC.

ARTICLE II

The purpose of the corporation is to engage in the following business activities:

TO ENGAGE IN CIVIC, EDUCATIONAL, AND BENEVOLENT ACTIVITIES PER MGL CH. 180 §4.

ARTICLE III

A corporation may have one or more classes of members. If it does, the designation of such classes, the manner of election or appointments, the duration of membership and the qualifications and rights, including voting rights, of the members of each class, may be set forth in the by-laws of the corporation or may be set forth below:

ARTICLE IV

Other lawful provisions, if any, for the conduct and regulation of the business and affairs of the corporation, for its voluntary dissolution, or for limiting, defining, or regulating the powers of the corporation, or of its directors or members, or of any class of members, are as follows:

(If there are no provisions state "NONE")

Note: The preceding four (4) articles are considered to be permanent and may ONLY be changed by filing appropriate Articles of Amendment.

ARTICLE V

The effective date of the Restated Articles of Organization of the corporation shall be the date approved and filed by the Secretary of the Commonwealth. If a *later* effective date is desired, specify such date which shall not be more than *thirty days* after the date of filing.

ARTICLE VI

The information contained in Article VI is not a permanent part of the Articles of Organization.

a. The street address (post office boxes are not acceptable) of the principal office of the corporation in Massachusetts is:

No. and Street: 22 MILTON ST
APT 2
 City or Town: SOMERVILLE State: MA Zip: 02144 Country: USA

b. The name, residential street address and post office address of each director and officer of the corporation is as follows:

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code	Expiration of Term
PRESIDENT	[REDACTED]	[REDACTED]	none
TREASURER	[REDACTED]	[REDACTED]	n/a
CLERK	[REDACTED]	[REDACTED]	n/a
DIRECTOR	[REDACTED]	[REDACTED]	n/a
DIRECTOR	AMY KATE NOEL HERMAN-ROLOFF	[REDACTED]	n/a
DIRECTOR	[REDACTED]	[REDACTED]	n/a
DIRECTOR	[REDACTED]	[REDACTED]	n/a
DIRECTOR	[REDACTED]	[REDACTED]	n/a

c. The fiscal year (i.e., tax year) of the business entity shall end on the last day of the month of:

December

d. The name and business address of the resident agent, if any, of the business entity is:

Name:

No. and Street:

City or Town:

State:

Z

We further certify that the foregoing Restated Articles of Organization affect no amendments to the Articles of Organization of the business entity as heretofore amended, except amendments to the following articles. Briefly describe amendments below:

SIGNED UNDER THE PENALTIES OF PERJURY, this 6 Day of October, 2014,

President / Vice President,

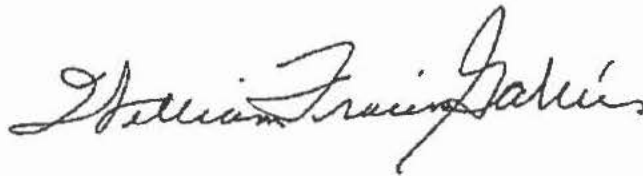
k / Assistant Clerk.

THE COMMONWEALTH OF MASSACHUSETTS

I hereby certify that, upon examination of this document, duly submitted to me, it appears that the provisions of the General Laws relative to corporations have been complied with, and I hereby approve said articles; and the filing fee having been paid, said articles are

deemed to have been filed with me on:

October 06, 2014 06:41 PM

A handwritten signature in cursive script, reading "William Francis Galvin".

WILLIAM FRANCIS GALVIN

Secretary of the Commonwealth



William Francis Galvin
Secretary of the Commonwealth of Massachusetts



Corporations Division

Business Entity Summary

ID Number: 463447386

[Request certificate](#)

[New search](#)

Summary for: HEALTHY PHARMS, INC.

The exact name of the Nonprofit Corporation: HEALTHY PHARMS, INC.			
Entity type: Nonprofit Corporation			
Identification Number: 463447386			
Date of Organization in Massachusetts: 04-30-2013			
Last date certain:			
Current Fiscal Month/Day: 12/31		Previous Fiscal Month/Day: 12/31	
The location of the Principal Office in Massachusetts:			
Address: [REDACTED]			
City or town, State, Zip code, Country: [REDACTED]			
The name and address of the Resident Agent:			
Name: [REDACTED]			
Address: [REDACTED]			
City or Country: [REDACTED]			
The Officers and Directors of the Corporation:			
Title	Individual Name	Address	Term expires
PRESIDENT	[REDACTED]	[REDACTED]	none
TREASURER	[REDACTED]	[REDACTED]	n/a
CLERK	[REDACTED]	[REDACTED]	n/a
DIRECTOR	[REDACTED]	[REDACTED]	n/a
DIRECTOR	AMY KATE NOEL HERMAN-ROLOFF	[REDACTED]	n/a

DIRECTOR	[REDACTED]	n/a
DIRECTOR	[REDACTED]	n/a
DIRECTOR	[REDACTED]	n/a

Consent
 Confidential Data
 Merger Allowed
 Manufacturing

View filings for this business entity:

- ALL FILINGS
- Annual Report
 - Application For Revival
 - Articles of Amendment
 - Articles of Consolidation - Foreign and Domestic
 - Articles of Consolidation - Domestic and Foreign

[View filings](#)

Comments or notes associated with this business entity:

[New search](#)



The Commonwealth of Massachusetts
Secretary of the Commonwealth
State House, Boston, Massachusetts 02133

William Francis Galvin
Secretary of the
Commonwealth

Date: July 15, 2015

To Whom It May Concern :

I hereby certify that according to the records of this office,
HEALTHY PHARMS, INC.

is a domestic corporation organized on **April 30, 2013**

I further certify that there are no proceedings presently pending under the Massachusetts General Laws Chapter 180 section 26 A, for revocation of the charter of said corporation; that the State Secretary has not received notice of dissolution of the corporation pursuant to Massachusetts General Laws, Chapter 180, Section 11, 11A, or 11B; that said corporation has filed all annual reports, and paid all fees with respect to such reports, and so far as appears of record said corporation has legal existence and is in good standing with this office.



In testimony of which,
I have hereunto affixed the
Great Seal of the Commonwealth
on the date first above written.

William Francis Galvin

Secretary of the Commonwealth

Certificate Number: 15074094020

Verify this Certificate at: <http://corp.sec.state.ma.us/CorpWeb/Certificates/Verify.aspx>

Processed by: tad

**BYLAWS
OF
HEALTHY PHARMS, INC.**

Section 1.

ARTICLES OF ORGANIZATION, LOCATION, CORPORATE SEAL AND FISCAL YEAR

1.1 Articles of Organization. The name and purposes of the Corporation shall be as set forth in its Articles of Organization. These Bylaws, the powers of the Corporation and of its directors and officers, and all matters concerning the conduct and regulation of the affairs of the Corporation shall be subject to such provisions in regard thereto, if any, as are set forth in the Articles of Organization.

1.2 Purpose. To engage in civic, educational and benevolent activities as per MGL Ch. 180 §4. This purpose includes making medical marijuana available to qualified patients and their personal caregivers in a safe, healthy, and clean environment that complies with the laws of The Commonwealth of Massachusetts and the directives of the Massachusetts Department of Public Health. Additionally, the purpose includes providing palliative and other services to qualified patients, as well as educational materials regarding the potential benefits and dangers associated with the use of medical marijuana.

As permitted by law, the Corporation may engage in any and all activities in furtherance of, related to, or incidental to these purposes, the activities being lawful for a Corporation formed under Chapter 180 of the General Laws of Massachusetts.

1.3 Location. The principal office of the Corporation in The Commonwealth of Massachusetts shall initially be located at the place set forth in the Articles of Organization of the Corporation. The director(s) may change the location of the principal office in The Commonwealth of Massachusetts effective upon filing a certificate with the Secretary of the Commonwealth.

1.4 Corporate Seal. The director(s) may adopt and alter the seal of the Corporation.

1.5 Fiscal Year. The fiscal year of the Corporation shall end on the December 31 in each year unless the director(s) change the fiscal year by filing a certificate with the Secretary of the Commonwealth.

1.6 Annual Meeting. The annual meeting of the Corporation shall be held not later than the last day of November at such time and place, as the director(s) shall designate.

1.7 Gender. The personal pronoun "he" or possessive pronoun "his", when appropriate, shall be construed to mean "she" or "her" and the word "chairman" shall be construed to include a female.

1.8 Not-for-Profit Operation.

(a) No dividends, liquidating dividends, or distributions shall be declared or paid by the Corporation to any private individual, member, officer, or director of the Corporation.

(b) No part of the net earnings or net income of the Corporation shall inure to the benefit of any private individual or officer or director of the Corporation; provided, however, that such a person may receive reasonable compensation for sales, leases or loans, or personal services rendered which are necessary to carrying out the purposes of the Corporation.

(c) Notwithstanding any other provision of these Articles of Organization, the Corporation shall not carry on any other activities not permitted to be carried out by a Corporation that is formed under M.G.L c. 180, is a registered marijuana dispensary pursuant to 105 CMR 725.000 and is in compliance with the laws of The Commonwealth of Massachusetts.

(d) In compliance with 105 CMR 725.100(A)(I), the Corporation shall at all times operate on a nonprofit basis for the benefit of registered qualifying patients and shall ensure that revenue of the registered marijuana dispensary is used solely in furtherance of its nonprofit purpose.

Section 2.
NO MEMBERS

The Corporation shall not have members. Any action or vote required or permitted by M.G.L. ch. 180 to be taken by members shall be taken by action or vote of the same percentage of directors in accordance with M.G.L. ch. 180, §3.

Section 3.
SPONSORS, BENEFACTORS, CONTRIBUTORS,
ADVISORS, FRIENDS OF THE CORPORATION

The director(s) may designate certain persons or groups of persons as sponsors, benefactors, contributors, advisors or friends of the Corporation or such other title as they deem appropriate. Such persons shall serve only in an honorary capacity and, except as the director(s) shall otherwise designate, shall in such capacity have no right to notice of or to vote at any meeting, shall not be considered for purposes of establishing a quorum, and shall have no other rights or responsibilities.

Section 4.
BOARD OF DIRECTORS

4.1 Powers. The business and affairs of the Corporation shall be controlled and governed by the Board of the Directors who may exercise all the powers of the Corporation as permitted by law.

4.2 Number and Election. The director(s) shall determine the number of directors and the manner by which new directors are nominated and appointed. The names and addresses of the initial Board of Directors are:

1. President/Chair

2. Treasurer

3. Clerk/Secretary

4. Director

5. Director

Dr. Amy Herman-Roloff,

4.3 Term of Office. Director(s) shall determine the length and number of terms to be served by directors, and these Bylaws will then be updated to reflect such term.

4.4 Meetings. The Board of Directors shall hold annual meetings each year and may select the time and place for annual and other meetings of the Board. Other meetings of the Board of Directors may be called by the president or by a majority of the directors then in office by delivering notice in writing by mail, facsimile or electronic transmission, at his usual or last known business or residence address of the date, time, place, and purpose of such meeting, to all directors at least three (3) days in advance of such meeting.

4.5 Waiver of Notice for Meetings. Whenever any notice of a meeting is required to be given to any director under the Articles of Organization, these Bylaws, or the laws of Massachusetts, a waiver of notice in writing signed by the director, whether before or after the time of the meeting, shall be equivalent to the giving of such notice.

4.6 Quorum. At any meeting of the directors a majority of the directors then in office shall constitute a quorum. Any meeting may be adjourned by a majority of the votes cast upon the question, whether or not a quorum is present, and the meeting may be held as adjourned without further notice.

4.7 Action by Vote. When a quorum is present at any meeting, a majority of the directors present and voting shall decide any question, including election of officers, unless otherwise provided by law, the Articles of Organization, or these Bylaws.

4.8 Action by Writing. Any action required or permitted to be taken at any meeting of the directors may be taken without a meeting if all the directors consent to the action in writing and the written consents are filed with the records of the meetings of the directors. Such consents shall be treated for all purposes as a vote at a meeting.

4.9 Qualifications. The directors shall at all times have and qualify for a dispensary agent registry identification card issued by the Massachusetts Department of Public Health. At any time should a director fail to qualify for a dispensary agent registry identification card or have such card revoked pursuant to 105 CMR 72S.000, the director shall be deemed automatically removed from the Board.

4.10 Presence Through Communications Equipment. Unless otherwise provided by law or the articles of organization, directors may participate in any meeting of the Board of Directors by means of a conference telephone or similar electronic or communications equipment by means of which all persons participating in the meeting can hear each other at the same time, and participation by such means shall constitute presence in person at a meeting.

Section S.
OFFICERS AND AGENTS

5.1 Number and Qualification. The officers of the Corporation shall be a president, treasurer, clerk and such other officers, if any, as the director(s) may determine. The Corporation may also have such agents, if any, as the director(s) may appoint. An officer may, but need not, be a director. The clerk shall be a resident of Massachusetts unless the Corporation has a resident agent duly appointed for the purpose of service of process. A person may hold more than one office at the same time. If required by the director(s), any officer shall give the Corporation a bond for the faithful performance of his duties in such amount and with such surety or sureties as shall be satisfactory to the directors.

5.2 Election. The officers of the Corporation shall be elected annually by the Board of Directors at the annual meeting. Each officer shall hold office until a successor shall have been elected and qualified.

5.3 Tenure. The president, treasurer and clerk may each hold office for the lifetime of the Corporation.

5.4 President. Unless otherwise determined by the directors, the president shall be the chief executive officer of the Corporation and, subject to the control of the directors, shall have general charge and supervision of the affairs of the Corporation. If no chairman of the Board of Directors is elected, the president shall preside at all meetings of the directors, except as the directors otherwise determine. The president shall have such other duties and powers as the directors shall determine.

5.5 Treasurer. The treasurer shall be the chief financial officer and the chief accounting officer of the Corporation. He shall be in charge of its financial affairs, funds, securities and valuable papers and shall keep full and accurate records thereof. He shall also be in charge of its books of account and accounting records, and of its accounting procedures. It shall be the duty of the treasurer to prepare or oversee all filings required by the Commonwealth of Massachusetts, the Internal Revenue Service, and other federal or state agencies. He shall have such other duties and powers as designated by the director(s) or the president.

5.6 Clerk. The clerk shall record and maintain records of all proceedings of the director(s) in a book or series of books kept for that purpose, which book or books shall be kept within the Commonwealth at the principal office of the Corporation or at the office of its clerk or of its resident agent and shall be open at all reasonable times to the inspection of any director. Such book or books shall also contain records of all meetings of incorporators and the original, or attested copies, of the Articles of Organization and Bylaws and names of all directors and the address of each. If the clerk is absent from any meeting of directors, a temporary clerk chosen at the meeting shall exercise the duties of the clerk at the meeting. The clerk shall have custody of the seal of the Corporation. The term "clerk" and "secretary" may be used interchangeably for purposes of the day-to-day corporate operations.

5.7 Chairman of the Board of Directors. If a chairman of the Board of Directors is elected, he or she shall preside at all meetings of the directors except as the directors shall otherwise determine, and shall have such other powers and duties as may be determined by the directors.

Section 6.

RESIGNATIONS, REMOVALS AND VACANCIES

6.1 Resignations. Any director or officer may resign at any time by delivering his resignation in writing to the chairman of the board, if any, or the president or the clerk or to the Corporation at its principal office. Such resignation shall be effective upon receipt unless specified to be effective at some

other time. If there is only one director of the Corporation, the director may not resign without appointing a new director, updating these Bylaws or dissolving the Corporation.

6.2 **Removals.** A sole director may not be removed unless another is appointed or the Corporation is dissolved. In the event that additional directors exist, a director may be removed with or without cause by a two-thirds (2/3) vote of a majority of the directors then in office (not including himself). Being the same person who is acting as director and corporate officers, that person may not be removed without a new person being appointed, or the dissolution of the Corporation.

An officer may be removed for cause by unanimous vote (not including himself) only after reasonable notice and opportunity to be heard before the body proposing to remove him on the occurrence of any of the following events:

(a) upon a good faith finding by the directors of (i) the failure of such director or officer to perform his assigned duties for the Corporation, (ii) dishonesty, gross negligence or willful misconduct, or (iii) the conviction of, or the entry of a pleading of guilty or nolo contendere by such director or officer to, any crime involving moral turpitude or any felony;

(b) upon any period of inactivity on the part of such director or officer for the preceding twelve month period prior to such removal as determined by the directors in their reasonable discretion; and

(c) upon the disability of such director or officer. As used in this section, the term "disability" shall mean the inability of such director or officer, due to a physical, emotional or mental disability, for a period of one hundred and twenty (120) days, whether or not consecutive, during any three hundred and sixty (360) day period to perform his assigned duties for the Corporation. A determination of disability shall be made by the directors in their reasonable discretion, but requiring a unanimous vote of directors (not including the vote of the director who may be disabled).

6.3 **No Right to Compensation.** No director or officer resigning, and (except where a right to receive compensation shall be expressly provided in a duly authorized written agreement with the Corporation) no director or officer removed, shall have any right to any compensation as such director or officer for any period following his resignation or removal, or any right to damages on account of such removal, whether his compensation be by the month or by the year or otherwise; unless the director(s) shall, in his discretion, provide for compensation.

6.4 **Vacancies.** Any vacancy in any office or on the board of directors may be filled by the directors by a two-thirds (2/3) vote of a majority of the directors then in office. The directors shall elect a successor if the office of the president, treasurer or clerk becomes vacant and may elect a successor if any other office becomes vacant. Each such successor shall hold office for the unexpired term and in the case of the president, treasurer and clerk until his successor is chosen and qualified, or in each case until he sooner dies, resigns, or is removed. The directors shall have and may exercise all their powers notwithstanding the existence of one or more vacancies in their number.

Section 7.
COMMITTEES

The Board of Directors may create such standing and special committees as it determines to be in the best interest of the Corporation. The Board of Directors shall determine the duties, powers, and composition of such committees, except that the Board shall not delegate to such committees those powers which by law may not be delegated. Each such committee shall submit to the Board of Directors at such meetings as the Board may designate, a report of the actions and recommendations of such committees for consideration and approval by the Board of Directors. Any committee may be terminated at any time by the Board of Directors.

Section 8.
EXECUTION OF PAPERS

Except as the director(s) may generally, or in particular cases, authorize the execution thereof in some other manner, all deeds, leases, transfers, contracts, bonds, notes, checks, drafts and other obligations made in the course of the Corporation's regular business, accepted or endorsed by the Corporation shall be signed by the president or by the treasurer. Except as otherwise provided by M.G.L. c. 180 or directed by the director(s), the president may authorize in writing any officer or agent of the Corporation to sign, execute and acknowledge such documents and instruments in his or her place and stead. The clerk of the Corporation is authorized and empowered to sign in attestation all documents so signed, and to certify and issue copies of any such document and of any resolution adopted by the director(s) of the Corporation, provided, however, that an attestation is not required to enable a document to be an act of the Corporation.

Any recordable instrument purporting to affect an interest in real estate, executed in the name of the Corporation by the president or a vice president and the treasurer or an assistant treasurer, who may be one and the same person, shall be binding on the Corporation in favor of a purchaser or other person relying in good faith on such instrument, notwithstanding any inconsistent provisions of the Articles of Organization, Bylaws, resolutions or votes of the Corporation.

Section 9.
COMPENSATION; PERSONAL LIABILITY

9.1 Compensation. Except as otherwise provided in Section 6.3, the director(s) shall be entitled to receive for their services such amount, if any, as the director(s) may determine, which may include expenses of attendance at meetings. The director(s) shall not be precluded from serving the Corporation in any other capacity and receiving compensation for any such services.

9.2 No Personal Liability. The director(s) and the officers of the Corporation shall not be personally liable for any debt, liability or obligation of the Corporation for or arising out of a breach of fiduciary duty as an officer or director notwithstanding any provision of law imposing such liability; provided, however, that the foregoing shall not eliminate or limit the liability of an officer or director to the extent that such liability is imposed by applicable law (i) for a breach of the officer's or director's duty of loyalty to the Corporation or its members, (ii) for acts or omissions not in good faith or which involve

intentional misconduct or a knowing violation of the law, or (iii) for any transaction from which the officer or director derived an improper personal benefit.

All persons, corporations or other entities extending credit to, contracting with, or having any claim against, the Corporation, may look only to the funds and property of the Corporation for the payment of any such contract or claim, or for the payment of any debt, damages, judgment or decree, or of any money that may otherwise become due or payable to them from the Corporation.

Section 10. INDEMNIFICATION

The Corporation shall, to the extent legally permissible, indemnify any person serving or who has served at any time as a director, executive director, president, vice president, treasurer, assistant treasurer, clerk, assistant clerk or other officer of the Corporation, or at its request as a director or officer of any organization, or at its request in any capacity with respect to any employee benefit plan, and may indemnify an employee or other agent who has so served, against all liabilities and expenses, including, without limitation, amounts paid in satisfaction of judgments, in compromise or as fines and penalties, and counsel fees, reasonably incurred by him in connection with the defense or disposition of any action, suit or other proceeding, whether civil or criminal, in which he may be involved or with which he may be threatened, while in office or thereafter, by reason of his being or having been such a director or officer (or in any capacity with respect to any employee benefit plan), except with respect to any matter as to which he shall have been adjudicated in any proceeding not to have acted in good faith in the reasonable belief that his action was in the best interests of the Corporation (or, to the extent that such matter relates to service with respect to an employee benefit plan), in the best interest of the participants or beneficiaries of such employee benefit plan; provided, however, that as to any matter disposed of by a compromise payment by such person, pursuant to a consent decree or otherwise, no indemnification either for said payment or for any other expenses shall be provided unless such compromise and indemnification shall be approved:

(i) by decision of the sole director;

(ii) by a majority vote of a quorum consisting of disinterested directors in the event that additional directors are appointed;

(iii) if such a quorum cannot be obtained, then by a majority vote of a committee of the board of directors consisting of all the disinterested directors;

(iv) if there are not two or more disinterested directors in office, then by a majority of the directors then in office, provided they have obtained a written finding by special independent legal counsel appointed by a majority of the directors to the effect that, based upon a reasonable investigation of the relevant facts as described in such opinion, the person to be indemnified appears to have acted in good faith in the reasonable belief that his action was in the best interests of the Corporation (or, to the extent that such matter relates to service with respect to an employee benefit plan, in the best interests

of the participants or beneficiaries of such employee benefit plan); or

(v) by a court of competent jurisdiction.

If authorized in the manner specified above for compromise payments, expenses including, but not limited to, counsel fees, reasonably incurred by any such person in connection with the defense or disposition of any such action, suit or other proceeding may be paid from time to time by the Corporation in advance of the final disposition thereof upon receipt of (a) an affidavit of such individual of his good faith belief that he has met the standard of conduct necessary for indemnification under this Section, and (b) an undertaking by such individual to repay the amounts so paid to the Corporation if it is ultimately determined that indemnification for such expenses is not authorized by law or under this Section, which undertaking may be accepted without reference to the financial ability of such person to make repayment.

The right of indemnification hereby provided shall not be exclusive of or affect any rights to indemnification to which corporate personnel other than the persons designated in this Section may be entitled by contract, by vote of the board of directors, or otherwise under law.

As used herein the terms "person," "director," "officer," "employee," and "agent" include their respective heirs, executors and administrators, and an "interested" director or officer is one against whom the proceedings in question or other proceedings on the same or similar grounds is then pending.

If any term or provision hereof, or the application thereof to any person or circumstances, shall to any extent be held invalid or unenforceable, the remainder hereon, 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 hereof shall be held valid and be enforced to the fullest extent permitted by law.

Section 11. AMENDMENTS

These Bylaws may be altered, amended or repealed, in whole or in part, by a two-thirds (2/3) vote of a majority of the directors then in office.

Section 12. ACTIVITIES

12.1 Investments. The Corporation shall have the right to retain all or any part of any securities or property acquired by it in whatever manner, and to invest and reinvest any funds held by it, according to the judgment of the director(s), without being restricted to the class of investments which a trustee is or may hereafter be permitted by law to make or any similar restriction, provided, however, that no action shall be taken by or on behalf of the Corporation if such action is a prohibited transaction.

12.2 Loans. No moneys shall be borrowed on behalf of the Corporation and no evidences of such indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

12.3 Deposits. All funds of the Corporation, not otherwise employed, shall be deposited from time to time to the credit of the Corporation in such banks, investment firms or other depositories as the Board of Directors shall select.

12.4 Conflict of Interest. Whenever a director or officer has a financial or personal interest in any matter coming before the Board of Directors, the affected person shall a) fully disclose the nature of the interest and b) withdraw from discussion, lobbying, and voting on the matter. Any transaction or vote involving a potential conflict of interest shall be approved only when a majority of disinterested directors determine that it is in the best interest of the Corporation to do so. The minutes of meetings at which such votes are taken shall record such disclosure, abstention and rationale for approval.

12.5 Audits. Within four months after the close of the Corporation's fiscal year, the Corporation will prepare reviewed financial statements in accordance with generally accepted accounting principles (GAAP) and make these statements available to any interested parties. In the event that the Corporation has total gross revenue in excess of \$500,000.00 per year the Corporation will prepare independently audited financial statements, in accordance with GAAP, and make those available to any interested parties. In the event that the Corporation becomes a Public Charity under M.G.L. Chapter 12, Section 8 et seq. or is otherwise required by the Department of Public Health or any other provision of Massachusetts law to file audited or reviewed financial statements and a Form PC, such auditing and filing will be completed in accordance with GAAP and performed in a timely manner.

Section 13. INSURANCE

The Corporation may purchase and maintain insurance (including but not limited to insurance for legal expenses and costs incurred in connection with defending any claim, proceeding or lawsuit) on behalf of any person who is or was a director, officer, employee, fiduciary or agent of the Corporation or who, while serving in this role, is or was serving at the request of the Corporation as a director, officer, partner, trustee, employee, fiduciary or agent of any other foreign or domestic Corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise, against any liability asserted against him or incurred by him in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of Section 10. In addition the Corporation shall maintain liability insurance coverage in compliance with 105 CMR 725.105(Q).

Section 14. CORPORATE INTEGRITY POLICY

It is the policy of the Corporation to encourage and enable directors, officers, and employees to make reports where they believe, in good faith, that acts or omissions unlawful under the laws of the Commonwealth of Massachusetts or unethical may have occurred. With this goal in mind, no one who, in good faith, makes a report shall be subject to retaliation in any form, including adverse employment

consequences. Moreover, an employee who retaliates against someone who has made a good faith report is subject to discipline up to and including dismissal from the volunteer position or termination of employment. If after an investigation, the claim is determined to have been made in bad faith or was knowingly false, the individual making the claim will immediately have his or her position in the Corporation revoked.

Section 15. ANTITRUST POLICY

It is the policy of the Corporation to comply fully with all federal and state antitrust laws, which prohibit companies from working together to restrict competition. It is also the policy of the Corporation that it and its director(s) and officers are informed about antitrust laws and recognize possible antitrust issues or questions.

It is legal for competitors within the medical marijuana industry to work together, unless such work unlawfully restricts competition within the industry. Although the Corporation's activities generally do not present antitrust issues, to ensure against inadvertent violations of federal and state antitrust laws, directors, except to insure that prices are reasonable and affordable for the Corporation's patients, and to prevent diversion for non-medical purposes, officers and employees shall not discuss with competitors:

- Increasing, decreasing, or stabilizing prices for medical marijuana or related products and services;
- Establishing market monopolies for Member products or services;
- Refusal to deal with a company because of pricing or distribution practices for medical marijuana or related products or services;
- Strategies or plans to give business or remove business from a specific company.

Furthermore, directors, officers, and employees shall not engage in any actions or understandings arising in the context of the Corporation's activities which appear to be anti-competitive in purpose or inconsistent with this policy.

In the event that additional directors are appointed, and Board of Director meetings occur, Corporation meetings shall follow a pre-approved agenda and meeting minutes will be prepared and available. Any questions regarding antitrust issues and the Corporation's activities shall be directed to the Chair of the Board, if any, and referred to counsel if deemed necessary.

Section 16. DISSOLUTION

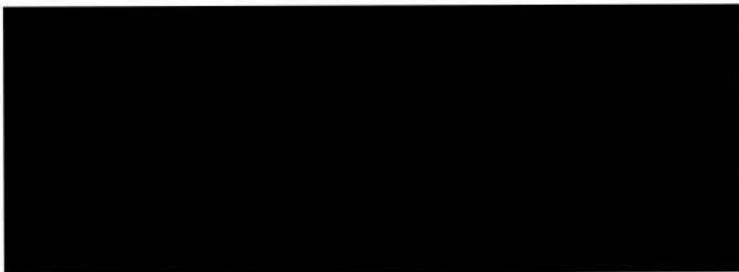
Dissolution of the Corporation will comply with M.G.L. Chapter 180, s. 11. The director(s) may authorize a petition for the dissolution of the Corporation. A two-thirds vote will be required for such dissolution. The Articles of Dissolution form will be filed with the Massachusetts Secretary of State. All annual reports for the last ten years will be filed with the Secretary of State. A letter to the Massachusetts Department of revenue on the Corporation's letterhead will be sent stating that the Corporation is dissolving. All outstanding business will be completed. All outstanding debts will be paid. Any remaining funds in the Corporation will be distributed as per the direction of the director(s) at the meeting authorizing the dissolution. A notice will be published in a newspaper of regular circulation in the County where the Corporation is located.

In the event that the dissolution also requires the Medical Marijuana Dispensary to close, i.e. the dissolution is not because of a transfer of the Dispensary to another nonprofit entity, the following actions will also take place: the Department of Public Health will be notified; the patients and caregivers that obtain medical marijuana will be notified of the Corporation's dissolution via mail, or in-person if the opportunity to notify the patient or caregiver arises prior to the closing of the doors of the Corporation's place of business; any remaining medical marijuana and products that contain medical marijuana will be destroyed at the time the doors of the Treatment Center are closed, or disposed of in any way consistent with the direction of the Massachusetts Department of Public Health.

Section 17.
SEVERABILITY

The invalidity or unenforceability of any provisions of these Bylaws shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

These Bylaws have been amended and adopted by the Incorporator, and affirmed by the Incorporator as an officer of the Corporation on this 23 day of July, 2014.



Applicant Non-Profit Corporation _____

SECTION D. EMPLOYMENT AND EDUCATION FORM

This Employment and Education form must be completed and signed by each of the following individuals: The Corporation's Chief Executive Officer, Chief Operations Officer, Chief Financial Officer, individual/entity responsible for marijuana for medical use cultivation operations, and individual/entity responsible for the RMD security plan and security operations. Submit one Employment and Education form for each of the above individuals when submitting a *Management and Operations Profile* to the Department of Public Health.

Name

[Redacted Name]

Residential Address

[Redacted Residential Address]

Title (at applicant non-profit corporation)

CEO, COO, President, Director

Name of Applicant Non-Profit Corporation

Healthy Pharms, Inc.

Highest Education Attained – Institution, Degree, and Year

Worcester State College, BS-Biology, 1991

Applicant Non-Profit Corporation _____

Past 10 Years of Employment by Employer, Title and Time Period. List chronologically, beginning with most recent employment. Add more forms if space is needed for additional employment history entries.

Employer	Title	Time Period
Joe Waggett Associates (via Quantic)	Consultant	March 2013 to Present
Bristol-Myers Squibb	Associate Director	2007 to April 2012
MedImmune Inc	Associate Director	2004- 2007

Signed under the pains and penalties of perjury, I agree and attest that all information included in this form is complete and accurate.



07 Jul 15
Date Signed

Applicant Non-Profit Corporation _____

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Name

[Redacted]

Residential Address

[Redacted]

Title (at applicant non-profit corporation)

CFO, Treasurer, Director, Capital Contributor

Name of Applicant Non-Profit Corporation

Healthy Pharms, Inc.

Highest Education Attained – Institution, Degree, and Year

Karol van Hoogendorp Scholengemeenschap M.D.S, Vocational Degree in Retail & Marketing, 1979
St. Antonio's M.A.V.O., General Diploma, 1976

Past 10 Years of Employment by Employer, Title and Time Period. List chronologically, beginning with most recent employment. Add more forms if space is needed for additional employment history entries.

Employer	Title	Time Period
TOMOLLY, INC. 10 ELIOT STEET CAMBRIDGE, MA 02138	PRESIDENT, OWNER, CHEF	01/01/1999 TO PRESENT

Signed under the pains and penalties of perjury. I agree and attest that all information included in this form is complete



7/14/2015
Date Signed

Applicant Non-Profit Corporation _____

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Name

[Redacted Name]

[Redacted Name]

Title (at applicant non-profit corporation)

Director of Cultivation

Name of Applicant Non-Profit Corporation

Healthy Pharms, Inc.

Highest Education Attained – Institution, Degree, and Year

North Middlesex Regional High School, High School Diploma, 2004

Applicant Non-Profit Corporation _____

Past 10 Years of Employment by Employer, Title and Time Period. List chronologically, beginning with most recent employment. Add more forms if space is needed for additional employment history entries.

Employer	Title	Time Period
Midnight Sun Hydroponics New Bedford, MA	General Manager	May 2015 - Present
BDT Builders Newport, RI	General Contractor	Jan 2012 - Present
Gazelle Inc. Boston, MA	Warehouse/ Graphic Artist	Sept 2010 - Dec 2011
Movieworks inc Brookline, MA	Film Consultant	Oct 2008 - Oct 2010
CD Spins / Mud Dog Media Jamaica Plain, Somerville MA	Store Manager	April 2007 - Sept 2008
Virgin Megastore Boston, MA	Retail Associate	Sept 2005 - Dec 2006

Signed under the pains and penalties of perjury, I agree and attest that all information included in this form is complete and accurate.

Signature _____

7/6/15
Date Signed

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Name

[Redacted Name]

Residential Address

[Redacted Residential Address]

Title (at applicant non-profit corporation)

Director of Security, Healthy Pharms, Inc.

Name of Applicant Non-Profit Corporation

Healthy Pharms, Inc.

Highest Education Attained – Institution, Degree, and Year

Fitchburg State College, Bachelor of Science, 1984

Applicant Non-Profit Corporation _____

Past 10 Years of Employment by Employer, Title and Time Period. List chronologically, beginning with most recent employment. Add more forms if space is needed for additional employment history entries.

Employer	Title	Time Period
Pioneer Services	Owner & Director of Security	2005 - Present

Signed and attested that all information included in this form is complete and accurate



Signature

September 8, 2015
Date Signed



The Commonwealth of Massachusetts
Executive Office of Health and Human Services
Department of Public Health
Bureau of Health Care Safety and Quality
Medical Use of Marijuana Program
99 Chauncy Street, 11th Floor, Boston, MA 02111

CHARLES D. BAKER
Governor

KARYN E. POLITO
Lieutenant Governor

MARYLOU SUDDERS
Secretary

MONICA BHAREL, MD, MPH
Commissioner

Tel: 617-660-5370
www.mass.gov/medicalmarijuana

November 6, 2015

Healthy Pharms, Inc.
[REDACTED]

22 Milton Street, Unit 2
Somerville, MA 02144

Re: Request for Information

De [REDACTED]

This letter is to inform you that the Department of Public Health ("Department") has reviewed Healthy Pharms, Inc.'s *Management and Operations Profile* (Application 1 of 1). The *Management and Operations Profile* requires the following information before the Department may complete its evaluation:

1. The experience of the Chief Financial Officer described in the response to Question D.17 does not, on its face, appear to be consistent with the experience described on the Employment and Education Form. Please resubmit your response to Question D.17 and/or the Employment and Education Form for the Chief Financial Officer so that they are consistent.
2. In response to Question E.24, applicant states that "Excess product will be disposed of pursuant to 105 CMR 725.105(G)(1)." The Regulation cited does not pertain to disposal. Applicant must resubmit a completed response to Question E.24 that identifies the correct section of the Regulations.
3. In response to Question E.30, applicant cites to "725.105(H)(I)." No such subsection of the Regulations exists. Applicant must resubmit a completed response to Question E.30 that identifies the correct section of the Regulations.
4. In response to Question E.36, applicant states that, "[t]he budget & number of patients awarded access to the program will grow as revenue permits." Pursuant to 105 CMR 725.100(A)(6), an "RMD must have a program to provide reduced cost or free marijuana to patients with documented verified financial hardship." The Regulations, 105 CMR 725.000, et seq., do not authorize dispensaries to create limits or caps on compliance with 105 CMR 725.100(A)(6) where patients otherwise meet the definition of "Verified Financial Hardship" as set forth in 105 CMR 725.004. Applicant must resubmit a completed response to Question E.36 that complies with 105 CMR 725.100(A)(6).

5. Also in response to Question E.36, the applicant describes a points system. Please explain the circumstances under your proposed financial assistance program in which a patient would be eligible for 4 points or submit a revised response to Question E.36.

Please resubmit the additional or revised information as outlined above, via U.S. mail or hand-delivery, to:

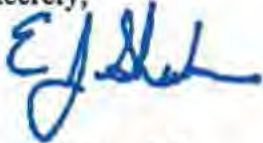
Department of Public Health
Medical Use of Marijuana Program
RMD Applications
99 Chauncy Street, 11th Floor
Boston, MA 02111

Upon receipt, the Department will review the information and will notify the applicant if it is invited to submit a *Siting Profile* or if further information is required before the applicant may proceed.

Please remember to type all responses in the information or materials resubmitted to the Department, other than any required signatures, as well as include the name of the Applicant Non-Profit Corporation *and* the number of the application (e.g., Application 1 of 1) at the top of each page of the resubmitted information or materials.

If you have questions or need assistance, you may contact the Department at 617-660-5370 or RMDapplication@state.ma.us.

Sincerely,



Eric Sheehan, J.D.
Interim Bureau Director
Bureau of Health Care Safety and Quality
Massachusetts Department of Public Health



Vicente Sederberg, LLC
VGR Law Firm, P.C.
109 State Street, Suite 404
Boston, MA 02109



RECEIVED

NOV 20 2015

Department of Public Health
100 State Street
Boston, MA 02111

November 20, 2015

Medical Use of Marijuana Program
Department of Public Health
99 Chauncy Street, 11th Floor
Boston, MA 02111

Re: Response to Department's Request for Information from Healthy Pharms, Inc. (Application 1 of 1)

Dear Department:

We are writing in response to your Request for Information from Healthy Pharms, Inc. (HPI) dated November 6, 2015. We truly appreciate your prompt attention to our submission.

The Department has requested the following:

1. Revised Employment and Education Form for the Chief Financial Officer:

Please Note: The Employment and Education Form for the CFO has been revised to be consistent with the response in Q17 and provides additional information to clarify any confusion there may have been in regards to the holding company versus the D/B/A's.

2. Revised response to Question 24 with corrected regulation reference.
3. Revised response to Question 30 with corrected regulation reference.
4. Revised response to Question 36 by removing the statement "the budget & number of patients awarded access to the program will grow as revenue permits" and correcting the points awarded from 1 to 2 for an annual gross household income less than 150% of the federal poverty which allows the patient to be eligible for a total of 4 points.

Attached you will find the revised responses. Please do not hesitate to contact our office with any questions. Thank you for your attention to this matter.

Very truly yours,

Lesley Scott Gordon, Esq.

LSG/tc
Enclosures

VGR Law Firm, P.C.
Phone: (617) 307-4728
Fax: (617) 307-4729

Vicente Sederberg, LLC
Phone: (617) 934-2121
Fax: (617) 514-0008

SECTION D. EMPLOYMENT AND EDUCATION FORM

This Employment and Education form must be completed and signed by each of the following individuals: The Corporation's Chief Executive Officer, Chief Operations Officer, Chief Financial Officer, individual/entity responsible for marijuana for medical use cultivation operations, and individual/entity responsible for the RMD security plan and security operations. Submit one Employment and Education form for each of the above individuals when submitting a *Management and Operations Profile* to the Department of Public Health.

Name

[Redacted Name]

Residential Address

[Redacted Residential Address]

Title (at applicant non-profit corporation)

CFO/Treasurer/Director/Capital Contributor, Healthy Pharms, Inc.

Name of Applicant Non-Profit Corporation

Healthy Pharms, Inc.

Highest Education Attained – Institution, Degree, and Year

Karol van Hoogendorp Scholengemeenschap M.D.S., Vocational Degree, 1979

Applicant Non-Profit Corporation _____

Past 10 Years of Employment by Employer, Title and Time Period. List chronologically, beginning with most recent employment. Add more forms if space is needed for additional employment history entries.

Employer	Title	Time Period
Tomolly, Inc. d/b/a Charlie's Kitchen; and d/b/a Red House Restaurant	Owner (President/Treasurer/Clerk/Director)	1997-Present
Charlie's Redhouse Farm, LLC	Managing Member	2009-Present

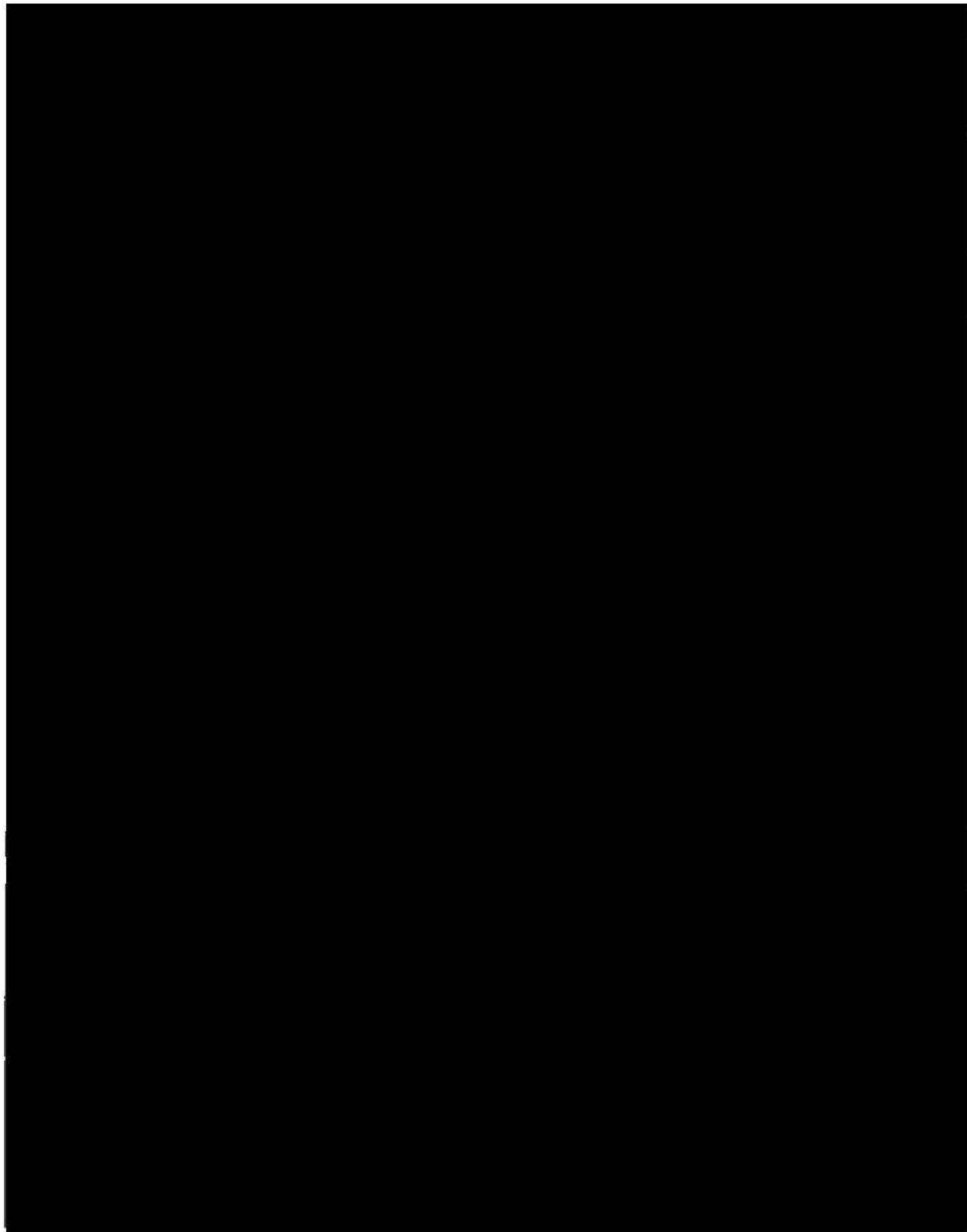
Signed under the penalty of perjury and attest that all information included in this form is complete and accurate.

Signature of the individual

Date Signed

11/10/2015

24. Provide a summary of the RMD's operating procedures for the provision for security at the RMD.



Information on this page has been reviewed by the applicant and where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here 

30. Provide a summary of the RMD's operating procedures for maintaining confidentiality of registered qualifying patients, personal caregivers, and dispensary agents, as required by law.

Patients, caregiver & agent info is confidential & not be disclosed without written consent, or as required by law or pursuant to court order & DPH may access info to carry out duties. SOPs comply with 105 CMR 725.200, 725.105(H) & (I).

Healthy Pharms' (HPI) tracking software to be HIPAA compliant & encrypted. Network servers protected by firewall & biometric locks, 24-hour surveillance, physical security in a cage in the vault room with walls to the ceiling. Software & infrastructure to updated regularly, including security patches. Database access limited to key agents. Data security includes SSL, password changes with minimum lengths & character diversity, restrictions of flash drives on computers, marking software for each system & securing when not in use. Hard copies of records kept in secure room, access limited to essential agents. Loss or unauthorized alteration of records reported to DPH, PD & protected parties. Surveillance footage access limited to required agents, PD, security & DPH. List of those persons available to DPH.

if HPI emails patrons, will use secure servers, send individual emails, use BCC line, or use secure bulk email, depending on #. Emails not to provide patient info or MMJ nature of email in subject, & will say "confidential."

Depending on siting and balanced with security, HPI will have discreet parking, entrance & exit. Pickups of cash and deliveries will occur when patrons not at RMD. Agents have documented, annual confidentiality training.

36. Provide a summary of the RMD's policies and procedures for the provision of marijuana for medical use to registered qualifying patients with verified financial hardship without charge or at less than the market price.

Providing reduced cost medicine to patients with financial hardship is core to the Healthy Pharms mission. HPI's financial assistance program is an income-based sliding scale program. Patient eligibility will be reviewed every 3 months.

Any single patient is eligible for up to 4 points based on the following guidelines:

- Is patient a MassHealth recipient? If yes, 1 point
- Is patient a SSI recipient? If yes, 1 point
- Annual gross household income less than 150% of federal poverty level for current year? If yes, 2 point
- Annual gross household income between 151% and 300% of federal poverty level for current year? If yes, 1 point

The amount of free/low cost MJ will be based on the # of points of the patient:

- 4 points - patient responsible for 50% of cost beyond free 1.0 gram of MJ flowers or the equivalent in non-smoking medicine products every week
- 3 points - patient responsible for 70% of cost beyond free 1.0 gram of MJ flowers or the equivalent in non-smoking medicine products every week
- 2 points - patient responsible for 80% of cost of medicine
- 1 point - patient responsible for 90% of cost of medicine

Via this program HPI limits the amounts of free/low cost medicine to avoid diversion by patients who receive discounted medicine



The Commonwealth of Massachusetts
Executive Office of Health and Human Services
Department of Public Health
Bureau of Health Care Safety and Quality
Medical Use of Marijuana Program
99 Chauncy Street, 11th Floor, Boston, MA 02111

CHARLES D. BAKER
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Lieutenant Governor

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Commissioner

Tel: 617-660-5370
www.mass.gov/medicalmarijuana

January 11, 2016

[REDACTED]
Healthy Pharms, Inc.
22 Milton Street, Unit 2
Somerville, MA 02144

Re: Invitation to Submit *Siting Profile*

Dear [REDACTED],

Healthy Pharms, Inc. is invited to submit a *Siting Profile* (Application 1 of 1) to the Department of Public Health ("Department"). Please note that the *Management and Operations Profile* was submitted on September 11, 2015. To proceed, the applicant must earn a Provisional Certificate of Registration within one year of that date. Please submit the *Siting Profile* so as to allow the Department sufficient time to review it, the applicant time to respond to any additional or revised information required, and the Department time to review any additional or revised information submitted.

Please follow all directions posted on the Medical Use of Marijuana Program website when completing the application forms. Please remember to type all responses in the application forms.

Please note that the background checks into any individuals or entities identified to the Department are ongoing. Any identified background check issues must be resolved prior to obtaining a Provisional Certificate of Registration.

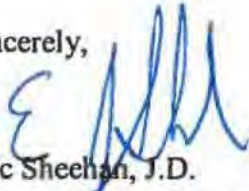
Please note that you are required to submit copies of the loan and lease agreements described in your response to Question C.12 in the *Management and Operations Profile* as well as an independent legal opinion that the agreements described in your response to Question C.12 are in compliance with the non-profit requirements of 105 CMR 725.100(A)(1) and the Guidance for Registered Marijuana Dispensaries Regarding Non-Profit Compliance (<http://www.mass.gov/eohhs/docs/dph/quality/medical-marijuana/applications/non-profit-compliance-guidance.pdf>). Please be advised that the applicant must submit such documents prior to receiving a Provisional Certificate of Registration.

The *Siting Profile* must be submitted by U.S. mail or hand-delivered to:

Department of Public Health
Medical Use of Marijuana Program
RMD Applications
99 Chauncy Street, 11th Floor
Boston MA 02111

You may direct any questions regarding the application process to RMDapplication@state.ma.us or 617-660-5370.

Sincerely,

A handwritten signature in blue ink, appearing to read 'E. Sheehan', is written over the word 'Sincerely,'.

Eric Sheehan, J.D.
Interim Bureau Director
Bureau of Health Care Safety and Quality
Massachusetts Department of Public Health



The Commonwealth of Massachusetts

Executive Office of Health and Human Services
Department of Public Health
Bureau of Health Care Safety and Quality
Medical Use of Marijuana Program
99 Chauncy Street, 11th Floor, Boston, MA 02111

**SITING PROFILE:
Request of for a Certificate of Registration to
Operate a Registered Marijuana Dispensary**

INSTRUCTIONS

This application form is to be completed by a non-profit corporation that wishes to apply for a Certificate of Registration to operate a Registered Marijuana Dispensary ("RMD") in Massachusetts, and has been invited by the Department of Public Health (the "Department") to submit a *Siting Profile*.

If invited by the Department to submit more than one *Siting Profile*, you must submit a separate *Siting Profile* and attachments for each proposed RMD. Please identify each application of multiple applications by designating it as Application 1, 2 or 3 in the header of each application page. Please note that no executive, member, or any entity owned or controlled by such an executive or member, may directly or indirectly control more than three RMDs.

Unless indicated otherwise, all responses must be typed into the application forms. Handwritten responses will not be accepted. Please note that character limits include spaces.

Attachments should be labelled or marked so as to identify the question to which it relates.

Each submitted application must be a complete, collated response, printed single-sided, and secured with a binder clip (no ring binders, spiral binding, staples, or folders).

RECEIVED

JUN 09 2016

MA Dept. of Public Health
99 Chauncy Street
Boston, MA 02111

Mail or hand-deliver the *Siting Profile*, with all required attachments, to:

Department of Public Health
Medical Use of Marijuana Program
RMD Applications
99 Chauncy Street, 11th Floor
Boston, MA 02111

REVIEW

Applications are reviewed in the order they are received. After a completed application packet is received by the Department, the Department will review the information and will contact the applicant if clarifications/updates to the submitted application materials are needed. The Department will notify the applicant whether they have met the standards necessary to receive a Provisional Certificate of Registration.

PROVISIONAL CERTIFICATE OF REGISTRATION

Applicants have one year from the date of the submission of the *Management and Operations Profile* to receive a Provisional Certificate of Registration. If an applicant does not receive a Provisional Certificate of Registration after one year, the applicant must submit a new *Application of Intent* and fee.

REGULATIONS

For complete information regarding registration of an RMD, please refer to 105 CMR 725.100.

It is the applicant's responsibility to ensure that all responses are consistent with the requirements of 105 CMR 725.000, et seq., and any requirements specified by the Department, as applicable.

PUBLIC RECORDS

Please note that all application responses, including all attachments, will be subject to release pursuant to a public records request, as redacted pursuant to the requirements at M.G.L. c. 4, § 7(26).

Information on this page has been reviewed by the applicant, and where provided by [REDACTED], is accurate and complete, as indicated by the initials of the authorized signatory here [REDACTED]


QUESTIONS

If additional information is needed regarding the RMD application process, please contact the Medical Use of Marijuana Program at 617-660-5370 or RMDapplication@state.ma.us.

CHECKLIST

The forms and documents listed below must accompany each application, and be submitted as outlined above:

- A fully and properly completed *Siting Profile*, signed by an authorized signatory of the applicant non-profit corporation (the "Corporation")
- Evidence of interest in property, by location (as outlined in Section B)
- Letter(s) of local support or non-opposition (as outlined in Section C)

Information on this page has been reviewed by the applicant, and where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory h 

SECTION A: APPLICANT INFORMATION

1. Healthy Pharms, Inc.
Legal name of Corporation
2. [REDACTED]
Name of Corporation's Chief Executive Officer
3. [REDACTED]
Address of Corporation (Street, City/Town, Zip Code)
4. [REDACTED]
Applicant point of contact (name of person Department of Public Health should contact regarding this application)
5. [REDACTED]
Applicant point of contact's telephone number
6. [REDACTED]
Applicant point of contact's e-mail address
7. Number of applications: How many *Siting Profiles* do you intend to submit? 3

Information on this page has been reviewed by the applicant, and where provided by [REDACTED] applicant, is accurate and complete, as indicated by the initials of the authorized signatory here: [REDACTED]

SECTION B: PROPOSED LOCATION(S)

Provide the physical address of the proposed dispensary site and the physical address of the additional location, if any, where marijuana for medical use will be cultivated or processed.

Attach supporting documents as evidence of interest in the property, by location. Interest may be demonstrated by (a) a clear legal title to the proposed site; (b) an option to purchase the proposed site; (c) a lease; (d) a legally enforceable agreement to give such title under (a) or (b), or such lease under (c), in the event that Department determines that the applicant qualifies for registration as a RMD; or (e) evidence of binding permission to use the premises.

	Location	Full Address	County
1	Dispensing	1535 Main Street, Leicester, MA 01524	Worcester
2	Cultivation	401 East Main Street, Georgetown, MA 01833	Essex
3	Processing	401 East Main Street, Georgetown, MA 01833	Essex

Check here if the applicant would consider a location other than the county or physical address provided within this application.

Information on this page has been reviewed by the applicant, and where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here [REDACTED]

BINDING LETTER OF INTENT / OPTION TO LEASE

June 06, 2016

Paul Overgaag
3 Brothers Real Estate, LLC
10 Eliot Street
Cambridge, MA 02138

RE: BINDING LETTER OF INTENT TO LEASE 1535 MAIN STREET, LEICESTER, MA

Dear Mr. Overgaag:

This Binding Letter of Intent ("LOI") is for the leasing of a building located at 1535 Main Street, Leicester, MA 01524.

LANDLORD: 3 Brothers Real Estate, LLC

TENANT: Healthy Pharms, Inc.

USE: Registered Marijuana Dispensary ("RMD")

EXCLUSIVE USE: Tenant shall have the exclusive use for a RMD or any other lawful purpose under state and local law.

PREMISES: The property located at 1535 Main Street, Leicester, MA, including the building and all other improvements thereon (the "Premises").

TERM OF LEASE: Ten-year initial term with two five-year options to extend.

OPTION PERIOD: For a period of six (6) months following full execution of this LOI (the "Option Period"), Tenant shall have the exclusive right and option to lease the Premises from Landlord (the "Option"). Such Option shall be exercised, if at all, upon written notice to Landlord given prior to the expiration of the Option Period.

OPTION PAYMENT: Tenant will pay Landlord \$1,000.00 upon execution of this LOI in consideration of the Option Period.

OPTION EXTENSION: Upon conclusion of the Option Period, Tenant will have the ability to extend the Option on a month-by-month basis for up to six (6) months ("Extension Period") by paying Landlord \$1,000.00 per month for the duration of the Extension Period, or until Tenant either: (1) exercises the Option at which point Landlord and Tenant (together, the "Parties") will enter into a lease; or (2) terminates this LOI by providing written notice to Landlord. Tenant shall have the exclusive right and option to lease the Premises during the Extension Period.

TERMINATION: This LOI may be terminated by Tenant at any time upon written notice to Landlord given during the Option Period or Extension Period.

LEASE: Upon Tenant's exercise of the Option in accordance with the terms herein contained, Landlord and Tenant shall use good faith and due diligence to execute a lease agreement to be prepared by Landlord, containing all of the terms and conditions for the use set forth in this LOI and such other customary and reasonable terms and conditions (the "Lease"). Landlord and Tenant hereby agree to enter into a lease within sixty (60) days following Tenant's exercise of the Option.

RENT:	If the Option is exercised by Tenant, the Lease shall provide for rent to be paid by Tenant to Landlord at the rate of \$7000 per month for the first year. The rent will increase to \$1000 per month for years two through five. The rent will increase at 7% 6 through 10.
CONDITION:	"As Is"
TRIPLE NET CHARGES:	Tenant shall be responsible for all real estate taxes assessed against the Premises for the Term of the Lease, as applicable. If applicable. Tenant shall be responsible during the Term of the Lease for maintaining all necessary insurance, naming Landlord as an additional insured.
UTILITIES:	Tenant shall be responsible for all utilities supplied to and consumed upon the Premises during the Term of the Lease.
ASSIGNMENT & SUBLETTING:	Tenant shall have the right to assign the Lease in its entirety or to sublet all or any portion of the Premises to: (a) any entity resulting from a merger or a consolidation with Tenant; (b) any entity succeeding to the business operated by Tenant at the Premises; or (c) any subsidiary or affiliate of Tenant. Any other assignment or sublease will require the prior written consent of Landlord, which shall not be unreasonably withheld, delayed, or conditioned.
ACCESS:	During the Option Period or Extension Period, and prior to the commencement of the Lease Term, Tenant shall be permitted reasonable access to the Premises, but only when accompanied by Landlord or Landlord's agent, for the purposes of planning the layout of the space, measuring the premises, preparing architectural drawings and security layout of the Premises.
SIGNAGE:	Exterior signage will be permitted during the Term of the Lease subject only to applicable laws. Landlord shall be responsible for the removal of any unwanted existing signage.
SECURITY DEPOSIT:	N/A
BROKERAGE:	Tenant represents that Tenant was not shown the Premises by any real estate broker or agent and that Tenant has not otherwise engaged in, any activity which could form the basis for a claim for real estate commission, brokerage fee, finder's fee or other similar charge, in connection with this Lease.
TERMS OF AGREEMENT:	Landlord and Tenant hereby agree that this LOI shall be binding between the Parties. It is understood that Tenant needs final approval for an RMD from the Massachusetts Department of Public Health and the Town of Leicester before Tenant is able to begin renovations. The Lease shall contain a contingency allowing for Tenant's early termination in the event that Tenant is unable to obtain necessary state and municipal approvals for an RMD at the Premises. Landlord and Tenant hereby agree to enter into a Lease within sixty (60) days following Tenant's exercise of the Option. The terms of this LOI shall govern until the Lease is executed.
IMPROVEMENTS:	Tenant will bear the cost of all improvements to the Premises.
FURNISHING OF DOCUMENTS:	Upon request, Landlord will supply Tenant with any documents in Landlord's possession to help in the approval process and will provide signatures as required for approvals involving the Premises.

EXCLUSIVITY:

For the consideration paid pursuant to this LOI, Landlord will not offer the Premises for lease or sale to anyone other than Tenant during any Period referenced in this LOI.

CONFIDENTIALITY:

The Parties agree that the information set forth herein is intended to be private and confidential between the Parties executing this LOI and shall not be disclosed to third parties without the written consent of each Party to this transaction; provided, however, that the terms of this LOI may be disclosed in confidence to local and state government officials, prospective lenders, current or prospective business partners or joint venture partners, legal counsel and other consultants to and contractors for said Parties for purposes incidental to this agreement or to the conduct of business by said Parties.

If the terms and conditions are acceptable, please execute this LOI in the space provided below and return a copy by June 06, 2016.

Best Regards,

AGREED & ACCEPTED: 3 BROTHERS REAL ESTATE, LLC

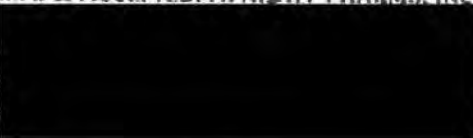
By: 

Name: 

Title: General Partner

Date: 6/5/2016

AGREED & ACCEPTED: HEALTHY PHARMS, INC.

By: 

Name: 

Title: Chief Executive Officer

Date: June 06, 2016

ATTN: Linda
508-452-4126

PURCHASE AND SALE AGREEMENT

1.0 PARTIES

AGREEMENT made this 5th day of April, 2016 between 123 KIDS, LLC, of 71 Hillsville Road, North Brookfield, Massachusetts 01535, of the first part, hereinafter called SELLER, and 3 Brothers Real Estate, LLC of 10 Eliot Street, Cambridge, Massachusetts, of the second part, hereinafter called BUYER.

2.0 DESCRIPTION

The Seller hereby agrees to sell, and the Buyer agrees to purchase, a certain estate located at 1535 Main Street, Leicester, Massachusetts being more fully described in deed recorded at the Worcester District Registry of Deeds in Book 39010, Page 199, consisting of approximately 2.5 acres.

3.0 BUILDINGS, STRUCTURES, IMPROVEMENTS, FIXTURES

Included in the sale as a part of said premises is the vacant commercial building, now thereon, and the fixtures belonging to the SELLER and used in connection therewith.

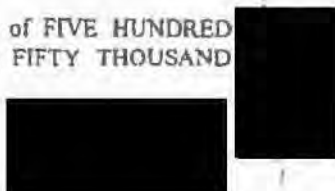
4.0 TITLE DEED

Said premises are to be conveyed by a good and sufficient quitclaim deed running to the Buyer; and said deed shall convey a good and clear record and marketable title thereto, free from encumbrances, except:

- (a) Provisions of local building and zoning laws, if any;
- (b) Existing rights created by instruments of record in party or partition walls (if any);
- (c) Such taxes for the current year as are not due and payable on the date of the delivery of such deed and any liens for municipal betterments assessed after the date of this agreement;
- (d) All easements, restrictions and rights of way, if any, of record to the extent the same are now in force and applicable, provided that they do not substantially interfere with the use of the premises for BUYER's intended use of the premises as a Registered Marijuana Dispensary.

5.0 PURCHASE PRICE

For such deed and conveyance the Buyer is to pay the sum of FIVE HUNDRED SEVENTY-FIVE THOUSAND (\$575,000.00) DOLLARS, of which FIFTY THOUSAND



(\$50,000.00) DOLLARS are to be paid at signing of the Purchase and Sale Agreement, and FIVE HUNDRED TWENTY FIVE THOUSAND (\$525,000.00) DOLLARS are to be paid by certified check, cashier's check or closing attorney's Massachusetts IOLTA check upon the recording of said deed.

6.0 TIME FOR PERFORMANCE

Such deed is to be delivered at 10 o'clock a.m. on or before the 28th day of July, 2016, at the Worcester District Registry of Deeds, unless otherwise agreed upon in writing. It is agreed that time is of the essence of this agreement.

7.0 POSSESSION AND CONDITION

Full possession of the said premises is to be delivered to the Buyer at the time of the delivery of the deed, the said premises to be then in the same condition in which they now are, reasonable use and wear of the buildings thereon excepted. The Buyer shall have the right to inspect the premises prior to closing.

8.0 INSURANCE

The buildings on said premises shall not be kept insured by the Seller, but in case of any damage to said premises from any cause whatsoever, other than reasonable use and wear, prior to the transfer of title hereunder, provided such damage from any and all causes is as much as \$10,000.00 the Buyer may cancel this agreement and the deposit made hereunder shall be returned to him and all further obligations of the parties hereto shall thereupon terminate; and in case any such damage is less than \$10,000.00 unless the premises shall previously have been restored to their former condition by the Seller the purchase price shall be reduced by an amount equal to the cost of restoring such damage.

9.0 APPORTIONMENTS

Fuel oil, water charges, sewer charges and real estate taxes shall be apportioned as of the day of delivery of the deed.

10.0 ADJUSTMENT OF UNASSESSED AND ABATED TAXES

If the amount of said taxes is not known at the time of delivery of the deed, they shall be apportioned on the basis of the taxes assessed for the preceding year, with a reapportionment as soon as the next tax rate and valuation can be ascertained; and, if the taxes which are to be apportioned shall thereafter be reduced by abatement, the amount of such abatement, less the reasonable cost of obtaining same, shall be apportioned between the parties, provided that neither party shall be obligated to institute or prosecute proceedings for an abatement unless herein otherwise agreed. The provisions of this paragraph shall survive delivery of the deed.

11.0 BUYER'S DEFAULT: DAMAGES



If the Buyer shall fail to fulfill the Buyer's agreements herein, all deposits made hereunder by the Buyer shall be retained by the Seller as liquidated damages and shall be the Seller's sole remedy in Law and in Equity.

12.0 EXTENSION TO PERFECT TITLE OR MAKE PREMISES CONFORM

If the Seller shall be unable to give title or to make conveyance or to deliver possession of the premises, all as herein stipulated, or at the time of the delivery of the deed the premises do not conform with the provisions hereof, then the Seller shall use reasonable efforts to remove any defects in title or to deliver possession as provided herein, or to make the said premises conform to the provisions hereof, as the case may be, in which event the Seller shall give written notice thereof to the Buyer at or before the time for performance hereunder, and thereupon the time for performance hereof shall be extended for a period of thirty days, provided Buyer obtains a like extension of financing with the same terms and conditions as originally committed.

13.0 FAILURE TO PERFECT TITLE OR MAKE PREMISES CONFORM

If at the expiration of the extended time the Seller shall have failed so to remove any defects in title, deliver possession, or make the premises conform, as the case may be, all as herein agreed, or if at any time during the period of this agreement or any extension thereof, the holder of a mortgage on said premises shall refuse to permit the insurance proceeds, if any, to be used for such purposes, then at the Buyer's option, any payments made under this agreement shall be forthwith refunded and all other obligations of all parties hereto shall cease and this agreement shall be void without recourse to the parties hereto.

14.0 BUYER'S ELECTION TO ACCEPT TITLE

The Buyer shall have the election, at either the original or any extended time for performance to accept such title as the Seller can deliver to the said premises in their then condition and to pay therefor the purchase price without deduction, in which case the Seller shall convey such title except that in the event of such conveyance in accordance with the provisions of this clause, if the said premises shall have been damaged by fire or casualty insured against, the Seller shall, unless the Seller has previously restored the premises to their former condition, either

(a) pay over or assign to the Buyer, on delivery of the deed, all amounts recovered or recoverable on account of such insurance, less any amounts reasonably expended by the Seller for any partial restoration; or

(b) if a holder of a mortgage on said premises shall not permit the insurance proceeds or a part thereof to be used to restore the said premises to their former condition or to be so paid over or assigned give to the Buyer a credit against the purchase price on delivery of the deed, equal to said amounts so recovered or recoverable and retained by the holder of the said mortgage less any amounts reasonably expended by the Seller for any partial restoration.

15.0 ACCEPTANCE OF DEED



The acceptance of a deed by the Buyer or his nominee as the case may be, shall be deemed to be a full performance and discharge of every agreement and obligation herein contained or expressed, except such as are, by the terms hereof, to be performed after the delivery of said deed.

16.0 USE OF PURCHASE MONEY TO CLEAR TITLE

To enable the Seller to make conveyance as herein provided, the Seller may use the purchase money, or any portion thereof, to clear the title of any or all encumbrances or interests.

17.0 CONVEYANCING STANDARDS OF PRACTICE

Any matter of practice arising under or relating to this agreement which is the subject of a title standard or a practice standard of the Real Estate Bar Association (REBA) at the time for delivery of the deed shall be covered by said title standard or practice standard to the extent applicable.

18.0 DEPOSIT/ESCROW

All deposits made hereunder shall be held in escrow by ERA Key Realty, in an interest bearing account, as agent for the Seller, subject to the terms of this Agreement and shall be duly accounted for at the time for performance of this Agreement. If a dispute arises between the Buyer and Seller concerning to whom escrowed funds should be paid, the escrow agent shall retain all escrowed funds pending written instructions mutually given by the Buyer and the Seller. The escrow agent shall abide by any Court decision concerning to whom the funds shall be paid and shall not be made a party to a lawsuit solely as a result of holding escrowed funds.

Should the escrow agent be made a party in violation of this paragraph, the escrow agent shall be dismissed and the party asserting a claim against the escrow agent shall pay the agent's reasonable attorney's fees and costs.

19.0 BROKER

It is understood that a broker's commission "as agreed" on said sale is to be paid to ERA Key Realty and Hartwel Realty by the Seller provided said sale is consummated and the deed recorded.

20.0 WARRANTIES AND REPRESENTATIONS

The contracting parties agree that this contract contains all the terms and conditions of this sale. It is mutually agreed that any oral representation made by either party prior to the signing of this agreement is null and void.

21.0 BUYER'S WARRANTY

Buyer warrants and represents that they have not relied upon any oral or written



representations made by the Seller or real estate brokers in connection with the sale.

22.0 CONDITIONS OF SALE

The sale is subject to Buyer obtaining, on or before, July 28, 2016 all necessary approvals and permits from the Town of Leicester and the Commonwealth of Massachusetts to conduct at the premises a retail facility for the sale of marijuana.

The Buyer shall diligently pursue the required approvals and permits. In the event, the Buyer has not secured all necessary permits and licenses by July 28, 2016, the Buyer may terminate the sale, by written notice to Seller that the required approvals and permits were not obtained, at which time this agreement shall terminate, the deposit and any interest earned thereon shall be refunded to the Buyer, and all further obligations of either party hereto shall terminate. For purposes of this paragraph "approvals and permits" shall be deemed to include the expiration of any appeal periods applicable without any appeal having been taken;

The sale is subject to Buyer's review of any written materials the Seller has with respect to the premises; any reasonable physical and environmental inspections the Buyer elects to make; an inspection by a construction expert, a review of the title to the property, and any other reasonable due diligence required by Buyer. In the event the Buyer is not satisfied with the results of any of the reviews or inspections, the Buyer may terminate the sale, by written notice to Seller, that the Buyer is unsatisfied with the results, at which time the sale shall terminate, the deposit and any interest earned thereon shall be refunded to the Buyer, and all further obligations of either party hereto shall terminate.



23.0 OPTION TO EXTEND CLOSING DATE

- A. The Buyer shall have the option to extend the closing date (July 28,2016), as set forth in section 6.0, to September 27, 2016, upon written notice to Seller. As a condition of the extension, Ten Thousand Dollars (\$10,000.00) of the deposit, previously paid by the Buyer to Seller hereunder shall become non-refundable and shall only be returned to the Buyer, in the event of a breach of the within agreement by the Seller.

- B. The Buyer shall also, have the option to extend the closing date from September 27, 2016 to October 27 2016, upon written notice to the Seller. As a condition of the extension, Five Thousand Dollars (\$5,000.00) of the deposit, previously paid by the Buyer to Seller hereunder shall become non-refundable and shall only be returned to the Buyer, in the event of a breach of the within agreement by the Seller.

24.0 NOTICES

Any notice required or permitted to be given hereunder shall be in writing and delivered by facsimile, by hand or mailed postage prepaid by registered or certified mail return receipt requested, properly addressed to the Buyer or Seller, or to their attorneys. Any such notice so mailed shall be deemed properly served and delivered for all purposes hereunder at the time such notice is indicated as stamped by any post office regularly maintained by the United States Postal



Authority Any such notice sent by facsimile shall be deemed properly served and delivered for all purposes hereunder at the time such notice is sent via facsimile.

25.0 CONSTRUCTION OF AGREEMENT

This instrument, executed in triplicate, is to be construed as a Massachusetts contract, is to take effect as a sealed instrument, sets forth the entire contract between the parties, is binding upon and enures to the benefit of the parties hereto and their respective heirs, devisees, executors, administrators, successors and assigns, and may be cancelled, modified or amended only by a written instrument executed by both the Seller and the Buyer. If two or more persons are named herein as Buyer their obligations hereunder shall be joint and several. The captions and marginal notes are used only as a matter of convenience and are not to be considered a part of this agreement or to be used in determining the intent of the parties to it.

26.0 See Rider A attached and made a part hereof.

IN WITNESS WHEREOF, the said parties hereto, and to another two instruments of like tenor, set their hands and seals on the day and year first above written

123 Kids, LLC

3 Brothers Real Estate, LLC

123 Kids LLC James Laney manager
document verified
02/07/16 11:47PM EDT
D17Y-SDE1-TYPHLPWD

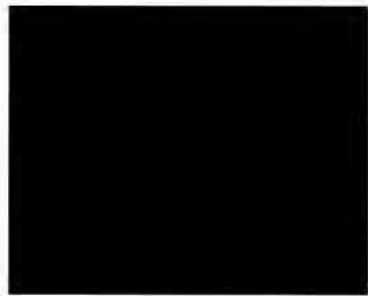
by

James J. Laney, Manager (Seller)

by

Paul Overgaag, Manager (Buyer)

swatson\p&s\123 kids to 3 brothers 1535 main st leicester
revised p&s



RIDER A

(A) Any notice shall be deemed to be effective when mailed by registered or certified first class mail, return receipt requested, postage prepaid, or via Federal Express or other similar national overnight carrier, or when sent via telecopies, telefax machine or email with a confirmation or signal received, or when hand delivered with a signed receipt addressed in the case of BUYER to:

William F. Barry, Esquire
Law Office of William F. Barry
294 Washington Street, Suite 720
Boston, Massachusetts 02108


FAX: (617) 422-0127
EMAIL: info@williamfbarrylaw.com

and in the case of SELLER to:

David L. Bennett, Esquire
Bennett & Forts, P.C.
1093 Main Street
Holden, MA 01520

FAX: (508) 829-7326
EMAIL: dbennett@bennettandforts.com

(B) BUYER, their mortgage lender (if any) and their agents shall have the right to enter upon the Premises after notice to SELLER (which may be oral) at reasonable times, for purposes of measurement, and appraisal. SELLER shall also permit entry upon the Premises by an engineer or land surveyor for the purpose of plotting bounds and taking



measurements. At the request of the SELLER, all such entries shall take place in the presence of SELLER OR BROKER.

(C) SELLER represents to the best of SELLER's knowledge that the Premises do not contain any underground fuel storage tanks. The provisions of this paragraph shall survive delivery of the deed.

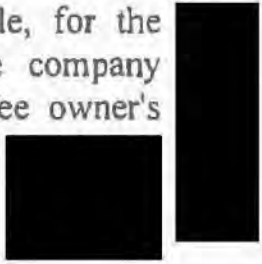
(D) Notwithstanding anything to the contrary herein contained, the Premises shall not be considered to be in compliance with the title provisions of this Agreement unless:

(i) All buildings, structures, and improvements, including but not limited to, any driveways, garages, septic systems, and wells, if any, shall be located completely within the boundary lines of the Premises and shall not encroach upon, over or under the premises of any other person or entity other than the driveways constructed on land included in the property only to the extent of easement rights of record;

(ii) no building, structure, or improvement, including, but not limited to, any driveways, garages, and septic systems and wells, if any, of any kind belonging to any other person or entity shall encroach upon or under the Premises;

(iii) the Premises have vehicular and pedestrian access to a public way; and

(iv) title to the premises is insurable, for the benefit of BUYER, by a title insurance company reasonably acceptable to BUYER, in a fee owner's





policy of title insurance, at normal premium rates in the American Land Title Association form currently in use, subject to those printed exceptions to title normally included in the "Jacket" to such form or policy and the standard so-called "Schedule B" exceptions, and exceptions permitted under Paragraph 4 above.

(E) In matters respecting the title to the Premises and practice the standards for the Real Estate Bar Association of Massachusetts shall be determinative to the extent applicable.

(F) SELLER warrants and represents, to the best of their knowledge, that as of the date hereof SELLER has received no notice from the Town of Leicester as to any violation of the Premises with respect to zoning or building laws.

(G) The SELLER, at the time of the delivery of the deed, shall execute and deliver, subject to the terms of this Purchase and Sale Agreement, such certifications as may reasonably and customarily be required by the attorney for a mortgage lender financing the purchase of the Premises (or title insurer providing title insurance for same) including, but not limited to, (a) occupancy of the Premises; (b) mechanics' or materialmen's liens; (c) the absence of UFFI; (d) the underlying financial terms of the purchase and sale; (e) the citizenship and residency of the SELLER ; (f) requisite I.R.S. certifications; and (g) any other documents necessary to carry out this Purchase and Sale Agreement.

(H) If any error or omissions are found to have occurred in any calculations or figures used in the Settlement Statement signed by the parties at the closing




(or would have been included if not for such error or omission) and notice thereof is given within three (3) months of the date of delivery of the deed to the party to be charged, then such party agrees promptly to make a payment to correct the error or omission. The parties also agree to execute and deliver to the requesting party whatever additional documents or amendments to existing documents are reasonably required to effectuate the purchase and sale under this agreement provided such documents or amendments are prepared by the requesting party, and do not in any way adversely affect, or otherwise enlarge the liability of any parties relative to said purchase and sale. This paragraph shall survive the closing for a period of three (3) months.

(I) SELLER represents to BUYER that the Premises are served by a municipal water and sewer system.

(J) SELLER and BUYER represent and warrant to each other that neither has dealt with any real estate agent or broker other than named herein, in connection with the premises or the transaction contemplated hereby. SELLER and BUYER agree to indemnify, exonerate and hold the other harmless from and against any claim, loss, damage, cost or liability for any brokerage commission or fee which may be asserted against the other as a result of the other's breach of this warranty. The provisions of this paragraph shall survive delivery of the deed hereunder.

(K) This Agreement supersedes any and all other agreements made prior to and by and between any and all parties hereto with respect to the transaction contemplated hereby, including, without limitation, the offer to purchase real estate and all such prior agreements are hereby void and without recourse to the parties thereto.




(L) BUYER and SELLER agree that any amendments, notices, extensions, cancellations or like communications required subsequent to the execution of this Agreement may be executed by counsel for the respective parties.

(M) BUYER and SELLER agree that execution of this Agreement by the use of facsimile or electronic signatures shall be permissible and shall bind the parties to the same extent as would original signatures.

(N) If prior to the closing, the SELLER becomes aware of any situation which may cause any of the representations made by the SELLER in this Agreement to become untrue, then the SELLER shall promptly notify the BUYER in writing. If the SELLER is unable to cure by the closing date of any extension thereto, then the BUYER shall have the option to continue with the closing, or terminate this Agreement rendering it null and void with the return of the deposited funds to the BUYER without recourse to either party.

(O) The Premises shall not be considered to be in compliance with the provisions of this Agreement with respect to title unless Certificates of Compliance for any outstanding Orders of Conditions have been recorded or delivered for recording prior to the Closing; if any Order of Conditions does not affect the lot directly but relates to the infrastructure of the subdivision, the SELLER shall deliver to the BUYER prior to Closing such evidence as BUYER's attorney deems reasonably suitable to establish that no portion of the Premises are subject to the Order of Conditions and that suitable bonding has been placed with the City or Town to guarantee the completion of the work set forth in the Order of Conditions.



(P) It is agreed that in the event of a title matter for which a title insurance company is willing to issue a so-called "clean" policy or provide "affirmative coverage" over a known defect or problem, BUYER may elect to accept same but shall not be required to do so, and shall have the right, at the option of their counsel, to deem title to the premises unacceptable or unmarketable and to terminate this Agreement.

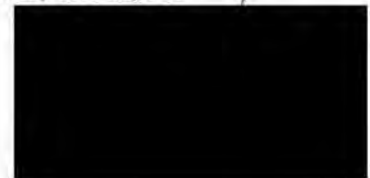
(Q) **Representations and Warranties of Seller:**

Seller represents and warrants to Buyer that to the best of Seller's knowledge the following statements are true and correct as of the date of this Agreement, and shall be true and correct as of the Closing Date:

1. Seller is a Massachusetts limited liability company, duly formed and validly existing under the laws of the Commonwealth of Massachusetts, is qualified to do business in Massachusetts, it has all requisite right, power and authority to enter into this Agreement and to perform Seller's obligations hereunder. The execution and delivery of this Agreement by Seller has been duly authorized. Seller has full right, power and authority to perform its obligations under all documents required to be executed and delivered by it pursuant to this Agreement. This Agreement and all documents executed in connection herewith constitute the legal, valid and binding obligations of Seller.
2. The consummation by Seller of the sale of the Property is not in violation of or in conflict with, nor does it constitute a default under any term or provision of, the organizational documents of Seller, or any of the terms of any agreement or instrument to which Seller is a party, or by which Seller is bound.



3. There are no leases or occupancy agreements, currently in effect which affect the Property hereof, and the Property shall be delivered free and clear of all tenants or occupants.
4. Seller is not a "foreign person" as defined in Section 1445(f)(3) of the Internal Revenue Code.
5. There are no actions, suits or proceedings pending against or affecting the Property, or any part thereof or Seller which would be binding on the Property after Closing.
6. Seller has not entered into any agreement to lease, sell, mortgage or otherwise encumber or dispose of its interest in the Property or any part thereof.
7. To the best of Seller's knowledge, there are no Hazardous Materials (as defined below) on, in or under the Property, and the Property has never been used by Seller to generate, treat, store, dispose, transport or in any manner deal with Hazardous Materials. For purposes of this Agreement, Hazardous Materials shall include hazardous substances as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. § 9601, et seq.), petroleum and petroleum products and any other hazardous or toxic materials, substances or wastes under any federal, state or local laws or regulations relating to protection of health, safety or the environment.
8. Neither Seller nor any beneficial owner of Seller:
 - a) is listed on the Specially Designated Nationals and Blocked Persons List maintained by OFAC pursuant to the Order and/or on any other list of terrorists or terrorist organizations maintained pursuant to any of the rules and regulations of OFAC or pursuant to any other applicable
 - b) is a person who has been determined by competent authority to be subject to the prohibitions contained in the Orders;



c) is owned or controlled by, nor acts for or on behalf of, any person or entity on the Lists or any other person or entity who has been determined by competent authority to be subject to the prohibitions contained in the Orders; or

d) shall transfer or permit the transfer of any interest in Seller or any beneficial owner in Seller to any person or entity who is, or any of whose beneficial owners are, listed on the Lists

(R) Prior to Closing, Seller shall, at and to the extent of Buyer's direction, cooperate with and support Buyer in

connection with Buyer's applications for approvals, permits or revisions relating to Buyer's development of the project except that Buyer shall consult with Seller prior to initiating discussions with permitting officials and shall provide Seller with the opportunity to participate in all such discussions. Any application for approvals, with respect to the project (the "**Application**") shall be subject to Seller's approval, not to be unreasonably withheld or delayed; provided, however, if Seller fails to approve or disapprove (with a written statement of the reasons for disapproval) in writing within five (5) business days after request from Buyer, Seller is deemed to have approved such Application.

(S) Buyer agrees to inform Seller promptly in writing if it discovers that any representation or warranty of Seller is inaccurate in any material respect, or if it believes that Seller has failed to deliver to Buyer any document or material which it is obligated to deliver hereunder. In the event that any of Seller's representations and warranties contained in this Agreement are not true and correct in all material respects as of the date hereof and as of the Closing Date, or if Buyer discovers prior to Closing that such representations and warranties are not true and correct in all material respects, then as Buyer's sole remedy therefor, Buyer shall have the option exercisable by written notice to



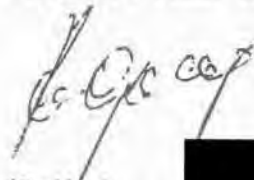
Seller at or prior to Closing, of (i) proceeding to Closing despite any defect with such representation or warranty, or(ii) terminating this Agreement, in which event the Deposit shall promptly be returned to Buyer and the Agreement shall be null and void and neither party shall have any further rights or obligations under this Agreement except those which expressly survive termination.

(T) Financing: - Buyer agrees to apply promptly for a conventional mortgage loan in the amount of FOUR HUNDRED SIXTY THOUSAND (\$460,000.00) DOLLARS from an institutional lender at prevailing interest rates. If Buyer, having used all due diligence, fails to obtain a firm commitment for such a loan on or before JUNE 15, 2016, then at Buyer's option, all payments made hereunder by the Buyer shall be forthwith refunded, with the exception of the payments referenced in Paragraph 23.0 which shall be retained by Seller, and all other obligations of the parties hereto shall cease and this agreement shall be void and without recourse to the parties hereto. The Buyer shall be deemed to have waived his rights under this paragraph if the Seller has not been notified in writing on or before JUNE 15, 2016 that the Buyer desires to terminate this agreement.

123 Kids, LLC
,LLC

3 Brothers Real Estate

123 Kids LLC James J. Laney manager
DocuSign Verified
 04/07/16 12:47PM EDT
 TD0UJ3D7B401N0201



by James J. Laney, Manager

(Seller)



(Buyer)


16
 04/07
 12:47PM

Massachusetts Commercial Lease Agreement
3 Brothers Real Estate, LLC, Landlord
Healthy Pharms, Inc., Tenant

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Massachusetts Commercial Lease Agreement
3 Brothers Real Estate, LLC, Landlord
Healthy Pharms, Inc., Tenant

This Commercial Lease Agreement ("Lease") is made and effective June 24, 2015 (this Lease is being executed prior to the Landlord closing on the Property as allowed pursuant to Rizika v. Donovan, 45 Mass. App. Ct. 159 (1998)) by and between 3 Brothers Real Estate, LLC, a Massachusetts Limited Liability Company with an address of 10 Eliot St., Cambridge, MA 02138 ("Landlord") and Healthy Pharms, Inc. a Massachusetts Non-Profit Corporation with an address of 22 Milton St. #2, Somerville, MA 02144 ("Tenant").

Landlord is entering into an Agreement for the purchase of the land and improvements commonly known as 401 East Main Street, Georgetown, MA 01833 and legally described as follows (the "Property"); Essex County South District Registry of Deeds, Book 11857, Page 80. This lease shall be contingent on Landlord's purchase of the Property.

Landlord will make repairs and renovations to the existing 65,580 sq. ft. building on the property ("the Building") and will make the Building and finished parking lot and access road, ("the Leased Premises") available to Tenant.

Landlord desires to lease the Leased Premises to Tenant, and Tenant desires to lease the Leased Premises from Landlord for the term, at the rental and upon the covenants, conditions and provisions herein set forth.

THEREFORE, in consideration of the mutual promises herein contained and other good and valuable consideration, it is agreed.

1. Term

A. Landlord hereby commits to lease the Leased Premises to Tenant, and Tenant hereby leases the same from Landlord, for an "Initial Term" beginning at the time a Special Permit is obtained from the Town of Georgetown, MA for the construction of the Tenant's medical use of marijuana facility and ending on the first (1st) day of the sixty-first (61st) month after that date. Landlord shall use its best efforts to give Tenant possession as nearly as possible at the beginning of the Lease term. Tenant shall make no other claim against Landlord for any such delay.

B. Tenant may renew the Lease for two extended terms of five (5) years each. Tenant shall exercise such renewal option, if at all, by giving written notice to Landlord not less than ninety (90) days prior to the expiration of the Initial Term. The renewal term shall be at the rental set forth below and otherwise upon the same covenants, conditions and provisions as provided in this Lease.

2. Rent Payments and Security Deposit

A. Tenant shall pay to Landlord base rent according to the following rent schedule during the Initial Term. Payment of rent shall begin thirty (30) days after Tenant begins serving patients of the Commonwealth.

	Monthly Rent	Annual Rent
Year 1	\$22,000.00	\$264,000.00
Year 2	\$23,100.00	\$277,200.00
Year 3	\$24,255.00	\$291,060.00
Year 4	\$25,467.75	\$305,613.00
Year 5	\$27,741.14	\$320,893.70

Each installment payment shall be due in advance on the first day of each calendar month during the lease term to Landlord at 10 Eliot St., Cambridge, MA 02138 or at such other place designated by written notice from Landlord or Tenant. The rental payment amount for any partial calendar months included in the lease term shall be prorated on a daily basis.

B. The rental for any renewal lease term, if created as permitted under this Lease, shall be negotiated by the parties at the beginning of the such term and be based on Fair Market Value.

C. Tenant shall not be required to pay a Security Deposit.

3. Use

Notwithstanding the forgoing, Tenant shall not use the Leased Premises for the purposes of storing, manufacturing or selling any explosives, flammables or other inherently dangerous substance, chemical, thing or device. Tenant's use of the property shall be compliant with OSHA standards. Notwithstanding anything in this section, Tenant shall be entitled to produce Marijuana Infused Products in accordance with Massachusetts Regulations for their production.

4. Sublease and Assignment

Tenant shall not sublease all or any part of the Leased Premises, or assign this Lease in whole or in part without Landlord's consent, such consent not to be unreasonably withheld or delayed.

5. Repairs

During the Lease term, Tenant shall make, at Tenant's expense, all necessary repairs to the Leased Premises. Repairs shall include such items as repairs of floors, walls, ceilings, and other parts of the Leased Premises. By signing this lease, Tenant agrees that this is a true "Triple Net" lease and Tenant shall be responsible for the cost of all maintenance, taxes and insurance for the Leased Premises.

6. Alterations and Improvements

Tenant, at Tenant's expense, shall have the right, following Landlord's consent, to remodel, redecorate, and make additions, improvements and replacements of and to all or any part of the Leased Premises from time to time as Tenant may deem desirable, provided the same are

made in a workmanlike manner and utilizing good quality materials. Tenant shall have the right to place and install personal property, trade fixtures, equipment and other temporary installations in and upon the Leased Premises, and fasten the same to the premises. All personal property, equipment, machinery, trade fixtures and temporary installations, whether acquired by Tenant at the commencement of the Lease term or placed or installed on the Leased Premises by Tenant thereafter, shall remain Tenant's property free and clear of any claim by Landlord. Tenant shall have the right to remove the same at any time during the term of this Lease provided that all damage to the Leased Premises caused by such removal shall be repaired by Tenant at Tenant's expense.

7. Taxes

A. Tenant shall pay all real estate taxes and assessments which are assessed against the Premises during the time of this Lease. Real Property Taxes shall include any form of assessment, license, fee, rent, tax, levy, penalty or tax imposed by any authority having the direct or indirect power to tax, including any improvement district, as against any legal or equitable interest of Landlord in the Premises or as against Landlord's business of renting the Premises. Tenant's share of Real Property Taxes shall be equitably prorated to cover only the period of time within the fiscal tax year during which this Lease is in effect. With respect to any assessments which may be levied against or upon the Premises, and which may be paid in annual installments, only the amount of such annual installments (with appropriate proration for any partial year) and interest due thereon shall be included within the computation of the annual Real Property Taxes. Landlord represents that, to the best of his knowledge, there are no assessment or improvement districts being planned which would affect the Premises other than as in effect as of the date of this Lease.

B. Tenant shall pay all personal taxes and any other charges which may be levied against the Premises and which are attributable to Tenant's use of the Premises, along with all sales and/or use taxes (if any) that may be due in connection with lease payments. Accordingly, Tenant shall pay before delinquency all taxes levied or assessed on Tenant's fixtures, improvements, furnishings, merchandise, equipment and personal property in and on the Premises, whether or not affixed to the real property. If Tenant in good faith contests the validity of any such personal property taxes, then Tenant shall at its sole expense defend itself and Landlord against the same and shall pay and satisfy any adverse determination or judgment that may be rendered thereon and shall furnish Landlord with a surety bond satisfactory to Landlord in an amount equal to 150% of such contested taxes. Tenant shall indemnify Landlord against liability for any such taxes and/or any liens placed on the Premises in connection with such taxes. If at any time after any tax or assessment has become due or payable Tenant or its legal representative neglects to pay such tax or assessment, Landlord shall be entitled, but not obligated, to pay the same at any time thereafter and such amount so paid by Landlord shall be repaid by Tenant to Landlord with Tenant's next rent installment together with interest at the highest rate allowable by law.

8. Insurance

A. If the Leased Premises or any other part of the Building is damaged by fire or other casualty resulting from any act or negligence of Tenant or any of Tenant's agents, employees or invitees, rent shall not be diminished or abated while such damages are under repair, and Tenant shall be responsible for the costs of repair not covered by insurance.

B. Tenant shall maintain casualty property insurance on the Premises and all improvements against loss or damage by fire and lightning and against loss or damage by other risks in an amount not less than 100% of the full replacement value. Landlord shall be named as an additional insured in such policies. Tenant shall deliver appropriate evidence to Landlord as proof that adequate insurance is in force issued by companies reasonably satisfactory to Landlord. Landlord shall receive advance written notice from the insurer prior to any termination of such insurance policies. All insurance proceeds payable by the occurrence of any covered loss shall be payable to Landlord, and Tenant shall have no right or claim to any such insurance proceeds payable with respect to the Improvements, excluding, however, any such proceeds that may be payable with respect to Tenant's personal property or trade fixtures. Tenant shall also maintain any other insurance which Landlord may reasonably require for the protection of Landlord's interest in the Premises. Tenant is responsible for maintaining casualty insurance on its own property.

C. Tenant shall maintain liability insurance on the Premises in a total aggregate sum of at least \$1,000,000.00. Tenant shall deliver appropriate evidence to Landlord as proof that adequate insurance is in force issued by companies reasonably satisfactory to Landlord. Landlord shall receive advance written notice from the insurer prior to any termination of such insurance policies.

9. Utilities.

Tenant shall pay all charges for water, sewer, gas, electricity, telephone and other services and utilities used by Tenant on the Leased Premises during the term of this Lease unless otherwise expressly agreed in writing by Landlord. In the event that any utility or service provided to the Leased Premises is not separately metered, Landlord shall pay the amount due and separately invoice Tenant for Tenant's pro rata share of the charges. Tenant shall pay such amounts within fifteen (15) days of invoice.

10. Signs

Following Landlord's consent, Tenant shall have the right to place on the Leased Premises, at locations selected by Tenant, any signs which are permitted by applicable zoning ordinances, private restrictions, the Massachusetts Department of Public Health ("DPH"), and 105 CMR 725.105(L) as shall be amended from time to time. Landlord may refuse consent to any proposed signage that is in Landlord's opinion too large, deceptive, unattractive or otherwise inconsistent with or inappropriate to the Leased Premises or use of any other tenant. Landlord shall assist and cooperate with Tenant in obtaining any necessary permission from governmental authorities or adjoining owners and occupants for Tenant to place or construct the foregoing signs. Tenant shall repair all damage to the Leased Premises resulting from the removal of signs installed by Tenant.

11. Entry.

Landlord shall have the right to enter upon the Leased Premises at reasonable hours to inspect the same, provided Landlord shall not thereby unreasonably interfere with Tenant's business on the Leased Premises.

12. Parking.

During the term of this Lease, Tenant shall have the non-exclusive use in common with Landlord, of the non-reserved common automobile parking areas, driveways, and footways, subject to rules and regulations for the use thereof as prescribed from time to time by Landlord. Landlord reserves the right to designate parking areas within the Leased Premises or in reasonable proximity thereto, for Tenant and Tenant's agents and employees. Tenant shall provide Landlord with a list of all license numbers for the cars owned by Tenant, its agents and employees.

13. Damage and Destruction.

Subject to Section B A. above, if the Leased Premises or any part thereof or any appurtenance thereto is so damaged by fire, casualty or structural defects that the same cannot be used for Tenant's purposes, then Tenant shall have the right within ninety (90) days following damage to elect by notice to Landlord to terminate this Lease as of the date of such damage. In the event of minor damage to any part of the Leased Premises, and if such damage does not render the Leased Premises unusable for Tenant's purposes, Tenant shall promptly repair such damage at the cost of the Tenant. Tenant shall be relieved from paying rent and other charges during any portion of the Lease term that the Leased Premises are inoperable or unfit for occupancy, or use, in whole or in part, for Tenant's purposes. In making the repairs called for in this paragraph, Tenant shall not be liable for any delays resulting from strikes, governmental restrictions, inability to obtain necessary materials or labor or other matters which are beyond the reasonable control of Tenant. Rentals and other charges paid in advance for any such periods shall be credited on the next ensuing payments, if any, but if no further payments are to be made, any such advance payments shall be refunded to Tenant. The provisions of this paragraph extend not only to the matters aforesaid, but also to any occurrence which is beyond Tenant's reasonable control and which renders the Leased Premises, or any appurtenance thereto, inoperable or unfit for occupancy or use, in whole or in part, for Tenant's purposes.

14. Default.

If default shall at any time be made by Tenant in the payment of rent when due to Landlord as herein provided, and if said default shall continue for fifteen (15) days after written notice thereof shall have been given to Tenant by Landlord, or if default shall be made in any of the other covenants or conditions to be kept, observed and performed by Tenant, and such default shall continue for thirty (30) days after notice thereof in writing to Tenant by Landlord without correction thereof then having been commenced and thereafter diligently prosecuted, Landlord may declare the term of this Lease ended and terminated by giving Tenant written notice of such intention, and if possession of the Leased Premises is not surrendered, Landlord may reenter said premises. Landlord shall have, in addition to the remedy above provided, any other right or remedy available to Landlord on account of any Tenant default, either in law or equity. Landlord shall use reasonable efforts to mitigate its damages.

15. Quiet Possession.

Landlord covenants and warrants that upon performance by Tenant of its obligations hereunder, Landlord will keep and maintain Tenant in exclusive, quiet, peaceable and undisturbed and uninterrupted possession of the Leased Premises during the term of this Lease.

16. Condemnation.

If any legally, constituted authority condemns the Building or such part thereof which shall make the Leased Premises unsuitable for leasing, this Lease shall cease when the public authority takes possession, and Landlord and Tenant shall account for rental as of that date. Such termination shall be without prejudice to the rights of either party to recover compensation from the condemning authority for any loss or damage caused by the condemnation. Neither party shall have any rights in or to any award made to the other by the condemning authority.

17. Subordination.

Tenant accepts this Lease subject and subordinate to any mortgage, deed of trust or other lien presently existing or hereafter arising upon the Leased Premises, or upon the Building and to any renewals, refinancing and extensions thereof, but Tenant agrees that any such mortgagee shall have the right at any time to subordinate such mortgage, deed of trust or other lien to this Lease on such terms and subject to such conditions as such mortgagee may deem appropriate in its discretion. Landlord is hereby irrevocably vested with full power and authority to subordinate this Lease to any mortgage, deed of trust or other lien now existing or hereafter placed upon the Leased Premises of the Building, and Tenant agrees upon demand to execute such further instruments subordinating this Lease or attorning to the holder of any such liens as Landlord may request. In the event that Tenant should fail to execute any instrument of subordination herein required to be executed by Tenant promptly as requested, Tenant hereby irrevocably constitutes Landlord as its attorney-in-fact to execute such instrument in Tenant's name, place and stead, it being agreed that such power is one coupled with an interest. Tenant agrees that it will from time to time upon request by Landlord execute and deliver to such persons as Landlord shall request a statement in recordable form certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as so modified), stating the dates to which rent and other charges payable under this Lease have been paid, stating that Landlord is not in default hereunder (or if Tenant alleges a default stating the nature of such alleged default) and further stating such other matters as Landlord shall reasonably require.

18. Security Deposit.

Intentionally Omitted

19. Common Area Maintenance.

Tenant shall be responsible for 100% of maintenance and improvement costs, whether classified as capital or otherwise that relate to or flow from Tenant's occupancy of the Leased Premises.

20. Notices.

Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

If to Landlord:

3 Brothers Real Estate, LLC



If to Tenant:

Healthy Pharms, Inc.



Landlord and Tenant shall each have the right from time to time to change the place notice is to be given under this paragraph by written notice thereof to the other party.

21. Brokers

Tenant represents that Tenant was not shown the Premises by any real estate broker or agent and that Tenant has not otherwise engaged in, any activity which could form the basis for a claim for real estate commission, brokerage fee, finder's fee or other similar charge, in connection with this Lease

22. Waiver

No waiver of any default of Landlord or Tenant hereunder shall be implied from any omission to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by Landlord or Tenant shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition.

23. Memorandum of Lease

The parties hereto contemplate that this Lease should not and shall not be filed for record, but in lieu thereof, at the request of either party, Landlord and Tenant shall execute a Memorandum of Lease to be recorded for the purpose of giving record notice of the appropriate provisions of this Lease.

24. Headings.

The headings used in this Lease are for convenience of the parties only and shall not be considered in interpreting the meaning of any provision of this Lease.

25. Successors.

The provisions of this Lease shall extend to and be binding upon Landlord and Tenant and their respective legal representatives, successors and assigns.

26. Consent.

Landlord shall not unreasonably withhold or delay its consent with respect to any matter for which Landlord's consent is required or desirable under this Lease.

27. Performance.

If there is a default with respect to any of Landlord's covenants, warranties or representations under this Lease, and if the default continues more than fifteen (15) days after notice in writing from Tenant to Landlord specifying the default, Tenant may, at its option and without affecting any other remedy hereunder, cure such default and deduct the cost thereof from the next accruing installment or installments of rent payable hereunder until Tenant shall have been fully reimbursed for such expenditures, together with interest thereon at a rate equal to the lesser of twelve percent (12%) per annum or the then highest lawful rate. If this Lease terminates prior to Tenant's receiving full reimbursement, Landlord shall pay the unreimbursed balance plus accrued interest to Tenant on demand.

28. Compliance with Law.

Tenant shall comply with all laws, orders, ordinances and other public requirements now or hereafter pertaining to Tenant's use of the Leased Premises. Landlord shall comply with all laws, orders, ordinances and other public requirements now or hereafter affecting the Leased Premises.

29. Final Agreement.

This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties.

(REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK)

30. Governing Law.

This Agreement shall be governed, construed and interpreted by, through and under the Laws of the Commonwealth of Massachusetts.

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.



SECTION C: LETTER OF SUPPORT OR NON-OPPOSITION

Attach a letter of support or non-opposition, using one of the templates below (Option A or B), signed by the local municipality in which the applicant intends to locate a dispensary. The applicant may choose to use either template, in consultation with the host community. If the applicant is proposing a dispensary location and a separate cultivation/processing location, the applicant must submit a letter of support or non-opposition from both municipalities. This letter may be signed by (a) the Chief Executive Officer/Chief Administrative Officer, as appropriate, for the desired municipality; or (b) the City Council, Board of Alderman, or Board of Selectmen for the desired municipality. The letter of support or non-opposition must contain the language as provided below. The letter must be printed on the municipality's official letterhead.

Template Option A: Use this language if signatory is a Chief Executive Officer/Chief Administrative Officer

I, [Name of person], do hereby provide [support/non-opposition] to [name of non-profit organization] to operate a Registered Marijuana Dispensary ("RMD") in [name of city or town].

I have verified with the appropriate local officials that the proposed RMD facility is located in a zoning district that allows such use by right or pursuant to local permitting.

Name and Title of Individual

Signature

Date

Template Option B: Use this language if signatory is acting on behalf of a City Council, Board of Alderman, or Board of Selectman

The [name of council/board], does hereby provide [support/non-opposition] to [name of non-profit organization] to operate a Registered Marijuana Dispensary in [name of city or town]. I have been authorized to provide this letter on behalf of the [name of council/board] by a vote taken at a duly noticed meeting held on [date].

The [name of council/board] has verified with the appropriate local officials that the proposed RMD facility is located in a zoning district that allows such use by right or pursuant to local permitting.

Name and Title of Individual (or person authorized to act on behalf of council or board) *(add more lines for names if needed)*

Signature *(add more lines for signatures if needed)*

Date

Information on this page has been reviewed by the applicant, and where provided [redacted], is accurate and complete, as indicated by the initials of the authorized signatory he



Town of Leicester
OFFICE OF THE BOARD OF SELECTMEN
Town Hall, 3 Washburn Square
Leicester, Massachusetts 01524-1333
Phone: (508) 892-7000 Fax: (508) 892-7070
www.leicesterma.org

April 25, 2016

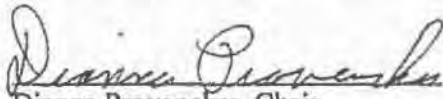
Massachusetts Department of Public Health
One Ashburton Place
Boston, MA 02108

Re: Registered Marijuana Dispensary - 1535 Main Street Leicester, MA

The Town of Leicester Board of Selectmen, does hereby provide support to Healthy Pharms, Inc. to operate a Registered Marijuana Dispensary in the Town of Leicester. I have been authorized to provide this letter on behalf of the Town of Leicester Board of Selectmen by a vote taken at duly noticed meeting held on April 25, 2016.

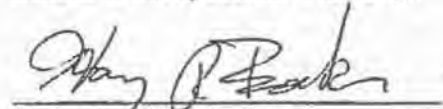
The Town of Leicester Board of Selectmen has verified with the appropriate local officials that the proposed RMD facility is located in a zoning district that allows such use by right or pursuant to local permitting.

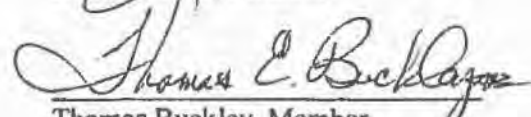
By Leicester Board of Selectmen:


Dianna Provencher, Chair


Douglas Belanger, Vice Chair


Sandra Wilson, Second Vice Chair


Harry Brooks, Member


Thomas Buckley, Member

BOARD OF SELECTMEN

TOWN ADMINISTRATOR



*Town of Georgetown
Massachusetts*


LETTER OF NON-OPPOSITION

June 23, 2015

The *Georgetown Board of Selectmen* does hereby provide non-opposition to *Healthy Pharms, Inc.* to operate a Registered Marijuana Dispensary in the Town of Georgetown. I have been authorized to provide this letter on behalf of the Georgetown Board of Selectmen by a vote taken at a duly noticed meeting held on Monday, June 22, 2014.

The Georgetown Board of Selectmen has verified with the appropriate local officials that the proposed RMD facility is located in a zoning district that allows such use by right or pursuant to local permitting.

Philip Trapani, Chairman, Georgetown Board of Selectmen
Name and Title of Individual


Signature

June 23, 2015
Date

SECTION D: LOCAL COMPLIANCE

Describe how the Corporation has ensured, and will continue to ensure, that the proposed RMD is in compliance with local codes, ordinances, and bylaws for the physical address(es) of the RMD.

HPI's dispensary is located in Leicester. Under Leicester's Zoning Bylaws, a RMD may only operate in the B, CB, I, BI-A, HB-1 & HB-2 Zoning Districts. HPI's property is located at 1535 Main Street in the HB-1 District. HPI will remain compliant with Section 5.15 of the Leicester Zoning Bylaws.

HPI's cultivation and processing facility is located in Georgetown. Under Georgetown's Zoning Bylaws, a RMD may be allowed by Special Permit of the Planning Board in a Medical Marijuana Overlay District ("MMOD"). HPI's property is located at 401 East Main Street and is within an MMOD as well as the Industrial B Zoning District. HPI already received Special Permit Approval with Conditions for this location from the Planning Board in March 2016. HPI will also remain compliant with Section 165-156 of the Georgetown Zoning Bylaws.

HPI is diligent about staying current on all applicable local codes, ordinance, and bylaws and will remain in contact with local officials to ensure continued compliance with local codes and ordinances.

Information on this page has been reviewed by the applicant, and where provided by [redacted] is accurate and complete, as indicated by the initials of the authorized signatory here [redacted]

SECTION E: THREE-YEAR BUSINESS PLAN BUDGET PROJECTIONS

Provide the three-year business plan for the RMD, including revenues and expenses.

Projected Start Date for the First Full Fiscal Year: 01/01/2016

	FIRST FULL FISCAL YEAR PROJECTIONS 20 ₁₆	SECOND FULL FISCAL YEAR PROJECTIONS 20 ₁₇	THIRD FULL FISCAL YEAR PROJECTIONS 20 ₁₈
Projected Revenue	\$0.00	\$ 640,588.33	\$ 7,847,206.99
Projected Expenses	\$ 2,100,080.68	\$ 2,441,568.81	\$ 4,789,359.18
VARIANCE:	\$ -2,100,080.68	\$ -1,800,980.49	\$ 3,057,847.81
Number of unique patients for the year	0	156	1916
Number of patient visits for the year	0	2702	33,105
Projected % of patient growth rate annually	---	100.00%	91.84%
Estimated purchased ounces per visit	N/A	0.741	0.741
Estimated cost per ounce	N/A	\$320.00	\$320.00
Total FTEs in staffing	15	20	23
Total marijuana for medical use inventory for the year (in lbs.)	0.0	140.1	1716.6
Total marijuana for medical use sold for the year (in lbs)	0.0	125.1	1532.7
Total marijuana for medical use left for roll over (in lbs.)	0.0	15.0	198.9

Projected date the RMD plans to open: 12/01/2017

Information on this page has been reviewed by the applicant, and where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here [REDACTED]

**SECTION F: CERTIFICATION OF ASSURANCE OF COMPLIANCE:
ADA AND NON-DISCRIMINATION BASED ON DISABILITY**

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

- I certify, that the Applicant is in compliance and shall maintain compliance with all applicable federal and state laws protecting the rights of persons with disabilities, including but not limited to the Americans with Disabilities Act ("ADA"), 42 U.S.C. §§ 12131-12134; Article CXIV of the Massachusetts Constitution; and; Chapter 93, § 103; Chapter 151B; and Chapter 272, §§ 98 and 98A of the Massachusetts General Laws.
- I understand that federal and state laws prohibit discrimination in public accommodations and employment based solely on disability. I recognize that to make goods, services, facilities, privileges, advantages, or accommodations readily accessible to and usable by persons with disabilities, the Applicant, under the ADA, must:
 - remove architectural and communication barriers in existing facilities, when readily achievable and, if not readily achievable, must use alternative methods;
 - purchase accessible equipment or modify equipment;
 - modify policies and practices; and
 - furnish appropriate auxiliary aids and services where necessary to ensure effective communication.
- I understand that reasonable accommodation is required in both program services and employment, except where to do so would cause an undue hardship or burden. I also understand that the Massachusetts Constitution Article CXIV provides that no otherwise qualified individual shall, solely by reason of disability, be excluded from the participation in, denied the benefits of, or be subject to discrimination under any program or activity within the Commonwealth.
- I agree that the Applicant shall cooperate in any compliance review and shall provide reasonable access to the premises of all places of business and employment and to records, files, information, and employees therein for reviewing compliance with the ADA, the Massachusetts Constitution, other applicable state and federal laws, including 105 CMR 725.000, et seq.
- I agree that any violation of the specific provisions and terms of this Assurance or of the ADA, and/or of any Plan of Correction shall be deemed a breach of a material condition of any Certificate of Registration issued to the Applicant for operation of a Registered Marijuana Dispensary. Such a breach shall be grounds for suspension or revocation, in whole or in part, of a Certificate of Registration issued by the Department.
- I agree that, if selected, I will submit a detailed floor plan of the premises of the proposed dispensary in compliance with 105 CMR 725.100(m) in compliance with the Architectural Review required pursuant to 105 CMR 725.100(B)(5)(f).

Signed under the pains and penalties of perjury, I, the authorized signatory for the applicant non-profit corporation, understand the obligations of the Applicant under the Certification of Assurance of Compliance: ADA and Non-Discrimination based on Disability, and agree and attest that the Applicant will comply with those obligations as stated in the Certification of Assurance of Compliance: ADA and Non-Discrimination based on Disability.

[Redacted Signature]

8 June 2016
Date Signed

Signature of Authorized Signatory

Print Name of Authorized Signatory

Chief Executive Officer

Title of Authorized Signatory

Information on this page has been reviewed by the applicant, and where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here [Redacted]

ATTESTATIONS

Signed under the pains and penalties of perjury, I, the authorized signatory for the applicant non-profit corporation, agree and attest that all information included in this application is complete and accurate and that I have an ongoing obligation to submit updated information to the [redacted] if any information in this application has changed.

[Redacted Signature]

Signature of Authorized Signatory

8 June 2016
Date Signed

[Redacted Name]

Print Name of Authorized Signatory

Chief Executive Officer

Title of Authorized Signatory

I, the authorized signatory for the applicant non-profit corporation, hereby attest that the corporation has notified the chief administrative officer and the chief of police of the proposed city or town in which the RMD would be sited, as well as the sheriff of the applicable county, of the intent to submit a *Management and Operations Profile* and a *Siting Profile*.

[Redacted Signature]

Signature of Authorized Signatory

8 June 2016
Date Signed

[Redacted Name]

Print Name of Authorized Signatory

Chief Executive Officer

Title of Authorized Signatory

Information on this page has been reviewed by the applicant, and where provided by [redacted] cant, is accurate and complete, as indicated by the initials of the authorized signatory here [redacted]

I, the authorized signatory for the applicant non-profit corporation, hereby attest that if the corporation is approved for a provisional certificate of registration, the corporation is prepared to pay a non-refundable registration fee of \$50,000, as specified in 105 CMR 725.000, after being notified that the RMD has been approved for a provisional certificate of registration.

[Redacted Signature]

Signature of Authorized Signatory

8 June 2016
Date Signed

[Redacted Name]

Print Name of Authorized Signatory

Chief Executive Officer

Title of Authorized Signatory

Information on this page has been reviewed by the applicant, and where provided by [Redacted] applicant, is accurate and complete, as indicated by the initials of the authorized signatory here: [Redacted]



The Commonwealth of Massachusetts
Executive Office of Health and Human Services
Department of Public Health
Bureau of Health Care Safety and Quality
Medical Use of Marijuana Program
99 Chauncy Street, 11th Floor, Boston, MA 02111

CHARLES D. BAKER
Governor

KARYN E. POLITO
Lieutenant Governor

MARYLOU SUDDERS
Secretary

MONICA BHAREL, MD, MPH
Commissioner

Tel: 617-660-5370
www.mass.gov/medicalmarijuana

June 29, 2016

[REDACTED]
Healthy Pharms, Inc.
22 Milton Street, Unit 2
Somerville, MA 02144

Re: Request for Information

Dear [REDACTED]

This letter is to inform you that the Department of Public Health ("Department") has reviewed Healthy Pharms, Inc.'s *Siting Profile* (Application 1 of 1). The *Siting Profile* requires the following information before the Department may complete its evaluation:

1. In response to Question A.7, the applicant states that it intends to submit 3 Siting Profiles. Please note that pursuant to 105 CMR 725.100(A)(2), "No executive, member, or any entity owned or controlled by such an executive or member, may directly or indirectly control more than three RMDs." Healthy Pharms, Inc. already has one RMD with a Provisional Certificate of Registration, so the applicant is only permitted to apply for two additional Certificates of Registration. Further, the applicant has only been invited to submit one *Siting Profile* at this time. Please amend your response Question A.7 in light of this information.
2. Please provide information regarding the square footage of the building on the Leicester site.
3. In the "rent" section of the letter of intent for the Leicester site, the letter states "[i]f the Option is exercised by Tenant the Lease shall provide for rent to be paid by Tenant to Landlord at the rate of \$7000 per month for the first year. *The rent will increase to \$1000 a month for years two through five.* The rent will increase 7% years 6 through 10." Please clarify if the rent is starting at \$7,000 a month then reducing to \$1,000 a month, or if there is a typographical error in this paragraph. Please also submit a detailed independent opinion regarding the commercial reasonableness of the proposed rent and the annual increase of the rent by 7% in years 6 through 10 and its compliance with compliance with the non-profit requirements of 105 CMR 725.100(A)(1) and the Guidance for Registered Marijuana Dispensaries Regarding Non-Profit Compliance (<http://www.mass.gov/eohhs/docs/dph/quality/medical-marijuana/applications/non-profit-compliance-guidance.pdf>).

4. Please also submit an independent legal opinion that the lease for the Georgetown property complies with the non-profit requirements of 105 CMR 725.100(A)(1) and the Guidance for Registered Marijuana Dispensaries Regarding Non-Profit Compliance.
5. Section 14 of the Georgetown Lease calls for the Lessor, under certain circumstances, to re-possess the leased premises and any property therein. Only those authorized to possess marijuana for medical use pursuant to Ch. 369 of the Acts of 2012 and its implementing regulations, 105 CMR 725.000, et seq., are permitted to possess regulated assets, such as marijuana and marijuana-infused products, without being subject to law enforcement action. Please identify the provision(s) of the lease that safeguard regulated assets from seizure by the Lessor or other parties unauthorized to possess them.
6. In response to Section C, the letter of support or non-opposition from Georgetown is dated June 23, 2015. The Department received the *Application of Intent* associated with this application on June 29, 2015. As stated in "Registered Marijuana Dispensary Application Process, Frequently Asked Questions," when submitting a *Siting Profile*, an applicant must submit a letter of support of non-opposition that is dated on or after the date that the applicant's *Application of Intent* was received by the Department. The applicant must resubmit the letter of support or non-opposition from Georgetown dated on or after June 29, 2015.
7. Please note that you are required to submit a copy of the loan agreement described in your response to Question C.12 in the *Management and Operations Profile* as well as an independent legal opinion that the loan agreement described in your response to Question C.12 is in compliance with the non-profit requirements of 105 CMR 725.100(A)(1) and the Guidance for Registered Marijuana Dispensaries Regarding Non-Profit Compliance (<http://www.mass.gov/eohhs/docs/dph/quality/medical-marijuana/applications/non-profit-compliance-guidance.pdf>). Please be advised that the applicant must submit such documents prior to receiving a Provisional Certificate of Registration.

If the applicant has been requested to resubmit their response to a question, please do so using the page on the application form for that particular question, and include an initialed attestation at the bottom of the page. The applicant need not resubmit the entire application and may submit only the page for the particular question that needs to be submitted.

Please remember to type all responses in the information or materials resubmitted to the Department, other than any required signatures, as well as include the name of the Applicant Non-Profit Corporation *and* the number of the application (e.g., Application 1 of 1) at the top of each page of the resubmitted information or materials.

Please resubmit the additional or revised information as outlined above, via U.S. mail or hand-delivery, to:

Department of Public Health
Medical Use of Marijuana Program
RMD Applications
99 Chauncy Street, 11th Floor
Boston, MA 02111

Upon receipt, the Department will review the information and will notify the applicant if it will proceed or if further information is required.

If you have questions or need assistance, you may contact the Department at 617-660-5370 or RMDapplication@state.ma.us.

Sincerely,

A handwritten signature in blue ink, appearing to read 'E. Sheehan', is written over the typed name.

Eric Sheehan, J.D.
Interim Bureau Director
Bureau of Health Care Safety and Quality
Massachusetts Department of Public Health



RECEIVED

NOV 21 2016

November 21, 2016

Medical Use of Marijuana Program
Department of Public Health
99 Chauncy Street, 11th Floor
Boston, MA 02111

MA Dept of Public Health
2016-11-21 10:51
PHOTO 50-0001

Re: Response to DPH's June 29, 2016 Request for Information to Healthy Pharms, Inc. (Application 1 of 1)

To Whom It May Concern:

On behalf of Healthy Pharms, Inc. ("HPI"), we are writing in response to the Department of Public Health's ("DPH") June 29, 2016 Request for Information. The DPH requested the following information:

1. **DPH Request:** *In response to Question A.7, the applicant states that it intends to submit 3 Siting Profiles. Please note that pursuant to 105 CMR 725.100(A)(2), "No executive member, or any entity owned or controlled by such an executive or member, may directly or indirectly control more than three RMDs." Healthy Pharms, Inc. already has one RMD with a Provisional Certificate of Registration, so the applicant is only permitted to apply for two additional Certificates of Registration. Further, the applicant has only been invited to submit one Siting Profile at this time. Please amend your response Question A.7 in light of this information.*

HPI Response: Please find enclosed an updated Siting Profile, which includes an updated Question A.7 clarifying HPI's Siting Profile submissions to DPH.

2. **DPH Request:** *Please provide information regarding the square footage of the building on the Leicester site.*

HPI Response: Please find an enclosed an updated Siting Profile for Application 1 of 1 indicating that HPI's proposed RMD location is in Cambridge. The square footage of the proposed Cambridge RMD is 1,250 square feet.

3. **DPH Request:** *In the "rent" section of the letter of intent for the Leicester site, the letter states "[i]f the Option is exercised by Tenant the Lease shall provide for rent to be paid by Tenant to Landlord at the rate of \$7,000 per month for the first year. The rent will increase to \$1,000 a month for years two through five. The rent will increase 7% years 6 through 10." Please clarify if the rent is starting at \$7,000 a month then reducing to \$1,000 a month, or if there is a typographical error in this paragraph. Please also submit a detailed independent opinion regarding the commercial reasonableness of the proposed rent and the annual increase of the rent by 7% in years 6 through 10 and its compliance with the non-profit requirements of 105 CMR 725.100(A)(1) and the Guidance for Registered Marijuana Dispensaries Regarding Non-Profit Compliance.*

HPI Response: As is noted above, enclosed is an updated Siting Profile for HPI's Application 1 of 1, which indicates that HPI's proposed RMD will be located in Cambridge. Please find enclosed an executed lease for the Cambridge location, as well as an independent appraisal indicating that the lease is in compliance with the non-profit requirements of 105 CMR 725.100(A)(1) and the Guidance for Registered Marijuana Dispensaries Regarding Non-Profit Compliance.

4. **DPH Request:** *Please also submit an independent legal opinion that the lease for the Georgetown property complies with the non-profit requirements of 105 CMR 725.100(A)(1) and the Guidance for Registered Marijuana Dispensaries Regarding Non-Profit Compliance.*

HPI Response: Please find enclosed an independent appraisal indicating that the lease for the Georgetown property complies with the non-profit requirements of 105 CMR 725.100(A)(1) and the Guidance for Registered Marijuana Dispensaries Regarding Non-Profit Compliance.

5. **DPH Request:** *Section 14 of the Georgetown Lease calls for the Lessor, under certain circumstances, to re-possess the leased premises and any property therein. Only those authorized to possess marijuana for medical use pursuant to Ch. 369 of the Acts of 2012 and its implementing regulations, 105 CMR 725.000, et seq., are permitted to possess regulated assets, such as marijuana and marijuana-infused products, without being subject to law enforcement action. Please identify the provision(s) of the lease that safeguard regulated assets from seizure by the Lessor or the other parties unauthorized to possess them.*

HPI Response: Please find enclosed an amendment to the Georgetown Lease, included with the Georgetown Lease in Section B of the enclosed Siting Profile, which provides that the Landlord's rights under the lease do not include the right to seize or possess any assets protected by Ch. 369 of the Acts of 2012, i.e. any product containing any amount of marijuana.

6. **DPH Request:** *In response to Section C, the letter of support or non-opposition from Georgetown is dated June 23, 2015. The Department Received the Application of Intent associated with this application on June 29, 2015. As stated in "Registered Marijuana Dispensary Application Process, Frequently Asked Questions," when submitting a Siting Profile, an applicant must submit a letter of support or non-opposition that is dated on or after the date that the applicant's Application of Intent was received by the Department. The applicant must resubmit the letter of support or non-opposition from Georgetown dated on or after June 29, 2015.*

HPI Response: Please find enclosed an updated Letter of Non-Opposition from the Town of Georgetown dated October 17, 2016, which is included with Section C of the enclosed Siting Profile.

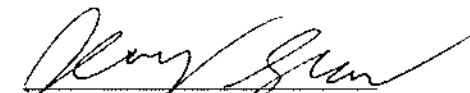
7. **DPH Request:** *Please note that you are required to submit a copy of the loan agreement described in your response to Question C.12 in the Management and Operations Profile as well as an independent legal opinion that the loan agreement described in your response to question C.12 is in compliance with*

the non-profit requirements of 105 CMR 725.100(A)(1) and the Guidance for Registered Marijuana Dispensaries Regarding Non-Profit Compliance. Please be advised that the applicant must submit such documents prior to receiving a Provisional Certificate of Registration.

HPI Response: Please find enclosed a proposed loan agreement between Paul Overgaag and HPI, as well as an independent legal opinion indicating that the above referenced loan agreement complies with the non-profit requirements of 105 CMR 725.100(A)(1) and the Guidance for Registered Marijuana Dispensaries Regarding Non-Profit Compliance.

Thank you for your attention to this matter.

Very Truly Yours,


Jeremy Shaw, Esq.

Enclosures



The Commonwealth of Massachusetts

Executive Office of Health and Human Services
Department of Public Health
Bureau of Health Care Safety and Quality
Medical Use of Marijuana Program
99 Chauncy Street, 11th Floor, Boston, MA 02111

SITING PROFILE:

Request for a Certificate of Registration to Operate a Registered Marijuana Dispensary

INSTRUCTIONS

This application form is to be completed by a non-profit corporation that wishes to apply for a Certificate of Registration to operate a Registered Marijuana Dispensary ("RMD") in Massachusetts, and has been invited by the Department of Public Health (the "Department") to submit a *Siting Profile*.

If invited by the Department to submit more than one *Siting Profile*, you must submit a separate *Siting Profile* and attachments for each proposed RMD. Please identify each application of multiple applications by designating it as Application 1, 2 or 3 in the header of each application page. Please note that no executive, member, or any entity owned or controlled by such an executive or member, may directly or indirectly control more than three RMDs.

Unless indicated otherwise, all responses must be typed into the application forms. Handwritten responses will not be accepted. Please note that character limits include spaces.

Attachments should be labelled or marked so as to identify the question to which it relates.

Each submitted application must be a complete, collated response, printed single-sided, and secured with a binder clip (no ring binders, spiral binding, staples, or folders).

Mail or hand-deliver the *Siting Profile*, with all required attachments, to:

Department of Public Health
Medical Use of Marijuana Program
RMD Applications
99 Chauncy Street, 11th Floor
Boston, MA 02111

REVIEW

Applications are reviewed in the order they are received. After a completed application packet is received by the Department, the Department will review the information and will contact the applicant if clarifications/updates to the submitted application materials are needed. The Department will notify the applicant whether they have met the standards necessary to receive a Provisional Certificate of Registration.

PROVISIONAL CERTIFICATE OF REGISTRATION

Applicants must receive a Provisional Certificate of Registration from the Department within 1 year of the date of the invitation letter from the Department to submit a *Siting Profile*. If the applicant does not meet this deadline, the application will be considered to have expired. Should the applicant wish to proceed with obtaining a Certificate of Registration, a new application must be submitted, beginning with an *Applicant of Intent*, together with the associated fee.

REGULATIONS

For complete information regarding registration of an RMD, please refer to 105 CMR 725.100.

It is the applicant's responsibility to ensure that all responses are consistent with the requirements of 105 CMR 725.000, et seq., and any requirements specified by the Department, as applicable.

PUBLIC RECORDS

Please note that all application responses, including all attachments, will be subject to release pursuant to a public records request, as redacted pursuant to the requirements at M.G.L. c. 4, § 7(26).

Information on this page has been reviewed by the applicant, and where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here: NA

Application 1 of 1

Applicant Non-Profit Corporation Healthy Pharms, Inc.

QUESTIONS

If additional information is needed regarding the RMD application process, please contact the Medical Use of Marijuana Program at 617-660-5370 or RMDapplication@state.ma.us.

CHECKLIST

The forms and documents listed below must accompany each application, and be submitted as outlined above:

- A fully and properly completed *Siting Profile*, signed by an authorized signatory of the applicant non-profit corporation (the "Corporation")
- Evidence of interest in property, by location (as outlined in Section B)
- Letter(s) of local support or non-opposition (as outlined in Section C)

Information on this page has been reviewed by the applicant, and where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here: NA

SECTION A: APPLICANT INFORMATION

1. Healthy Pharms, Inc.
Legal name of Corporation
2. Nathaniel L. Averill
Name of Corporation's Chief Executive Officer
3. 401 East Main Street, Georgetown, MA 01833
Address of Corporation (Street, City/Town, Zip Code)
4. Nathaniel (Nat) Averill
Applicant point of contact (name of person Department of Public Health should contact regarding this application)
5. 508-207-3979
Applicant point of contact's telephone number
6. gnat911@gmail.com
Applicant point of contact's e-mail address
7. Number of applications: How many *Siting Profiles* do you intend to submit? 1

SECTION B: PROPOSED LOCATION(S)
--

Provide the physical address of the proposed dispensary site and the physical address of the additional location, if any, where marijuana for medical use will be cultivated or processed.

***Attach supporting documents** as evidence of interest in the property, by location. Interest may be demonstrated by (a) a clear legal title to the proposed site; (b) an option to purchase the proposed site; (c) a lease; (d) a legally enforceable agreement to give such title under (a) or (b), or such lease under (c), in the event that Department determines that the applicant qualifies for registration as a RMD; or (e) evidence of binding permission to use the premises.*

	Location	Full Address	County
1	Dispensing	98 Winthrop St, Unit 1, Cambridge, MA 02138	Middlesex
2	Cultivation	401 East Main Street, Georgetown, MA 01833	Essex
3	Processing	401 East Main Street, Georgetown, MA 01833	Essex

Check here if the applicant would consider a location other than the county or physical address provided within this application.

Information on this page has been reviewed by the applicant, and where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here: NA

SECTION C: LETTER OF SUPPORT OR NON-OPPOSITION

Attach a letter of support or non-opposition, using one of the templates below (Option A or B), signed by the local municipality in which the applicant intends to locate a dispensary. The applicant may choose to use either template, in consultation with the host community. If the applicant is proposing a dispensary location and a separate cultivation/processing location, the applicant must submit a letter of support or non-opposition from both municipalities. This letter may be signed by (a) the Chief Executive Officer/Chief Administrative Officer, as appropriate, for the desired municipality; or (b) the City Council, Board of Alderman, or Board of Selectmen for the desired municipality. The letter of support or non-opposition must contain the language as provided below. The letter must be printed on the municipality's official letterhead. The letter must be dated on or after the date that the applicant's Application of Intent was received by the Department.

Template Option A: Use this language if signatory is a Chief Executive Officer/Chief Administrative Officer

I, [Name of person], do hereby provide [support/non-opposition] to [name of non-profit organization] to operate a Registered Marijuana Dispensary ("RMD") in [name of city or town].

I have verified with the appropriate local officials that the proposed RMD facility is located in a zoning district that allows such use by right or pursuant to local permitting.

Name and Title of Individual

Signature

Date

Template Option B: Use this language if signatory is acting on behalf of a City Council, Board of Alderman, or Board of Selectman

The [name of council/board], does hereby provide [support/non-opposition] to [name of non-profit organization] to operate a Registered Marijuana Dispensary in [name of city or town]. I have been authorized to provide this letter on behalf of the [name of council/board] by a vote taken at a duly noticed meeting held on [date].

The [name of council/board] has verified with the appropriate local officials that the proposed RMD facility is located in a zoning district that allows such use by right or pursuant to local permitting.

Name and Title of Individual (or person authorized to act on behalf of council or board) *(add more lines for names if needed)*

Signature *(add more lines for signatures if needed)*

Date

Information on this page has been reviewed by the applicant, and where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here: _____

SECTION D: LOCAL COMPLIANCE

Describe how the Corporation has ensured, and will continue to ensure, that the proposed RMD is in compliance with local codes, ordinances, and bylaws for the physical address(es) of the RMD.

HPI's proposed dispensary is located at 98 Winthrop Street, Cambridge in one of Cambridge's Medical Marijuana Overlay Districts, specifically MMD-4, where RMDs are allowed by Special Permit by the Planning Board. HPI is in the process of obtaining Special Permit Approval from the City of Cambridge. HPI will remain compliant with all applicable sections of the Cambridge Zoning Ordinance, including Section 20.700.

HPI's cultivation and processing facility is located in Georgetown. Under Georgetown's Zoning Bylaws, a RMD may be allowed by Special Permit of the Planning Board in a Medical Marijuana Overlay District ("MMOD"). HPI's property is located at 401 East Main Street and is within an MMOD as well as the Industrial B Zoning District. HPI already received Special Permit Approval with Conditions for this location from the Planning Board in March 2016. HPI will also remain compliance with Section 165-156 of the Georgetown Zoning Bylaws.

HPI is diligent about staying current on all applicable local codes, ordinance, and bylaws and will remain in contact with local officials to ensure continued compliance with local codes and ordinances.

Information on this page has been reviewed by the applicant, and where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here: NA

SECTION E: THREE-YEAR BUSINESS PLAN BUDGET PROJECTIONS

Provide the three-year business plan for the RMD, including revenues and expenses.

Projected Start Date for the First Full Fiscal Year: 01/01/2016

	FIRST FULL FISCAL YEAR PROJECTIONS 20 16	SECOND FULL FISCAL YEAR PROJECTIONS 20 17	THIRD FULL FISCAL YEAR PROJECTIONS 20 18
Projected Revenue	\$0.00	\$6,787,874.00	\$12,125,005.07
Projected Expenses	\$2,971,970.13	\$5,945,603.96	\$11,892,871.61
VARIANCE:	\$ -2,971,970.13	\$ 842,270.20	\$ 232,133.46
Number of unique patients for the year	0	1607	2871
Number of patient visits for the year	0	27769	49602
Projected % of patient growth rate annually	---	100%	44.02%
Estimated purchased ounces per visit	N/A	0.741	0.741
Estimated cost per ounce	N/A	\$330.00	\$330.00
Total FTEs in staffing	15	20	23
Total marijuana for medical use inventory for the year (in lbs.)	0.0	1439.9	2572.0
Total marijuana for medical use sold for the year (in lbs.)	0.0	1285.6	2296.4
Total marijuana for medical use left for roll over (in lbs.)	0.0	154.3	429.8

Projected date the RMD plans to open: 07/01/2017

Information on this page has been reviewed by the applicant, and where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here: NA

**SECTION F: CERTIFICATION OF ASSURANCE OF COMPLIANCE:
ADA AND NON-DISCRIMINATION BASED ON DISABILITY**

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

- I certify, that the Applicant is in compliance and shall maintain compliance with all applicable federal and state laws protecting the rights of persons with disabilities, including but not limited to the Americans with Disabilities Act ("ADA"), 42 U.S.C. §§ 12131-12134; Article CXIV of the Massachusetts Constitution; and; Chapter 93, § 103; Chapter 151B; and Chapter 272, §§ 98 and 98A of the Massachusetts General Laws.
- I understand that federal and state laws prohibit discrimination in public accommodations and employment based solely on disability. I recognize that to make goods, services, facilities, privileges, advantages, or accommodations readily accessible to and usable by persons with disabilities, the Applicant, under the ADA, must:
 - remove architectural and communication barriers in existing facilities, when readily achievable and, if not readily achievable, must use alternative methods;
 - purchase accessible equipment or modify equipment;
 - modify policies and practices; and
 - furnish appropriate auxiliary aids and services where necessary to ensure effective communication.
- I understand that reasonable accommodation is required in both program services and employment, except where to do so would cause an undue hardship or burden. I also understand that the Massachusetts Constitution Article CXIV provides that no otherwise qualified individual shall, solely by reason of disability, be excluded from the participation in, denied the benefits of, or be subject to discrimination under any program or activity within the Commonwealth.
- I agree that the Applicant shall cooperate in any compliance review and shall provide reasonable access to the premises of all places of business and employment and to records, files, information, and employees therein for reviewing compliance with the ADA, the Massachusetts Constitution, other applicable state and federal laws, including 105 CMR 725.000, et seq.
- I agree that any violation of the specific provisions and terms of this Assurance or of the ADA, and/or of any Plan of Correction shall be deemed a breach of a material condition of any Certificate of Registration issued to the Applicant for operation of a Registered Marijuana Dispensary. Such a breach shall be grounds for suspension or revocation, in whole or in part, of a Certificate of Registration issued by the Department.
- I agree that, if selected, I will submit a detailed floor plan of the premises of the proposed dispensary in compliance with 105 CMR 725.100(m) in compliance with the Architectural Review required pursuant to 105 CMR 725.100(B)(5)(f).

Signed under the pains and penalties of perjury, I, the authorized signatory for the applicant non-profit corporation, understand the obligations of the Applicant under the Certification of Assurance of Compliance: ADA and Non-Discrimination based on Disability, and agree and attest that the Applicant will comply with those obligations as stated in the Certification.

Nathaniel Averill
Signature of Authorized Signatory

18NSU2016
Date Signed

Nathaniel Averill

Print Name of Authorized Signatory

Chief Executive Officer

Title of Authorized Signatory

Information on this page has been reviewed by the applicant, and where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here: NA

ATTESTATIONS

Signed under the pains and penalties of perjury, I, the authorized signatory for the applicant non-profit corporation, agree and attest that all information included in this application is complete and accurate and that I have an ongoing obligation to submit updated information to the Department if the information presented within this application has changed.


Signature of Authorized Signatory

18 Nov 2016
Date Signed

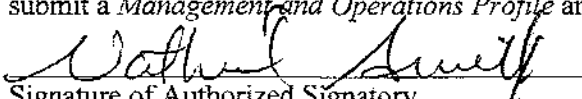
Nathaniel Averill

Print Name of Authorized Signatory

Chief Executive Officer

Title of Authorized Signatory

I, the authorized signatory for the applicant non-profit corporation, hereby attest that the corporation has notified the chief administrative officer and the chief of police of the proposed city or town in which the RMD would be sited, as well as the sheriff of the applicable county, of the intent to submit a *Management and Operations Profile* and a *Siting Profile*.


Signature of Authorized Signatory

18 Nov 2016
Date Signed

Nathaniel Averill

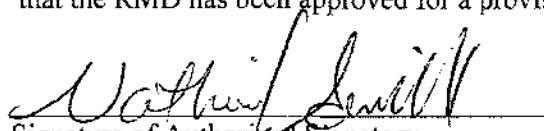
Print Name of Authorized Signatory

Chief Executive Officer

Title of Authorized Signatory

Information on this page has been reviewed by the applicant, and where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here: NA

I, the authorized signatory for the applicant non-profit corporation, hereby attest that if the corporation is approved for a provisional certificate of registration, the corporation is prepared to pay a non-refundable registration fee of \$50,000, as specified in 105 CMR 725.000, after being notified that the RMD has been approved for a provisional certificate of registration.


Signature of Authorized Signatory

18 NOV 2016
Date Signed

Nathaniel Averill
Print Name of Authorized Signatory

Chief Executive Officer
Title of Authorized Signatory

Information on this page has been reviewed by the applicant, and where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here: NA

Massachusetts Commercial Lease Agreement
Timbuktu Real Estate, LLC, (Landlord)
Healthy Pharms, Inc., (Tenant)

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**Massachusetts Commercial Lease Agreement
Timbuktu Real Estate, LLC, Landlord
Healthy Pharms, Inc., Tenant**

This Commercial Lease Agreement ("**Lease**") is made and effective on the date that the Leased Premises becomes vacant and available as notified by the Current Tenant, which shall occur no later than July 1, 2017, by and between Timbuktu Real Estate, LLC, a Massachusetts Limited Liability Company with an address of 10 Eliot Street, Cambridge, MA 02138 ("**Landlord**") and Healthy Pharms, Inc., a Massachusetts Non-Profit Corporation with an address of 401 East Main Street, Georgetown, MA 01833 ("**Tenant**").

Landlord desires to lease 98 Winthrop Street, Suite/Unit 1 Cambridge, MA 02138 (the "**Leased Premises**") to Tenant, and Tenant desires to lease the Leased Premises from Landlord for the term, at the rental and upon the covenants, conditions and provisions herein set forth.

THEREFORE, in consideration of the mutual promises herein, contained and other good and valuable consideration, it is agreed:

1. Term.

A. Landlord hereby commits to lease the Leased Premises to Tenant, and Tenant hereby leases the same from Landlord, for an initial term of ten (10) years, beginning upon the termination of the appeals period after the issuance of a Special Permit to Tenant to operate a RMD at the Leased Premises or, if an appeal is made to the issuance of such a Special Permit to Tenant, then after the successful defense of any and all appeals to the issuance of such a Special Permit to Tenant (the "**Commencement Date**") and ending ten years from the Commencement Date ("**Initial Term**").

B. Tenant shall have the option to renew the Lease for two extended terms of five (5) years each ("**Renewal Term**"). Tenant shall exercise such Renewal Option, if at all, by giving at least one (1) year's written notice to Landlord prior to the expiration of the Initial Term, and at least one (1) year prior to the expiration of any Renewal Term. The Renewal Term shall be at the rental terms set forth below and otherwise upon the same covenants, conditions and provisions as provided in this Lease.

2. Rent Payments and Security Deposit.

A. Tenant shall pay to Landlord base rent according to the following rent schedule during the Initial Term. Annual Rent for each year is based on a 3% Cost of Living Adjustment starting after the Year 1 Annual Rent:

	Monthly Rent	Annual Rent
Year 1	\$18,541.67	\$222,500.00
Year 2	\$19,097.92	\$229,175.00

	Monthly Rent	Annual Rent
Year 3	\$19,670.83	\$236,050.00
Year 4	\$20,260.92	\$243,131.00
Year 5	\$20,868.67	\$250,424.00
Year 6	\$21,494.67	\$257,936.00
Year 7	\$22,139.50	\$265,674.00
Year 8	\$22,803.67	\$273,644.00
Year 9	\$23,487.75	\$281,853.00
Year 10	\$24,192.33	\$290,308.00

Each installment payment shall be due in advance on the first day of each calendar month during the lease term to Landlord at 10 Eliot Street, Cambridge, MA 02138 or at such other place designated by written notice from Landlord to Tenant. The rental payment amount for any partial calendar months included in the lease term shall be prorated on a daily basis.

If Tenant fails to pay rent when due and the failure to pay rent continues for ten (10) days after due date, it shall constitute a default, and Landlord may, at Landlord's option, charge a late fee equal to 15% of the rent payment due, and may declare the entire balance of rent payable hereunder before the then-current term to be immediately due and payable and may exercise any and all rights and remedies available to Landlord at law or in equity.

B. The rental for any Renewal Term, if created as permitted under this Lease, shall be negotiated by the parties at the beginning of such term and be based on Fair Market Value, but in no event shall the rental for any Renewal Term be less than the rental amount in Year 10 of the Initial Term.

C. Tenant shall not be required to pay a Security Deposit.

3. Use

Notwithstanding the forgoing, Tenant shall not use the Leased Premises for the purposes of a Registered Marijuana Dispensary ("RMD") and any other use permissible under the law. Tenant's use of the property shall be compliant with Massachusetts and Cambridge laws, rules and regulations.

4. Sublease and Assignment.

Tenant shall not sublease all or any part of the Leased Premises, or assign this Lease in whole or in part without Landlord's consent, such consent not to be unreasonably withheld or delayed.

5. Repairs.

During the Lease term, Tenant shall make, at Tenant's expense, all necessary repairs to the Leased Premises. Repairs shall include such items as repairs to floors, walls, ceilings, and other parts of the Leased Premises. By signing this lease, Tenant agrees to pay 51.4% of the "Triple Net" costs, including maintenance.

6. Alterations and Improvements.

Tenant, at Tenant's sole expense, shall have the right, following Landlord's consent, to remodel, redecorate, and make additions, improvements and replacements of and to all or any part of the Leased Premises from time to time as Tenant may deem desirable, provided the same are made in a workmanlike manner and utilizing good quality materials. Tenant shall have the right to place and install personal property, trade fixtures, equipment and other temporary installations in and upon the Leased Premises, and fasten the same to the Leased Premises. All personal property, equipment, machinery, trade fixtures and temporary installations, whether acquired by Tenant at the commencement of the Lease or placed or installed on the Leased Premises by Tenant thereafter, shall remain Tenant's property free and clear of any claim by Landlord. Tenant shall have the right to remove the same at any time during the term of this Lease provided that all damage to the Leased Premises caused by such removal shall be repaired by Tenant at Tenant's expense.

7. Taxes.

A. Tenant shall pay all real estate taxes and assessments which are assessed against the Leased Premises during the time of this Lease. Real Property Taxes shall include any form of assessment, license, fee, rent, tax, levy, penalty or tax imposed by any authority having the direct or indirect power to tax, including any improvement district, as against any legal or equitable interest of Landlord in the Leased Premises or as against Landlord's business of renting the Leased Premises ("**Real Property Taxes**"). Tenant's share of Real Property Taxes shall be equitably prorated to cover only the period of time within the fiscal tax year during which this Lease is in effect. With respect to any assessments which may be levied against or upon the Leased Premises, and which may be paid in annual installments, only the amount of such annual installments (with appropriate proration for any partial year) and interest due thereon shall be included within the computation of the annual Real Property Taxes. Landlord represents that, to the best of his knowledge, there are no assessment or improvement districts being planned which would affect the Leased Premises other than as in effect as of the date of this Lease.

B. Tenant shall pay all personal taxes and any other charges which may be levied against the Leased Premises and which are attributable to Tenant's use of the Leased Premises, along with all sales and/or use taxes (if any) that may be due in connection with lease payments. Accordingly, Tenant shall pay before delinquency all taxes levied or assessed on Tenant's fixtures, improvements, furnishings, merchandise, equipment and personal property in and on the Leased Premises, whether or not affixed to the real property. If Tenant in good faith contests the validity of any such personal property taxes, then Tenant shall at its sole expense defend itself and Landlord against the same and shall pay and satisfy any adverse determination or judgment that may be rendered thereon and shall furnish Landlord with a surety bond satisfactory to Landlord in an amount equal to 150% of such contested taxes. Tenant shall indemnify Landlord against liability for any such taxes and/or any liens placed on the Leased

Premises in connection with such taxes. If at any time after any tax or assessment has become due or payable Tenant or its legal representative neglects to pay such tax or assessment, Landlord may elect, but not be obligated, to pay the same at any time thereafter and such amount so paid by Landlord shall be repaid by Tenant to Landlord with Tenant's next rent installment together with interest at the highest rate allowable by law.

8. Insurance.

A. If the Leased Premises or any other part of the Building is damaged by fire or other casualty resulting from any act or negligence of Tenant or any of Tenant's agents, employees or invitees, rent shall not be diminished or abated while such damages are under repair, and Tenant shall be responsible for the costs of repair not covered by insurance.

B. Tenant shall maintain casualty property insurance on the Premises and all improvements against loss or damage by fire and lightning and against loss or damage by other risks in an amount not less than 100% of the full replacement value. Landlord shall be named as an additional insured in such policies. Tenant shall deliver appropriate evidence to Landlord as proof that adequate insurance is in force issued by companies reasonably satisfactory to Landlord. Landlord shall receive advance written notice from the insurer prior to any termination of such insurance policies. All insurance proceeds payable by the occurrence of any covered loss shall be payable to Landlord, and Tenant shall have no right or claim to any such insurance proceeds payable with respect to the improvements, excluding, however, any such proceeds that may be payable with respect to Tenant's personal property or trade fixtures. Tenant shall also maintain any other insurance which Landlord may reasonably require for the protection of Landlord's interest in the Premises. Tenant is responsible for maintaining casualty insurance on its own property.

C. Tenant, at its own expense, shall provide and keep in force with companies acceptable to Landlord, liability insurance coverage for no less than \$1,000,000 per occurrence and \$2,000,000 in aggregate, annually, pursuant to the requirements in 105 CMR 725.105(Q). Tenant will make reports documenting compliance with 105 CMR 725.105(Q) in a manner and form determined by the Massachusetts Department of Public Health pursuant to 105 CMR 725.105(M).

9. Utilities.

Landlord shall pay all charges for water, sewer, electric, and gas during the term of the Lease. Tenant will be responsible for all other services and utilities used by Tenant on the Leased Premises, unless otherwise expressly agreed in writing by Landlord. In the event that any utility or service provided to the Leased Premises is not separately metered, Landlord shall pay the amount due and separately invoice Tenant for Tenant's pro rata share of the charges. Tenant shall pay such amounts to Landlord within fifteen (15) days of receipt of an invoice from Landlord.

10. Signs.

Following Landlord's consent, Tenant shall have the right to place on the Leased Premises, at locations selected by Tenant, any signs which are permitted by applicable laws, zoning ordinances, and private restrictions, as shall be amended from time to time. Landlord may refuse consent to any proposed signage that is, in Landlord's sole discretion, too large,

deceptive, unattractive or otherwise inconsistent with, or inappropriate to, the Leased Premises or use of any other tenant. Landlord shall assist and cooperate with Tenant in obtaining any necessary permission from governmental authorities or adjoining owners and occupants for Tenant to place or construct the foregoing signs. Tenant shall repair all damage to the Leased Premises resulting from the removal of signs installed by Tenant.

11. Entry.

Landlord shall have the right to enter upon the Leased Premises at reasonable hours to inspect the same, provided Landlord shall not thereby unreasonably interfere with Tenant's business on the Leased Premises. Notwithstanding anything contained to the contrary within this Paragraph 11, Landlord's right to enter will be subject to the restrictions on visitors pursuant to 105 CMR 725.000.

12. Parking.

During the term of this Lease, Tenant shall have the non-exclusive use in common with Landlord, of the non-reserved common automobile parking areas, driveways, and footways, subject to rules and regulations for the use thereof as prescribed from time to time by Landlord. Landlord reserves the right to designate parking areas within the Leased Premises or in reasonable proximity thereto, for Tenant and Tenant's agents and employees. Tenant shall provide Landlord with a list of all license numbers for the cars owned by Tenant, its agents and employees.

13. Damage and Destruction.

Subject to Section 8 A. above, if the Leased Premises or any part thereof or any appurtenance thereto is so damaged by fire, casualty or structural defects that the same cannot be used for Tenant's purposes, then Tenant shall have the right within ninety (90) days following damage to elect by notice to Landlord to terminate this Lease as of the date of such damage. In the event of minor damage to any part of the Leased Premises, and if such damage does not render the Leased Premises unusable for Tenant's purposes, Tenant shall promptly repair such damage at the cost of the Tenant. Tenant shall be relieved from paying rent and other charges during any portion of the Lease term that the Leased Premises are inoperable or unfit for occupancy, or use, in whole or in part, for Tenant's purposes. In making the repairs called for in this paragraph, Tenant shall not be liable for any delays resulting from strikes, governmental restrictions, inability to obtain necessary materials or labor or other matters which are beyond the reasonable control of Tenant. Rentals and other charges paid by Tenant in advance for any such periods shall be credited on the next ensuing payments, if any, but if no further payments are to be made, any such advance payments shall be refunded to Tenant. The provisions of this paragraph extend not only to the matters aforesaid, but also to any occurrence which is beyond Tenant's reasonable control and which renders the Leased Premises, or any appurtenance thereto, inoperable or unfit for occupancy or use, in whole or in part, for Tenant's purposes.

14. Default.

If default shall at any time be made by Tenant in the payment of rent when due to Landlord as herein provided, and if said default shall continue for fifteen (15) days after written notice thereof has been given to Tenant by Landlord, or if default shall be made in any of the other covenants or conditions to be kept, observed and performed by Tenant, and such default shall continue for

thirty (30) days after notice thereof in writing is provided to Tenant by Landlord without correction thereof then having been commenced and thereafter diligently prosecuted, Landlord may declare the term of this Lease ended and terminated by giving Tenant written notice of such intention, and if possession of the Leased Premises is not surrendered, Landlord may reenter said premises. Landlord shall have, in addition to the remedy above provided, any other right or remedy available to Landlord on account of any Tenant default, either in law or equity. Landlord shall use reasonable efforts to mitigate its damages.

15. Quiet Possession.

Landlord covenants and warrants that upon performance by Tenant of its obligations hereunder, Landlord will keep and maintain Tenant in exclusive, quiet, peaceable and undisturbed and uninterrupted possession of the Leased Premises during the term of this Lease.

16. Condemnation.

If any legally, constituted authority condemns the Building or such part thereof which shall make the Leased Premises unsuitable for leasing, this Lease shall cease when the public authority takes possession, and any rent owing up to that date shall become immediately payable, and the Lease shall terminate with no further obligation to either party. Such termination shall be without prejudice to the rights of either party to recover compensation from the condemning authority for any loss or damage caused by the condemnation. Neither party shall have any rights in or to any award made to the other by the condemning authority.

17. Subordination.

Tenant accepts this Lease subject and subordinate to any mortgage, deed of trust or other lien presently existing or hereafter arising upon the Leased Premises, or upon the Building and to any renewals, refinancing and extensions thereof, but Tenant agrees that any such mortgagee shall have the right at any time to subordinate such mortgage, deed of trust or other lien to this Lease on such terms and subject to such conditions as such mortgagee may deem appropriate in its discretion. Landlord is hereby irrevocably vested with full power and authority to subordinate this Lease to any mortgage, deed of trust or other lien now existing or hereafter placed upon the Leased Premises of the Building, and Tenant agrees upon demand to execute such further instruments subordinating this Lease or attorning to the holder of any such liens as Landlord may request. In the event that Tenant should fail to execute any instrument of subordination herein required to be executed by Tenant promptly as requested, Tenant hereby irrevocably constitutes Landlord as its attorney-in-fact to execute such instrument in Tenant's name, place and stead, it being agreed that such power is one coupled with an interest. Tenant agrees that it will from time to time upon request by Landlord execute and deliver to such persons as Landlord shall request a statement in recordable form certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as so modified), stating the dates to which rent and other charges payable under this Lease have been paid, stating that Landlord is not in default hereunder (or if Tenant alleges a default stating the nature of such alleged default) and further stating such other matters as Landlord shall reasonably require.

18. Security Deposit.

Intentionally Omitted.

19. Common Area Maintenance.

Tenant shall be responsible for 100% of maintenance and improvement costs, whether classified as capital or otherwise that relate to or flow from Tenant's occupancy of the Leased Premises.

20. Notices.

Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

If to Landlord:

Timbuktu Real Estate, LLC
Paul Overgaag, Manager
10 Eliot Street
Cambridge, Massachusetts 02138

If to Tenant:

Healthy Pharms, Inc.
Nathaniel Averill, President
401 East Main Street
Georgetown, MA 01833

Landlord and Tenant shall each have the right from time to time to change the place notice is to be given under this paragraph by written notice thereof to the other party.

21. Brokers.

Tenant represents that Tenant was not shown the Leased Premises by any real estate broker or agent and that Tenant has not otherwise engaged in, any activity which could form the basis for a claim for real estate commission, brokerage fee, finder's fee or other similar charge, in connection with this Lease.

22. Waiver.

No waiver of any default of Landlord or Tenant hereunder shall be implied from any omission to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by Landlord or Tenant shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition.

23. Memorandum of Lease.

The parties hereto contemplate that this Lease should not and shall not be filed for record, but in lieu thereof, at the request of either party, Landlord and Tenant shall execute a Memorandum of Lease to be recorded for the purpose of giving record notice of the appropriate provisions of this Lease.

24. Headings.

The headings used in this Lease are for convenience of the parties only and shall not be considered in interpreting the meaning of any provision of this Lease.

25. Successors.

The provisions of this Lease shall extend to and be binding upon Landlord and Tenant and their respective legal representatives, successors and assigns.

26. Consent.

Landlord shall not unreasonably withhold or delay its consent with respect to any matter for which Landlord's consent is required or desirable under this Lease.

27. Performance.

If there is a default with respect to any of Landlord's covenants, warranties or representations under this Lease, and if the default continues more than fifteen (15) days after notice in writing from Tenant to Landlord specifying the default, Tenant may, at its option and without affecting any other remedy hereunder, cure such default and deduct the cost thereof from the next accruing installment or installments of rent payable hereunder until Tenant shall have been fully reimbursed for such expenditures, together with interest thereon at a rate equal to the lesser of twelve percent (12%) per annum or the then highest lawful rate. If this Lease terminates prior to Tenant's receiving full reimbursement, Landlord shall pay the unreimbursed balance plus accrued interest to Tenant on demand.

28. Compliance with Law.

Tenant shall comply with all laws, orders, ordinances and other public requirements now or hereafter pertaining to Tenant's use of the Leased Premises. Landlord shall comply with all laws, orders, ordinances and other public requirements now or hereafter affecting the Leased Premises.

29. Final Agreement.

This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties.

30. Governing Law.

This Agreement shall be governed, construed and interpreted by, through and under the Laws of the Commonwealth of Massachusetts.

31. Limitation of Remedies.

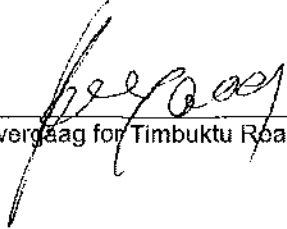
Notwithstanding any provision of this Lease, Landlord hereby agrees that Landlord's rights and remedies following termination of this Lease, shall not include the sale of assets protected by the Humanitarian Medical Use of Marijuana Act, Ch. 369 of the Acts of 2012, i.e. any product containing any amount of marijuana. Notwithstanding any provision of this Lease, Landlord agrees that Landlord's rights and remedies following a default, breach, surrender or any other failure to perform under this Lease, shall not include the seizure of assets protected by the Humanitarian Medical Use of Marijuana Act, Ch. 369 of the Acts of 2012, i.e. any product containing any amount of marijuana. Landlord shall not be entitled to a repayment or remedy that provides Landlord inventory of Tenant that contains any amount of marijuana, in any form, whether flower or infused product. Landlord hereby forfeits any such remedy. In addition, Landlord hereby acknowledges and agrees that a Certificate of Registration for a RMD, whether provisional or final, is non-transferable, and may not be assigned or transferred without prior Department of Public Health approval. Landlord acknowledges and agrees that Tenant's Certificate of Registration for a RMD is not an asset that may be seized by Landlord or available as a remedy for Tenant's default, breach or other failure to perform under this Lease.

32. Current Tenant.

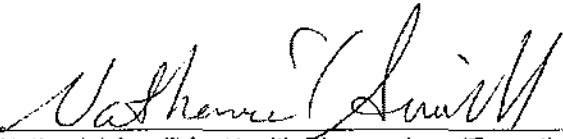
Tenant acknowledges that the Leased Premises is currently occupied by Tomolly, Inc. ("**Current Tenant**"). As a condition of entering into this Lease, Tenant agrees to buy out the lease from Current Tenant for one million dollars (\$1,000,000.00) ("**Buy Out Price**"). Tenant agrees to enter into a separate agreement with the Current Tenant whereby the Buy Out Price will be paid by Tenant to Current Tenant in quarterly payments over a period of five (5) years with the first payment due to Current Tenant on the date that Tenant takes possession of the Leased Premises. In the event that Tenant is unable to pay Current Tenant the full Buy Out Price at the end of the five (5) year period, the unpaid balance will begin to accrue interest at a rate of 15%, compounded annually until the unpaid balance is fully repaid.

[Signatures on Following Page]

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.



Paul Overgaard for Timbuktu Real Estate, LLC (Landlord)



Nathaniel Averill for Health Pharms, Inc. (Tenant)

Memorandum of Understanding
3 Brothers Real Estate, LLC, as Agent
for the
Lessor

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Massachusetts Commercial Lease Agreement
3 Brothers Real Estate, LLC, Landlord
Healthy Pharms, Inc., Tenant

This Commercial Lease Agreement ("Lease") is made and effective June 24, 2015 (this Lease is being executed prior to the Landlord closing on the Property as allowed pursuant to Rizika v. Donovan, 45 Mass. App. Ct. 159 (1998)), by and between 3 Brothers Real Estate, LLC, a Massachusetts Limited Liability Company with an address of 10 Eliot St., Cambridge, MA 02138 ("Landlord") and Healthy Pharms, Inc. a Massachusetts Non-Profit Corporation with an address of 22 Milton St. #2, Somerville, MA 02144 ("Tenant").

Landlord is entering into an Agreement for the purchase of the land and improvements commonly known as 401 East Main Street, Georgetown, MA 01833 and legally described as follows (the "Property"): Essex County South District Registry of Deeds, Book 11857, Page 80. This lease shall be contingent on Landlord's purchase of the Property.

Landlord will make repairs and renovations to the existing 65,580 sq. ft. building on the property ("the Building") and will make the Building and finished parking lot and access road, ("the Leased Premises") available to Tenant.

Landlord desires to lease the Leased Premises to Tenant, and Tenant desires to lease the Leased Premises from Landlord for the term, at the rental and upon the covenants, conditions and provisions herein set forth.

THEREFORE, in consideration of the mutual promises herein, contained and other good and valuable consideration, it is agreed:

1. Term.

A. Landlord hereby commits to lease the Leased Premises to Tenant, and Tenant hereby leases the same from Landlord, for an "Initial Term" beginning at the time a Special Permit is obtained from the Town of Georgetown, MA for the construction of the Tenant's medical use of marijuana facility and ending on the first (1st) day of the sixty-first (61st) month after that date. Landlord shall use its best efforts to give Tenant possession as nearly as possible at the beginning of the Lease term. Tenant shall make no other claim against Landlord for any such delay.

B. Tenant may renew the Lease for two extended terms of five (5) years each. Tenant shall exercise such renewal option, if at all, by giving written notice to Landlord not less than ninety (90) days prior to the expiration of the Initial Term. The renewal term shall be at the rental set forth below and otherwise upon the same covenants, conditions and provisions as provided in this Lease.

2. Rent Payments and Security Deposit

A. Tenant shall pay to Landlord base rent according to the following rent schedule during the Initial Term. Payment of rent shall begin thirty (30) days after Tenant begins serving patients of the Commonwealth.

	Monthly Rent	Annual Rent
Year 1	\$22,000.00	\$264,000.00
Year 2	\$23,100.00	\$277,200.00
Year 3	\$24,255.00	\$291,060.00
Year 4	\$25,467.75	\$305,613.00
Year 5	\$27,741.14	\$320,893.70

Each installment payment shall be due in advance on the first day of each calendar month during the lease term to Landlord at 10 Eliot St., Cambridge, MA 02138 or at such other place designated by written notice from Landlord or Tenant. The rental payment amount for any partial calendar months included in the lease term shall be prorated on a daily basis.

B. The rental for any renewal lease term, if created as permitted under this Lease, shall be negotiated by the parties at the beginning of the such term and be based on Fair Market Value.

C. Tenant shall not be required to pay a Security Deposit.

3. Use

Notwithstanding the forgoing, Tenant shall not use the Leased Premises for the purposes of storing, manufacturing or selling any explosives, flammables or other inherently dangerous substance, chemical, thing or device. Tenant's use of the property shall be compliant with OSHA standards. Notwithstanding anything in this section, Tenant shall be entitled to produce Marijuana Infused Products in accordance with Massachusetts Regulations for their production.

4. Sublease and Assignment.

Tenant shall not sublease all or any part of the Leased Premises, or assign this Lease in whole or in part without Landlord's consent, such consent not to be unreasonably withheld or delayed.

5. Repairs.

During the Lease term, Tenant shall make, at Tenant's expense, all necessary repairs to the Leased Premises. Repairs shall include such items as repairs of floors, walls, ceilings, and other parts of the Leased Premises. By signing this lease, Tenant agrees that this is a true "Triple Net" lease and Tenant shall be responsible for the cost of all maintenance, taxes and insurance for the Leased Premises.

6. Alterations and Improvements.

Tenant, at Tenant's expense, shall have the right, following Landlord's consent, to remodel, redecorate, and make additions, improvements and replacements of and to all or any part of the Leased Premises from time to time as Tenant may deem desirable, provided the same are

made in a workmanlike manner and utilizing good quality materials. Tenant shall have the right to place and install personal property, trade fixtures, equipment and other temporary installations in and upon the Leased Premises, and fasten the same to the premises. All personal property, equipment, machinery, trade fixtures and temporary installations, whether acquired by Tenant at the commencement of the Lease term or placed or installed on the Leased Premises by Tenant thereafter, shall remain Tenant's property free and clear of any claim by Landlord. Tenant shall have the right to remove the same at any time during the term of this Lease provided that all damage to the Leased Premises caused by such removal shall be repaired by Tenant at Tenant's expense.

7. Taxes.

A. Tenant shall pay all real estate taxes and assessments which are assessed against the Premises during the time of this Lease. Real Property Taxes shall include any form of assessment, license, fee, rent, tax, levy, penalty or tax imposed by any authority having the direct or indirect power to tax, including any improvement district, as against any legal or equitable interest of Landlord in the Premises or as against Landlord's business of renting the Premises. Tenant's share of Real Property Taxes shall be equitably prorated to cover only the period of time within the fiscal tax year during which this Lease is in effect. With respect to any assessments which may be levied against or upon the Premises, and which may be paid in annual installments, only the amount of such annual installments (with appropriate proration for any partial year) and interest due thereon shall be included within the computation of the annual Real Property Taxes. Landlord represents that, to the best of his knowledge, there are no assessment or improvement districts being planned which would affect the Premises other than as in effect as of the date of this Lease.

B. Tenant shall pay all personal taxes and any other charges which may be levied against the Premises and which are attributable to Tenant's use of the Premises, along with all sales and/or use taxes (if any) that may be due in connection with lease payments. Accordingly, Tenant shall pay before delinquency all taxes levied or assessed on Tenant's fixtures, improvements, furnishings, merchandise, equipment and personal property in and on the Premises, whether or not affixed to the real property. If Tenant in good faith contests the validity of any such personal property taxes, then Tenant shall at its sole expense defend itself and Landlord against the same and shall pay and satisfy any adverse determination or judgment that may be rendered thereon and shall furnish Landlord with a surety bond satisfactory to Landlord in an amount equal to 150% of such contested taxes. Tenant shall indemnify Landlord against liability for any such taxes and/or any liens placed on the Premises in connection with such taxes. If at any time after any tax or assessment has become due or payable Tenant or its legal representative neglects to pay such tax or assessment, Landlord shall be entitled, but not obligated, to pay the same at any time thereafter and such amount so paid by Landlord shall be repaid by Tenant to Landlord with Tenant's next rent installment together with interest at the highest rate allowable by law.

8. Insurance.

A. If the Leased Premises or any other part of the Building is damaged by fire or other casualty resulting from any act or negligence of Tenant or any of Tenant's agents, employees or invitees, rent shall not be diminished or abated while such damages are under repair, and Tenant shall be responsible for the costs of repair not covered by insurance.

B. Tenant shall maintain casualty property insurance on the Premises and all improvements against loss or damage by fire and lightning and against loss or damage by other risks in an amount not less than 100% of the full replacement value. Landlord shall be named as an additional insured in such policies. Tenant shall deliver appropriate evidence to Landlord as proof that adequate insurance is in force issued by companies reasonably satisfactory to Landlord. Landlord shall receive advance written notice from the insurer prior to any termination of such insurance policies. All insurance proceeds payable by the occurrence of any covered loss shall be payable to Landlord, and Tenant shall have no right or claim to any such insurance proceeds payable with respect to the improvements, excluding, however, any such proceeds that may be payable with respect to Tenant's personal property or trade fixtures. Tenant shall also maintain any other insurance which Landlord may reasonably require for the protection of Landlord's interest in the Premises. Tenant is responsible for maintaining casualty insurance on its own property.

C. Tenant shall maintain liability insurance on the Premises in a total aggregate sum of at least \$1,000,000.00. Tenant shall deliver appropriate evidence to Landlord as proof that adequate insurance is in force issued by companies reasonably satisfactory to Landlord. Landlord shall receive advance written notice from the insurer prior to any termination of such insurance policies.

9. Utilities.

Tenant shall pay all charges for water, sewer, gas, electricity, telephone and other services and utilities used by Tenant on the Leased Premises during the term of this Lease unless otherwise expressly agreed in writing by Landlord. In the event that any utility or service provided to the Leased Premises is not separately metered, Landlord shall pay the amount due and separately invoice Tenant for Tenant's pro rata share of the charges. Tenant shall pay such amounts within fifteen (15) days of invoice.

10. Signs.

Following Landlord's consent, Tenant shall have the right to place on the Leased Premises, at locations selected by Tenant, any signs which are permitted by applicable zoning ordinances, private restrictions, the Massachusetts Department of Public Health ("DPH"), and 105 CMR 725.105(L) as shall be amended from time to time. Landlord may refuse consent to any proposed signage that is in Landlord's opinion too large, deceptive, unattractive or otherwise inconsistent with or inappropriate to the Leased Premises or use of any other tenant. Landlord shall assist and cooperate with Tenant in obtaining any necessary permission from governmental authorities or adjoining owners and occupants for Tenant to place or construct the foregoing signs. Tenant shall repair all damage to the Leased Premises resulting from the removal of signs installed by Tenant.

11. Entry.

Landlord shall have the right to enter upon the Leased Premises at reasonable hours to inspect the same, provided Landlord shall not thereby unreasonably interfere with Tenant's business on the Leased Premises.

12. Parking.

During the term of this Lease, Tenant shall have the non-exclusive use in common with Landlord, of the non-reserved common automobile parking areas, driveways, and footways, subject to rules and regulations for the use thereof as prescribed from time to time by Landlord. Landlord reserves the right to designate parking areas within the Leased Premises or in reasonable proximity thereto, for Tenant and Tenant's agents and employees. Tenant shall provide Landlord with a list of all license numbers for the cars owned by Tenant, its agents and employees.

13. Damage and Destruction.

Subject to Section 8 A. above, if the Leased Premises or any part thereof or any appurtenance thereto is so damaged by fire, casualty or structural defects that the same cannot be used for Tenant's purposes, then Tenant shall have the right within ninety (90) days following damage to elect by notice to Landlord to terminate this Lease as of the date of such damage. In the event of minor damage to any part of the Leased Premises, and if such damage does not render the Leased Premises unusable for Tenant's purposes, Tenant shall promptly repair such damage at the cost of the Tenant. Tenant shall be relieved from paying rent and other charges during any portion of the Lease term that the Leased Premises are inoperable or unfit for occupancy, or use, in whole or in part, for Tenant's purposes. In making the repairs called for in this paragraph, Tenant shall not be liable for any delays resulting from strikes, governmental restrictions, inability to obtain necessary materials or labor or other matters which are beyond the reasonable control of Tenant. Rentals and other charges paid in advance for any such periods shall be credited on the next ensuing payments, if any, but if no further payments are to be made, any such advance payments shall be refunded to Tenant. The provisions of this paragraph extend not only to the matters aforesaid, but also to any occurrence which is beyond Tenant's reasonable control and which renders the Leased Premises, or any appurtenance thereto, inoperable or unfit for occupancy or use, in whole or in part, for Tenant's purposes.

14. Default.

If default shall at any time be made by Tenant in the payment of rent when due to Landlord as herein provided, and if said default shall continue for fifteen (15) days after written notice thereof shall have been given to Tenant by Landlord, or if default shall be made in any of the other covenants or conditions to be kept, observed and performed by Tenant, and such default shall continue for thirty (30) days after notice thereof in writing to Tenant by Landlord without correction thereof then having been commenced and thereafter diligently prosecuted, Landlord may declare the term of this Lease ended and terminated by giving Tenant written notice of such intention, and if possession of the Leased Premises is not surrendered, Landlord may reenter said premises. Landlord shall have, in addition to the remedy above provided, any other right or remedy available to Landlord on account of any Tenant default, either in law or equity. Landlord shall use reasonable efforts to mitigate its damages.

15. Quiet Possession.

Landlord covenants and warrants that upon performance by Tenant of its obligations hereunder, Landlord will keep and maintain Tenant in exclusive, quiet, peaceable and undisturbed and uninterrupted possession of the Leased Premises during the term of this Lease.

16. Condemnation.

If any legally constituted authority condemns the Building or such part thereof which shall make the Leased Premises unsuitable for leasing, this Lease shall cease when the public authority takes possession, and Landlord and Tenant shall account for rental as of that date. Such termination shall be without prejudice to the rights of either party to recover compensation from the condemning authority for any loss or damage caused by the condemnation. Neither party shall have any rights in or to any award made to the other by the condemning authority.

17. Subordination.

Tenant accepts this Lease subject and subordinate to any mortgage, deed of trust or other lien presently existing or hereafter arising upon the Leased Premises, or upon the Building and to any renewals, refinancing and extensions thereof, but Tenant agrees that any such mortgagee shall have the right at any time to subordinate such mortgage, deed of trust or other lien to this Lease on such terms and subject to such conditions as such mortgagee may deem appropriate in its discretion. Landlord is hereby irrevocably vested with full power and authority to subordinate this Lease to any mortgage, deed of trust or other lien now existing or hereafter placed upon the Leased Premises of the Building, and Tenant agrees upon demand to execute such further instruments subordinating this Lease or attorning to the holder of any such liens as Landlord may request. In the event that Tenant should fail to execute any instrument of subordination herein required to be executed by Tenant promptly as requested, Tenant hereby irrevocably constitutes Landlord as its attorney-in-fact to execute such instrument in Tenant's name, place and stead, it being agreed that such power is one coupled with an interest. Tenant agrees that it will from time to time upon request by Landlord execute and deliver to such persons as Landlord shall request a statement in recordable form certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as so modified), stating the dates to which rent and other charges payable under this Lease have been paid, stating that Landlord is not in default hereunder (or if Tenant alleges a default stating the nature of such alleged default) and further stating such other matters as Landlord shall reasonably require.

18. Security Deposit.

Intentionally Omitted

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Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

If to Landlord:

3 Brothers Real Estate, LLC

Paul Overgaag

Manager

10 Eliot St.

Cambridge, Massachusetts 02138

If to Tenant:

Healthy Pharms, Inc.

Nathaniel Averill

22 Milton St. #2

Somerville, MA 02144

Landlord and Tenant shall each have the right from time to time to change the place notice is to be given under this paragraph by written notice thereof to the other party.

21. Brokers.

Tenant represents that Tenant was not shown the Premises by any real estate broker or agent and that Tenant has not otherwise engaged in, any activity which could form the basis for a claim for real estate commission, brokerage fee, finder's fee or other similar charge, in connection with this Lease.

22. Waiver.

No waiver of any default of Landlord or Tenant hereunder shall be implied from any omission to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by Landlord or Tenant shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition.

23. Memorandum of Lease.

The parties hereto contemplate that this Lease should not and shall not be filed for record, but in lieu thereof, at the request of either party, Landlord and Tenant shall execute a Memorandum of Lease to be recorded for the purpose of giving record notice of the appropriate provisions of this Lease.

24. Hearings.

The hearings used in this Lease are for convenience of the parties only and shall not be considered in interpreting the meaning of any provision of this Lease.

25. Successors.

The provisions of this Lease shall extend to and be binding upon Landlord and Tenant and their respective legal representatives, successors and assigns.

26. Consent.

Landlord shall not unreasonably withhold or delay its consent with respect to any matter for which Landlord's consent is required or desirable under this Lease.

27. Performance.

If there is a default with respect to any of Landlord's covenants, warranties or representations under this Lease, and if the default continues more than fifteen (15) days after notice in writing from Tenant to Landlord specifying the default, Tenant may, at its option and without affecting any other remedy hereunder, cure such default and deduct the cost thereof from the next accruing installment or installments of rent payable hereunder until Tenant shall have been fully reimbursed for such expenditures, together with interest thereon at a rate equal to the lesser of twelve percent (12%) per annum or the then highest lawful rate. If this Lease terminates prior to Tenant's receiving full reimbursement, Landlord shall pay the unreimbursed balance plus accrued interest to Tenant on demand.

28. Compliance with Law.

Tenant shall comply with all laws, orders, ordinances and other public requirements now or hereafter pertaining to Tenant's use of the Leased Premises. Landlord shall comply with all laws, orders, ordinances and other public requirements now or hereafter affecting the Leased Premises.

29. Final Agreement.

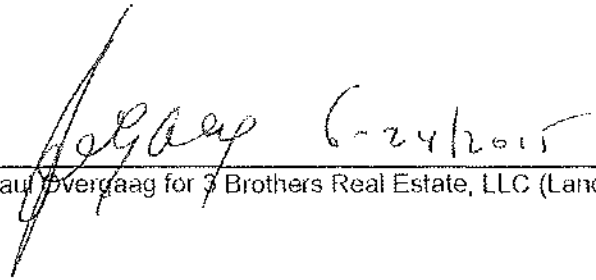
This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

30. Governing Law.

This Agreement shall be governed, construed and interpreted by, through and under the Laws of the Commonwealth of Massachusetts.

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.


Paul Overgaag for 3 Brothers Real Estate, LLC (Landlord)


Nathaniel Averill for Healthy Pharms, Inc. (Tenant)

FIRST AMENDMENT TO LEASE

THIS FIRST AGREEMENT TO AMEND THE LEASE DATED JUNE 24TH 2015 BETWEEN:

3 BROTHERS REAL ESTATE LLC
("LANDLORD")
AND
HEALTHY PHARMS, INC.
("TENANT")

I. Background

- A. The Landlord and Tenant entered into a Lease for the property located at 401 East Main St., Georgetown, MA 01833 on June 24th, 2015 (the "Lease").
- B. The Landlord and Tenant desire to amend the Lease as set forth in this Lease Amendment.
- C. This is the first Amendment to the Lease.

II. Amendment

The Landlord and Tenant hereby add and incorporate into the Lease an additional Section 31 which reads as follows:

Limitation of Remedies

Notwithstanding any provision of the Lease, Landlord hereby agrees that Landlord's rights and Remedies following a default, breach, surrender or any other failure to perform under this Agreement, shall not include the seizure of assets protected by the Humanitarian Medical Use of Marijuana Act, Ch. 369 of the Acts of 2012, i.e. any product containing any amount of marijuana. Landlord shall not be entitled to a repayment or remedy that provides Landlord inventory of Tenant that contains any amount of marijuana, in any form, whether flower or infused product. Landlord hereby forfeits any such remedy. In addition, Landlord hereby understands and agrees that a Certificate of Registration, whether provisional or final, is nontransferable, and may not be assigned or transferred without prior Department of Public Health approval. Landlord agrees that Tenant's Certificate of Registration is not an asset that may be seized by Landlord or available as a remedy for Tenant's default, breach or other failure to perform under this Lease.

III. No Other Change

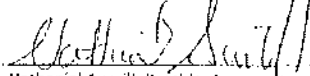
Except for as provided in Section II of this Amendment, there are no other changes to the Lease. The Lease is otherwise affirmed in its entirety by the Landlord and Tenant.

IV. Governing Law

This Lease Amendment shall be governed, construed, and interpreted by, through and under the Laws of the Commonwealth of Massachusetts.

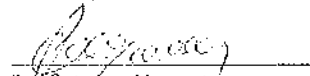
By signing this Amendment, the Parties agree that the Language in Section II, Amendment is part of their Agreement to Lease the Premises at 401 East Main St., Georgetown, MA 01833 dated June 24th, 2015. The Parties agree to be bound by the provisions of this Amendment.

For Healthy Pharms, Inc. (Tenant)


Nathaniel Averill, President

Dated: 30 June 2016

For 3 Brothers Real Estate, LLC (Landlord)


Paul Overgaard, Manager

Dated: 6/30/2016

City of Cambridge

Louis A. DePasquale • City Manager



Executive Department

Lisa C. Peterson • Deputy City Manager

November 15, 2016

Department of Public Health
Medical Use of Marijuana Program
RMD Applications
99 Chauncy Street, 11th Floor
Boston, MA 02111

To Whom It May Concern:

The Cambridge City Council does hereby provide support/non-opposition to Healthy Pharms, Inc. to operate a Registered Marijuana Dispensary in the City of Cambridge, Massachusetts. I have been authorized to provide this letter on behalf of the Cambridge City Council by a vote taken at a duly noticed meeting held on September 26, 2016.

The Cambridge City Council has verified with the appropriate local officials that the proposed RMD facility is located in a zoning district that allows such use by right or pursuant to local permitting.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Louis A. DePasquale".

Louis A. DePasquale
City Manager

LAD/mec



*Town of Georgetown
Massachusetts*

LETTER OF NON-OPPOSITION

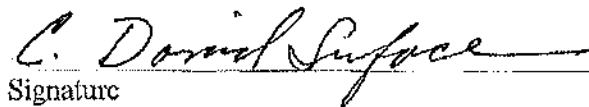
October 17, 2016

The *Georgetown Board of Selectmen* does hereby provide non-opposition to *Healthy Pharms, Inc.* to operate a Registered Marijuana Dispensary in the Town of Georgetown. I have been authorized to provide this letter on behalf of the Georgetown Board of Selectmen by a vote taken at a duly noticed meeting held on Monday, October 17, 2016.

The Board of Selectmen are aware that Healthy Pharms, Inc. will cultivate and produce marijuana for medical use at its Georgetown facility for dispensing in Georgetown and other places in Massachusetts, including Cambridge, and does not oppose such activity.

The Georgetown Board of Selectmen has verified with the appropriate local officials that the proposed RMD facility is located in a zoning district that allows such use by right or pursuant to local permitting.

C. David Surface, Chairman, Georgetown Board of Selectmen


Signature

October 17, 2016



The Commonwealth of Massachusetts
Executive Office of Health and Human Services
Department of Public Health
Bureau of Health Care Safety and Quality
Medical Use of Marijuana Program
99 Chauncy Street, 11th Floor, Boston, MA 02111

CHARLES D. BAKER
Governor

KARYN E. POLITO
Lieutenant Governor

MARYLOU SUDDERS
Secretary

MONICA BHAREL, MD, MPH
Commissioner

Tel: 617-660-5370
www.mass.gov/medicalmarijuana

December 1, 2016

Mr. Nathaniel Averill
Healthy Pharms, Inc.
401 East Main Street
Georgetown, MA 01833

Re: Request for Information

Dear Mr. Averill,

This letter is to inform you that the Department of Public Health ("Department") has reviewed the additional or revised information submitted for Healthy Pharms, Inc.'s *Siting Profile* (Application 1 of 1). The *Siting Profile* requires the following information before the Department may complete its evaluation:

1. Applicant did not initial the attestation at the bottom of Page 6 of the application. Applicant must resubmit a completed Page 6, with an initialed attestation included.
2. Section 3 of the Cambridge Lease states, in part: "Notwithstanding the forgoing, Tenant shall not use the Leased Premises for the purposes of a Registered Marijuana Dispensary ("RMD") and any other use permissible under the law." Please explain how a lease with this provision satisfies the application instructions for a *Siting Profile*.
3. The Cambridge Lease agreement is with a company that appears to be a related party. This agreement has not been identified as a related party transaction in Section C of the *Management and Operations Profile*. Please update Section C of the *Management and Operations Profile* with this information.

Please note, the Department has initiated the verification process for the letter of support or non-opposition from the Georgetown Board of Selectmen. We are awaiting verification of the letter and will notify the applicant if further information is needed.

If the applicant has been requested to resubmit their response to a question, please do so using the page on the application form for that particular question, and include an initialed attestation at the bottom of the page. The applicant need not resubmit the entire application and may submit only the page for the particular question that needs to be submitted.

Please remember to type all responses in the information or materials resubmitted to the Department, other than any required signatures, as well as include the name of the Applicant Non-Profit Corporation *and* the number of the application (e.g., Application 1 of 1) at the top of each page of the resubmitted information or materials.

Please resubmit the additional or revised information as outlined above, via U.S. mail or hand-delivery, to:

Department of Public Health
Medical Use of Marijuana Program
RMD Applications
99 Chauncy Street, 11th Floor
Boston, MA 02111

Upon receipt, the Department will review the information and will notify the applicant if it will proceed or if further information is required.

If you have questions or need assistance, you may contact the Department at 617-660-5370 or RMDapplication@state.ma.us.

Sincerely,



Eric Sheehan, J.D.
Bureau Director
Bureau of Health Care Safety and Quality
Massachusetts Department of Public Health



December 2, 2016

Medical Use of Marijuana Program
Department of Public Health
99 Chauncy Street, 11th Floor
Boston, MA 02111

Re: Response to DPII's December 1, 2016 Request for Information to Healthy Pharms, Inc. (Application 1 of 1)

To Whom It May Concern:

On behalf of Healthy Pharms, Inc. ("HPI"), we are writing in response to the Department of Public Health's ("DPH") December 1, 2016 Request for Information. The DPH requested the following information:

- 1. **DPII Request:** *Applicant did not initial the attestation at the bottom of Page 6 of the application. Applicant must resubmit a completed Page 6, with an initialed attestation included.*

HPI Response: Please find enclosed an updated Page 6 of the Siting Profile, which includes an initialed attestation.

- 2. **DPH Request:** *Section 3 of the Cambridge Lease states, in part: "Notwithstanding the forgoing, Tenant shall not use the Leased Premises for the purposes of a Registered Marijuana Dispensary ("RMD") and any other use permissible under the law." Please explain how a lease with this provision satisfies the application instructions for a Siting Profile.*

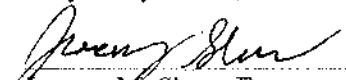
HPI Response: Please find enclosed a revised Cambridge lease correcting the typographical error in the version previously provided.

- 3. **DPII Request:** *The Cambridge Lease agreement is with a company that appears to be a related party. This agreement has not been identified as a related party transaction in Section C of the Management and Operations Profile. Please update Section C of the Management and Operations Profile with this information.*

HPI Response: Please find enclosed an updated Question 12 and Question 14 of Section C of the Management and Operations Profile identifying the Cambridge lease. The enclosed Questions 12 and 14 have also been updated to reflect the Georgetown lease and the loan agreement with Mr. Overgaag.

Thank you for your attention to this matter.

Very Truly Yours,


Jeremy M. Shaw, Esq.

Enclosures

RECEIVED

DEC 02 2016

MA DEPT. OF PUBLIC HEALTH
333 COMM. ST. 7TH FLOOR
BOSTON, MA 02109

SECTION C: LETTER OF SUPPORT OR NON-OPPOSITION

Attach a letter of support or non-opposition, using one of the templates below (Option A or B), signed by the local municipality in which the applicant intends to locate a dispensary. The applicant may choose to use either template, in consultation with the host community. If the applicant is proposing a dispensary location and a separate cultivation/processing location, the applicant must submit a letter of support or non-opposition from both municipalities. This letter may be signed by (a) the Chief Executive Officer/Chief Administrative Officer, as appropriate, for the desired municipality; or (b) the City Council, Board of Alderman, or Board of Selectmen for the desired municipality. The letter of support or non-opposition must contain the language as provided below. The letter must be printed on the municipality's official letterhead. The letter must be dated on or after the date that the applicant's Application of Intent was received by the Department.

Template Option A: Use this language if signatory is a Chief Executive Officer/Chief Administrative Officer

I, [Name of person], do hereby provide [support/non-opposition] to [name of non-profit organization] to operate a Registered Marijuana Dispensary ("RMD") in [name of city or town].

I have verified with the appropriate local officials that the proposed RMD facility is located in a zoning district that allows such use by right or pursuant to local permitting.

Name and Title of Individual

Signature

Date

Template Option B: Use this language if signatory is acting on behalf of a City Council, Board of Alderman, or Board of Selectman

The [name of council/board], does hereby provide [support/non-opposition] to [name of non-profit organization] to operate a Registered Marijuana Dispensary in [name of city or town]. I have been authorized to provide this letter on behalf of the [name of council/board] by a vote taken at a duly noticed meeting held on [date].

The [name of council/board] has verified with the appropriate local officials that the proposed RMD facility is located in a zoning district that allows such use by right or pursuant to local permitting.

Name and Title of Individual (or person authorized to act on behalf of council or board) *(add more lines for names if needed)*

Signature *(add more lines for signatures if needed)*

Date

Information on this page has been reviewed by the applicant, and where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here: NA

Massachusetts Commercial Lease Agreement
Timbuktu Real Estate, LLC, (Landlord)
Health Pharms, Inc., (Tenant)

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**Massachusetts Commercial Lease Agreement
Timbuktu Real Estate, LLC, Landlord
Healthy Pharms, Inc., Tenant**

This Commercial Lease Agreement ("**Lease**") is made and effective on the date that the Leased Premises becomes vacant and available as notified by the Current Tenant, which shall occur no later than July 1, 2017, by and between Timbuktu Real Estate, LLC, a Massachusetts Limited Liability Company with an address of 10 Eliot Street, Cambridge, MA 02138 ("**Landlord**") and Healthy Pharms, Inc., a Massachusetts Non-Profit Corporation with an address of 401 East Main Street, Georgetown, MA 01833 ("**Tenant**").

Landlord desires to lease 98 Winthrop Street, Suite/Unit 1 Cambridge, MA 02138 (the "**Leased Premises**") to Tenant, and Tenant desires to lease the Leased Premises from Landlord for the term, at the rental and upon the covenants, conditions and provisions herein set forth.

THEREFORE, in consideration of the mutual promises herein, contained and other good and valuable consideration, it is agreed:

1. Term.

A. Landlord hereby commits to lease the Leased Premises to Tenant, and Tenant hereby leases the same from Landlord, for an initial term of ten (10) years, beginning upon the termination of the appeals period after the issuance of a Special Permit to Tenant to operate a RMD at the Leased Premises or, if an appeal is made to the issuance of such a Special Permit to Tenant, then after the successful defense of any and all appeals to the issuance of such a Special Permit to Tenant (the "**Commencement Date**") and ending ten years from the Commencement Date ("**Initial Term**").

B. Tenant shall have the option to renew the Lease for two extended terms of five (5) years each ("**Renewal Term**"). Tenant shall exercise such Renewal Option, if at all, by giving at least one (1) year's written notice to Landlord prior to the expiration of the Initial Term, and at least one (1) year prior to the expiration of any Renewal Term. The Renewal Term shall be at the rental terms set forth below and otherwise upon the same covenants, conditions and provisions as provided in this Lease.

2. Rent Payments and Security Deposit.

A. Tenant shall pay to Landlord base rent according to the following rent schedule during the Initial Term. Annual Rent for each year is based on a 3% Cost of Living Adjustment starting after the Year 1 Annual Rent:

	Monthly Rent	Annual Rent
Year 1	\$18,541.67	\$222,500.00
Year 2	\$19,097.92	\$229,175.00

	Monthly Rent	Annual Rent
Year 3	\$19,670.83	\$236,050.00
Year 4	\$20,260.92	\$243,131.00
Year 5	\$20,868.67	\$250,424.00
Year 6	\$21,494.67	\$257,936.00
Year 7	\$22,139.50	\$265,674.00
Year 8	\$22,803.67	\$273,644.00
Year 9	\$23,487.75	\$281,853.00
Year 10	\$24,192.33	\$290,308.00

Each installment payment shall be due in advance on the first day of each calendar month during the lease term to Landlord at 10 Eliot Street, Cambridge, MA 02138 or at such other place designated by written notice from Landlord to Tenant. The rental payment amount for any partial calendar months included in the lease term shall be prorated on a daily basis.

If Tenant fails to pay rent when due and the failure to pay rent continues for ten (10) days after due date, it shall constitute a default, and Landlord may, at Landlord's option, charge a late fee equal to 15% of the rent payment due, and may declare the entire balance of rent payable hereunder before the then-current term to be immediately due and payable and may exercise any and all rights and remedies available to Landlord at law or in equity.

B. The rental for any Renewal Term, if created as permitted under this Lease, shall be negotiated by the parties at the beginning of such term and be based on Fair Market Value, but in no event shall the rental for any Renewal Term be less than the rental amount in Year 10 of the Initial Term.

C. Tenant shall not be required to pay a Security Deposit.

3. Use

Tenant shall use the Leased Premises for the purposes of a Registered Marijuana Dispensary ("RMD") and any other use permissible under the law. Tenant's use of the property shall be compliant with Massachusetts and Cambridge laws, rules and regulations.

4. Sublease and Assignment.

Tenant shall not sublease all or any part of the Leased Premises, or assign this Lease in whole or in part without Landlord's consent, such consent not to be unreasonably withheld or delayed.

5. Repairs.

During the Lease term, Tenant shall make, at Tenant's expense, all necessary repairs to the Leased Premises. Repairs shall include such items as repairs to floors, walls, ceilings, and other parts of the Leased Premises. By signing this lease, Tenant agrees to pay 51.4% of the "Triple Net" costs, including maintenance.

6. Alterations and Improvements.

Tenant, at Tenant's sole expense, shall have the right, following Landlord's consent, to remodel, redecorate, and make additions, improvements and replacements of and to all or any part of the Leased Premises from time to time as Tenant may deem desirable, provided the same are made in a workmanlike manner and utilizing good quality materials. Tenant shall have the right to place and install personal property, trade fixtures, equipment and other temporary installations in and upon the Leased Premises, and fasten the same to the Leased Premises. All personal property, equipment, machinery, trade fixtures and temporary installations, whether acquired by Tenant at the commencement of the Lease or placed or installed on the Leased Premises by Tenant thereafter, shall remain Tenant's property free and clear of any claim by Landlord. Tenant shall have the right to remove the same at any time during the term of this Lease provided that all damage to the Leased Premises caused by such removal shall be repaired by Tenant at Tenant's expense.

7. Taxes.

A. Tenant shall pay all real estate taxes and assessments which are assessed against the Leased Premises during the time of this Lease. Real Property Taxes shall include any form of assessment, license, fee, rent, tax, levy, penalty or tax imposed by any authority having the direct or indirect power to tax, including any improvement district, as against any legal or equitable interest of Landlord in the Leased Premises or as against Landlord's business of renting the Leased Premises ("**Real Property Taxes**"). Tenant's share of Real Property Taxes shall be equitably prorated to cover only the period of time within the fiscal tax year during which this Lease is in effect. With respect to any assessments which may be levied against or upon the Leased Premises, and which may be paid in annual installments, only the amount of such annual installments (with appropriate proration for any partial year) and interest due thereon shall be included within the computation of the annual Real Property Taxes. Landlord represents that, to the best of his knowledge, there are no assessment or improvement districts being planned which would affect the Leased Premises other than as in effect as of the date of this Lease.

B. Tenant shall pay all personal taxes and any other charges which may be levied against the Leased Premises and which are attributable to Tenant's use of the Leased Premises, along with all sales and/or use taxes (if any) that may be due in connection with lease payments. Accordingly, Tenant shall pay before delinquency all taxes levied or assessed on Tenant's fixtures, improvements, furnishings, merchandise, equipment and personal property in and on the Leased Premises, whether or not affixed to the real property. If Tenant in good faith contests the validity of any such personal property taxes, then Tenant shall at its sole expense defend itself and Landlord against the same and shall pay and satisfy any adverse determination or judgment that may be rendered thereon and shall furnish Landlord with a surety bond satisfactory to Landlord in an amount equal to 150% of such contested taxes. Tenant shall indemnify Landlord against liability for any such taxes and/or any liens placed on the Leased

Premises in connection with such taxes. If at any time after any tax or assessment has become due or payable Tenant or its legal representative neglects to pay such tax or assessment, Landlord may elect, but not be obligated, to pay the same at any time thereafter and such amount so paid by Landlord shall be repaid by Tenant to Landlord with Tenant's next rent installment together with interest at the highest rate allowable by law.

8. Insurance.

A. If the Leased Premises or any other part of the Building is damaged by fire or other casualty resulting from any act or negligence of Tenant or any of Tenant's agents, employees or invitees, rent shall not be diminished or abated while such damages are under repair, and Tenant shall be responsible for the costs of repair not covered by insurance.

B. Tenant shall maintain casualty property insurance on the Premises and all improvements against loss or damage by fire and lightning and against loss or damage by other risks in an amount not less than 100% of the full replacement value. Landlord shall be named as an additional insured in such policies. Tenant shall deliver appropriate evidence to Landlord as proof that adequate insurance is in force issued by companies reasonably satisfactory to Landlord. Landlord shall receive advance written notice from the insurer prior to any termination of such insurance policies. All insurance proceeds payable by the occurrence of any covered loss shall be payable to Landlord, and Tenant shall have no right or claim to any such insurance proceeds payable with respect to the improvements, excluding, however, any such proceeds that may be payable with respect to Tenant's personal property or trade fixtures. Tenant shall also maintain any other insurance which Landlord may reasonably require for the protection of Landlord's interest in the Premises. Tenant is responsible for maintaining casualty insurance on its own property.

C. Tenant, at its own expense, shall provide and keep in force with companies acceptable to Landlord, liability insurance coverage for no less than \$1,000,000 per occurrence and \$2,000,000 in aggregate, annually, pursuant to the requirements in 105 CMR 725.105(Q). Tenant will make reports documenting compliance with 105 CMR 725.105(Q) in a manner and form determined by the Massachusetts Department of Public Health pursuant to 105 CMR 725.105(M).

9. Utilities.

Landlord shall pay all charges for water, sewer, electric, and gas during the term of the Lease. Tenant will be responsible for all other services and utilities used by Tenant on the Leased Premises, unless otherwise expressly agreed in writing by Landlord. In the event that any utility or service provided to the Leased Premises is not separately metered, Landlord shall pay the amount due and separately invoice Tenant for Tenant's pro rata share of the charges. Tenant shall pay such amounts to Landlord within fifteen (15) days of receipt of an invoice from Landlord.

10. Signs.

Following Landlord's consent, Tenant shall have the right to place on the Leased Premises, at locations selected by Tenant, any signs which are permitted by applicable laws, zoning ordinances, and private restrictions, as shall be amended from time to time. Landlord may refuse consent to any proposed signage that is, in Landlord's sole discretion, too large,

deceptive, unattractive or otherwise inconsistent with, or inappropriate to, the Leased Premises or use of any other tenant. Landlord shall assist and cooperate with Tenant in obtaining any necessary permission from governmental authorities or adjoining owners and occupants for Tenant to place or construct the foregoing signs. Tenant shall repair all damage to the Leased Premises resulting from the removal of signs installed by Tenant.

11. Entry.

Landlord shall have the right to enter upon the Leased Premises at reasonable hours to inspect the same, provided Landlord shall not thereby unreasonably interfere with Tenant's business on the Leased Premises. Notwithstanding anything contained to the contrary within this Paragraph 11, Landlord's right to enter will be subject to the restrictions on visitors pursuant to 105 CMR 725.000.

12. Parking.

During the term of this Lease, Tenant shall have the non-exclusive use in common with Landlord, of the non-reserved common automobile parking areas, driveways, and footways, subject to rules and regulations for the use thereof as prescribed from time to time by Landlord. Landlord reserves the right to designate parking areas within the Leased Premises or in reasonable proximity thereto, for Tenant and Tenant's agents and employees. Tenant shall provide Landlord with a list of all license numbers for the cars owned by Tenant, its agents and employees.

13. Damage and Destruction.

Subject to Section 8 A. above, if the Leased Premises or any part thereof or any appurtenance thereto is so damaged by fire, casualty or structural defects that the same cannot be used for Tenant's purposes, then Tenant shall have the right within ninety (90) days following damage to elect by notice to Landlord to terminate this Lease as of the date of such damage. In the event of minor damage to any part of the Leased Premises, and if such damage does not render the Leased Premises unusable for Tenant's purposes, Tenant shall promptly repair such damage at the cost of the Tenant. Tenant shall be relieved from paying rent and other charges during any portion of the Lease term that the Leased Premises are inoperable or unfit for occupancy, or use, in whole or in part, for Tenant's purposes. In making the repairs called for in this paragraph, Tenant shall not be liable for any delays resulting from strikes, governmental restrictions, inability to obtain necessary materials or labor or other matters which are beyond the reasonable control of Tenant. Rentals and other charges paid by Tenant in advance for any such periods shall be credited on the next ensuing payments, if any, but if no further payments are to be made, any such advance payments shall be refunded to Tenant. The provisions of this paragraph extend not only to the matters aforesaid, but also to any occurrence which is beyond Tenant's reasonable control and which renders the Leased Premises, or any appurtenance thereto, inoperable or unfit for occupancy or use, in whole or in part, for Tenant's purposes.

14. Default.

If default shall at any time be made by Tenant in the payment of rent when due to Landlord as herein provided, and if said default shall continue for fifteen (15) days after written notice thereof has been given to Tenant by Landlord, or if default shall be made in any of the other covenants or conditions to be kept, observed and performed by Tenant, and such default shall continue for

thirty (30) days after notice thereof in writing is provided to Tenant by Landlord without correction thereof then having been commenced and thereafter diligently prosecuted, Landlord may declare the term of this Lease ended and terminated by giving Tenant written notice of such intention, and if possession of the Leased Premises is not surrendered, Landlord may reenter said premises. Landlord shall have, in addition to the remedy above provided, any other right or remedy available to Landlord on account of any Tenant default, either in law or equity. Landlord shall use reasonable efforts to mitigate its damages.

15. Quiet Possession.

Landlord covenants and warrants that upon performance by Tenant of its obligations hereunder, Landlord will keep and maintain Tenant in exclusive, quiet, peaceable and undisturbed and uninterrupted possession of the Leased Premises during the term of this Lease.

16. Condemnation.

If any legally, constituted authority condemns the Building or such part thereof which shall make the Leased Premises unsuitable for leasing, this Lease shall cease when the public authority takes possession, and any rent owing up to that date shall become immediately payable, and the Lease shall terminate with no further obligation to either party. Such termination shall be without prejudice to the rights of either party to recover compensation from the condemning authority for any loss or damage caused by the condemnation. Neither party shall have any rights in or to any award made to the other by the condemning authority.

17. Subordination.

Tenant accepts this Lease subject and subordinate to any mortgage, deed of trust or other lien presently existing or hereafter arising upon the Leased Premises, or upon the Building and to any renewals, refinancing and extensions thereof, but Tenant agrees that any such mortgagee shall have the right at any time to subordinate such mortgage, deed of trust or other lien to this Lease on such terms and subject to such conditions as such mortgagee may deem appropriate in its discretion. Landlord is hereby irrevocably vested with full power and authority to subordinate this Lease to any mortgage, deed of trust or other lien now existing or hereafter placed upon the Leased Premises of the Building, and Tenant agrees upon demand to execute such further instruments subordinating this Lease or attorning to the holder of any such liens as Landlord may request. In the event that Tenant should fail to execute any instrument of subordination herein required to be executed by Tenant promptly as requested, Tenant hereby irrevocably constitutes Landlord as its attorney-in-fact to execute such instrument in Tenant's name, place and stead, it being agreed that such power is one coupled with an interest. Tenant agrees that it will from time to time upon request by Landlord execute and deliver to such persons as Landlord shall request a statement in recordable form certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as so modified), stating the dates to which rent and other charges payable under this Lease have been paid, stating that Landlord is not in default hereunder (or if Tenant alleges a default stating the nature of such alleged default) and further stating such other matters as Landlord shall reasonably require.

18. Security Deposit.

Intentionally Omitted.

19. Common Area Maintenance.

Tenant shall be responsible for 100% of maintenance and improvement costs, whether classified as capital or otherwise that relate to or flow from Tenant's occupancy of the Leased Premises.

20. Notices.

Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

If to Landlord:

Timbuktu Real Estate, LLC
Paul Overgaag, Manager
10 Eliot Street
Cambridge, Massachusetts 02138

If to Tenant:

Healthy Pharms, Inc.
Nathaniel Averill, President
401 East Main Street
Georgetown, MA 01833

Landlord and Tenant shall each have the right from time to time to change the place notice is to be given under this paragraph by written notice thereof to the other party.

21. Brokers.

Tenant represents that Tenant was not shown the Leased Premises by any real estate broker or agent and that Tenant has not otherwise engaged in, any activity which could form the basis for a claim for real estate commission, brokerage fee, finder's fee or other similar charge, in connection with this Lease.

22. Waiver.

No waiver of any default of Landlord or Tenant hereunder shall be implied from any omission to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by Landlord or Tenant shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition.

23. Memorandum of Lease.

The parties hereto contemplate that this Lease should not and shall not be filed for record, but in lieu thereof, at the request of either party, Landlord and Tenant shall execute a Memorandum of Lease to be recorded for the purpose of giving record notice of the appropriate provisions of this Lease.

24. Headings.

The headings used in this Lease are for convenience of the parties only and shall not be considered in interpreting the meaning of any provision of this Lease.

25. Successors.

The provisions of this Lease shall extend to and be binding upon Landlord and Tenant and their respective legal representatives, successors and assigns.

26. Consent.

Landlord shall not unreasonably withhold or delay its consent with respect to any matter for which Landlord's consent is required or desirable under this Lease.

27. Performance.

If there is a default with respect to any of Landlord's covenants, warranties or representations under this Lease, and if the default continues more than fifteen (15) days after notice in writing from Tenant to Landlord specifying the default, Tenant may, at its option and without affecting any other remedy hereunder, cure such default and deduct the cost thereof from the next accruing installment or installments of rent payable hereunder until Tenant shall have been fully reimbursed for such expenditures, together with interest thereon at a rate equal to the lesser of twelve percent (12%) per annum or the then highest lawful rate. If this Lease terminates prior to Tenant's receiving full reimbursement, Landlord shall pay the unreimbursed balance plus accrued interest to Tenant on demand.

28. Compliance with Law.

Tenant shall comply with all laws, orders, ordinances and other public requirements now or hereafter pertaining to Tenant's use of the Leased Premises. Landlord shall comply with all laws, orders, ordinances and other public requirements now or hereafter affecting the Leased Premises.

29. Final Agreement.

This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties.

30. Governing Law.

This Agreement shall be governed, construed and interpreted by, through and under the Laws of the Commonwealth of Massachusetts.

31. Limitation of Remedies.

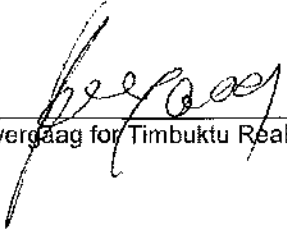
Notwithstanding any provision of this Lease, Landlord hereby agrees that Landlord's rights and remedies following termination of this Lease, shall not include the sale of assets protected by the Humanitarian Medical Use of Marijuana Act, Ch. 369 of the Acts of 2012, i.e. any product containing any amount of marijuana. Notwithstanding any provision of this Lease, Landlord agrees that Landlord's rights and remedies following a default, breach, surrender or any other failure to perform under this Lease, shall not include the seizure of assets protected by the Humanitarian Medical Use of Marijuana Act, Ch. 369 of the Acts of 2012, i.e. any product containing any amount of marijuana. Landlord shall not be entitled to a repayment or remedy that provides Landlord inventory of Tenant that contains any amount of marijuana, in any form, whether flower or infused product. Landlord hereby forfeits any such remedy. In addition, Landlord hereby acknowledges and agrees that a Certificate of Registration for a RMD, whether provisional or final, is non-transferable, and may not be assigned or transferred without prior Department of Public Health approval. Landlord acknowledges and agrees that Tenant's Certificate of Registration for a RMD is not an asset that may be seized by Landlord or available as a remedy for Tenant's default, breach or other failure to perform under this Lease.

32. Current Tenant.

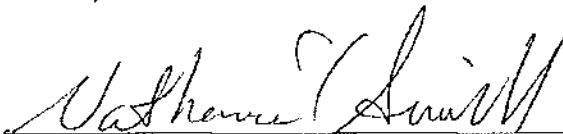
Tenant acknowledges that the Leased Premises is currently occupied by Tomolly, Inc. ("**Current Tenant**"). As a condition of entering into this Lease, Tenant agrees to buy out the lease from Current Tenant for one million dollars (\$1,000,000.00) ("**Buy Out Price**"). Tenant agrees to enter into a separate agreement with the Current Tenant whereby the Buy Out Price will be paid by Tenant to Current Tenant in quarterly payments over a period of five (5) years with the first payment due to Current Tenant on the date that Tenant takes possession of the Leased Premises. In the event that Tenant is unable to pay Current Tenant the full Buy Out Price at the end of the five (5) year period, the unpaid balance will begin to accrue interest at a rate of 15%, compounded annually until the unpaid balance is fully repaid.

[Signatures on Following Page]

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.



Paul Overgaard for Timbuktu Real Estate, LLC (Landlord)



Nathaniel Averill for Health Pharms, Inc. (Tenant)

12. Please identify any agreements or contracts, executed or proposed, in which the applicant will engage in a Related Party Transaction and summarize the terms of each such agreement.

(1) Paul Overgaag is a Director, Treasurer, and CFO of Healthy Pharms, Inc., and Mr. Overgaag has committed funds to Healthy Pharms, Inc. The following terms have been proposed for a loan agreement in connection with those funds: Paul Overgaag has agreed to loan Healthy Pharms, Inc. up to \$500,000 at a fixed annual interest rate of 15%, with a loan period of 7 years.

(2) Paul Overgaag is a Director, Treasurer, and CFO of Healthy Pharms, Inc., and Mr. Overgaag is a Managing Member of 3 Brothers Real Estate, LLC. Healthy Pharms, Inc. is leasing property in Georgetown, MA with a Year 1 annual rent of \$264,000.

(3) Paul Overgaag is a Director, Treasurer, and CFO of Healthy Pharms, Inc., and Mr. Overgaag is the Managing Member of Timbuktu Real Estate, LLC. Healthy Pharms, Inc. is leasing property from Timbuktu in Cambridge with a Year 1 annual rent of \$222,500.

A copy of these agreements have been submitted to the DPH with independent appraisals/legal opinions stating that they comply with 105 CMR 725.100(A)(1) and the Guidance for Registered Marijuana Dispensaries Regarding Non-Profit Compliance.

14. Please identify whether any members of the Board of Directors are serving as officials, executives, corporate members or board members for any management company, investor or other third party proposed to contract or otherwise conduct business with the proposed RMD.

Paul Overgaag is a member of the Board of Directors (Director and Treasurer) and Chief Financial Officer of Healthy Pharms, Inc. He is also the Managing Member of 3 Brothers Real Estate, LLC.

Paul Overgaag is a member of the Board of Directors (Director and Treasurer) and Chief Financial Officer of Healthy Pharms, Inc. He is also the Managing Member of Timbuktu Real Estate, LLC.



CHARLES D. BAKER
Governor

KARYN E. POLITO
Lieutenant Governor

The Commonwealth of Massachusetts
Executive Office of Health and Human Services
Department of Public Health
Bureau of Health Care Safety and Quality
Medical Use of Marijuana Program
99 Chauncy Street, 11th Floor, Boston, MA 02111

MARYLOU SUDDERS
Secretary

MONICA BHAREL, MD, MPH
Commissioner

Tel: 617-660-5370
www.mass.gov/medicalmarijuana

December 9, 2016

BY U.S. MAIL AND E-MAIL

Mr. Nathaniel Averill
Healthy Pharms, Inc.
401 East Main Street
Georgetown, MA 01833

Re: Provisional Certificate of Registration for a Registered Marijuana Dispensary for a Dispensary in Cambridge and a Cultivation and Processing Facility in Georgetown

Dear Mr. Averill:

Please be advised that you have been selected to receive a Registered Marijuana Dispensary ("RMD") Provisional Certificate of Registration at your proposed Cambridge retail dispensary and Georgetown cultivation and processing facility and to move forward to the Inspectional Phase. The issuance of this RMD Provisional Certificate of Registration is subject to the following ongoing conditions:

1. All dispensary agents and capital contributors shall be subject to a background check as set forth in the *Guidance for Registered Marijuana Dispensaries Regarding Background Checks* prior to commencing work as a dispensary agent or contributing funds to the RMD.
2. The RMD shall comply with the Humanitarian Medical Use of Marijuana Act, Ch. 369 of the Acts of 2012 (the "Act"), as implemented by Department of Public Health (the "Department") Regulations, 105 CMR 725.000, et seq. ("Regulations"), during the period of its provisional registration, except as expressly waived in writing by the Department pursuant to 105 CMR 725.700.
3. The RMD shall be subject to inspection and audit to ascertain compliance with any applicable law or regulation, including laws and regulations of the Commonwealth relating to taxes, child support, workers compensation, and professional and commercial insurance coverage.
4. The RMD shall be subject to inspection and audit to ascertain that the RMD is operating at all times in a manner not detrimental to public safety, health, or welfare.

5. The RMD shall be subject to inspection and audit to ascertain that its facilities are compliant with all applicable state and local codes, bylaws, ordinances and regulations.
6. The RMD shall be subject to inspection and audit to ascertain that it has sufficient financial resources to meet the requirements of the Act or 105 CMR 725.000, et seq.
7. The RMD shall cooperate with and provide information to Department inspectors, agents and employees upon request.
8. The RMD shall, as necessary, amend its bylaws to expressly require compliance with 725.100(A)(1) and the "*Guidance for Registered Marijuana Dispensaries Regarding Non-Profit Compliance*" by stating that the RMD shall "at all times operate on a non-profit basis for the benefit of registered qualifying patients" and shall "ensure that revenue of the RMD is used solely in furtherance of its nonprofit purpose." If the bylaws do not expressly include such requirement, they shall be amended within thirty days of the date of this letter and the amended bylaws shall be filed with the Department by mail at the above address and by email at RMDcompliance@state.ma.us.
9. The RMD shall keep current all information required by 105 CMR 725.000, et seq., or as otherwise required by the Department pursuant to 725.100(F)(4) and may not make certain changes without prior approval from the Department pursuant to 725.100(F)(1)-(3).
10. The RMD must submit payment of the registration fee required pursuant to 105 CMR 725.100(C)(1) and 801 CMR 4.02.

In the Inspections Phase, the Department will continue to verify, among other things, that the RMD will operate in compliance with the RMD operational requirements, see 105 CMR 725.105 (A)-(Q), and security requirements, see 105 CMR 725.110(A)-(F). Furthermore, the Department may impose other conditions that the Department determines necessary to ensure the RMD will operate in accordance with applicable Massachusetts laws and regulations.

Please be advised pursuant to 105 CMR 725.100(C)(1) the Department may issue a Final Certificate of Registration only after an applicant has successfully completed the Inspections Phase and the Department has issued final approval.

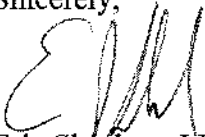
Please mail the enclosed remittance form with a bank/cashier's check in the amount of \$50,000 payable to the Commonwealth of Massachusetts within thirty (30) days of the date of this letter to:

Department of Public Health
Medical Use of Marijuana Program
RMD Registration
99 Chauncy Street, 11th Floor
Boston, MA 02111

After the registration fee is processed, this letter shall serve as your Provisional Certificate of Registration with the aforementioned conditions. The Department will continue to verify all information provided by you, and that you are compliant with applicable Massachusetts law and regulations. It is within the Department's discretion to revoke this Provisional Certificate of Registration at any time.

Should you have any questions, please contact the Department at RMDcompliance@state.ma.us.

Sincerely,

A handwritten signature in black ink, appearing to read 'E. Sheehan', written over the printed name.

Eric Sheehan, J.D.

Bureau Director

Bureau of Health Care Safety and Quality

Massachusetts Department of Public Health