



BUSINESS & MANAGEMENT PLAN
ADULT-USE RETAILER ESTABLISHMENT
2 PEQUOD ROAD
FAIRHAVEN, MA 02719

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BUSINESS SUMMARY

INTRODUCTION – WHAT MAKES BASK UNIQUE?

Bask, Inc. (“Bask”) was founded in 2013 with a mission to bring unparalleled medical marijuana to registered qualifying patients in the Commonwealth. It is one of the first seventeen licensed medical marijuana operators in the state, and with the advent of the Massachusetts adult-use cannabis industry, Bask believes that its expertise will be equally valued by consumers in the adult-use market.

Quality, safety and testing standards for medical and adult-use cannabis vary in every state. Even the most informed patients and consumers have no choice but to rely upon their state's minimum quality testing standards to ensure product safety, consistency and efficacy. The result is that consumers often lack confidence in cannabis products. Bask's mission is both proactive and directly responsive to these consumer concerns. Our team of industry experts have gained extensive knowledge of cannabis sampling, testing and quality practices from years of operational experience. Bask's retail customers can rely on the safety of Bask's adult-use products.

Bask has a competitive advantage over most other Massachusetts retailers. The company currently operates a vertically-integrated business with a Registered Marijuana Dispensary in Fairhaven and has recently expanded its cultivation and product manufacturing operations to a state-of-the-art facility in Freetown. Accordingly, in what is expected to be a highly competitive market, and with a potential state-wide supply shortage of marijuana flower and manufactured products for the foreseeable future, Bask will be able to source its product at lower cost than its competitors, with corresponding price benefits to consumers. The result will be very profitable retail stores with significant economic and financial benefits for its associated host communities like Fairhaven.

Bask will provide its consumers with the latest information available to enable them to become informed and responsible cannabis consumers. Bask's retail locations will offer consumers reliable information on the health-conscious use of cannabis, dosing recommendations, administration devices and techniques, the impact of interactions with other medications and possible side effects of the products, among other issues.

PRODUCTS TO BE SOLD

The product line proposed for Bask's adult-use retail facility will largely overlap with Bask's current menu offered to patients (with certain exceptions for dosing limitations). Indeed, experience shows that many individuals with qualifying medical conditions do not choose to register with the state as medical marijuana patients but will still seek access to medical marijuana products and specialized medical educational services through an adult-use dispensary.

As some customers prefer to purchase raw flower, the company will provide a range of Sativa, Indica, and Hybrid strains, including high Cannabidiol (“CBD”) strains. Bask will have a unique suite of High CBD:THC “Ratio” Products to address a spectrum of wellness needs. Products to be sold will include, but not be limited to, the following:

- Bubble hash
- Live Rosin
- Shatter
- Distillates
- Live Resin
- Chocolate Bars
- Baked Goods
- Honey Sticks
- Lozenges
- Caramels
- Tinctures

COMMUNICATION & MARKETING

Bask will communicate with customers through:

- A company run website;
- A company blog;
- Popular cannabis discovery networks such as WeedMaps and Leafly;
- Popular social media platforms such as Instagram, Facebook, Twitter, and SnapChat; and
- Opt-in direct communications.

Bask will provide a catalogue and a printed list of the prices and strains of marijuana available to consumers and will post the same catalogue and list on its website and in the retail store.

Bask’s marketing, advertising, and branding practices will not jeopardize the public health, welfare, or safety of the general public, or promote the diversion of marijuana or marijuana use in individuals younger than 21 years old. Any such marketing, advertising, and branding created for viewing by the public will include the statement: “Please Consume Responsibly,” in a conspicuous manner on the face of the advertisement and will include a minimum of two of the warnings, located at 935 CMR 500.105(4)(a), in their entirety in a conspicuous manner on the advertisement.

All marketing, advertising, and branding produced by or on behalf of Bask will include the following warning, including capitalization, in accordance with M.G.L. c. 94G, § 4(a ½)(xxvi): “This product has not been analyzed or approved by the Food and Drug Administration (FDA). There is limited information on the side effects of using this product, and there may be associated health risks. Marijuana use during pregnancy and breast-feeding may pose potential harms. It is against the law to drive or operate machinery when

under the influence of this product. KEEP THIS PRODUCT AWAY FROM CHILDREN. There may be health risks associated with consumption of this product. Marijuana can impair concentration, coordination, and judgment. The impairment effects of edible marijuana may be delayed by two hours or more. In case of accidental ingestion, contact poison control hotline 1-800-222-1222 or 9-1-1. This product may be illegal outside of MA.”

Bask will seek events where 85% or more of the audience is reasonably expected to be 21 years of age or older, as determined by reliable, current audience composition data. At these events, Bask will market its products and services to reach a wide range of qualified consumers.

EXPERIENCE SUMMARY

THE COMPANY’S MASSACHUSETTS INDUSTRY ROOTS

Bask is a licensed Medical Marijuana Treatment Center that currently operates at 2 Pequod Road in Fairhaven. Bask has located its cultivation and product manufacturing operations in a newly-developed campus in Freetown, which will greatly expand Bask’s total canopy size. Now that the Freetown cultivation and product manufacturing facility is licensed by the Commission for adult-use operations, the company will be better leveraged to meet market demand at its Fairhaven retailer facility (and for Bask’s wholesale agreements).

UNIQUE PROFESSIONAL TEAM

Bask brings a uniquely qualified group of professionals dedicated to delivering superior, highly effective cannabis-based wellness solutions and product offerings.

Chapman “Chappy” Dickerson: Chappy is a Veteran of the United States Army and has approximately a decade of experience in the cannabis industry. Chapman started his career in medical marijuana at a collective in Colorado where he studied operational procedures and methods for quality control, processing, procurement and cultivation. He returned to Rhode Island to become a registered medical marijuana caregiver where he designed and built a cultivation and processing facility that provided safe, reliable, and consistent access to medical marijuana for registered patients and three dispensaries. Chapman was responsible for overseeing cultivation in all phases of growth and processing. Additionally, he implemented a seed-to-sale software platform that allowed for grow production and tracking management, real-time inventory tracking and online ordering. Chapman founded Dickerson Farms, LLC, a MMJ consulting company that provided clients assistance with identifying suitable dispensary locations, designing facilities, improving planned operations, developing business plans, and navigating the regulatory landscape. To address the broadening scope and density of work from Dickerson Farms, Chapman founded CES with the goal of implementing proven horticultural practices, systems, efficiency and sustainability to the medical marijuana industry.

JoAnne Leppanen: JoAnne has approximately a decade of experience in the marijuana industry through her roles with the Rhode Island Patient Advocacy Coalition and Bask. At RIPAC, JoAnne served as an advocate and resource for more than 18,000 licensed medical marijuana patients and their caregivers. She has worked with the Rhode Island General Assembly and state agencies as regulations were added and the RI Medical Marijuana Act was amended. She is a Member of the Legislative Oversight Committee on Compassion Centers in RI. JoAnne has designed and implemented educational forms for patients, medical professionals, law enforcement, policy makers, and the public on the medical use of marijuana, and she has served as an expert to cities and towns, including the Mayor's Marijuana Task Force in Pawtucket. JoAnne has also worked with Bask over the past several years to plan and develop its operations in Fairhaven.

Tim Keogh: Tim has been involved in the cannabis industry for 8 years and brings a unique combination of real estate development and cannabis advocacy to Bask. As a member of the Board of Directors, Tim works with the Executive Management Team at Bask to implement proven business and operational practices and systems. Tim brings a national perspective to Bask through his role as CEO of AmeriCann, Inc. which is developing sustainable cannabis cultivation facilities and GMP Certified product manufacturing facilities.

Together, this team is prepared to use its experience in building out first-class production, manufacturing and dispensing facilities and providing superior products, service and education to cannabis consumers.

LOCAL ZONING

Bask will remain compliant at all times with the local zoning requirements set forth in the Town of Fairhaven's Zoning Bylaw. In accordance with Fairhaven's Zoning Bylaw, Bask's proposed Marijuana Retailer Establishment is located in the Medical Marijuana Overlay District designated for a Marijuana Retailer Establishment.

In compliance with 935 CMR 500.110(3), the property is not located within 500 feet of an existing public or private school providing education to children in kindergarten or grades 1 through 12.

As required by Fairhaven's Zoning Bylaw, Bask will apply for a Special Permit and Site Plan Review, as applicable, from the local Special Permit Granting Authority (Fairhaven's Planning Board). Bask will apply for any other local permits required to operate a Marijuana Retailer Establishment at the proposed location. Bask will comply with all conditions and standards set forth in any local permit required to operate a Marijuana Retailer Establishment at Bask's proposed location.

Bask has already attended several meetings with various municipal officials and boards to discuss Bask's plans for a proposed Marijuana Retailer Establishment and has executed a Host Community Agreement with Fairhaven. Bask will continue to work cooperatively with various municipal departments, boards, and officials to ensure that Bask's Marijuana Retailer

Establishment remains compliant with all local laws, regulations, rules, and codes with respect to design, construction, operation, and security.

RETAIL OPERATIONS

In accordance with 935 CMR 500.140(3), access to Bask's retail facility will be limited to verified individuals 21 years of age and older. Prior to entering the dispensary, a customer must present a valid, government-issued photo identification to a Bask security agent to determine whether the customer is 21 years of age or older. Once the customer's identity and age are verified, the security agent will permit the customer to enter the establishment's sales area.

Once inside the sales area, the customer will enter a queue to obtain individualized service from a Bask agent who will help the customer select from the available products and complete the transaction. Prior to checkout, customers will be required to confirm their identities and ages a second time. The checkout also activates the seed-to-sale tracking system that will be compliant with 935 CMR 500.105(8). Sales will be limited to one (1) ounce of marijuana flower or five (5) grams of marijuana concentrate per adult use consumer transaction. All required taxes will be collected at the point of sale.

Once a customer has selected products for purchase, a Bask agent will collect the requested items from a secure product storage area. The agent will then scan each product's barcode into the Commission-approved point of sale system. All products will be packaged in tamper and child-resistant, resealable packaging that is compliant with 935 CMR 500.105(5) and properly labeled with warnings, strain information, cannabinoid profile, and other information detailed in 935 CMR 500.105.

In the event a Bask agent determines a consumer would place themselves or the public at risk, the agent will refuse to sell any marijuana products to the consumer. Bask will use the point of sale system to accept payment and complete the sale. The system will back up and securely cache each sale for inspection.

In compliance with 935 CMR 500.140(8), Bask will provide educational materials designed to help consumers make informed marijuana product purchases. The educational materials will describe the various types of products available, as well as the types and methods of responsible consumption. The materials will offer education on titration, which is the method of using the smallest amount of product necessary to achieve the desired effect. Additional topics discussed in the education materials will include potency, proper dosing, the delayed effects of edible marijuana products, substance abuse and related treatment programs, and marijuana tolerance, dependence, and withdrawal.

Oversight over the number of customers in the facility will be the responsibility of trained security agents stationed in the parking lot and at the entry, exit and the middle security points of the facility. Prior to the end of the first two weeks, Bask proposes to meet with

representatives from the Town and the Police Department to discuss the need for any adjustments to the operation.

SECURITY PROGRAM

The Director of Security, Mr. Gary Souza (Former Fairhaven Police Chief) has developed a comprehensive security plan for Bask. Bask has also retained a professional security and alarm company to support and monitor all security systems. The goal is to ensure that the facility is a safe and secure environment for customers, employees and the local community.

Bask's state-of-the-art security system consists of perimeter windows, as well as duress, panic, and holdup alarms connected to local law enforcement for efficient notification and response in the event of a security threat. The system will also include a failure notification system that will immediately alert the executive management team if a system failure occurs. A redundant alarm system will be installed to ensure that active alarms remain operational if the primary system is compromised.

Interior and exterior HD video surveillance of all areas that contain marijuana, entrances, exits, and parking lots will be operational 24/7 and available to the Police Department. These surveillance cameras will remain operational even in the event of a power outage. The exterior of the dispensary and surrounding area will be sufficiently lit, and foliage will be minimized to ensure clear visibility of the area at all times.

Only eligible consumers 21 years of age and older with a valid government-issued ID and Bask's registered agents and other authorized visitors (e.g. contractors, vendors) will be allowed access to the facility, and a visitor log will be maintained in perpetuity. All agents and visitors will be required to visibly display an ID badge, and Bask will maintain a current list of individuals with access. On-site consumption of marijuana by customers, Bask's employees and visitors will be prohibited. Bask will have security personnel on-site during business hours. Additional information on Bask's security plan is available in the Security Plan document included with this submission.

RESOURCE MANAGEMENT PLAN

As required by the Commission's regulations, Bask will develop policies and procedures for energy efficiency and conservation that will include:

1. Identification of potential energy use reduction opportunities (including but not limited to natural lighting, heat recovery ventilation and energy efficiency measures), and a plan for implementation of such opportunities;
2. 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;

3. Strategies to reduce electric demand (such as lighting schedules, active load management and energy storage); and
4. Engagement with energy efficiency programs offered pursuant to M.G.L. c. 25, § 21, or through municipal lighting plants.

Lighting and HVAC will utilize energy efficient technologies, including LED-lighting and Energy-Star appliances. Restroom and handwashing facilities will implement low water appliances. Bask will also implement a strict recycling program and will seek to utilize recyclable packaging for all products.

BENEFITS TO THE MUNICIPALITY

Bask looks forward to continue working cooperatively with Fairhaven to ensure that Bask operates as a responsible, contributing member of the Fairhaven community. Fairhaven stands to benefit in various ways, including but not limited to the following:

- Jobs for Local Residents: The retail facility will employ approximately 30-35 full-time jobs, in addition to hiring qualified, local contractors and vendors.
- Monetary Benefits: A Host Community Agreement with significant monetary donations will provide the Town with additional financial benefits beyond local property taxes.
- Access to Safe, Medical-Grade Product: Bask will allow qualified consumers 21 years of age and older in the Commonwealth to have access to high quality marijuana and marijuana products that are tested for cannabinoid content and contaminants.
- Education: Bask's staff has been trained and working with patients on cannabis and cannabis consumption. This knowledge and experience will benefit qualified consumers 21 years of age and older in the Commonwealth by education on the different products available and methods of consumption.
- Partnering with a Responsible Company: Bask is comprised of experienced operators and professionals who have already been thoroughly vetted by the Medical Use of Marijuana Program and have worked with the Fairhaven community over the course of years.

JOBS FOR LOCAL RESIDENTS

In addition to the state-level requirements included in Bask's Plan for Positive Impact and Diversity Plan, Bask will prioritize the hiring of Fairhaven residents for its operations. Bask will rely on local legal, architectural, engineering, and construction groups to provide assistance throughout local permitting processes. Unless a qualified individual cannot be

recruited from Fairhaven (and surrounding towns and cities), staffing will rely exclusively on the local citizenry.

MONETARY BENEFITS

A successful retail marijuana establishment can provide economic value to Fairhaven in several ways. First and foremost, Fairhaven will receive direct payments of three percent (3%) of the gross revenues derived from sales at the location as a community impact fee allowable under M.G.L. c. 94G. Fairhaven will also receive an additional three percent (3%) of the gross revenues of the sales through a local option sales tax. A projection of anticipated payments to Fairhaven based upon the revenue estimates set forth above is as follows:

	Year 1	Year 2	Year 3	Year 4	Year 5
Gross Revenue	3,000,000	3,500,000	3,750,000	4,000,000	4,250,000
3% Community Impact Fee	90,000	105,000	112,500	120,000	127,500
3% Local Option Sales Tax	90,000	105,000	112,500	120,000	127,500
Year Total to Town	180,000	210,000	225,000	240,000	255,000

ACCESS TO SAFE, MEDICAL-GRADE PRODUCT

Bask will allow qualified consumers in the Commonwealth to have access to high-quality marijuana and marijuana products that are tested for cannabinoid content and contaminants. Our team of industry experts have gained extensive knowledge of cannabis sampling, testing and quality practices from years of operational experience. Bask’s retail customers can rely on the safety of Bask’s adult-use products. As some customers prefer access to raw flower, the company will provide a range of Sativa, Indica, and Hybrid strains, including high-Cannabidiol (“CBD”) strains. Bask will develop a unique suite of High CBD:THC “Ratio” Products to address a spectrum of wellness needs.

PARTNERING WITH A RESPONSIBLE COMPANY

As an experienced marijuana business that has been thoroughly vetted by the Massachusetts Medical Use of Marijuana Program and is currently operating in the Commonwealth, Bask is confident that will be a compliant and responsible partner for the

Town of Fairhaven. Bask has the experience, financial backing and team expertise to operate a secure, compliant and successful retail marijuana establishment.

CLOSING REMARKS

Bask has the experience and know-how to safely and efficiently serve customers with high quality, consistent, laboratory-tested medical grade cannabis and cannabis products. Bask hopes to bring its high-quality standards to adult-use consumers to provide them with a safe and clean community environment. Bask's state-of-the-art security systems and contracted professional security and alarm companies, along with other comprehensive security measures will also help ensure a safe and secure environment for both consumers and staff and will help deter and prevent diversion.

Bask is prepared to position itself well in this market and contribute to this growth through a highly experienced team of successful operators working under an established framework of high quality standard operating procedures, research and development plans and growth strategies. Bask will leverage both its expertise and existing operations to provide maximum value to customers and higher fee payments to Fairhaven. Bask looks forward to working cooperatively with the Town of Fairhaven for years to come.