Main Street Medicinals LLC

Policies and Procedures for Cultivation

Main Street Medicinals LLC (the “Company”) will cultivate marijuana in accordance with the requirements of 935 CMR 500.120, using best practices to limit contamination, including, but not limited to, mold, fungus, bacterial diseases, rot, pests, unacceptable pesticides for use on marijuana or mildew, and any other contaminant identified as posing a potential harm.

All phases of cultivation, processing, and packaging of marijuana will take place in designated, locked, limited access rooms not visible (i.e., not reasonably identified) from a public place without the use of binoculars, aircraft or other optical aids. Prior to commencing operations and/or at the request of the Commission, the Company shall disclose all growing media, and plant nutrients, intended to be used during the cultivation process.

Additionally, the Company shall maintain compliance with the Commission’s Guidance on Integrated Pest Management as approved and adopted by the Commission on April 4, 2019 and in effect as of November 1, 2019, by implementing the best practices and policies and procedures included therein, including but not limited to:

- Keeping plants healthy;
- Maintaining a sanitary work environment by:
  - Maintaining a clean and organized facility;
  - Sealing potential points of entry for pests, including cracks, crevices and voids.
  - Establishing protocols to prevent pests from entering the facility on workers and visitors clothing, shoes or equipment, such as requiring workers and visitors to wear protective garments before entering cultivation rooms.
- Quarantine new plant material and products entering the facility in a separate space for several days to inspect for signs of infestation.
- Maintain environmental conditions to minimize optimal pest habitats, ensure humidity levels are appropriate and do not promote pathogen growth, prevent standing water from forming, and ensure that any reservoirs are sealed and filtered.
- Regularly inspect plants for signs and symptoms of pest infestations.
- Place yellow sticky cards in strategic locations to help detect early infestations of flying insect pests.

All growing rooms will have the ideal environment for each phase of growing marijuana with precise control of temperature, humidity, carbon dioxide, and high-quality lighting equipped with
advanced environment controls, complete fertigation systems, fire suppression systems, and programmable logic controllers.

Application of pesticides will be performed in compliance with M.G.L. c. 132B and 333 CMR 2.00 through 333 CMR 14.00; any testing results indicating noncompliance with said regulations will be immediately reported to the Commission who may refer the result to the Massachusetts Department of Agricultural Resources. All soil used in cultivation will satisfy environmental and federal standards identified by the Commission.

In accordance with 935 CMR 500.120(6) the Company shall provide documentation of compliance or lack thereof, as the case may be, with the testing requirements of 935 CMR 500.160 for all marijuana and marijuana products sold, or otherwise transferred, to other Marijuana Establishments.

The Company will only label marijuana that it cultivates with the word “organic”, if all cultivation is consistent with US Department of Agriculture organic requirements at 7 CFR 205: National Organic Program and consistent with Massachusetts Department of Agriculture requirements for pesticide usage. The Company plans to properly label its marijuana and marijuana products utilizing the guidance provided by the United States Department of Agriculture, NOP 4012 – Use of Brand or Company Names Containing the Word “Organic”, to ensure that Company products do not misrepresent the nature of the product. Furthermore, any application of plant nutrient to land used for the cultivation of marijuana will comply with St. 2012, c. 262, as amended by St. 2013, c. 118, § 26, and 330 CMR 31.00: Plant Nutrient Application Requirements for Agricultural Land and Non-agricultural Turf and Lawns.

Consistent with 935 CMR 500.120(11), the Company will satisfy minimum energy efficiency and equipment standards established by the Commission and meet all applicable environmental laws, regulations, permits and other applicable approvals, including, but not limited to, those related to water quality and quantity, wastewater, solid and hazardous waste management and air pollution control, including prevention of odor and noise pursuant to 310 CMR 7.00: Air Pollution Control as a condition of obtaining a final license under 935 CMR 500.103(2): Final License and as a condition of renewal under 935 CMR 500.103(4): Expiration and Renewal of Licensure. The Company will adopt and use additional best management practices as determined by the Commission, in consultation with the working group established under St. 2017, c.55 Sec. 78(b), or applicable departments or divisions of the Executive Office of Energy and Environmental Affairs (the “EOEEA”) to reduce energy and water usage, engage in energy conservation and mitigate other environmental impacts, and shall provide energy and water usage reporting to the Commission in a form determined by the Commission, including but not limited to, guidance documents for Best Management Practices for Water Use approved by the Commission on April 4, 2019. The Company shall submit, in connection with its license renewal application, a report of its cultivation energy and water usage over the twelve (12) month period prior to renewing its licensure.

The Company shall, at a minimum, be subject to the following energy efficiency and equipment standards:
(a) The building envelope for the Facility shall meet minimum Massachusetts Building Code requirements and all Massachusetts amendments (780 CMR: State Building Code), International Energy Conservation Code (IECC) Section C402 or The American Society of Heating, Refrigerating and Air-conditioning Engineers (ASHRAE) Standard 90.1 Sections 5.4 and 5.5 as applied or incorporated by reference in 780 CMR: State Building Code, except that because this facility will be built using an existing building, the Company may demonstrate compliance by showing that the envelope insulation complies with code minimum standards for Type Factory Industrial F-1, as may be further defined by guidance issued by the Commission.

(b) If the Company is unable to generate 80% of its total annual on-site energy use for all fuels (expressed on a MWh basis) from onsite or renewable generating sources, renewable thermal generation, as provided in M.G.L. c. 25A § 11F and 11F½, then its Horticulture Lighting Power Density shall not exceed 50 watts per square foot.

The Company shall provide third-party safety certification by an OSHA NRTL or SCC-recognized body, which shall certify that products meet a set of safety requirements and standards deemed applicable to horticultural lighting products by that safety organization as well as certification from a licensed Massachusetts Mechanical Engineer that the HVAC and dehumidification systems meet Massachusetts building code as specified in this 935 CMR 500.120(11)(c) and that such systems have been evaluated and sized for the anticipated loads of the facility (as applicable).

(c) If the Company is unable to generate 80% of its the total annual on-site energy use for all fuels (expressed on a MWh basis) from an onsite clean or renewable generating source, renewable thermal generation, as provided in M.G.L. c. 25A § 11F and 11F½, the Heating Ventilation and Air Condition (HVAC) and dehumidification systems shall meet Massachusetts Building Code requirements and all Massachusetts amendments (780 CMR: State Building Code), IECC Section C.403 or ASHRAE Chapter 6 as applied or incorporated by reference in (780 CMR: State Building Code).

(d) Employees and visitors shall be required to wear eye protection near operating horticultural lighting equipment.

(e) Prior to final licensure, the Company shall demonstrate compliance with 935 CMR 500.120(11) by submitting an energy compliance letter prepared by a licensed Massachusetts Professional Engineer, Registered Architect or a Certified Energy Auditor or Manager (as certified by the Association of Energy Engineers) with supporting documentation, together with submission of building plans pursuant to 935 CMR 500.103.

(f) The Company shall establish other safety protocols to protect workers and consumers.

In the event that the Commission requests or orders the Company to initiate a recall of marijuana, or marijuana products, or the Company initiates a voluntary recall of marijuana or marijuana products, the Company shall initiate recall procedures.
products or discovers a product that is defective, outdated, damaged, deteriorated, mislabeled, or contaminated, or whose containers or packaging have been opened or breached, such marijuana or marijuana products shall be destroyed and disposed of in accordance with the Company’s marijuana disposal policies as identified in its Storage Policy (incorporated herein by reference) and 935 CMR 500.105(12) and applicable state and local statues, ordinances and regulations. Such procedures shall be adequate to deal with recalls due to any action initiated at the request or order of the Commission, and any voluntary action by the Company to remove defective or potentially defective marijuana from the market, as well as any action undertaken to promote public health and safety.

Any Marijuana Establishment agent whose job includes contact with marijuana or non-edible marijuana products, including cultivation, production or packaging, shall be required to adhere to the requirements for food handlers specified in 105 CMR 300.000: Reportable Diseases, Surveillance, and Isolation and Quarantine Requirements.

The Company shall also develop policies and procedures to reduce energy and water usage, engage in energy conservation and mitigate other environmental impacts in compliance with 935 CMR 500.105(15) and 935 CMR 500.120(11), including but not limited to:

- Identification of potential energy use reduction opportunities (such as natural lighting and energy efficiency measures), and a plan for implementation of such opportunities;
- Consideration of opportunities for renewable energy generation including, where applicable, submission of building plans showing where energy generators could be placed on the site, and an explanation of why the identified opportunities were not pursued, if applicable;
- Strategies to reduce electric demand (such as lighting schedules, active load management, and energy storage); and
- Engagement with energy efficiency programs offered pursuant to M.G.L. c. 25, § 21, or through municipal lighting plants.

The Company shall also meet or exceed industry standard odor mitigation practices, including but not limited to the use of carbon filtration and ventilation systems. The Company has not yet identified a vendor for its carbon filtration and ventilation systems as this technology is constantly evolving and improving.

**Vendor Samples**

The Company may provide samples of marijuana flower to a Marijuana Product Manufacturer or Marijuana Retailer in compliance with 935 CMR 500.120(13). Such samples shall not be consumed on any licensed premises or sold to another licensee or consumer and shall be tested in accordance with 935 CMR 500.160 and transported in accordance with 935 CMR 500.105(13).
The Company may not exceed the following limits per calendar month with regard to its vendor samples: four (4) grams per strain of marijuana flower and seven (7) strains of marijuana flower.

All vendor samples shall be assigned a unique, sequential alphanumeric identifier and entered into the Company’s Seed-to-sale SOR as a “vendor sample”.

All vendor samples shall have a legible, firmly affixed label, on which the wording is no less than 1/16 of an inch in size containing, at a minimum, the following information: (1) A statement that reads: “VENDOR SAMPLE NOT FOR RESALE”; (2) The name of the Company and registration number of the Company’s cultivator license; (3) The quantity, net weight, and type of marijuana flower contained within the package; and (4) A unique sequential, alphanumeric identifier assigned to the cultivation batch associated with the vendor sample that is traceable in the Seed-to-sale SOR.

Quality Control Samples

The Company may provide samples of marijuana flower to its employees for the purpose of ensuring product quality and determining whether to make the product available to sell in compliance with 935 CMR 500.120(14). Such samples shall not be consumed on any licensed premises or sold to another licensee or consumer and shall be tested in accordance with 935 CMR 500.160 and transported in accordance with 935 CMR 500.105(13).

The Company may not exceed the following limits per calendar month with regard to its quality control samples: four (4) grams per strain of marijuana flower and seven (7) strains of marijuana flower.

All quality control samples shall be assigned a unique, sequential alphanumeric identifier and entered into the Company’s Seed-to-sale SOR as a “quality control sample”.

All quality control samples shall have a legible, firmly affixed label, on which the wording is no less than 1/16 of an inch in size containing, at a minimum, the following information: (1) A statement that reads: “QUALITY CONTROL SAMPLE NOT FOR RESALE”; (2) The name of the Company and registration number of the Company’s cultivator license; (3) The quantity, net weight, and type of marijuana flower contained within the package; and (4) A unique sequential, alphanumeric identifier assigned to the cultivation batch associated with the quality control sample that is traceable in the Seed-to-sale SOR.

Upon providing a quality control sample to an employee, the Company shall record, and keep such records pursuant to its Record Keeping Policy, the following information: (1) The reduction in quantity of the total weight or item count under the unique alphanumeric identifier associated with the quality control sample; (2) The date and time the quality control sample was provided to the employee; (3) The agent registration number of the employee receiving the quality control sample; and (4) The name of the employee as it appears on their agent registration card.

In addition to the policies listed above, the Company also incorporates herein by reference its Security Policy, Storage Policy, Transportation of Marijuana Policy, Inventory Policy, Quality

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Control and Testing Policy, Energy Compliance Plan, and Record Retention Policy as evidence of policies for identifying, recording, and reporting diversion, theft, or loss; for correcting all errors and inaccuracies in inventories; for maintaining accurate inventory, for handling recalls due to any action initiated at the request or order of the Commission, and any voluntary action by the Company to remove defective or potentially defective marijuana from the market, as well as any action undertaken to promote public health and safety, for ensuring that any outdated, damaged, deteriorated, mislabeled, or contaminated marijuana is segregated from other marijuana and destroyed; for transportation; to reduce energy and water usage, engage in energy conservation and mitigate other environmental impacts, for ensuring fire safety in cultivation activities, including but not limited to the storage and processing of chemicals or fertilizers in compliance with the standards set forth in 527 CMR 1.00: The Massachusetts Comprehensive Fire Code; for the transfer, acquisition, or sale of marijuana between marijuana establishments.

Storage of Marijuana

The Company shall store marijuana in a safe and sanitary manner and shall keep all safes, vaults and other areas used for the storage of marijuana securely locked and protected from entry, except for the actual time required to remove or replace marijuana.

All marijuana in the process of cultivation, production, preparation, transport, or analysis shall be housed and stored in such a manner as to prevent diversion, theft, or loss and shall be accessible only to the minimum number of specifically authorized dispensary agents essential for efficient operation. Marijuana shall be returned to a secure location immediately after completion of the process or at the end of the scheduled business day. If a manufacturing process cannot be completed at the end of a working day, the processing area or tanks, vessels, bins, or bulk containers containing marijuana shall be securely locked inside an area of the building that affords adequate security.

Marijuana in all stages of cultivation shall be secured and stored in controlled access and locked cultivation rooms and other marijuana products shall be securely stored in controlled access and locked processing rooms, locked finished goods inventory vaults or locked refrigerators. Cannabis oil not used to produce infused products will be stored in a locked refrigerator within the processing room.

The Company shall adhere to the following storage policies:

1. The Company shall provide adequate lighting, ventilation, temperature, humidity, space, and equipment for the storage of marijuana, in accordance with the applicable provisions of 935 CMR 500.105 and 935 CMR 500.110.

2. The Company shall have separate areas for storage of marijuana that is outdated, damaged, deteriorated, mislabeled, or contaminated, or whose containers or packaging have been opened or breached, until such products are destroyed.

3. The Company shall maintain all storage areas in a clean and orderly condition.
4. All storage areas shall be free from infestation by insects, rodents, birds, and pests of any kind.

5. All storage areas shall only be accessible to the minimum number of employees essential for efficient operation.

6. The Company shall maintain all storage areas in accordance with the Company’s Security Policy and 935 CMR 500.110. The Security Policy shall be incorporated herein by reference.

All marijuana that is outdated, damaged, deteriorated, mislabeled, or contaminated, or whose containers or packaging have been opened or breached, shall be inventoried, logged, and locked in the Company’s disposal area, until properly destroyed and disposed of in accordance with the Company’s marijuana disposal policies and 935 CMR 500.105(12) and applicable state and local statues, ordinances and regulations.

When transporting marijuana between Marijuana Establishments, the Company shall transport the marijuana in a secure locked storage compartment that is a part of the vehicle transporting the marijuana. Said storage compartment shall be sufficiently secure that it cannot be easily removed. All vehicles and transportation equipment used in the transportation of marijuana shall be equipped as necessary to provide adequate temperature control to prevent the marijuana, marijuana products, or edible marijuana products from becoming unsafe during transportation, consistent with applicable requirements of 21 CFR1.908(c). Marijuana shall not be visible from outside the vehicle.

Pursuant to the Company’s Employee Qualifications and Training Policy, which policy shall be incorporated herein by reference, all owners, executives, employees and agents of the Marijuana Establishment shall participate in a minimum of eight (8) hours of on-going training programs annually which shall include materials and programs on proper storage.

**Waste Disposal**

The Company shall store, secure and manage, in accordance with applicable state and local statutes, ordinances and regulations, all recyclables and waste, including organic waste composed of or containing finished marijuana and marijuana products. All exterior waste receptacles located on the premises shall be locked and secured to prevent unauthorized access.

The Company shall dispose of all liquid waste containing marijuana or by-products of marijuana processing in compliance with all applicable state and federal requirements, including but not limited to, for discharge of pollutants into surface water or groundwater (Massachusetts Clean Waters Act, M.G.L. c. 21 §§ 26 through 53; 314 CMR 3.00: Surface Water Discharge Permit Program; 314 CMR 5.00: Groundwater Discharge Program; 314 CMR 12.00: Operation Maintenance and Pretreatment Standards for Wastewater Treatment Works and Indirect Dischargers; the Federal Clean Water Act, 33 U.S.C. 1251 et. seq., the National Pollutant...
Discharge Elimination System Permit Regulations at 40 CFR Part 122, 314 CMR 7.00: Sewer System Extension and Connection Permit Program, or stored pending disposal in an industrial wastewater holding tank in accordance with 314 CMR 18.00: Industrial Wastewater Holding Tanks and Containers.

The Company shall redirect or dispose of all organic material, recyclable material and solid waste generated at its Marijuana Establishment as follows:

1. Organic material and recyclable material shall be redirected from disposal in accordance with the waste disposal bans described at 310 CMR 19.017: Waste Bans.

2. To the greatest extent feasible:
   a. Any recyclable material as defined in 310 CMR 16.02: Definitions shall be recycled in a manner approved by the Commission; and
   b. Any marijuana containing organic material as defined in 310 CMR 16.02: Definitions shall be ground up and mixed with other organic material as defined in 310 CMR 16.02 such that the resulting mixture renders any marijuana unusable for its original purpose. If necessary, and as applicable, once such marijuana has been rendered unusable, the organic material shall be composted or digested at an aerobic or anaerobic digester at an operation that is in compliance with the requirements of 310 CMR 16.00: Site Assignment Regulations for Solid Waste Facilities.

3. Solid waste containing marijuana generated at the Marijuana Establishment shall be ground up and mixed with other solid waste at the Marijuana Establishment such that the resulting mixture renders any marijuana unusable for its original purpose. If necessary, and as applicable, once such marijuana has been rendered unusable, the resulting solid waste may be brought to a solid waste transfer facility or a solid waste disposal facility (e.g., landfill or incinerator) that holds a valid permit issued by the Department of Environmental Protection or by the appropriate Massachusetts state agency.

No fewer than two (2) registered Marijuana Establishment Agents must witness and document how the solid waste or organic material containing Marijuana is handled on site, including, but not limited to, the grinding up, mixing, storage and removal from the Marijuana Establishment in accordance with 935 CMR 500.105(12). When marijuana products or waste is disposed or handled, the Company shall create, and maintain, an electronic record (the “Disposal Record”) of the disposal, including, at a minimum the following information:

- The date of disposal;
- The type and quantity disposed or handled;
- The manner of disposal or other handling;
The location of disposal or other handling; and

The names of the two (2) Marijuana Establishment Agents present during the disposal or other handling, with their signatures.

The Company shall keep the Disposal Records for at least three years. This period shall automatically be extended for the duration of any disciplinary action and may be extended by an order of the Commission.

**Record Retention**

The Company shall keep and maintain records of the Marijuana Establishment in accordance with generally accepted accounting principles. Such records shall be available for inspection by the Commission, upon request and shall include, but not be limited to, all records required in any section of 935 CMR 500.000: *Adult Use of Marijuana*, in addition to the following:

(a) Written operating procedures as required by 935 CMR 500.105(1);

(b) Inventory records as required by 935 CMR 500.105(8);

(c) Seed-to-sale SOR electronic tracking system records for all marijuana products as required by 935 CMR 500.105(8)(e);

(d) Personnel records as described in the Company’s *Personnel and Background Check Policy*, which policy shall be incorporated herein by reference, and as follows:

   a. Job descriptions for each employee and volunteer position, as well as organizational charts consistent with the job descriptions;

   b. A personnel record for each marijuana establishment agent. Such records shall be maintained for at least 12 months after termination of the individual’s affiliation with the Marijuana Establishment and shall include, at a minimum, the following:

      i. All materials submitted to the Commission pursuant to 935 CMR 500.030(2);

      ii. Documentation of verification of references;

      iii. The job description or employment contract that includes duties, authority, responsibilities, qualifications, and supervision;

      iv. Documentation of all required training, including training regarding privacy and confidentiality requirements, and the signed statement of the individual indicating the date, time, and place he or she received said...
training and the topics discussed, including the name and title of presenters;

v. Documentation of periodic performance evaluations;

vi. A record of any disciplinary action taken; and

vii. Notice of completed responsible vendor training program and in-house training.

c. A staffing plan that will demonstrate accessible business hours and safe cultivation conditions (as applicable);

d. Personnel policies and procedures, including at a minimum, the following: (a) code of ethics; (b) whistleblower policy; and (c) a policy which notifies persons with disabilities of their rights under https://www.mass.gov/service-details/about-employment-rights or a comparable link, and includes provisions prohibiting discrimination and providing reasonable accommodations; and

e. All background check reports obtained in accordance with M.G.L. c. 6 § 172, 935 CMR 500.029, 935 CMR 500.030, and 803 CMR 2.00: Criminal Offender Record Information (CORI);

(e) Business records as described in the Company’s Financial Record Maintenance and Retention Policy, which shall include manual or computerized records of the following: (1) assets and liabilities; (2) monetary transactions; (3) books of accounts, which shall include journals, ledgers, and supporting documents, agreements, checks, invoices, and vouchers; (4) sales records including the quantity, form, and cost of marijuana products; and (5) salary and wages paid to each employee, or stipend, executive compensation, bonus, benefit, or item of value paid to any persons having direct or indirect control over the marijuana establishment, if any; and

(f) Waste disposal records as required under 935 CMR 500.105(12), including but not limited to, a written or electronic record of the date, the type and quantity of marijuana, marijuana products or waste disposed or handled, the manner of disposal or other handling, the location of disposal or other handling, and the names of the two (2) Marijuana Establishment Agents present during the disposal or other handling, with their signatures. The Company shall keep these records for at least three (3) years. This period shall automatically be extended for the duration of any disciplinary action and may be extended by an order of the Commission.

All Confidential Information (as that term is defined in 935 CMR 500.002) shall be maintained confidentially including secured or protected storage (whether electronically or in hard copy), and accessible only to the minimum number of specifically authorized employees essential for
efficient operation and retention of such records. In any event, the Company shall be authorized to disclose such confidential information as may be required by law.

Following closure of a Marijuana Establishment, the Company shall keep all records for at least two (2) years at the Company’s expense and in a form and location acceptable to the Commission.

It shall be a policy of the company that any and all records subject to any disciplinary action shall be retained for the duration of such action, or as otherwise extended by order of the Commission.