

A1 – See Appendix A of Application

## **RFA Section A – Business Information of Applicant**

**A2 - Provide a brief summary (no longer than five double-spaced pages) of the applicant's qualifications, experience and industry knowledge relevant to the development and operation of a dispensary facility.**

### **Background:**

In 2012, original business planning efforts started under the operating name of “Delta 9 THC Labs” with the goal of becoming a Producer of Medical Marijuana in the State of Connecticut. As such, early efforts were aligned with the goal of becoming a cultivation operation. As time went on, the competitive landscape shifted as well-established companies from other states began reaching into Connecticut and developing plans for expansion. Given the cultivation experience and deep financial resources of established medical marijuana companies from other states, the company felt the most prudent course of action would be to make a strategy shift discontinuing pursuit of a Producer License. This was exacerbated by the fact that the State will only award three cultivation licenses and had high financial thresholds for cultivator eligibility, which was insurmountable for any smaller in-state entrepreneurial efforts (Exhibit 1).

By mid-2013, we had already made many industry contacts, invested considerable time and resources getting trained, attending conferences, and networking. Still wanting to be involved in some way providing this invaluable medicine to patients, we began exploring the opportunity to open a Medical Marijuana Dispensary. The Dispensary side of the business has less interest from out of state entities particularly because of the requirement to have a Licensed CT Pharmacists on staff. As such, a renaming effort was underway to find a business name complimentary to dispensary activities and *Nutmeg State Health and Wellness Center, Inc.* was born.

The company is a minority run business with three of its four Board members being women and the CEO is a woman and majority shareholder. While Connecticut has stated it is not taking an opinion on giving preference to minority/woman run companies like other states, we nevertheless feel that it is an important distinction.

Nutmeg State Health and Wellness Center, Inc. (abbreviated as *NSHWC* throughout this application) takes pride in providing excellent care to its patients as well as furthering scientific understanding of the use of medical marijuana and sharing this information with the public. Nutmeg State Health and Wellness Center, Inc. has thoughtfully comprised a diversely experienced and dynamic Board of Directors and Management Team focused on not only treating the patient's symptoms, but leading the way for personalized medicine approaches in medical marijuana through its innovative research plan, while always maintaining patient data privacy at the forefront.

**Attorney Karen Dietz, JD, MBA, Member to the Board of Directors, Chief Executive Officer, Corporate Secretary, and majority shareholder,** will be responsible for strategic oversight, corporate governance, legal compliance, contract negotiations, and providing legal advice to NSHWC, and overseeing the office of the President. Attorney Dietz has obtained certifications in Dispensary Management (January 2013), Cannabis Business Management (January 2013), Master Grower (January 2013), and Budtending (January 2013). Attorney Dietz is currently the in-house corporate attorney for the Multiple Myeloma Research Foundation ("MMRF") located in Norwalk, CT, which focuses on collaborative clinical trials with academic medical centers and pharma; creating, analyzing, and sharing de-identified patient data with researchers worldwide, and creating an online patient community. Attorney Dietz is experienced in HIPAA/HITECH compliance (Exhibit 2), facilitating clinical trials, and healthcare business operations.

**Mr. James Dietz, MS, President, Treasurer, and minority shareholder,** will be responsible for facility security, data security, oversight of the Marketing and Public Relations Department, oversight of the Finance Department, oversight of the Lead Pharmacist, and managing vendor relationships. Mr. Dietz has obtained certifications in Dispensary Management (January 2013), Cannabis Business Management (January 2013), Hydroponics (March 2013 – Exhibit 3), Basic In-Door Horticulture (November 2013), Advanced In-Door Horticulture (November 2013), Master Grower (January 2013), and Budtending (January 2013). Mr. Dietz is currently an Information Technology consultant with Aetna, Inc. within the Pharmacy Domain in Hartford, CT, and is experienced with data security of patient health information and healthcare business operations. Past experience also includes work in the Pharmaceutical space and other leading insurance providers throughout Connecticut.

**Ms. Sandra Wear, RN, Chair of the Board of Directors,** will provide guidance to management on patient relations, patient education, research study operations guidance as well as guidance on overall NSHWC operations. Ms. Wear's input will contribute to publications in medical journals from NSHWC as well as patient informational materials. Ms. Wear has executive level pharmaceutical company experience and clinical trials operations experience. Ms. Wear is also business savvy as current CEO and Founder of an investment advisory company.

**Dr. Robert J. Frumento, PhD, Member to the Board of Directors,** will provide scientific guidance on research studies sponsored by NSHWC, including clinical trial methods and design. NSHWC has already planned a comprehensive patient reported outcomes study, which will begin immediately upon NSHWC opening. Dr. Frumento will also be able to provide NSHWC pharmacists with deeper scientific understanding of medical marijuana, if requested. Dr. Frumento's input will contribute to publications in medical journals from NSHWC as well as patient informational materials.

**Ms. Jennifer Kokalari, MHS, PA-C, Member to the Board of Directors,** will provide guidance to the pharmacists regarding physician orders, patient disease information, and other medical questions. Ms. Kokalari's input will contribute to publications in medical journals from NSHWC as well as patient informational materials. Ms. Kokalari is currently a Physician's Assistant in the Cardiology Department at a leading University in New Haven, CT.

**Mr. Kenneth Kandrysawtz, Facility Manager / Pharmacist**, will be responsible for Dispensary Facility Management, overseeing the inventory of medical marijuana, dispensing medical marijuana to patients, quality control, patient relations, and overseeing other Pharmacists and reception positions. Mr. Kandrysawtz has expertise in opening, running, and managing a pharmacy.

I graduated UConn in 1976 after spending my senior year as an intern at Hartford Hospital. I received my CT pharmacy license in 1976 and began working as a Staff Pharmacist for a pharmacy owner who had three separate locations that I rotated around to. A Staff Pharmacist is responsible for supervising the pharmacy technician, inventory control, properly dispensing prescriptions to customers, and providing confidential consultation to patients. This experience led me to want to open my own pharmacy. Unfortunately, I opened in 1983 and had to close in 1984. The pharmacy and my marriage dissolved at the same time.

I then took a Staff Pharmacist position at Burnside Drug (Arthur's Drug) where I worked from 1985 to 1998 when a new opportunity arose. I took a position with NeighborCare, which is a network of many Long-Term Care providers. I received the prescription orders, filled them, and shipped the prescriptions out via special courier to the right longer-term care facility for the patients to have their prescriptions. In 2006, NeighborCare was acquired by OmniCare, and I decided to move on to the next opportunity. I took a position at Shop rite Pharmacy in Bristol, CT.

After 33 years in pharmacy, I was presented with a unique opportunity to build a luxury home in the mountains of Montana. I took and seized this opportunity and when I returned to Connecticut, I decided to take a short break from pharmacy and do a few more projects as a subcontractor for Dave's Tile & Stone.

With Medical Marijuana now being legalized, an interesting, new field is evolving in the pharmacy world and I am excited to have an opportunity to be a part of this emerging industry as the Facility Manager for Nutmeg State Health and Wellness Center, Inc.

**Mr. Daniel Vaughan, RPh, Pharmacist**, will be responsible for dispensing medical marijuana to patients, quality control, patient relations, community outreach through giving presentations about the benefits of medical marijuana and how to seek help for abuse. Mr. Vaughan has previous experience designing, opening, and overseeing other pharmacies. Mr. Vaughan has a thorough understanding of the science of medical marijuana and other herbal supplements and even received training in the Amazon Rainforest. Mr. Vaughan, as the face of NSHWC, has experience in patient consultation and is very compassionate and understanding of patients with debilitating medical conditions, such as those who will qualify for obtaining prescriptions for medical marijuana.

Graduated UConn School of Pharmacy in 1987 in 4.5 years, a semester early. I immediately began work alongside my Dad, and after being licensed in March (after early Dec. grad), I took over Vaughan's Pharmacy Inc. as the President of the newly formed corporation. My father completely stepped down and I began to rebuild this business.

The first year, I completely computerized the paper filing system. Shortly after that, I was approached by the main local physician, Dr. Brenes, offering us business space in his new office building, which I accepted. This is one of two times I moved the entirety of my pharmacy operation to a different location, designing the floor plan, blue print, marketing plan and approach, arranging everything necessary, all of the things that you are currently looking to go into a dispensary.

A few years later, a better opportunity arose at a free-standing building next store to the medical building I was in at the time. Again, I met with contractors leading them through the construction of my personally designed pharmacy plans (detailed blueprints and interior and exterior sketches). The entire building was renovated adding security and modernization, with a focus on privacy, including a pharmacist care counseling booth.

From 1991 to 1995, I was a Certified Diabetic Educator CDE and helped manage and train local diabetic patients on treatment options and healthy living. During this time, I also volunteered with several Connecticut Pharmacist Association groups, including the Pharmacist Concerned for Pharmacists committee becoming the co-chairperson. Shortly thereafter I was nominated to the Executive Committee of the CPA and held that position till 1997. I was very involved in outreach programs to help impaired pharmacists and worked with the CPA to bring smoking cessation counseling to Connecticut Pharmacists.

My biggest interest in pharmaceutical medicine has always been in the area of natural medicine and throughout the 1990s, I grew my pharmacy by expanding into specialty areas. New product lines were brought in, including a full line of nutritional and herbal products. The product lines I offered at my pharmacy were high quality and only available to health professionals. I educated myself in every area of natural medicines from homeopathy to herbals with my main focus on plants. I truly believed that nature offered such a wonderful way to heal the body through plants. I attended many seminars by renowned naturopaths, including a trip to the Amazon Rainforest for specialized training. The course, "Pharmacy from the Rainforest," included presentation from world renowned experts, concluding with a shaman preparing for a jungle ayahuasca ceremony (photos included at the end). This was the beginning of my preparation to open a future medical marijuana dispensary. Some plants have too many biologically active ingredients working in harmony to replicate in the lab, such as cannabis, which has over 80 unique biological components not found in other plants.

In 1998, I sold my pharmacy to Rite Aid.

My passion of natural homeopathic remedies continues. "The long-term benefit of homeopathy to the patient is that it not only alleviates the presenting symptoms but it re-establishes internal order at the

deepest levels and thereby provides a lasting cure” (quote by George Vithoulkas, Director, Athenian School of Homeopathic Medicine).

I look forward to having the opportunity to share my passion of natural homeopathic remedies to benefit qualified patients in the State of Connecticut as a Pharmacist at Nutmeg State Health and Wellness Center, Inc. Further, with the research plan designed by Nutmeg State Health and Wellness Center, Inc., I hope to gain further insights that will lead to a more personalized medicine approach providing the most effective strain of medical marijuana to patients based on the type and stage of their disease in order to provide the best treatment result to patients. Finally, I look to focus on education for patients, caregivers and physicians on the benefits of medical marijuana as well as educating the general public in an effort to reduce the stigma of medical marijuana use.

Respectfully submitted,

Daniel Vaughan, RPh.



**A3 - Provide a financial statement setting forth the elements and details of all business transactions connected with your application.**

# Financial Plan

## Revenue Forecast

	FY2014	FY2015	FY2016
Total Revenue	\$820,400	\$1,835,200	\$3,295,600
Total Direct Cost	\$410,200	\$917,600	\$1,647,800
Gross Margin	\$410,200	\$917,600	\$1,647,800
Gross Margin %	50%	50%	50%

### About the Revenue Forecast

The location is at the junction of Route 44 and Route 8, which provides convenient accessibility for patients in Litchfield County. The traffic pattern at this location has 18,000 cars per day. The location is also 10 miles from the outer edge of Hartford County and therefore an assumption is made that 10% of patients from Hartford County will be registered with NSHWC for filling their prescriptions.

Once the dispensary is open, it is projected that more patients will register with the state to obtain prescriptions. Growth is calculated at 5% for each month .

Max. ounces purchased per month per patient by CT law is 2.5oz. This Plan uses a conservative estimate of 1.5 oz per patient.

Average selling price is an estimated based on industry averages from other US States that have medical marijuana programs. Actual prices will be determined once cultivators publish their prices.

Price includes discounts through NSHWC compassionate care program for low income patients.

Sales Tax rate is 6.35%

## Personnel Plan

### Personnel Table

	<b>FY2014</b>	<b>FY2015</b>	<b>FY2016</b>
Pharmacist 1	\$47,337	\$59,800	\$62,192
Pharmacist 2	\$47,337	\$59,800	\$62,192
Receptionist	\$10,350	\$13,800	\$14,352
Bookkeeper	\$12,078	\$16,100	\$16,744
James Dietz	\$100,000	\$100,000	\$100,000
Karen Dietz	\$100,000	\$100,000	\$100,000
<b>Total</b>	<b>\$317,102</b>	<b>\$349,500</b>	<b>\$355,480</b>

### About the Personnel Plan

The Personnel Plan detail is described in another section

## Budget Table

	FY2014	FY2015	FY2016
<b>Operating Expenses</b>			
Salary	\$317,102	\$349,500	\$355,480
Employee Related Expenses	\$63,424	\$69,900	\$71,095
Marketing & Promotion	\$1,100	\$1,650	\$2,150
Mortgage	\$15,192	\$15,192	\$15,192
Utilities	\$7,600	\$7,900	\$8,150
Office Supplies	\$17,000	\$14,516	\$16,378
Insurance	\$24,413	\$45,877	\$82,389
Merchant Service Fees	\$27,008	\$60,405	\$108,480
Sec Sys, CCTV, Intrusion & Software	\$8,780	\$10,536	\$10,536
Contribution	\$0	\$27,430	\$91,825
<b>Total Operating Expenses</b>	<b>\$481,619</b>	<b>\$602,906</b>	<b>\$761,675</b>
<b>Major Purchases</b>			
Land	\$113,000	\$0	\$0
Building	\$187,000	\$0	\$0
Survey	\$3,750	\$0	\$0
Building Improvements	\$75,000	\$0	\$0
Security Glass	\$55,900	\$0	\$0
Safe	\$5,000	\$0	\$0
Security Access Control	\$27,500	\$0	\$0
Security Closed Circuit System	\$13,270	\$0	\$0
Security Intrusion System	\$6,900	\$0	\$0
Backup Generator	\$10,000	\$0	\$0
Display Cases / TV	\$2,800	\$0	\$0
Entrance Gate	\$7,220	\$0	\$0
<b>Total Major Purchases</b>	<b>\$507,340</b>	<b>\$0</b>	<b>\$0</b>

## Loans and Investments

	FY2014	FY2015	FY2016
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<b>Mortgage</b> Loan at 6% interest for 180 mos.	<b>\$150,000</b>	<b>\$0</b>	<b>\$0</b>
<b>James Dietz</b> Financing at 6% interest	<b>\$125,000</b>	<b>\$0</b>	<b>\$0</b>
<b>Nexum Group</b> Loan at 8.25% interest for 60 mos.	<b>\$300,000</b>	<b>\$0</b>	<b>\$0</b>
<b>James Dietz</b> Financing at 6% interest	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$100,000</b>
<b>Karen Dietz</b> Financing at 6% interest	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$100,000</b>
<b>Total Amount Received</b>	<b>\$775,000</b>	<b>\$200,000</b>	<b>\$200,000</b>

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## Sources of Funds

The \$150,000 mortgage represents one half of the purchase price for the Land and Building being held by the sellers.

James Dietz will invest \$125,000 toward the Land and Building.

A \$300,000 loan from The Nexum Group will be used for working capital, capital equipment, and the building and building improvements.

James and Karen Dietz will draw a salary from the Corporation and re-invest the funds into the Corporation until that time the Corporation's cash flow is stable.

## Profit and Loss Statement

	FY2014	FY2015	FY2016
<b>Revenue</b>	<b>\$820,400</b>	<b>\$1,835,200</b>	<b>\$3,295,600</b>
<b>Direct Cost</b>	<b>\$410,200</b>	<b>\$917,600</b>	<b>\$1,647,800</b>
Gross Margin	\$410,200	\$917,600	\$1,647,800
<b>Gross Margin %</b>	<b>50%</b>	<b>50%</b>	<b>50%</b>
<b>Operating Expenses</b>			
Salary	\$317,102	\$349,500	\$355,480
Employee Related Expenses	\$63,424	\$69,900	\$71,095
Marketing & Promotion	\$1,100	\$1,650	\$2,150
Mortgage	\$15,192	\$15,192	\$15,192
Utilities	\$7,600	\$7,900	\$8,150
Office Supplies	\$17,000	\$14,516	\$16,378
Insurance	\$24,413	\$45,877	\$82,389
Merchant Service Fees	\$27,008	\$60,405	\$108,480
Sec Sys, CCTV, Intrusion & Software	\$8,780	\$10,536	\$10,536
Contribution	\$0	\$27,430	\$91,825
<b>Total Operating Expenses</b>	<b>\$481,619</b>	<b>\$602,906</b>	<b>\$761,675</b>
<b>Operating Income</b>	<b>(\$71,419)</b>	<b>\$314,694</b>	<b>\$886,125</b>
Interest Incurred	\$40,978	\$46,278	\$38,193
Depreciation and Amortization	\$19,034	\$21,527	\$21,527
Income Taxes	\$0	\$104,928	\$351,222
<b>Total Expenses</b>	<b>\$951,831</b>	<b>\$1,693,239</b>	<b>\$2,820,417</b>
<b>Net Profit</b>	<b>(\$131,431)</b>	<b>\$141,961</b>	<b>\$475,183</b>
<b>Net Profit / Sales</b>	<b>(16%)</b>	<b>8%</b>	<b>14%</b>

## Balance Sheet

As of Period's End	FY2014	FY2015	FY2016
Cash	\$60,101	\$84,550	\$421,150
Accounts Receivable	\$0	\$0	\$0
Inventory	\$76,400	\$137,200	\$137,400
<b>Total Current Assets</b>	<b>\$136,501</b>	<b>\$221,750</b>	<b>\$558,550</b>
Long-Term Assets	\$507,340	\$507,340	\$507,340
Accumulated Depreciation	(\$19,034)	(\$40,561)	(\$62,088)
<b>Total Long-Term Assets</b>	<b>\$488,306</b>	<b>\$466,779</b>	<b>\$445,252</b>
<b>Total Assets</b>	<b>\$624,807</b>	<b>\$688,529</b>	<b>\$1,003,802</b>
Accounts Payable	\$43,245	\$76,248	\$82,665
Sales Taxes Payable	\$0	\$0	\$0
Short-Term Debt	\$0	\$0	\$0
<b>Total Current Liabilities</b>	<b>\$43,245</b>	<b>\$76,248</b>	<b>\$82,665</b>
Long-Term Debt	\$712,993	\$601,751	\$435,424
<b>Total Liabilities</b>	<b>\$756,238</b>	<b>\$677,999</b>	<b>\$518,089</b>
Paid-In Capital	\$0	\$0	\$0
Retained Earnings	\$0	(\$131,431)	\$10,530
Earnings	(\$131,431)	\$141,961	\$475,183
<b>Total Owner's Equity</b>	<b>(\$131,431)</b>	<b>\$10,530</b>	<b>\$485,713</b>
<b>Total Liabilities &amp; Equity</b>	<b>\$624,807</b>	<b>\$688,529</b>	<b>\$1,003,802</b>

## Cash Flow Statement

	FY2014	FY2015	FY2016
<b>Operations</b>			
Net Profit	(\$131,431)	\$141,961	\$475,183
Depreciation and Amortization	\$19,034	\$21,527	\$21,527
Change in Accounts Receivable	\$0	\$0	\$0
Change in Inventory	(\$76,400)	(\$60,800)	(\$200)
Change in Accounts Payable	\$43,245	\$33,003	\$6,417
Change in Sales Taxes Payable	\$0	\$0	\$0
<b>Net Cash Flow from Operations</b>	<b>(\$145,552)</b>	<b>\$135,691</b>	<b>\$502,927</b>
<b>Investing &amp; Financing</b>			
Assets Purchased or Sold	(\$507,340)	\$0	\$0
Investments Received	\$0	\$0	\$0
Change in Short-Term Debt	\$0	\$0	\$0
Change in Long-Term Debt	\$712,993	(\$111,242)	(\$166,327)
<b>Net Cash Flow from Investing &amp; Financing</b>	<b>\$205,653</b>	<b>(\$111,242)</b>	<b>(\$166,327)</b>
Cash at Beginning of Period	\$0	\$60,101	\$84,550
Net Change in Cash	\$60,101	\$24,449	\$336,600
<b>Cash at End of Period</b>	<b>\$60,101</b>	<b>\$84,550</b>	<b>\$421,150</b>

This Plan is developed on the assumption that the facility can be renovated with the appropriate security systems and that the marijuana can be grown within three month from the completion of the award process.

## **B. LOCATION AND SITE PLAN**

**Please provide the following information:**

**1. The location of the proposed dispensary facility;**

100 New Hartford Road, Winsted, CT 06098.

**2. Documents sufficient to establish that the applicant is authorized to conduct business in Connecticut and that state and local building, fire and zoning requirements and local ordinances are met for the proposed location of the dispensary facility;**

- For the property in question, all building, fire, and zoning requirements including local ordinances will be satisfied before opening for business. The open issue of approval by Planning and Zoning will be heard on NOV 25<sup>th</sup> 2013 at 7:00PM EST. Building and Fire Code ordinances will be met upon completion of renovations to the property by Borghesi Building and Engineering Co., Inc. prior to operation.
- See Exhibit #04 for interior design and Exhibit #05 for exterior design.

**3. If the property is not owned by the applicant, provide a written statement from the property owner and landlord certifying that they have consented to the applicant operating a dispensary facility on the premises;**

NSHWC has signed a conditional real estate purchase contract (Exhibit 06) for 100 New Hartford Road, Winsted, CT 06098. There are two conditions that must be met for the transaction to be executed; the first condition is that our application to Winsted Planning and Zoning be approved to use the property in question as a Medical Marijuana Dispensary. This application is currently awaiting a hearing scheduled for NOV 25<sup>th</sup> 2013, 7PM EST. The second condition is the State of Connecticut granting Nutmeg State Health and Wellness Center, Inc. a Dispensary License. Only if both of these conditions are met will the real estate purchase contract will be executed. Nutmeg State Health and Wellness Center, Inc. will be the owner of the property/building and therefore have no restrictions from an ownership perspective for use of the property as a Medical Marijuana Dispensary.

**4. Any text and graphic materials that will be shown on the exterior of the proposed dispensary facility;**

For the purposes of discretion and to comply with the regulations with respect to signage, NSHWC will have the following signs on the exterior of the building (wherever possible, all signs will also include Braille on the actual sign in compliance with ADA standards);

- “Company Name” Signage: Plain Text only “Nutmeg State Health and Wellness Center”, no graphics, and no backlighting approximately 48” long and 12” high to be located above the main entrance vestibule.
- “Hours of Operation” Signage: Located to the right side of the entrance vestibule, this sign will be 14”x10”, constructed of aluminum, listing the hours of operation as listed in the application section appendix A. This sign will be similar to the following:



- “Security Notice” Signage: Constructed of reflective “diamond grade” aluminum, located to the left side of the entrance vestibule, and no less than one sign on each of the other sides of the building and at the main entrance to the facility. This sign will be approximately 18”x24” and include text and graphics as depicted below:



- “Employee Entrance” Signage (rear of building): Engineer grade reflective aluminum, located on the door at the rear of the building that serves as the entrance to the “Break Room”. This sign text will read “No admittance: Authorized Personnel Only” and will look as below:



- “Firearms/Weapons Policy” Signage: To be located by the main entrance vestibule. Constructed of reflective “diamond grade” aluminum 18”x24” and include text and graphics as depicted below:



- “Metal Detector” signage: To be located by the main entrance vestibule. Constructed of reflective “diamond grade” aluminum 18”x24” and include text and graphics as depicted below:



- “Emergency Exit” signage: To be located on the exterior of any/all doors designated as Emergency exit. Constructed of reflective “diamond grade” aluminum 18”x24” and include text and graphics as depicted below:



**5. Photographs of the surrounding neighborhood and businesses sufficient to evaluate the proposed dispensary facility’s compatibility with commercial or residential structures already constructed, or under construction, within the immediate neighborhood;**

See attached photos, Exhibit #07

**6. A site plan drawn to scale of the proposed dispensary facility showing streets, property lines, buildings, parking areas, and outdoor areas, if applicable, that are within the same block as the dispensary facility;**

See Site Plan, in binder, (due to size, hard copy only)

**7. A map that identifies all places used primarily for religious worship, public or private school, convent, charitable institution, whether supported by private or public funds, hospital or veterans’ home or any camp or military establishment that are within 1000 feet of the proposed dispensary facility location; and**

See 1000ft Survey in binder, (due to size, hard copy only)

**8. A blueprint, or floor plan drawn to scale, of the proposed dispensary facility, which shall, at a minimum, show and identify the following:**

- a. The location and square footage of the area which will constitute the dispensary department from which marijuana and marijuana products will be sold;**
- b. The square footage of the overall dispensary facility;**
- c. The square footage and location of areas used as storerooms or stockrooms within the dispensary department;**
- d. The size of the counter that will be used for selling marijuana and marijuana products within the dispensary department;**

- e. The location of the dispensary facility sink and refrigerator, if any;**
- f. The location of all approved safes and approved vaults that will be used to store marijuana and marijuana products;**
- g. The location of the toilet facilities;**
- h. The location of a break room and location of personal belonging lockers;**
- i. The location and size of patient counseling areas, if any;**
- j. The locations where any other products or services, in addition to marijuana and marijuana products, will be offered, if any; and**
- k. The location of all areas that may contain marijuana and marijuana products showing the location of walls, partitions, counters and all areas of ingress and egress.**

See Blueprint, Exhibit #04

**C1. A detailed description of all products intended to be offered by the dispensary facility during the first year of operation;**

Products that will be offered by the Dispensary facility during the first year of operation will include Medical Marijuana (flowers), Infused Products such as edibles, Concentrates, tinctures, and various oils. These products will exclusively originate with the Producers.

**C2. A detailed description of all services to be offered by the dispensary facility during the first year of operation;**

We will offer ancillary services through the establishment of relationships with local vendors such as massage therapists, chiropractors, counseling, yoga, and other complimentary offering areas for referrals. We will also offer some in house educational type events for patients, care providers, and doctors.

**C3. A detailed description of the process that a dispensary facility will take to ensure that access to the dispensary facility premises will be limited only to employees, qualifying patients and primary caregivers;**

- See Security Plan, Exhibit #09.
- **Building Location** – While the building is located on a main road, Route 44 (at the junction with Route 8), providing easy travel access for patients, the building itself is somewhat discretely secluded from other properties with unique topography. There is only one driveway to the stand-alone building which is set back from the road by a ravine/wetlands, which also goes partially along the left side of the building. Behind the building is a large retaining wall and to the right of the driveway is wooded (See Pictures; Exhibit).
- **Front Gate** – Patient/caregivers must be pre-registered and have an appointment by logging onto website or by phone with NSHWC before arriving, including providing the make, model, and license plate of their vehicle. There will be an electronic front gate partially up the driveway, which will remain closed except when opened with security card or by the receptionist from within the building. Only patients or caregivers that are registered with NSHWC will be granted access to the NSHWC dispensary. Patients/caregivers will need to roll down the window of their car and push a button to speak to the receptionist. There will be cameras at the gate (see Security Plan, Exhibit 9) so the receptionist can visually identify the patient/caregiver, as their car would have been already registered with NSHWC. Once the receptionist verifies the authenticity of the patient/caregiver, the gate will be opened electronically by the receptionist.
- **Outer Building Glass** - All outer building glass will be rated bulletproof. The Dispensary area of the facility does not contain any windows with the exception of the drive-through window. If the drive-through option is not acceptable for any reason to the State of Connecticut this window would be removed/sealed as part of the renovations (Details in Security Plan, Exhibit 09).
- There will be 3 outer doors to the building. All will be well lit, with motion detection and cameras recording access 24x7.
  - **Emergency Exit** in the back of the patient reception area, will have an alarm that will trigger response by police and fire. This door will only be used for emergencies and this door will be locked from outside access at all times.
  - **Back Entrance** for employees and deliveries only. Employees will have card access, which will be programmed to only allow employees access during their individually scheduled worked hours, so that employees cannot enter the building after hours. This back door will lead to the employee lounge. Employees will not be able to move past the employee lounge without going through another key card access security door, which will enter into the display/dispensary area.
  - **Front Entrance** is a double door with a vestibule between the doors. During business hours, the first door will be unlocked, but have a metal detector that patients/caregivers will need to go through to get to the vestibule. Once in the vestibule (mantrap), the first door must completely close before the receptionist

would press a button (upon positive identification) to electronically open the second door, which leads to the patient reception/waiting area.

- **Entrance to Dispensary / Display Area**
  - From Reception Area - Secure door with card access from reception area to display area. Patients and Caregivers will need to be escorted by a NSHWC pharmacist to enter the display area. Only employees will have card access, which will be programmed to only allow employees access during their individually scheduled worked hours, so that employees cannot enter the building after hours.
  - From Employee Lounge - Employees will not be able to move past the employee lounge without going through card access security door, which will enter into the display area.
- **Entrance to Prescription Room** - Secure door to safe/vault room where marijuana will be stored. Only NSHWC pharmacists, CEO, and President will have a key card that grant access to the Prescription Room where the safe is held. The pharmacist key card will only work during individual scheduled work hours. A camera will be pointed at the door to the Inventory Room to record access.
- **Marijuana Safe** - The safe will have a biometric identification scanner, which will be set to only work for the CEO, President, and pharmacists. In accordance with NSHWC Policy, the Prescription Room cannot be entered when patients/caregivers are in the display area. If Patients/Caregivers are in the NSHWC dispensary when the safe needs to be accessed, patients and caregivers must be located in the reception area.
- **Deliveries of Medical Marijuana** – Deliveries will only be allowed during hours the dispensary is not open to patients and caregivers. Deliveries will be made through the back entrance and brought into the Prescription Filling Area. The President and the Lead Pharmacist will need to be present for deliveries and both will be accountable to ensuring the inventory is logged and stored correctly. Monthly inventory audits jointly by the CEO and President will occur.

**C4. A detailed description of the features, if any, that will provide accessibility to qualifying patients and primary caregivers beyond what is required by the Americans with Disabilities Act;**

- NSHWC staff in will be trained in People First Language (program created by the Texas Council for Developmental Disabilities) and disability etiquette.
- NSHWC staff will be trained to be familiar with reasonable accommodations and how to offer them (accessible documents, etc).
- If permitted by the State of Connecticut, NSHWC will have a secure and convenient drive up window (similar to a bank or other pharmacies, such as CVS) so that patients do not have to get out of their car, which can especially difficult for patients with physical challenges, during inclement weather, or for patient caregivers whom may not require a full consultation with the Pharmacist. This service would only be offered for refills, first time prescription filling must meet with the Pharmacist for a consultation.
- NSHWC staff will offer to read materials aloud and offer visual descriptions of amenities on request for people with visual disabilities.
- NSHWC will provide alternate formats (Braille, Large Print, high contrast) for documents; also make the forms available online in multiple accessible file formats.
- NSHWC, in advertising, marketing and outreach media, will include positive portrayals of people with disabilities.
- Braille signs will be in appropriate places throughout the NSHWC dispensary.
- Liquid sanitation will be available at counters throughout the NSHWC dispensary.
- Comfortable seating will be available for patients, caregivers, and staff.
- Audio Description and Captioning will be provided on any video presentations.
- Additional accessible parking spaces than required by law.
- NSHWC visitor documents will be available in alternate formats (Large Print, high contrast, Braille, electronic format).
- Motion sensor lighting will be in restrooms and other spaces that are not continually occupied.
- On all documents, including having patient information booklets, information and instructions will be provided in an easy to read standard font written in a plain English format.

**C5. A detailed description of any air treatment or other system that will be installed and used to reduce off-site odors;**

The NSHWC facility will employ an air treatment system to reduce/eliminate off-site odors. Through the use of a fan assisted roof exhaust vent, air will be treated with carbon filtration and ozone supplementation before exiting the facility. Carbon filters will be replaced at minimum monthly or early if any noticeable smell is observed outside the facility.

**C6. A detailed description of the process by which marijuana and marijuana products will be delivered to a dispensary facility from the producer, including the protocols that will be used to avoid any diversion, theft or loss of marijuana;**

**Deliveries of Medical Marijuana**

- Deliveries will only be allowed during hours the dispensary is not open to patients and caregivers.
- Deliveries will be made through the back Employee Only entrance and brought into the Prescription Filling Area for placement into the Dispensary Safe.
- The President and the Lead Pharmacist will need to be present for deliveries and both will be accountable to ensuring the inventory is logged and stored correctly.
- Monthly inventory audits jointly by the CEO and President will occur.

**C7. A detailed description of the training and continuing education opportunities that will be provided to dispensary facility employees; and**

- Mr. Dietz, President has obtained certifications in Cannabis Business Management, Hydroponics, Master Grower, and Budtender. Mr. Dietz has also a member of the National Cannabis Industry Association since March 2013.
- Ms. Dietz, CEO, has obtained certifications in Dispensary Management (January 2013), Cannabis Business Management (January 2013), Master Grower (January 2013), and Budtending (January 2013).
- Directors, Officers and Employees will be encouraged to attend classes, seminars, and conventions including but not limited to, those sponsored by the Cannabis Career Institute (CCI) and Oaksterdam University. All registration fees and travel expenses will be paid for by NSHWC.
- NSHWC has developed an internal training program of the following modules:
  - Employee Policies
    - Employee Handbook (See Employee Handbook attached, Exhibit #09)
    - Employee Safety
    - Business Conduct and Integrity
  - Regulatory Compliance / Patient Information
    - Patient Privacy and Data Security Policy (See Policies, Exhibit #10)

- HIPAA Privacy Compliance
- Data protection and Information Security
- Inappropriate Disclosure of Protected Health Information
- Privacy Breach Reporting
- Patient Relations
  - Managing the Stress of Giving Care
  - Care Management
  - Compassionate Care for Caregivers
  - Healthy Lifestyle Coaching – Dealing with Relapse
  - Healthy Lifestyle Coaching – Stress and Stress Reduction
  - Patient Empathy
  - Dietician Referral Training
  - Collaboration with Case Management

**C8. A detailed description of any processes or controls that will be implemented to prevent the diversion, theft or loss of marijuana.**

- **Building Location** – While the building is located on a main road, Route 44 (at the junction with Route 8), providing easy travel for patients, the building itself is somewhat secluded from other properties. There is only one driveway to the building which is set back from the road by a ravine, which is also goes partially along the left side of the building. Behind the building is a large rock wall and to the right of the driveway is wooded.
- **Front Gate** – Patient/caregivers must be pre-registered and have an appointment by logging onto website or phone with NSHWC before arriving, including providing the make and model of their car. There will be a front gate partially up the driveway, which will be closed. Only patients or caregivers that are registered with NSHWC will be granted access to the NSHWC dispensary. Patients/caregivers will need to roll down the window of their car and push a button to speak to the receptionist. There will be cameras at the gate so the receptionist can visually identify the patient/caregiver, as their car would have been already registered with NSHWC. Once the receptionist verifies the authenticity of the patient/caregiver, the gate will be opened electronically by the receptionist.
- **Outer Building Glass** - All outer building glass will be bulletproof, which specifically means...
- There will be 3 outer doors to the building. All will have cameras recording access.
  - **Emergency Exit** in the back of the patient reception area, will have an alarm that will trigger response by police and fire. This door will only be used for emergencies and no one will have access to enter through this door.
  - **Back Entrance** for employees and deliveries only, which will have key card access, which will be programmed to only allow employees access during their individually scheduled worked hours, so that employees cannot enter the building after hours. This back door will lead to the employee lounge. Employees will not

be able to move past the employee lounge without going through another key card access security door, which will enter into the display area.

- **Front Entrance** is a double door with a vestibule between the doors. During business hours, the first door will be unlocked, but have a metal detector that patients/caregivers will need to go through to get to the vestibule. Once in the vestibule, the first door must completely close before the receptionist would press a button to electronically open the second door, which leads to the patient reception area.
- **Entrance to Display Area**
  - From Reception Area - Secure door with key card access from reception area to display area. Patients and Caregivers will need to be escorted by a NSHWC pharmacist to enter the display area. Only employees will have key card access, which will be programmed to only allow employees access during their individually scheduled worked hours, so that employees cannot enter the building after hours.
  - From Employee Lounge - Employees will not be able to move past the employee lounge without going through another key card access security door, which will enter into the display area.
- **Entrance to Prescription Room** - Secure door to safe/vault room where marijuana will be stored. Only NSHWC pharmacists, CEO, and President will have a key card that grant access to the Prescription Room where the safe is held. The pharmacist key card will only work during individual scheduled work hours. A camera will be pointed at the door to the Inventory Room to record access.
- **Marijuana Safe** - The safe will have a biometric identification scanner, which will be set to only work for the CEO, President, and pharmacists. In accordance with NSHWC Policy, the Prescription Room cannot be entered when patients/caregivers are in the display area. If Patients/Caregivers are in the NSHWC dispensary when the safe needs to be accessed, patients and caregivers must be located in the reception area.
- **Deliveries of Medical Marijuana** – Deliveries will only be allowed during hours the dispensary is not open to patients and caregivers. Deliveries will be made through the back entrance and brought into the Prescription Filling Area. The President and the Lead Pharmacist will need to be present for deliveries and both will be accountable to ensuring the inventory is logged and stored correctly. Monthly inventory audits jointly by the CEO and President will occur.

## D. PROPOSED MARKETING PLAN

### 1. Provide a copy of the applicant's proposed marketing plan and include any web templates and educational materials such as brochures, posters, or promotional items.

- See power point presentation, Exhibit #11
- See patient information booklet, Exhibit #12

#### PR (Public Relations):

##### Community outreach

- Host/schedule informational sessions on the medicinal/healthcare of medicinal marijuana onsite at dispensary
  - Free informational sessions coordinated offsite at local hospitals & clinics associated with cancer treatment
- Publish and distribute fact-based literature on the proper administration of medical marijuana and the benefits

##### Business News

- Issue regular updates on organizational developments, community outreach events, and industry related news via corporate website and local media

##### Digital:

- **Corporate website**
  - Launch a customer facing resource that outlines all services, expertise, and business information associated with the dispensary.
  - SEO/SEM program
    - Optimize corporate website to rank for search engine results associated with licensed dispensaries within Litchfield, CT.
    - Develop/launch a pay per click advertising campaign inclusive of all major search engines to drive awareness of the dispensary online.
  - BLOG: journal of misc, but relevant topics related to medical marijuana
  - E-newsletter
    - Free e-Newsletter addressing contemporary topics related to medicinal marijuana and treatment
  - Live Chat resource for prospects/customers to engage dispensary personnel on any variety of topics (services, policies, hours of operation, etc.)

##### Collateral:

- **Printed literature**
  - Brochure that outlines business services, hours of operation, FAQs, etc...
    - Also available in PDF for website

##### Advertising:

- PPC digital advertising across all major search engines
- Printed ad placements within local/regional newspapers
- Co-op advertising with local hospitals and clinics associated with cancer treatment

## SALES

### Business Development

- Develop a collaborative training/education program with local hospitals & clinics treating cancer
- Identify “partner” facilities interested in promoting the dispensary’s expertise and services (e.g. business cards, brochures, info sessions, etc.)

### Training/consultation:

- Comprehensive inside sales/customer service training for all customer facing employees (counter, phone, field).
  - Ensure all employees are knowledgeable regarding the law and dispensary policies associated with a customer’s purchase

### Dispensary Hours:

- Maintain store hours that are convenient to customers

## E. FINANCIAL STATEMENTS AND ORGANIZATIONAL STRUCTURE

**Please provide the following information or copies of the following documents:**

**1. Documents such as the articles of incorporation, articles of association, charter, by-laws, partnership agreement, agreements between any two or more members of the applicant that relate in any manner to the assets, property or profit of the applicant or any other comparable documents that set forth the legal structure of the applicant or relate to the organization, management or control of the applicant; Code of Ethics; first report, sales and use tax id, FEIN.**

- See Articles of Incorporation, Exhibit #13
- See Bylaws, Exhibit #1
- See Code of Ethics, Exhibit #14
- See Certificate of Legal Existence, Exhibit #15
- See Connecticut Sales and Use Tax Certificate, Exhibit #16
- See First Report, Exhibit #17
- Sales and Use Tax Confirmation ID #13W990840019
- [REDACTED]

2. A current **organizational chart** that includes position descriptions and the names and **resumes** of persons holding each position to the extent such positions have been filled. To the extent such information is not revealed by their resume, include additional pages with each resume setting out the employee's particular skills, education, experience or significant accomplishments that are relevant to owning or operating a dispensary facility;

- See Organizational Chart
- See Resumes
- Response to Section A-2:

Kenneth Kandrysawtz

- I graduated UConn in 1976 after spending my senior year as an intern at Hartford Hospital. I received my CT pharmacy license in 1976 and began working as a Staff Pharmacist for a pharmacy owner who had three separate locations that I rotated around to. A Staff Pharmacist is responsible for supervising the pharmacy technician, inventory control, properly dispensing prescriptions to customers, and providing confidential consultation to patients. This experience lead me to want to open my own pharmacy. Unfortunately, I opened in 1983 and had to close in 1984. The pharmacy and my marriage dissolved at the same time.
- I then took a Staff Pharmacist position at Burnside Drug (Arthur's Drug) where I worked from 1985 to 1998 when a new opportunity arose. I took a position with NeighborCare, which is a network of many Long-Term Care providers. I received the prescription orders, filled them, and shipped the prescriptions out via special courier to the right longer-term care facility for the patients to have their prescriptions. In 2006, NeighborCare was acquired by OmniCare, and I decided to move on to the next opportunity. I took a position at Shop rite Pharmacy in Bristol, CT.
- After 33 years in pharmacy, I was presented with a unique opportunity to build a luxury home in the mountains of Montana. I took seized this opportunity and when I returned to Connecticut, I decided to take a short break from pharmacy and do a few more projects as a subcontractor for Dave's Tile & Stone.
- With Medical Marijuana now being legalized, an interesting, new field is evolving in the pharmacy world and I am excited to have an opportunity to be a part of this emerging industry as the Facility Manager for Nutmeg State Health and Wellness Center, Inc.

Karen Dietz

Appendix C answers for Karen

  
Ph# 860-866-8469

[Karen-dietz@hotmail.com](mailto:Karen-dietz@hotmail.com)

21 – 26 = NO

27/28 = Yes

Multiple Myeloma Research Foundation (MMRF) located in Norwalk, CT.  
(myeloma is a rare blood cancer)

2007 – 2009: Contracts Administrator

2009 – Present: In-House Counsel (see resume attached exhibit for more details)

The Services of the MMRF are relevant to this RFA because the emerging industry of medical marijuana could benefit from innovative research studies, which the MMRF is a leader for developing cutting-edge research models that can be used in any field of research.

- **MMRF Research Grants** - fund innovative research, which brings new talent into the field of myeloma, an orphan disease.
- **Collaboration among leading cancer centers to establish a central tissue bank for pre-clinical research.**
- **CoMMpass Study** - The MMRF's Personalized Medicine Initiative is an eight-year, multifaceted program designed to identify the molecular origins of multiple myeloma and enable physicians to match specific treatment approaches to the patients most likely to benefit. The Personalized Medicine Initiative is centered around CoMMpass<sup>SM</sup> (Relating Clinical Outcomes in Multiple Myeloma to Personal Assessment of Genetic Profile), a recently launched, landmark, 1000-patient longitudinal study that will track multiple myeloma patients from initial diagnosis through their course of treatment, accompanied by sequential tissue sampling to identify how a patient's molecular profile may affect clinical progression and individual response to treatment. New treatment approaches tailored to multiple myeloma patients' individual molecular profiles are urgently needed to extend lives and begin to cure the disease. With extensive experience in genomics and a strong clinical network in place, the MMRF is in the unique position to champion this bold concept and has become a model for other research groups seeking to advance personalized medicine. CoMMpass<sup>SM</sup> sits on the razor's edge of science and aims to vastly improve the understanding of the molecular features of multiple myeloma and, by leveraging this knowledge, match patients with the right treatments or combination of treatments. CoMMpass<sup>SM</sup> is the first and largest study of its kind to analyze disease progression and response to treatment based on patients' genomic or molecular profiles. Findings from this study can potentially transform multiple myeloma treatment approaches by enabling physicians, for the first time, to find individualized treatments that are most likely to be effective. Notably, academic and pharmaceutical industry partners in this initiative have given up rights to any inventions, signifying their commitment to expediting and revolutionizing the traditional drug discovery and development model.
- **Consortium** - First collaborative research model of its kind that brings together academic and community cancer centers with industry to advance innovative PH1 and 2 trials of the most promising drug candidates. MMRC Member Institutions are supported by an advanced infrastructure (PRC, SC, MMPMs, IST Platform) allow for communications across the Membership to discuss the myeloma pipeline at each stage of development and to expand collaboration with those companies with the most promising drugs.
- **Publications** - Emphasis placed on ensuring publications are released to share the data with the public.
- **Patient / Physician Education** - MMRF hosts continuing medical education program sfor physicians and clinical insights programs for patients as well as providing print materials.

- **Researcher Gateway** - The MMRF intends to ensure the most widespread availability of and use of the Data subject to pre-publication review. Coded health information and information from more detailed analyses of the patient coded samples will be put in a controlled access database. Each researcher who requests access to the controlled-access database will be required to obtain approval from a CoMMpass<sup>SM</sup> governance committee. The MMRF will share the analyzed results of the study with the public by uploading the CoMMpass<sup>SM</sup> results to a secure web-based interface or Gateway which is accessible when the user agrees to an end user agreement that encourages maximum public accessibility and hence, public benefit.
- **Community Gateway** - Patients, even those patients not participating in CoMMpass<sup>SM</sup>, will have an opportunity to participate in the MMRF Personalized Medicine Initiative and contribute towards a cure for multiple myeloma. Integrated with the Researcher Gateway, there will also be a Community Gateway where patients, physicians, and other caregivers will be able to input data to be shared and analyzed by researchers. Patients will be provided access to multiple myeloma oncology nurses for additional support and can communicate with other patients that have similar disease subtypes. In multiple myeloma, knowledge is power, which is why creating a community of patients that are actively engaged in their own treatment and can share their results will contribute to expediting the search for a cure.
- **Clinical Trial Facilitation** - MMRF set into motion 47 groundbreaking clinical trials and 26 new drugs and drug combinations with the MMRC. More than 1,100 multiple myeloma patients have received treatment that was previously not possible, thanks to the MMRC. MMRF was instrumental in the launch of 6 new FDA-approved multiple myeloma treatments (Velcade®, Revlimid®, Thalomid®, Doxil®, Kyprolis™ and Pomalyst®) that not only doubled life expectancy among some patients, but are being tested or used in more than 30 other cancers.



37 – 41 = NO

3. The name, title and a copy of the resume of the person who will be responsible for all information security requirements, including the requirement that patient information remain confidential;

- James Dietz will be the Security and Privacy Officer.
- See resume in Exhibit #17
- See Data Security and Privacy Policies, Exhibit #10

**4. A copy of all compensation agreements with dispensary facility backers, directors, owners, officers, other high-level employees or any other person required to MMP – Dispensary Facility RFA – September 2013 Page 8 of 12 complete Appendices B, C or E. For purposes of this RFA, a compensation agreement includes any agreement that provides, or will provide, a benefit to the recipient whether in the form of salary, wages, commissions, fees, stock options, interest, bonuses or otherwise;**

- See Appendix B, James Dietz

- See Appendix C, Karen Dietz, James Dietz, Sandra Wear, Robert Frumento, Jennifer Kokalari, Kenneth Kandrysawtz
- See Contract of Sale and Mortgage for facility located at 100 New Hartford Rd, Winsted, CT, Exhibit #18
- See loan from Nexum Group, Exhibit #19
- See loan from James Dietz, Exhibit #20
- See Employment Offer Letters: Karen Dietz, James Dietz, Kenneth Kandrysawtz, Daniel Vaughn, Exhibit #21
- See Employment Contract template to be used if license granted from State.

**5. Describe the nature, type, terms, covenants and priorities of all outstanding bonds, loans, mortgages, trust deeds, pledges, lines of credit, notes, debentures or other forms of indebtedness issued or executed, or to be issued or executed, in connection with the opening or operating of the proposed dispensary facility;**

Nutmeg State Health and Wellness Center, Inc. does not have any current indebtedness; however, it does have three conditional loans that will become effective should it receive a license from the State of Connecticut to open a dispensary.

- See Contract of Sale and Mortgage for facility located at 100 New Hartford Rd, Winsted, CT, Exhibit #18
- See loan from Nexum Group, Exhibit #19
- See loan from James Dietz, Exhibit #20

**6. Provide audited financial statements for the previous fiscal year, which shall include, but not be limited to, an income statement, balance sheet, statement of retained earnings or owners' equity, statement of cash flows, and all notes to such statements and related financial schedules, prepared in accordance with generally accepted accounting principles, along with the accompanying independent auditor's report. If the applicant was formed within the year preceding this application, provide certified financial statements for the period of time the applicant has been in existence and any pro forma financials used for business planning purposes;**

Since dispensing medical marijuana was only recently legalized in the State of Connecticut and applications for the first licenses are now being filed, Nutmeg State Health and Wellness Center, Inc. was only recently formed on October 31, 2013. Therefore, audited financials are only available of the month of October 2013.

- See Audited Financials, Exhibit #22.

**7. Provide complete copies of all federal, state and foreign (with translation) tax returns filed by the applicant for the last three years, or for such period the applicant has filed such returns if less than three years.**

Since dispensing medical marijuana was only recently legalized in the State of Connecticut and applications for the first licenses are now being filed, Nutmeg State Health and Wellness Center, Inc. was only recently formed on October 31, 2013. Therefore, there are no filed tax returns by Nutmeg State Health and Wellness Center to submit. However, the tax returns for the last three years of all financial backers have been provided.

- See Tax Returns, James Dietz, Exhibit #23.

**8. Provide complete copies of the most recently filed federal, state and foreign (with translation) tax returns filed by each: (i) dispensary facility backer; and (ii) each backer member identified in Section B of Appendix B.**

Dispensary facility backers are:

- See Tax Returns, James Dietz, Exhibit #23.

## F. BONUS POINTS

The Department will award bonus points for preferred but not required initiatives. Applicants may provide information related to any or all of the categories below with their application. Should the applicant be awarded a license from the Department, their commitments in a bonus category shall become a condition of their license. If a violation of a condition occurs, it may be deemed a material breach and the Department may assess a penalty or seek suspension or revocation of the license.

**1. Employee Working Environment Plan: Describe any plans you have to provide a safe, healthy and economically beneficial working environment for your employees, including, but not limited to, your plans regarding workplace safety and environmental standards, codes of conduct, healthcare benefits, educational benefits, retirement benefits, and wage standards.**

Nutmeg State Health and Wellness Center, Inc. believes that each employee contributes directly to the growth and success of the company. Nutmeg State Health and Wellness Center, Inc. hopes its employees will take pride in being a member of the Nutmeg State Health and Wellness Center, Inc., with a focus on providing a professional atmosphere that will be clean, friendly and upscale where customers will feel respected, comfortable, and secure.

The Nutmeg State Health and Wellness Center, Inc. Employee Handbook was developed to provide guidelines for a safe, healthy and economically beneficial working environment for employees, including, but not limited to, workplace safety and environmental standards, codes of conduct, healthcare benefits, and wage standards. The Nutmeg State Health and Wellness Center, Inc.

- See Employee Handbook, Exhibit #09.

**2. Compassionate Need Plan: Describe any compassionate need program you intend to offer. Include in your response:**

- The protocols for determining which patients will qualify for the program;
- The discounts available to patients eligible for the compassionate need program;
- The names of any other organizations, if any, with which you intend to partner or coordinate in connection with the compassionate need program, including any producer applicant; and
- Any other information you think may be helpful to the Department in evaluating your compassionate need program.

**3. Research Plan: Provide the Department with a detailed proposal to conduct, or facilitate, a scientific study or studies related to the medicinal use of marijuana. To the extent it has been determined, include in your proposal, a detailed description of:**

- The methodology of the study;
- The issue(s) you intend to study;
- The method you will use to identify and select study participants;
- The identify of all persons or organizations you intend to work with in connection with the study, including the role of each;
- The duration of the study; and
- The intended use of the study results.

- See Research Plan and Patient Informed Consent Form

**4. Community Benefits Plan: Provide the Department with a detailed description of any plans you have to give back to the community either at a state or local level if awarded a dispensary facility license.**

See Exhibit 20

**5. Substance Abuse Prevention Plan: Provide a detailed description of any plans you will undertake, if awarded a dispensary facility license, to combat substance abuse in Connecticut, including the extent to which you will partner, or otherwise work, with existing substance abuse programs.**

See Exhibit 21



# Medical Marijuana Program

165 Capitol Avenue, Room 145, Hartford, CT 06106-1630 • (860) 713-6066

E-mail: [dep.mmp@ct.gov](mailto:dep.mmp@ct.gov) • Website: [www.ct.gov/dep/mmp](http://www.ct.gov/dep/mmp)



## Appendix A Dispensary Facility License Information Form

### Section A: Business Information

1. Applicant business type:						
<input type="checkbox"/> Sole Proprietorship	<input checked="" type="checkbox"/> Corporation	<input type="checkbox"/> Limited Liability Co.	<input type="checkbox"/> Partnership	<input type="checkbox"/> Limited Liability Partnership	<input type="checkbox"/> Unincorporated Association	<input type="checkbox"/> Other:
2. Legal Name of Applicant: Nutmeg State Health and Wellness Center, Inc.						
3. Trade Name of Applicant: NSHWC						
4. Applicant's Business Address: 19 Hearshistow Dr						
5. City: Berkhamsted				6. State: CT	7. Zip Code: 06023	
8. Daytime Telephone Number: 860 866 8469			9. E-mail Address: info@nshwc.com			
10. Applicant's Mailing Address (if different than business address): same					11. City:	
12. State:	13. Zip Code:	14. Daytime Telephone Number:		15. Fax Number:		

### Section B: Contact Information

All communications from the department regarding this application will be sent to your primary contact and alternate contact, if one is designated. We will assume that you receive all communications sent to your designated contact(s) and it will be your responsibility to notify us if any of their contact information changes.

16. Name of Primary Contact: Karen Dietz		17. Primary Contact Title: CEO	
18. Primary Contact E-mail Address:		19. Primary Contact Telephone Number: 860-866-8469	
20. OPTIONAL - Name of Alternate Contact: James Dietz		21. Alternate Contact Title: President	
22. Alternate Contact E-mail Address: James.dietz@kathand.com		23. Alternate Contact Telephone Number: 203-291-0709	

### Section C: Formation/Incorporation Information

24. Date of Formation/Incorporation: 10-31-2013	25. Place of Formation/Incorporation: Connecticut
26. Registered with the Connecticut Secretary of State: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	27. Sale and Use Tax Permit Number: 13W9900840019 Provide a copy of your Sale and Use Tax permit with your application.



# Medical Marijuana Program

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E-mail: [dep.mmp@ct.gov](mailto:dep.mmp@ct.gov) • Website: [www.ct.gov/dep.mmp](http://www.ct.gov/dep.mmp)



## Section D: Proposed Dispensary Facility Information

28. Proposed Dispensary Facility Address: 100 New Hartford Rd		29. City: Winsted	
30. State: CT	31. Zip Code: 06988	32. Telephone Number:	33. Fax Number:
34. Own or Lease Property: <input checked="" type="checkbox"/> Own <input type="checkbox"/> Lease Provide a copy of the lease, deed or other documents evidencing the right to occupy if you are awarded a license.		35. Name of Property Owner: NSHWC has offer contingent on getting licenses	

## Section E: Business Association Information

36. Are you associated with any other dispensary facility license applicant or producer license applicant: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, provide the name of all applicants with whom you are associated. Attach additional pages if necessary.	
37. Applicant Name:	38. Applicant Type: <input type="checkbox"/> Dispensary Facility <input type="checkbox"/> Producer
39. Applicant Name:	40. Applicant Type: <input type="checkbox"/> Dispensary Facility <input type="checkbox"/> Producer

## Section F: Proposed Dispensary Department Hours

41. State the proposed dispensary department hours of operation for each day. The dispensary department is where marijuana will be sold.

Monday	11am to 7pm	Friday	11am to 7pm
Tuesday	11am to 7pm	Saturday	10am to 2pm
Wednesday	11am to 7pm	Sunday	closed to closed
Thursday	11am to 7pm		

## Section G: Proposed Dispensary Facility Hours

42. State the proposed dispensary facility hours of operation for each day. The dispensary facility includes areas where non-marijuana products and services will be offered.

Monday	10am to 8pm	Friday	10am to 8pm
Tuesday	10am to 8pm	Saturday	9am to 3pm
Wednesday	10am to 8pm	Sunday	closed to closed
Thursday	10am to 8pm		



# Medical Marijuana Program

165 Capitol Avenue, Room 145, Hartford, CT 06106-1630 • (860) 713-6066

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## Section H: Other Business Names & Addresses

List all names under which the applicant has done business or has held itself out to the public as doing business. Do not limit your response to business operations in Connecticut. Attach additional pages if necessary.

43. Name:	44. Time Period:

List all addresses, other than those listed in response to Section A, that the applicant owns, has owned or from which it has conducted business during the previous five years and give the approximate time periods during which such locations were owned or utilized. Attach additional pages if necessary.

45. Address:	46. Time Period:

## Section I: Dispensary Facility Backers

Provide the following information for each dispensary facility backer. A dispensary facility backer is any person (including any legal entity) with a direct or indirect financial interest in the applicant, except it shall not include a person with an investment interest provided the interest held by such person and such person's co-workers, employees, spouse, parent or child, in the aggregate, does not exceed five per cent of the total ownership or interest rights in the applicant and such person will not participate directly or indirectly in the control, management or operation of the dispensary facility if a license is granted.

Create additional copies of this page if necessary.

**Each backer identified in response to this section must complete and sign Appendix B.**

47. Name:	48. Percentage of ownership
James Dietz	██████████



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## Section J: Directors, Owners, Officers and Other High-Level Employees

Provide the following information for each individual, including each dispensary facility backer, who will:

- directly or indirectly have control over, or participate in the management or operation of, the dispensary facility; or
- who currently receives, or who reasonably can be expected to receive, within one calendar year, compensation from the applicant exceeding \$100,000.

Create additional copies of this page if necessary.

Each person identified in response to this section must complete and sign Appendix C.

49. Name (First, Middle, Last)	50. Title	51. Role
Kenneth Kandryawitz, RPh	Pharmacist	Dispensary Manager
Karen A. Dietz, JD, MBA	CEO	Strategic oversight
James C. Dietz, MS	President	Operational oversight
Sandra Wear, RN	Board Chair	Oversight
Robert Frumento, PhD	Board Member	Oversight
Jennifer Kukulari, MHS, PA-C	Board Member	Oversight

## Section K: Financial Statement

Set forth all expenses greater than \$10,000 incurred in connection with the establishment of your business and the sources of the funds for each. Attach additional pages if necessary. The Department may require backup documentation.

52. Expense Item:	53. Cost: \$	54. Source of Funds:
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	

## Section L: Security System

Identify the company or companies that will provide security services for the dispensary facility if a license is awarded. If more than two companies will provide security services, complete this section for each such additional company.

55. Primary Security Company Name: Diebold	
56. Primary Security Company Address (including Apartment or Suite #): 140 N. Branford	57. City: Branford



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58. State: CT	59. Zip Code: 06405	60. Telephone Number: 203-231-7646	61. Fax Number:
62. E-mail Address: patrick.farrell2@diebold.com			
63. Backup Security Company Name (if applicable): Command Corporation			
64. Backup Security Company Address (including Apartment or Suite #): 59 Rainbow Rd			65. City: E. Granby
66. State: CT	67. Zip Code: 06026	68. Telephone Number: 800-851-6012	69. Fax Number:
70. E-mail Address: John@commandco.com			
71. Attach a detailed description of the security plan to be offered by the security company or companies. Be sure to include a discussion of each of the required elements set forth in Section 21a-408-62 of the Regulations of Connecticut State Agencies.			

## Section M: Legal Proceedings

72. Has the applicant ever had any petition filed by or against it, or otherwise sought relief under, any provision of the Federal Bankruptcy Act or under any State insolvency law in the last ten year period?  Yes  No

If the answer above is "yes", attach a statement providing the details of such proceeding or petition.

73. Has the applicant ever had a professional license, permit or registration in Connecticut, or any other State, suspended, revoked or otherwise subjected to disciplinary action?  Yes  No

If the answer above is "yes", attach a statement providing the date(s), the type of license, permit or registration at issue, and a description of the circumstances relating to each suspension, revocation or other disciplinary action.

74. Is the applicant a party to any legal proceedings where damages, fines or civil penalties may reasonably be expected to exceed \$500,000 above any insurance coverage available to cover the claim?  Yes  No

If the answer above is "yes", attach a statement describing the litigation, including the title and docket number of the litigation, the name and location of the court before which it is pending, the identify of all parties to the litigation, the general nature of the claims being made and the impact an unfavorable opinion may have on the applicant or the applicant's operations.

75. Has the applicant ever had any fines or other penalties over \$10,000 assessed by any regulatory agency?  Yes  No

If the answer above is "yes", attach a statement providing the details of such fines or penalties.

## Section N: Criminal Actions

76. Has the applicant ever been convicted of a crime or received a suspended sentence, deferred sentence, or forfeited bail for any offense in criminal or military court or are any such charges pending?  Yes  No

If the answer above is "yes", attach a statement providing the date(s) of conviction(s), name of individual(s) involved, the court(s) where the case(s) were decided, a description of the circumstances relating to each offense or for the pending charges and the outcome of the proceedings.



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## Section O: Criminal Background Check

I understand that the department may review criminal background records for purposes of evaluating the applicant's suitability to participate in the medical marijuana program. As the duly authorized representative of the applicant, I hereby authorize the release of any and all information of a confidential or privileged nature to the department and its agents.

77. Signature:



[Redacted Signature]

78. Date Signed:

11-14-2013

## I hereby certify that the above information is correct and complete.

I fully understand that if I knowingly make a statement that is untrue and which is intended to mislead the Department of Consumer Protection or any person designated by the Department in the performance of their official function, I will be in violation of Section 53a-157b of the Connecticut General Statutes. As the duly authorized representative of the applicant, I hereby make the above certifications on behalf of the applicant.

79. Signature:



[Redacted Signature]

80. Date Signed:

11-14-2013



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## Appendix B

### Dispensary Facility Backer Information Form

This form must be completed by each person or entity identified as a dispensary facility backer in Appendix A, section I.

Section A: Backer Information						
1. Backer business type:						
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Sole Proprietorship	Corporation	Limited Liability Co.	Partnership	Limited Liability Partnership	Unincorporated Association	Other: <u>Individual</u>
2. Legal Name of Backer: James C. Dietz						
3. Trade Name of Backer (if applicable):						
4. Street Address (including Apartment or Suite #): [REDACTED]						
5. City: [REDACTED]			6. State: [REDACTED]		7. Zip Code: [REDACTED]	
8. Daytime Telephone Number: [REDACTED]		9. Fax Number: [REDACTED]			10. E-mail Address: [REDACTED]	

Section B: Backer Members	
If you selected anything other than "Sole Proprietorship" in response to Section A, identify the members of your organization. A member is any person with a direct or indirect ownership interest greater than 5%. Attach additional pages if necessary.	
Each member of a backer identified in response to this section must complete either: <ul style="list-style-type: none"> <li>Appendix C if they are also a director, owner, officer or other high-level employee of the applicant; or</li> <li>Appendix E in all other instances.</li> </ul>	
11. Name (First, Middle, Last): James C. Dietz	12. Percentage of ownership [REDACTED]



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## Section C: Licenses, Permits and Registrations

Provide information regarding all state licenses, permits or registrations ever held, current or expired, by you. Attach additional pages if necessary.

13. State █	14. Issue Date (month/year): █ Expiration Date (month/year): █	15. Type: █	16. Number: █
17. State	18. Issue Date (month/year): Expiration Date (month/year):	19. Type:	20. Number:

## Section D: Legal Proceedings

21. Have you, or has any entity over which you exercised management or control, had any petition filed by or against you, or otherwise sought relief under, any provision of the Federal Bankruptcy Act or under any State insolvency law in the last ten year period?

Yes  No

**If the answer above is "yes", attach a statement providing the details of such proceeding or petition.**

22. Have you, or has any entity over which you exercised management or control, ever had a professional license, permit or registration in Connecticut, or any other State, suspended, revoked or otherwise subjected to disciplinary action?

Yes  No

**If the answer above is "yes", attach a statement providing the date(s), the type of license, permit or registration at issue, and a description of the circumstances relating to each suspension, revocation or other disciplinary action.**

23. Are you a party to any legal proceedings where damages, fines or civil penalties may reasonably be expected to exceed \$500,000 above any insurance coverage available to cover the claim?

Yes  No

**If the answer above is "yes", attach a statement describing the litigation, including the title and docket number of the litigation, the name and location of the court before which it is pending, the identify of all parties to the litigation, the general nature of the claims being made and the impact an unfavorable opinion may have on your ability to serve as a backer for the applicant.**

24. Have you, or has any entity over which you exercised management or control, ever had any fines or other penalties over \$10,000 assessed by any regulatory agency?

Yes  No

**If the answer above is "yes", attach a statement providing the details of such fines or penalties.**

## Section E: Criminal Actions

25. Have you ever been convicted of a crime or received a suspended sentence, deferred sentence, or forfeited bail for any offense in criminal or military court or do you have any charges pending?  Yes  No

**If the answer above is "yes", attach a statement providing the date(s) of conviction(s), name of individual(s) involved, the court(s) where the case(s) were decided, a description of the circumstances relating to each offense or for the pending charges and the outcome of the proceedings.**



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## Section F: Criminal Background Check

I understand that the department may review criminal background records for purposes of evaluating my suitability to participate in the medical marijuana program. As the backer, or duly authorized representative of the backer, I hereby authorize the release of any and all information of a confidential or privileged nature to the department and its agents.

26. Signature:



[Redacted Signature]

27. Date Signed:

11/13/2013

## I hereby certify that the above information is correct and complete.

I fully understand that if I knowingly make a statement that is untrue and which is intended to mislead the Department of Consumer Protection or any person designated by the Department in the performance of their official function, I will be in violation of Section 53a-157b of the Connecticut General Statutes.

28. Signature:



[Redacted Signature]

29. Date Signed:

11/13/2013



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## Appendix C

### Directors, Owners, Officers or Other High-Level Employees Background Information Form

To be completed by all persons identified in your response to Appendix A, section J.

Section A: Personal Information			
1. Name (First, Middle, Last): Karen A Dietz			
2. Street Address (including Apartment or Suite #): [REDACTED]			
3. City: [REDACTED]		4. State: [REDACTED]	5. Zip Code: [REDACTED]
6. Title: CEO		7. Telephone Number: [REDACTED]	8. E-mail Address: [REDACTED]
9. Date of Birth: [REDACTED]	10. Social Security Number: [REDACTED]		11. Gender: <input type="checkbox"/> Male <input checked="" type="checkbox"/> Female

Section B: Employment Information			
12. Current or Most Recent Employer: 13. Multiple Myeloma Research Foundation		Date of Employment: Start Date: 3/2007 End Date: Current	
14. Employer Address (including Apartment or Suite #): 383 Main Ave			
15. City: Norwalk CT		16. State: CT	17. Zip Code: 06063
18. Telephone Number: 860-326-8469		19. Fax Number: NA	20. E-mail Address: karen-dietz@hotmail.com

Section C: Pharmacy Business Experience
21. Do you have any experience controlling, managing, operating or working for a pharmacy? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
22. Are you currently associated with a pharmacy in any state? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
23. If you answered "yes" to question 21 or 22, attach a statement setting forth, for each pharmacy with which you have been associated, the following information: <ul style="list-style-type: none"> <li>The pharmacy name;</li> <li>The pharmacy's location;</li> <li>All titles and responsibilities held by you at the pharmacy, including the time frame for each;</li> <li>The dates of your association with the pharmacy;</li> <li>Whether you currently have a role at the pharmacy and, if not, when your involvement terminated and why; and</li> <li>Whether the pharmacy was ever alleged to have violated the laws or regulations of the state in which it operates during the time period when you were associated with the pharmacy and, if so, how those allegations were resolved.</li> </ul>



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## Section D: Marijuana Business Experience

24. Other than the applicant, do you have any experience controlling, managing, operating or working for a marijuana business?

Yes  No

25. Other than the applicant, are you currently associated with a marijuana business in any state or country?

Yes  No

26. If you answered "yes" to question 24 or 25, attach a statement setting forth the following information for each marijuana business with which you have been associated:

- The business name;
- The business location;
- All titles and responsibilities held by you at the business, including the time frame for each;
- The dates of your association with the business;
- Whether you currently have a role at the business and, if not, when your involvement terminated and why; and
- Whether the business was ever alleged to have violated the laws or regulations of the state or country in which it operates during the time period when you were associated with the business and, if so, the nature and resolution of those allegations.

## Section E: Other Relevant Business Experience

27. Do you have any experience controlling, managing, operating or working for any other business that you believe may be relevant to the department's evaluation of the applicant with whom you are associated?

Yes  No

28. If you answered "yes" to question 27, attach a statement setting forth the following information for each such business with which you have been associated:

- The business name;
- Products or services offered;
- The business location;
- All titles and responsibilities held by you at the business, including the time frame for each;
- The dates of your association with the business;
- Whether you currently have a role at the business and, if not, when your involvement terminated and why;
- Whether the business was ever alleged to have violated the laws or regulations of the state or country in which it operates during the time period when you were associated with the business and, if so, the nature and resolution of those allegations; and
- How this experience is relevant to the department's evaluation of the RFA response of the applicant with whom you are associated.

## Section F: Licenses, Permits and Registrations

Provide information regarding all state licenses, permits or registrations ever held, current or expired, by you. Attach additional pages if necessary.

29. State	30. Issue Date (month/year): Expiration Date (month/year):	31. Type:	32. Number:
33. State	34. Issue Date (month/year): Expiration Date (month/year):	35. Type:	36. Number:



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## Section C: Legal Proceedings

37. Have you, or has any entity over which you exercised management or control, had any petition filed by or against you, or otherwise sought relief under, any provision of the Federal Bankruptcy Act or under any State insolvency law in the last ten year period?

Yes  No

If the answer above is "yes", attach a statement providing the details of such proceeding or petition.

38. Have you, or has any entity over which you exercised management or control, ever had a professional license, permit or registration in Connecticut, or any other State, suspended, revoked or otherwise subjected to disciplinary action?

Yes  No

If the answer above is "yes", attach a statement providing the date(s), the type of license, permit or registration at issue, and a description of the circumstances relating to each suspension, revocation or other disciplinary action.

39. Are you a party to any legal proceedings where damages, fines or civil penalties may reasonably be expected to exceed \$500,000 above any insurance coverage available to cover the claim?

Yes  No

If the answer above is "yes", attach a statement describing the litigation, including the title and docket number of the litigation, the name and location of the court before which it is pending, the identify of all parties to the litigation, the general nature of the claims being made and the impact an unfavorable opinion may have on the applicant or the applicant's operations.

40. Have you, or has any entity over which you exercised management or control, ever had any fines or other penalties over \$10,000 assessed by any regulatory agency?

Yes  No

If the answer above is "yes", attach a statement providing the details of such fines or penalties.

41. Have you ever been convicted of a crime or received a suspended sentence, deferred sentence, or forfeited bail for any offense in criminal or military court or do you have any charges pending?  Yes  No

If the answer above is "yes", attach a statement providing the date(s) of conviction(s), name of individual(s) involved, the court(s) where the case(s) were decided, a description of the circumstances relating to each offense or for the pending charges and the outcome of the proceedings.

## Section I: Criminal Background Check

I understand that the department may review criminal background records for purposes of evaluating my suitability to participate in the medical marijuana program. I hereby authorize the release of any and all information of a confidential or privileged nature to the department and its agents.

42. Signature:



[Redacted Signature]

43. Date Signed:

11/14/2013



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**I hereby certify that the above information is correct and complete.**

I fully understand that if I knowingly make a statement that is untrue and which is intended to mislead the Department of Consumer Protection or any person designated by the Department in the performance of their official function, I will be in violation of Section 53a-157b of the Connecticut General Statutes.

44. Signature:



[Redacted Signature]

45. Date Signed:

11-14-2013



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## Appendix C

### Directors, Owners, Officers or Other High-Level Employees Background Information Form

To be completed by all persons identified in your response to Appendix A, section J.

#### Section A: Personal Information

1. Name (First, Middle, Last): Kenneth Victor Kandrysawtz		
2. Street Address (including Apartment or Suite #): [REDACTED]		
3. City: [REDACTED]	4. State: [REDACTED]	5. Zip Code: [REDACTED]
6. Title: Facility Manager	7. Telephone Number: [REDACTED]	8. E-mail Address: [REDACTED]
9. Date of Birth: [REDACTED]	10. Social Security Number: [REDACTED]	11. Gender: <input checked="" type="checkbox"/> Male <input type="checkbox"/> Female

#### Section B: Employment Information

12. Current or Most Recent Employer: 13. Self		Date of Employment: Start Date: 11/1/09 End Date: :	
14. Employer Address (including Apartment or Suite #): 15 Shannon Dr			
15. City: Barkhamsted		16. State: CT	17. Zip Code: 06063
18. Telephone Number: (406) 640-0603	19. Fax Number:	20. E-mail Address: montanakvk@aol.com	

#### Section C: Pharmacy Business Experience

21. Do you have any experience controlling, managing, operating or working for a pharmacy? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
22. Are you currently associated with a pharmacy in any state? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
23. If you answered "yes" to question 21 or 22, attach a statement setting forth, for each pharmacy with which you have been associated, the following information: <ul style="list-style-type: none"> <li>• The pharmacy name;</li> <li>• The pharmacy's location;</li> <li>• All titles and responsibilities held by you at the pharmacy, including the time frame for each;</li> <li>• The dates of your association with the pharmacy;</li> <li>• Whether you currently have a role at the pharmacy and, if not, when your involvement terminated and why; and</li> <li>• Whether the pharmacy was ever alleged to have violated the laws or regulations of the state in which it operates during the time period when you were associated with the pharmacy and, if so, how those allegations were resolved.</li> </ul>



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## Section D: Marijuana Business Experience

24. Other than the applicant, do you have any experience controlling, managing, operating or working for a marijuana business?

Yes  No

25. Other than the applicant, are you currently associated with a marijuana business in any state or country?

Yes  No

26. If you answered "yes" to question 24 or 25, attach a statement setting forth the following information for each marijuana business with which you have been associated:

- The business name;
- The business location;
- All titles and responsibilities held by you at the business, including the time frame for each;
- The dates of your association with the business;
- Whether you currently have a role at the business and, if not, when your involvement terminated and why; and
- Whether the business was ever alleged to have violated the laws or regulations of the state or country in which it operates during the time period when you were associated with the business and, if so, the nature and resolution of those allegations.

## Section E: Other Relevant Business Experience

27. Do you have any experience controlling, managing, operating or working for any other business that you believe may be relevant to the department's evaluation of the applicant with whom you are associated?

Yes  No

28. If you answered "yes" to question 27, attach a statement setting forth the following information for each such business with which you have been associated:

- The business name;
- Products or services offered;
- The business location;
- All titles and responsibilities held by you at the business, including the time frame for each;
- The dates of your association with the business;
- Whether you currently have a role at the business and, if not, when your involvement terminated and why;
- Whether the business was ever alleged to have violated the laws or regulations of the state or country in which it operates during the time period when you were associated with the business and, if so, the nature and resolution of those allegations; and
- How this experience is relevant to the department's evaluation of the RFA response of the applicant with whom you are associated.

## Section F: Licenses, Permits and Registrations

Provide information regarding all state licenses, permits or registrations ever held, current or expired, by you. Attach additional pages if necessary.

29. State ██████	30. Issue Date (month/year): ██████ Expiration Date (month/year) ██████	31. Type: ████████████████████	32. Number: ████████████████████
33. State	34. Issue Date (month/year): Expiration Date (month/year):	35. Type:	36. Number:



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## Section G: Legal Proceedings

37. Have you, or has any entity over which you exercised management or control, had any petition filed by or against you, or otherwise sought relief under, any provision of the Federal Bankruptcy Act or under any State insolvency law in the last ten year period?

Yes  No

If the answer above is "yes", attach a statement providing the details of such proceeding or petition.

38. Have you, or has any entity over which you exercised management or control, ever had a professional license, permit or registration in Connecticut, or any other State, suspended, revoked or otherwise subjected to disciplinary action?

Yes  No

If the answer above is "yes", attach a statement providing the date(s), the type of license, permit or registration at issue, and a description of the circumstances relating to each suspension, revocation or other disciplinary action.

39. Are you a party to any legal proceedings where damages, fines or civil penalties may reasonably be expected to exceed \$500,000 above any insurance coverage available to cover the claim?

Yes  No

If the answer above is "yes", attach a statement describing the litigation, including the title and docket number of the litigation, the name and location of the court before which it is pending, the identify of all parties to the litigation, the general nature of the claims being made and the impact an unfavorable opinion may have on the applicant or the applicant's operations.

40. Have you, or has any entity over which you exercised management or control, ever had any fines or other penalties over \$10,000 assessed by any regulatory agency?

Yes  No

If the answer above is "yes", attach a statement providing the details of such fines or penalties.

## Section H: Criminal Actions

41. Have you ever been convicted of a crime or received a suspended sentence, deferred sentence, or forfeited bail for any offense in criminal or military court or do you have any charges pending?  Yes  No

If the answer above is "yes", attach a statement providing the date(s) of conviction(s), name of individual(s) involved, the court(s) where the case(s) were decided, a description of the circumstances relating to each offense or for the pending charges and the outcome of the proceedings.

## Section I: Criminal Background Check

I understand that the department may review criminal background records for purposes of evaluating my suitability to participate in the medical marijuana program. I hereby authorize the release of any and all information of a confidential or privileged nature to the department and its agents.

42. Signature:



[Redacted Signature]

43. Date Signed:

11/14/13



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**I hereby certify that the above information is correct and complete.**

I fully understand that if I knowingly make a statement that is untrue and which is intended to mislead the Department of Consumer Protection or any person designated by the Department in the performance of their official function, I will be in violation of Section 53a-157b of the Connecticut General Statutes.

44. Signature



[Redacted Signature]

45. Date Signed:

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## Appendix C

### Directors, Owners, Officers or Other High-Level Employees Background Information Form

To be completed by all persons identified in your response to Appendix A, section J.

Section A: Personal Information			
1. Name (First, Middle, Last): James C Dietz			
2. Street Address (including Apartment or Suite #): [REDACTED]			
3. City: [REDACTED]		4. State: [REDACTED]	5. Zip Code: [REDACTED]
6. Title: President		7. Telephone Number: [REDACTED]	8. E-mail Address: [REDACTED]
9. Date of Birth: [REDACTED]	10. Social Security Number: [REDACTED]		11. Gender: <input checked="" type="checkbox"/> Male <input type="checkbox"/> Female

Section B: Employment Information			
12. Current or Most Recent Employer: 13. Apex Systems		Date of Employment: Start Date: 10-7-2013 End Date: current	
14. Employer Address (including Apartment or Suite #): 111 Founders Plaza			
15. City: East Hartford		16. State: CT	17. Zip Code: 06108
18. Telephone Number: 203-241-6464	19. Fax Number:	20. E-mail Address: james-dietz@hotmail.com	

Section C: Pharmacy Business Experience
21. Do you have any experience controlling, managing, operating or working for a pharmacy? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
22. Are you currently associated with a pharmacy in any state? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
23. If you answered "yes" to question 21 or 22, attach a statement setting forth, for each pharmacy with which you have been associated, the following information: <ul style="list-style-type: none"> <li>The pharmacy name;</li> <li>The pharmacy's location;</li> <li>All titles and responsibilities held by you at the pharmacy, including the time frame for each;</li> <li>The dates of your association with the pharmacy;</li> <li>Whether you currently have a role at the pharmacy and, if not, when your involvement terminated and why; and</li> <li>Whether the pharmacy was ever alleged to have violated the laws or regulations of the state in which it operates during the time period when you were associated with the pharmacy and, if so, how those allegations were resolved.</li> </ul>



# Medical Marijuana Program

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## Section D: Marijuana Business Experience

24. Other than the applicant, do you have any experience controlling, managing, operating or working for a marijuana business?

Yes  No

25. Other than the applicant, are you currently associated with a marijuana business in any state or country?

Yes  No

26. If you answered "yes" to question 24 or 25, attach a statement setting forth the following information for each marijuana business with which you have been associated:

- The business name;
- The business location;
- All titles and responsibilities held by you at the business, including the time frame for each;
- The dates of your association with the business;
- Whether you currently have a role at the business and, if not, when your involvement terminated and why; and
- Whether the business was ever alleged to have violated the laws or regulations of the state or country in which it operates during the time period when you were associated with the business and, if so, the nature and resolution of those allegations.

## Section E: Other Relevant Business Experience

27. Do you have any experience controlling, managing, operating or working for any other business that you believe may be relevant to the department's evaluation of the applicant with whom you are associated?

Yes  No

28. If you answered "yes" to question 27, attach a statement setting forth the following information for each such business with which you have been associated:

- The business name;
- Products or services offered;
- The business location;
- All titles and responsibilities held by you at the business, including the time frame for each;
- The dates of your association with the business;
- Whether you currently have a role at the business and, if not, when your involvement terminated and why;
- Whether the business was ever alleged to have violated the laws or regulations of the state or country in which it operates during the time period when you were associated with the business and, if so, the nature and resolution of those allegations; and
- How this experience is relevant to the department's evaluation of the RFA response of the applicant with whom you are associated.

## Section F: Licenses, Permits and Registrations

Provide information regarding all state licenses, permits or registrations ever held, current or expired, by you. Attach additional pages if necessary.

29. State	30. Issue Date (month/year): Expiration Date (month/year):	31. Type:	32. Number:
33. State	34. Issue Date (month/year): Expiration Date (month/year):	35. Type:	36. Number:



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## Section G: Legal Proceedings

37. Have you, or has any entity over which you exercised management or control, had any petition filed by or against you, or otherwise sought relief under, any provision of the Federal Bankruptcy Act or under any State insolvency law in the last ten year period?

Yes  No

If the answer above is "yes", attach a statement providing the details of such proceeding or petition.

38. Have you, or has any entity over which you exercised management or control, ever had a professional license, permit or registration in Connecticut, or any other State, suspended, revoked or otherwise subjected to disciplinary action?

Yes  No

If the answer above is "yes", attach a statement providing the date(s), the type of license, permit or registration at issue, and a description of the circumstances relating to each suspension, revocation or other disciplinary action.

39. Are you a party to any legal proceedings where damages, fines or civil penalties may reasonably be expected to exceed \$500,000 above any insurance coverage available to cover the claim?

Yes  No

If the answer above is "yes", attach a statement describing the litigation, including the title and docket number of the litigation, the name and location of the court before which it is pending, the identify of all parties to the litigation, the general nature of the claims being made and the impact an unfavorable opinion may have on the applicant or the applicant's operations.

40. Have you, or has any entity over which you exercised management or control, ever had any fines or other penalties over \$10,000 assessed by any regulatory agency?

Yes  No

If the answer above is "yes", attach a statement providing the details of such fines or penalties.

## Section H: Criminal Actions

41. Have you ever been convicted of a crime or received a suspended sentence, deferred sentence, or forfeited bail for any offense in criminal or military court or do you have any charges pending?  Yes  No

If the answer above is "yes", attach a statement providing the date(s) of conviction(s), name of individual(s) involved, the court(s) where the case(s) were decided, a description of the circumstances relating to each offense or for the pending charges and the outcome of the proceedings.

## Section I: Criminal Background Check

I understand that the department may review criminal background records for purposes of evaluating my suitability to participate in the medical marijuana program. I hereby authorize the release of any and all information of a confidential or privileged nature to the department and its agents.

42. Signature:

[Redacted Signature]

43. Date Signed:

11-14-2013



# Medical Marijuana Program

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**I hereby certify that the above information is correct and complete.**

I fully understand that if I knowingly make a statement that is untrue and which is intended to mislead the Department of Consumer Protection or any person designated by the Department in the performance of their official function, I will be in violation of Section 53a-157b of the Connecticut General Statutes.

44. Signature



45. Date Signed:

11-14-13



# Medical Marijuana Program

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## Appendix C

### Directors, Owners, Officers or Other High-Level Employees Background Information Form

To be completed by all persons identified in your response to Appendix A, section J.

Section A: Personal Information			
1. Name (First, Middle, Last): Jennifer Kokalari			
2. Street Address (including Apartment or Suite #): [REDACTED]			
3. City: [REDACTED]		4. State: [REDACTED]	5. Zip Code: [REDACTED]
6. Title: Board Member		7. Telephone Number: [REDACTED]	8. E-mail Address: [REDACTED]
9. Date of Birth: [REDACTED]	10. Social Security Number: [REDACTED]	11. Gender: <input type="checkbox"/> Male <input checked="" type="checkbox"/> Female	

Section B: Employment Information			
12. Current or Most Recent Employer: 13. Yale New Haven Hospital		Date of Employment: Start Date: 01/2013 End Date: : current	
14. Employer Address (including Apartment or Suite #): 20 York St.			
15. City: New Haven		16. State: CT	17. Zip Code: 06510
18. Telephone Number: 203-537-2600		19. Fax Number:	20. E-mail Address: JennKk0203@yahoo.com

Section C: Pharmacy Business Experience
21. Do you have any experience controlling, managing, operating or working for a pharmacy? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
22. Are you currently associated with a pharmacy in any state? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
23. If you answered "yes" to question 21 or 22, attach a statement setting forth, for each pharmacy with which you have been associated, the following information: <ul style="list-style-type: none"> <li>• The pharmacy name;</li> <li>• The pharmacy's location;</li> <li>• All titles and responsibilities held by you at the pharmacy, including the time frame for each;</li> <li>• The dates of your association with the pharmacy;</li> <li>• Whether you currently have a role at the pharmacy and, if not, when your involvement terminated and why; and</li> <li>• Whether the pharmacy was ever alleged to have violated the laws or regulations of the state in which it operates during the time period when you were associated with the pharmacy and, if so, how those allegations were resolved.</li> </ul>



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## Section D: Marijuana Business Experience

24. Other than the applicant, do you have any experience controlling, managing, operating or working for a marijuana business?

Yes  No

25. Other than the applicant, are you currently associated with a marijuana business in any state or country?

Yes  No

26. If you answered "yes" to question 24 or 25, attach a statement setting forth the following information for each marijuana business with which you have been associated:

- The business name;
- The business location;
- All titles and responsibilities held by you at the business, including the time frame for each;
- The dates of your association with the business;
- Whether you currently have a role at the business and, if not, when your involvement terminated and why; and
- Whether the business was ever alleged to have violated the laws or regulations of the state or country in which it operates during the time period when you were associated with the business and, if so, the nature and resolution of those allegations.

## Section E: Other Relevant Business Experience

27. Do you have any experience controlling, managing, operating or working for any other business that you believe may be relevant to the department's evaluation of the applicant with whom you are associated?

Yes  No

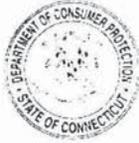
28. If you answered "yes" to question 27, attach a statement setting forth the following information for each such business with which you have been associated:

- The business name;
- Products or services offered;
- The business location;
- All titles and responsibilities held by you at the business, including the time frame for each;
- The dates of your association with the business;
- Whether you currently have a role at the business and, if not, when your involvement terminated and why;
- Whether the business was ever alleged to have violated the laws or regulations of the state or country in which it operates during the time period when you were associated with the business and, if so, the nature and resolution of those allegations; and
- How this experience is relevant to the department's evaluation of the RFA response of the applicant with whom you are associated.

## Section F: Licenses, Permits and Registrations

Provide information regarding all state licenses, permits or registrations ever held, current or expired, by you. Attach additional pages if necessary.

29. State	30. Issue Date (month/year):	32. Number:
	Expiration Date (month/year):	
33. State	34. Issue Date (month/year):	35. type:
	Expiration Date (month/year):	36. Number:



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## Section G: Legal Proceedings

37. Have you, or has any entity over which you exercised management or control, had any petition filed by or against you, or otherwise sought relief under, any provision of the Federal Bankruptcy Act or under any State insolvency law in the last ten year period?

Yes  No

If the answer above is "yes", attach a statement providing the details of such proceeding or petition.

38. Have you, or has any entity over which you exercised management or control, ever had a professional license, permit or registration in Connecticut, or any other State, suspended, revoked or otherwise subjected to disciplinary action?

Yes  No

If the answer above is "yes", attach a statement providing the date(s), the type of license, permit or registration at issue, and a description of the circumstances relating to each suspension, revocation or other disciplinary action.

39. Are you a party to any legal proceedings where damages, fines or civil penalties may reasonably be expected to exceed \$500,000 above any insurance coverage available to cover the claim?

Yes  No

If the answer above is "yes", attach a statement describing the litigation, including the title and docket number of the litigation, the name and location of the court before which it is pending, the identify of all parties to the litigation, the general nature of the claims being made and the impact an unfavorable opinion may have on the applicant or the applicant's operations.

40. Have you, or has any entity over which you exercised management or control, ever had any fines or other penalties over \$10,000 assessed by any regulatory agency?

Yes  No

If the answer above is "yes", attach a statement providing the details of such fines or penalties.

## Section II: Criminal Actions

41. Have you ever been convicted of a crime or received a suspended sentence, deferred sentence, or forfeited bail for any offense in criminal or military court or do you have any charges pending?  Yes  No

If the answer above is "yes", attach a statement providing the date(s) of conviction(s), name of individual(s) involved, the court(s) where the case(s) were decided, a description of the circumstances relating to each offense or for the pending charges and the outcome of the proceedings.

## Section I: Criminal Background Check

I understand that the department may review criminal background records for purposes of evaluating my suitability to participate in the medical marijuana program. I hereby authorize the release of any and all information of a confidential or privileged nature to the department and its agents.

42. Signature:



[Redacted Signature]

43. Date Signed:

11-14-13



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**I hereby certify that the above information is correct and complete.**

I fully understand that if I knowingly make a statement that is untrue and which is intended to mislead the Department of Consumer Protection or any person designated by the Department in the performance of their official function, I will be in violation of Section 53a-157b of the Connecticut General Statutes.

44. Signature:



[Redacted Signature]

45. Date Signed:

11-14-13



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## Appendix C

### Directors, Owners, Officers or Other High-Level Employees Background Information Form

To be completed by all persons identified in your response to Appendix A, section J.

Section A: Personal Information			
1. Name (First, Middle, Last): <i>Robert James Frumento</i>			
2. Street Address (including Apartment or Suite #): [REDACTED]			
3. City: [REDACTED]		4. State: [REDACTED]	5. Zip Code: [REDACTED]
6. Title: [REDACTED]		7. Telephone Number: [REDACTED]	8. E-mail Address: [REDACTED]
9. Date of Birth: [REDACTED]	10. Social Security Number: [REDACTED]	11. Gender: <input checked="" type="checkbox"/> Male <input type="checkbox"/> Female	

Section B: Employment Information			
12. Current or Most Recent Employer: 13. <i>Self employed - Consultant</i>		Date of Employment: Start Date: <i>2/13</i> End Date: :	
14. Employer Address (including Apartment or Suite #): <i>Same as above</i>			
15. City:		16. State:	17. Zip Code:
18. Telephone Number:		19. Fax Number:	20. E-mail Address:

Section C: Pharmacy Business Experience
21. Do you have any experience controlling, managing, operating or working for a pharmacy? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
22. Are you currently associated with a pharmacy in any state? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
23. If you answered "yes" to question 21 or 22, attach a statement setting forth, for each pharmacy with which you have been associated, the following information: <ul style="list-style-type: none"> <li>• The pharmacy name;</li> <li>• The pharmacy's location;</li> <li>• All titles and responsibilities held by you at the pharmacy, including the time frame for each;</li> <li>• The dates of your association with the pharmacy;</li> <li>• Whether you currently have a role at the pharmacy and, if not, when your involvement terminated and why; and</li> <li>• Whether the pharmacy was ever alleged to have violated the laws or regulations of the state in which it operates during the time period when you were associated with the pharmacy and, if so, how those allegations were resolved.</li> </ul>



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## Section D: Marijuana Business Experience

24. Other than the applicant, do you have any experience controlling, managing, operating or working for a marijuana business?

Yes  No

25. Other than the applicant, are you currently associated with a marijuana business in any state or country?

Yes  No

26. If you answered "yes" to question 24 or 25, attach a statement setting forth the following information for each marijuana business with which you have been associated:

- The business name;
- The business location;
- All titles and responsibilities held by you at the business, including the time frame for each;
- The dates of your association with the business;
- Whether you currently have a role at the business and, if not, when your involvement terminated and why; and
- Whether the business was ever alleged to have violated the laws or regulations of the state or country in which it operates during the time period when you were associated with the business and, if so, the nature and resolution of those allegations.

## Section E: Other Relevant Business Experience

27. Do you have any experience controlling, managing, operating or working for any other business that you believe may be relevant to the department's evaluation of the applicant with whom you are associated?

Yes  No

28. If you answered "yes" to question 27, attach a statement setting forth the following information for each such business with which you have been associated:

- The business name;
- Products or services offered;
- The business location;
- All titles and responsibilities held by you at the business, including the time frame for each;
- The dates of your association with the business;
- Whether you currently have a role at the business and, if not, when your involvement terminated and why;
- Whether the business was ever alleged to have violated the laws or regulations of the state or country in which it operates during the time period when you were associated with the business and, if so, the nature and resolution of those allegations; and
- How this experience is relevant to the department's evaluation of the RFA response of the applicant with whom you are associated.

## Section F: Licenses, Permits and Registrations

Provide information regarding all state licenses, permits or registrations ever held, current or expired, by you. Attach additional pages if necessary.

29. State	30. Issue Date (month/year): Expiration Date (month/year):	N/A	31. Type:	32. Number:
33. State	34. Issue Date (month/year): Expiration Date (month/year):		35. Type:	36. Number:



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## Section G: Legal Proceedings

37. Have you, or has any entity over which you exercised management or control, had any petition filed by or against you, or otherwise sought relief under, any provision of the Federal Bankruptcy Act or under any State insolvency law in the last ten year period?

Yes  No

If the answer above is "yes", attach a statement providing the details of such proceeding or petition.

38. Have you, or has any entity over which you exercised management or control, ever had a professional license, permit or registration in Connecticut, or any other State, suspended, revoked or otherwise subjected to disciplinary action?

Yes  No

If the answer above is "yes", attach a statement providing the date(s), the type of license, permit or registration at issue, and a description of the circumstances relating to each suspension, revocation or other disciplinary action.

39. Are you a party to any legal proceedings where damages, fines or civil penalties may reasonably be expected to exceed \$500,000 above any insurance coverage available to cover the claim?

Yes  No

If the answer above is "yes", attach a statement describing the litigation, including the title and docket number of the litigation, the name and location of the court before which it is pending, the identify of all parties to the litigation, the general nature of the claims being made and the impact an unfavorable opinion may have on the applicant or the applicant's operations.

40. Have you, or has any entity over which you exercised management or control, ever had any fines or other penalties over \$10,000 assessed by any regulatory agency?

Yes  No

If the answer above is "yes", attach a statement providing the details of such fines or penalties.

## Section H: Criminal Actions

41. Have you ever been convicted of a crime or received a suspended sentence, deferred sentence, or forfeited bail for any offense in criminal or military court or do you have any charges pending?  Yes  No

If the answer above is "yes", attach a statement providing the date(s) of conviction(s), name of individual(s) involved, the court(s) where the case(s) were decided, a description of the circumstances relating to each offense or for the pending charges and the outcome of the proceedings.

## Section I: Criminal Background Check

I understand that the department may review criminal background records for purposes of evaluating my suitability to participate in the medical marijuana program. I hereby authorize the release of any and all information of a confidential or privileged nature to the department and its agents.

42. Signature:



*[Handwritten Signature]*

43. Date Signed:

*11/14/13*



# Medical Marijuana Program

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I hereby certify that the above information is correct and complete.

I fully understand that if I knowingly make a statement that is untrue and which is intended to mislead the Department of Consumer Protection or any person designated by the Department in the performance of their official function, I will be in violation of Section 53a-157b of the Connecticut General Statutes.

44. Signature



[Redacted Signature]

45. Date Signed:

11/16/13



# Medical Marijuana Program

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## Appendix C

### Directors, Owners, Officers or Other High-Level Employees Background Information Form

To be completed by all persons identified in your response to Appendix A, section J.

Section A: Personal Information			
1. Name (First, Middle, Last): Sandra M. Wear			
2. Street Address (including Apartment or Suite #): [REDACTED]			
3. City: [REDACTED]	4. State: [REDACTED]	5. Zip Code: [REDACTED]	
6. Title: Director	7. Telephone Number: [REDACTED]	8. E-mail Address: [REDACTED]	
9. Date of Birth: [REDACTED]	10. Social Security Number: [REDACTED]	11. Gender: <input type="checkbox"/> Male <input checked="" type="checkbox"/> Female	

Section B: Employment Information		
12. Current or Most Recent Employer: 13. CEO and Founder, Desire To Retire LLC		Date of Employment: Start Date: Feb 2006 End Date: :
14. Employer Address (including Apartment or Suite #): 12 Valley View Rd.		
15. City: Norwalk	16. State: CT	17. Zip Code: 06851
18. Telephone Number: (203) 604-5905	19. Fax Number: (203) 849-7775	20. E-mail Address: sandramwear@gmail.com

Section C: Pharmacy Business Experience
21. Do you have any experience controlling, managing, operating or working for a pharmacy? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
22. Are you currently associated with a pharmacy in any state? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
23. If you answered "yes" to question 21 or 22, attach a statement setting forth, for each pharmacy with which you have been associated, the following information: <ul style="list-style-type: none"> <li>• The pharmacy name;</li> <li>• The pharmacy's location;</li> <li>• All titles and responsibilities held by you at the pharmacy, including the time frame for each;</li> <li>• The dates of your association with the pharmacy;</li> <li>• Whether you currently have a role at the pharmacy and, if not, when your involvement terminated and why; and</li> <li>• Whether the pharmacy was ever alleged to have violated the laws or regulations of the state in which it operates during the time period when you were associated with the pharmacy and, if so, how those allegations were resolved.</li> </ul>



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## Section D: Marijuana Business Experience

24. Other than the applicant, do you have any experience controlling, managing, operating or working for a marijuana business?

Yes  No

25. Other than the applicant, are you currently associated with a marijuana business in any state or country?

Yes  No

26. If you answered "yes" to question 24 or 25, attach a statement setting forth the following information for each marijuana business with which you have been associated:

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- The business location;
- All titles and responsibilities held by you at the business, including the time frame for each;
- The dates of your association with the business;
- Whether you currently have a role at the business and, if not, when your involvement terminated and why; and
- Whether the business was ever alleged to have violated the laws or regulations of the state or country in which it operates during the time period when you were associated with the business and, if so, the nature and resolution of those allegations.

## Section E: Other Relevant Business Experience

27. Do you have any experience controlling, managing, operating or working for any other business that you believe may be relevant to the department's evaluation of the applicant with whom you are associated?

Yes  No

28. If you answered "yes" to question 27, attach a statement setting forth the following information for each such business with which you have been associated:

- The business name;
- Products or services offered;
- The business location;
- All titles and responsibilities held by you at the business, including the time frame for each;
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- Whether you currently have a role at the business and, if not, when your involvement terminated and why;
- Whether the business was ever alleged to have violated the laws or regulations of the state or country in which it operates during the time period when you were associated with the business and, if so, the nature and resolution of those allegations; and
- How this experience is relevant to the department's evaluation of the RFA response of the applicant with whom you are associated.

## Section F: Licenses, Permits and Registrations

Provide information regarding all state licenses, permits or registrations ever held, current or expired, by you. Attach additional pages if necessary.

29. State ██████	30. Issue Date (month/year): ████████ Expiration Date (month/year): ████████	31. Type: ██████	32. Number: ██████
33. State	34. Issue Date (month/year): Expiration Date (month/year):	35. Type:	36. Number:



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## Section G: Legal Proceedings

37. Have you, or has any entity over which you exercised management or control, had any petition filed by or against you, or otherwise sought relief under, any provision of the Federal Bankruptcy Act or under any State insolvency law in the last ten year period?

Yes  No

**If the answer above is "yes", attach a statement providing the details of such proceeding or petition.**

38. Have you, or has any entity over which you exercised management or control, ever had a professional license, permit or registration in Connecticut, or any other State, suspended, revoked or otherwise subjected to disciplinary action?

Yes  No

**If the answer above is "yes", attach a statement providing the date(s), the type of license, permit or registration at issue, and a description of the circumstances relating to each suspension, revocation or other disciplinary action.**

39. Are you a party to any legal proceedings where damages, fines or civil penalties may reasonably be expected to exceed \$500,000 above any insurance coverage available to cover the claim?

Yes  No

**If the answer above is "yes", attach a statement describing the litigation, including the title and docket number of the litigation, the name and location of the court before which it is pending, the identify of all parties to the litigation, the general nature of the claims being made and the impact an unfavorable opinion may have on the applicant or the applicant's operations.**

40. Have you, or has any entity over which you exercised management or control, ever had any fines or other penalties over \$10,000 assessed by any regulatory agency?

Yes  No

**If the answer above is "yes", attach a statement providing the details of such fines or penalties.**

## Section H: Criminal Actions

41. Have you ever been convicted of a crime or received a suspended sentence, deferred sentence, or forfeited bail for any offense in criminal or military court or do you have any charges pending?  Yes  No

**If the answer above is "yes", attach a statement providing the date(s) of conviction(s), name of individual(s) involved, the court(s) where the case(s) were decided, a description of the circumstances relating to each offense or for the pending charges and the outcome of the proceedings.**

## Section I: Criminal Background Check

I understand that the department may review criminal background records for purposes of evaluating my suitability to participate in the medical marijuana program. I hereby authorize the release of any and all information of a confidential or privileged nature to the department and its agents.

42. Signature



[Redacted Signature]

43. Date Signed:

11/11/2013



# Medical Marijuana Program

165 Capitol Avenue, Room 145, Hartford, CT 06106-1630 • (860) 713-6066

E-mail: [dcp.mmp@ct.gov](mailto:dcp.mmp@ct.gov) • Website: [www.ct.gov/dcp/mmp](http://www.ct.gov/dcp/mmp)



I hereby certify that the above information is correct and complete.

I fully understand that if I knowingly make a statement that is untrue and which is intended to mislead the Department of Consumer Protection or any person designated by the Department in the performance of their official function, I will be in violation of Section 53a-157b of the Connecticut General Statutes.

44. Signature


45. Date Signed:

11/11/2013



# Medical Marijuana Program

165 Capitol Avenue, Room 145, Hartford, CT 06106-1630 • (860) 713-6066

E-mail: [dep.mmp@ct.gov](mailto:dep.mmp@ct.gov) • Website: [www.ct.gov/dep.mmp](http://www.ct.gov/dep.mmp)



## Appendix E Backer Members

### Authorization for Release of Personal History Form

This form must be completed and signed by any member of a Backer that is not required to complete Appendix C.

Section A: Member Information			
1. Name (First, Middle, Last): James C Dietz			
2. Street Address (including Apartment or Suite #): [REDACTED]			
3. City: [REDACTED]		4. State: [REDACTED]	5. Zip Code: [REDACTED]
6. Daytime Phone Number: [REDACTED]	7. Fax Number: [REDACTED]	8. E-mail Address: [REDACTED]	

Section B: Criminal Actions
9. Have you ever been convicted of a crime or received a suspended sentence, deferred sentence, or forfeited bail for any offense in criminal or military court or do you have any charges pending? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>If the answer above is "yes", attach a statement providing the date(s) of conviction(s), name of individual(s) involved, the court(s) where the case(s) were decided, a description of the circumstances relating to each offense or for the pending charges and the outcome of the proceedings.</b>

Section C: Criminal Background Check	
I understand that the department may review criminal background records for purposes of evaluating my suitability to participate in the medical marijuana program. I hereby authorize the release of any and all information of a confidential or privileged nature to the department and its agents.	
10. Signature: [REDACTED]	11. Date Signed: 11-19-2013

I hereby certify that the above information is correct and complete.	
I fully understand that if I knowingly make a statement that is untrue and which is intended to mislead the Department of Consumer Protection or any person designated by the Department in the performance of their official function, I will be in violation of Section 53a-157b of the Connecticut General Statutes.	
12. Signature: [REDACTED]	13. Date Signed: 11-14-2013



Department of the Treasury  
Internal Revenue Service  
Ogden, UT 84201

In reply refer to: 1112274622  
Nov 13, 2013 LTR 147C  
[REDACTED]

NUTMEG STATE HEALTH AND WELLNESS CENTER INC  
19 HEARTHSTONE DR  
BARKHAMSTED CT 06063

Taxpayer Identification Number: [REDACTED]

Form(s):

Dear Taxpayer:

This letter is in response to your telephone inquiry of November 13th, 2013.

Your Employer Identification Number (EIN) is [REDACTED]. Please keep this number in your permanent records. You should enter your name and your EIN, exactly as shown above, on all business federal tax forms that require its use, and on any related correspondence documents.

If you have any questions regarding this letter, please call our Customer Service Department at 1-800-829-0115 between the hours of 7:00 AM and 10:00 PM. If you prefer, you may write to us at the address shown at the top of the first page of this letter. When you write, please include a telephone number where you may be reached and the best time to call.

Sincerely,

  
Area Director  
W&I, Field Assistance, Area 1

Office of the Secretary of the State of Connecticut

I, the Connecticut Secretary of the State, and keeper of the seal thereof,  
DO HEREBY CERTIFY, that the certificate of incorporation of

NUTMEG STATE HEALTH AND WELLNESS CENTER, INC.

a domestic STOCK corporation, was filed in this office on October 31, 2013. The following is a list of  
all documents filed in this office:

Filing Type: -----	File Date/Time: -----	Effective Date/Time: -----
CERTIFICATE OF INCORPORATION	October 31, 2013 01:00 PM	
ORGANIZATION AND FIRST REPORT	November 12, 2013 01:42 PM	November 12, 2013 01:42 PM

A certificate of dissolution has not been filed, the corporation has filed all annual reports, and so far as  
indicated by the records of this office such corporation is in existence.



---

Secretary of the State

Date Issued: November 15, 2013

Business ID: 1122847

Longform

Certificate Number: 2013332242001

Note: To verify this certificate, visit the web site <http://www.concord.sots.ct.gov>

**UNSECURED DEMAND PROMISSORY NOTE**

Up to \$150,000.00

Dated as of November 14, 2013

FOR VALUE RECEIVED, the undersigned, Nutmeg State Health and Wellness Center, Inc, a Connecticut Corporation ("Borrower"), upon receipt of a Dispensary license from the State of Connecticut PROMISES TO PAY ON DEMAND to the order of James C. Dietz, residing at 19 Hearthstone Drive, Barkhamsted, CT 6063 (together with its successors and assigns, "Holder"), the principal sum equal to the aggregate principal amount of the advances made under this Unsecured Demand Promissory Note (this "Note") by Holder to Borrower or, if less, the above-indicated principal amount of the loan evidenced hereby or made hereunder by Holder to Borrower outstanding at the time of such demand. In addition, Borrower promises to pay interest on any and all such principal amount from time to time outstanding from the date hereof until such principal amount is paid in full, at a rate of six percent (6%) interest compounded monthly, *provided, however*, that in no event shall such rate of interest exceed the maximum rate of interest permitted to be charged under applicable law. Such interest shall be computed on the basis of a year equal to the number of days in the Holder's fiscal Year and the actual number of days occurring in the period for which such interest is payable. Borrower and Holder agree that for all purposes under this Note, the principal amount outstanding shall be the amount determined on a daily basis

The date, amount of advance and running unpaid principal balance (which shall not exceed U.S. \$150,000) shall be recorded and endorsed by Holder with respect to each advance made by Holder to Borrower hereunder on or after the date hereof; *provided, however*, that any failure to make such recordation or endorsement shall not limit or otherwise affect the obligations of Borrower hereunder. The date, amount of principal paid or prepaid and running unpaid principal balance shall be recorded and endorsed by Holder with respect to each such payment or repayment of principal.

Interest shall accrue monthly under the Note and shall be payable on the last day of the Holder's fiscal year. If interest is not paid within thirty (30) days following the close of Holder's fiscal year, this Note shall be delinquent. Interest not paid prior to delinquency shall be added to principal outstanding under the Note. All payments under this Note shall be made without set off or counterclaim in lawful money of the United States of America in immediately available funds to Holder at such place or to such account as Holder may designate in writing from time to time.

Notwithstanding any other provision of this Note, if demand for payment has not theretofore been made, all payments of principal and interest shall be due on December 31, 2016.

Borrower hereby waives diligence, presentment, demand, protest, notice of honor, and notices of any kind in the enforcement of this Note. The non-exercise by the holder hereof of any of its rights under this Note in any particular instance shall not constitute a waiver thereof in that or any subsequent instance. Borrower hereby waives, to the full extent permitted by law, the right to plead any statute of limitations as a defense to any demand hereunder or to any action to enforce this Note.

As of the date hereof, Borrower represents and warrants to Holder as follows;

(a) Borrower is a corporation duly organized, validly existing and in good standing under the laws of the State of Connecticut with full power and authority to own its property and assets and to carry on its business as now being conducted.

(b) The execution, delivery and performance by Borrower of this Note are within Borrower's corporate powers, have been duly authorized by all necessary corporate action of Borrower, and do not contravene Borrower's Articles of Incorporation or Bylaws or any law or material contractual restriction binding on or affecting Borrower.

(c) This Note is the legal, valid and binding obligation of Borrower enforceable against Borrower in accordance with its terms.

(d) No consent of any other person or entity and no authorization, approval or other action by, and no notice to or filing with any governmental or regulatory body is required for the execution, delivery or performance of this Note by Borrower.

Borrower agrees to pay all costs and expenses, including without limitation reasonable attorneys' fees, incurred by Holder in connection with enforcement of this Note and any other documents associated therewith.

Nothing contained herein shall require the payment of any interest when the same would be unlawful under any applicable law. If any holder of this Note shall collect monies which constitute interest which would otherwise increase the effective interest rate of this Note to a rate in excess of the maximum rate permitted to be charged by the laws of the State of Connecticut, all such sums deemed to constitute interest in excess of such maximum rate shall, at the option of such holder, be credited to the payment of the sums due hereunder or returned to Borrower.

Notwithstanding anything herein to the contrary, any payment under this Note, shall be applied to principal and/or interest in the sole discretion of Holder. Borrower hereby irrevocably consents to the exercise of such discretion and irrevocably waives any right to compel application of any payment under this Note to either principal or interest.

In the event any one or more provisions of this Note shall for any reason be held to be invalid, illegal or unenforceable, the same shall not affect any other provision of this Note and the remaining provisions of this Note shall remain in full force and effect.

This Note shall be governed by and construed in accordance with the laws [                      ].

*[Remainder of this page intentionally left blank]*

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<sup>3</sup> To be included in line of credit.

---

Nutmeg State Health and Wellness Center, Inc.

By:

Name:

Karen A. Dietz

Title:

Chief Executive Officer

### Purchase and Sale Agreement

(This form is not intended for use with commercial property or new construction)

This is a legally binding contract. If there are any legal questions about any part of this transaction, consult with an attorney before signing this Agreement or request an attorney-approval contingency. This is an "As Is" agreement, and Buyer should make as thorough an investigation of the Property as Buyer deems necessary.

1. **Parties.**  
 Buyer(s): Nutmeg State Health & Wellness Center Inc  
 Name(s)  
19 Hearthstone Drive, Barkhamsted, CT 06063  
 Address Phone  
 Seller(s): Charles B Payne + Richard Scianone  
 Name(s)  
154 South Benham Rd, Seymour Ct.  
 Address Phone

2. **Property.** Buyer agrees to purchase from Seller and Seller agrees to sell to Buyer certain real property known as: 100 Revocable Trust, Winsted, Connecticut ("Property") along with the following personal property \_\_\_\_\_

3. **Purchase Price.** The Purchase Price for the Property is \$ 300,000.  
 \$ 5,000 Initial Deposit receipt of which is hereby acknowledged.  
 \$ -0- Additional Deposit to be paid on or before \_\_\_\_\_  
 \$ 295,000 Balance of Purchase Price to be paid at closing.

4. **Mortgage Contingency.** Buyer will make diligent, good faith efforts to obtain a written commitment for a mortgage loan ("Mortgage") from a bank or other institutional lender on or before N/A ("Mortgage Contingency Date"). Buyer will provide Seller and Broker, no later than the Mortgage Contingency Date, with a copy of any written commitment for a Mortgage obtained by Buyer. Buyer will pay all application fees, points (not to exceed \_\_\_\_\_), and other charges in accordance with the policies established by the applicable lender.

The Mortgage must be on the following terms:

(a) Loan Amount \$ 150,000 (b) Maximum initial interest rate 6% % per annum.  
 (c) Minimum term 15 years. 5 yr. Balloon - owner financing

Types of mortgage: (CHECK THE FOLLOWING AS APPLICABLE)  
 Conventional Fixed Rate  CHFA  FHA  Other (Describe)  
 Conventional Variable Rate  VA  Seller (Attach Seller Financing Addendum)

If Buyer cannot obtain a written commitment for the Mortgage (free of any conditions that are unacceptable to Buyer), Buyer may terminate this Agreement by providing Seller and Broker, not later than the Mortgage Contingency Date, with written notice of Buyer's inability to obtain such commitment. If Buyer does not elect to so terminate, then this Agreement will remain in full force and effect, unless Seller, within seven (7) days from the Mortgage Contingency Date, gives written notice to Buyer and Broker that Seller has elected to terminate this Agreement as a result of Buyer's inability to obtain such commitment. If either party so terminates this Agreement, then all deposits will be returned to Buyer, and the obligations of the parties under this Agreement shall end. If Buyer applies for a different type of mortgage other than Conventional, Buyer shall provide Seller with prompt, written notice of such application. Seller shall have three (3) business days after receiving such written notice within which to elect to terminate this Agreement as a result of Buyer's application for a different type of mortgage than that checked above.

AS Seller's Initials CRP Buyer's Initials JD  
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 Revised September 30, 2008; July 15, 2010, August 5, 2011; July 26, 2012



5. **Combined Contingency Addendum.**  If checked, the Combined Contingency Addendum attached is made a part of this Agreement.

6. **Deposits.** The deposits specified in Paragraph 3 shall be made at the stated times. All deposits shall be made by check payable to the Listing Broker as escrow agent. Prior to the Closing of Title, the Listing Broker may pay the deposit funds to the Seller's attorney who shall hold them as escrow agent pending the Closing of Title. In the event any deposit funds payable pursuant to this Agreement are not so paid by Buyer, Seller may give written notice of such failure to Buyer(s) at the address specified in Paragraph 1 by certified mail, and if such notice is given and a period of five (5) days thereafter elapses without Buyer having corrected such failure, Seller may (1) declare Buyer to be in default, and (2) terminate this Agreement and the Seller shall be relieved of all obligations hereunder. In the event that this Agreement is terminated, Seller and Buyer agree to provide such permissions for release of the escrow monies as escrow agent may reasonably require. In the event of a dispute concerning the return of deposits held in escrow which results in court action, both the prevailing party and the escrow agent shall be entitled to reasonable attorney's fees from the losing party. In the event that the escrow agent commences a court action to determine the rights of the parties to deposits held in escrow, the escrow agent shall be entitled to attorney's fees, marshal's fees and docket fees to be paid out of the escrowed deposits. The parties agree that escrow agent will not be liable for the release of escrow monies in accordance with this Agreement or for errors of judgment in the release of escrowed deposits unless such errors are the result of gross or intentional misconduct.

7. **Property to be Maintained; Property Condition Disclosure.** (a) Except as may be set forth elsewhere in this Agreement, Property is being sold "as is". Seller agrees to maintain Property with all buildings, landscaping and other improvements thereon, all appurtenances thereto, and any personal property included in the sale in the same condition, reasonable wear and tear accepted, as they were on the date of this Agreement. Buyer shall have the right to make a final inspection of the Property during a 48-hour period prior to closing. In the event Seller has failed to provide Buyer with a copy of the Uniform Property Condition Disclosure Report required by Public Act 95-311 and is not exempt from the Act, Seller shall credit Buyer with the sum of \$500.00 at closing as required by law.

(b) Buyer is notified that the Department of Energy and Environmental Protection is required pursuant to Section 22a-134f of the Connecticut General Statutes to furnish lists of hazardous waste facilities located within the town to the Town Clerk's office. Buyer should refer to these lists and the Department of Energy and Environmental Protection for information on environmental questions concerning the Property and the lands surrounding the Property.

(c) Buyer is notified that a list of local properties upon which hunting or shooting sports regularly take place may be available at the Town Clerk's office.

(d) Buyer is notified that information concerning environmental matters on the Property and surrounding properties is available from the Federal Environmental Protection Agency, the National Response Center, the Department of Defense and third-party providers.

(e) If the Property is served by a private well, Buyer is notified that important educational material concerning private well testing is available on the Department of Public Health's web site.

8. **Insurance/Risk of Loss.** The risk of loss or damage to Property by fire or other casualty until the delivery of the deed is assumed by the Seller. Seller shall keep the Property insured, at Seller's expense, against loss by fire and other casualties, with Extended Coverage provisions, in an amount equal to at least 80% of the market value of any improvements on the Property or in the alternative, replacement cost coverage until the delivery of the deed. In case of any loss, the Seller shall pay over or assign to the Buyer upon payment of the balance of the Purchase Price all sums recovered on account of said insurance, or the Buyer may, at Buyer's option, terminate this Agreement and the deposits shall be refunded to the Buyer, unless the Seller shall have restored the Property substantially to its former condition. This paragraph shall also apply to the items listed as fixtures in Paragraph 9 and the personal property set forth in Paragraph 2.

9. **Fixtures.** Included in this sale as part of the Property are the buildings, structures and improvements now thereon, and the fixtures belonging to the Seller and used in connection therewith, including, if any, all blinds, window shades, screens, doors, door and window hardware, wood and gas stoves, storm windows, landscaping, awnings, shutters, electrical and lighting fixtures, door mirrors, pumps, mailboxes, plumbing fixtures, cabinetry, door and cabinet hardware, pool houses and other outbuildings, mantles, flagpoles, alarm system and codes, swimming

*R.J.A.*  
*Selley*

*Chap*

Seller's Initials Buyer's Initials

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Revised September 30, 2008; July 15, 2010; August 5, 2011; July 26, 2012

Page 2 of 6



pool and swimming pool pumps and equipment (if any), garbage disposal, automatic garage openers, central air conditioning equipment, and built-in dishwashers (Cross out and initial any items in this paragraph present on the Property but not included in the sale).

**10. Title, Affidavits and Releases.** (A) Seller covenants and warrants that Seller is the fee title owner of the Property and has the authority and capacity to enter into this Agreement and consummate the transaction contemplated herein. The Property is to be conveyed by a good and sufficient Warranty Deed of the Seller (unless Seller is an executor, conservator, or administrator, in which case Buyer will receive a Fiduciary's Deed), conveying a good, insurable, and marketable title to the Property, free from all encumbrances, except as may be acceptable to Buyer and Buyer's Lender, if any, and except zoning and other municipal regulations, the Inland-Wetlands law and any state of facts that an accurate survey of the Property may reveal. Buyer shall at Buyer's own expense conduct a title examination of the Property within thirty (30) days of the date of acceptance of this Agreement. Buyer shall notify Seller of any defects in title that render title to the Property unmarketable, as defined by the Standards of Title of the Connecticut Bar Association, disclosed by such examination. If Seller is unable to remove such title defects within thirty (30) days of notification or the Closing of Title, whichever date is later, Buyer shall have the option to: (a) accept such title as Seller is able to convey without abatement or reduction of the Purchase Price, provided however, Seller shall pay any additional premium or post whatever bond and execute such affidavits and indemnity agreements as may be required by Buyer's title insurer to write title insurance over the defect or (b) cancel this Agreement and receive a return of all deposits, and, in addition, Seller shall pay to Buyer any expenses actually incurred by Buyer for attorney fees, nonrefundable fees of lending institutions, survey costs and inspection fees. Seller shall pay any nonrefundable fee actually incurred by Buyer to extend, refresh or renew any mortgage commitment granted Buyer by Buyer's lender pursuant to the provisions of Paragraph 4 that expires while the Seller is attempting to remove such title defect.

(B) Seller agrees to furnish such affidavits concerning title, encroachments, mechanic's liens and other items and in such form as Buyer's title insurance company may require in order to obtain owner's title insurance coverage on the Property or to waive exceptions to the title policy that are objectionable to Buyer's lender.

**11. Closing and Delivery of Possession.** The closing will take place on JAN. 31, 2014 or at such other date as mutually agreed by the parties. The closing will be held at the offices of Seller's attorney unless Buyer has obtained a mortgage loan, in which event the closing will be held at the office of Buyer's lender's attorney. Upon the Closing of Title, Seller shall deliver exclusive occupancy to the Property, if the Property is a single-family residence, along with the keys, alarm codes and garage door transmitters, to the Buyer in a "broom clean" condition. "Broom clean" shall mean that the Property shall be empty of all personal property, except as may be included in the sale, free of all trash, garbage, junk, building materials, litter, cans of paint or stain, broken or discarded items, and vacuumed or swept. If the Property is a multi-family dwelling, Buyer shall take the Property subject to the rights of tenants to occupy the Property unless otherwise noted in this Agreement.

**12. Adjustments.** The following are to be apportioned as of 11:59 p.m. of the day before closing:

- (a) Taxes, special tax districts, municipal water taxes and sewer taxes using the uniform fiscal year method;
- (b) Fuel oil (using the stated capacity of the storage tank);
- (c) Rents as and when collected;
- (d) Rental securities plus interest due thereon as provided by law; and
- (e) Utilities (for those utilities for which a separate meter reading and final billing cannot be obtained at closing based on the usage for the previous billing period).

If the closing shall occur before a new tax rate is fixed, the apportionment of taxes shall be upon the basis of the old tax rate for the preceding period applied to the latest assessed valuation.

Special assessment liens shall be  paid by the Seller  assumed by the Buyer. Pending special assessment liens or special assessments that are pending but have not yet been fixed as to an amount shall be assumed by the Buyer, provided however, that if the improvement has been substantially completed as of the date of this Agreement, the Seller shall credit the Buyer at closing with an amount equal to the latest estimate by the public body charged with levying the special assessment for the improvement. Any errors or omissions in computing apportionments at closing shall be corrected. This provision shall survive the closing.

*[Handwritten Signature]*  
Seller

*[Handwritten Signature]*  
Buyer's Initials

*[Handwritten Signature]*  
Buyer's Initials



13. **Seller's Representations.** The Seller represents, to the best of the Seller's knowledge, information and belief without due inquiry, that, at the time of Closing of Title: (a) Seller has good, marketable title to all personal property and fixtures included in the sale and there is no leased or rented personal property or fixtures located on the Property, except as may be noted below; (b) Seller is in material compliance with all State and municipal zoning, environmental and health regulations affecting the Property and has no notice of any investigations, deficiencies, cease and desist orders, inspections or violations, actual or threatened, involving the Property, except as may be noted below; (c) Any buildings located on the Property are entirely within the boundary lines of the Property; (d) The subsurface sewage disposal and/or private water supply system, if any, and all utilities servicing the Property are located entirely within the boundary lines of the Property; (e) There is no violation of any restriction, covenant, agreement or condition affecting the Property; and (f) During the period of Seller's ownership, the Property has not been used for any commercial, industrial or other non-residential purpose and there has been no discharge, spillage, uncontrolled loss, seepage or filtration of oil, petroleum, or chemical liquids or other hazardous waste onto or emanating from the Property.

14. **Multi-family Property Provisions (not applicable unless Property is a multi-family).** The Seller represents that: (1) no tenant is currently in default of any material obligation under any lease or if no lease, that all tenants are current with their rental obligations; (2) that Seller has not collected rental in advance from any tenant (except for such advance rental securities as are permitted by statute) and (3) that Seller has not been notified of any claim by a tenant against Seller.

Seller agrees to provide Buyer with a statement within ten (10) days of the Date of Acceptance, certified true and correct by Seller, setting forth the amount of rent payable by each tenant, whether such rent is payable monthly or otherwise, the amount of advanced rental security Seller currently holds for each tenant and the date on which the advanced rental security was paid to the Seller. Seller agrees not to collect rent in advance for periods of time after the Date of Closing, without the Buyer's express, written permission.

15. **Common Interest Ownership Property (not applicable for other types of property)**

- (a) Buyer understands that the property is a unit in a condominium or planned unit development and that the property will be conveyed subject to all of the terms, conditions, covenants, restrictions, agreements, obligations, assessments and lien rights as set forth in the declaration applicable to the property, the by-laws and the rules and regulations including any exhibits attached, as they may be amended or supplemented, including, but not limited to, the obligations to make payment of common charges included therein, and all facts shown on the survey and floor plans filed with the declaration.
- (b) Seller agrees to comply with those requirements of the declaration or by-laws that create a right of first refusal, if any, in connection with the property. If any such right of first refusal is exercised, any sums paid hereunder shall be immediately returned to Buyer and both parties shall be relieved of any further liability hereunder.
- (c) Buyer will examine the Resale Certificate, if the unit owner's association is required by law to furnish a Resale Certificate, and if this Agreement is not voided within the rescission period permitted by statute, Buyer agrees that Buyer is then relying on the representations and disclosures appearing in the Resale Certificate if different or inconsistent with other representations or understandings given or inferred by Seller or real estate brokers.
- (d) Seller agrees that at the time of closing all installments of common expense assessments or other association assessments then due and payable will be paid. In consideration of the purchase price, Seller shall pay in full at the Closing of Title all special assessments whether or not such special assessment is payable in installments.

16. **Lead-Based Paint.** If the Property is "target housing" under federal law (meaning, with some exceptions, housing built before 1978), Seller must permit Buyer a 10-day period (unless the parties mutually agree in writing to a different time period) to conduct a risk assessment or inspection of the Property for the presence of lead-based paint and lead-based paint hazards before Buyer is obligated under this Agreement. Buyer may waive this right of inspection in writing.

*Rfd*  
Seller

*ChB*  
Seller's Initials

*Buyer*  
Buyer's Initials



This Agreement is made subject to an inspection or risk assessment of the Property for the presence of lead-based paint or lead-based paint hazards at the Buyer's expense. This contingency shall be deemed waived unless Buyer provides the Seller or the Seller's attorney with written notice of the presence of defective lead-based paint or lead-based paint hazards along with a copy of the inspection and/or risk assessment within \_\_\_\_\_ days (insert the number of days mutually agreed upon. If left blank, the number shall be "ten") of the date of acceptance of this Agreement. If such notice is given and Seller and Buyer cannot reach a mutually satisfactory agreement within fourteen (14) days of said notice regarding the defective lead-based paint or lead-based paint hazards, either party shall have the option of terminating this Agreement, and this Agreement shall be null and void. The Buyer may waive this contingency at any time without cause.

**17. Default/Liquidated Damages.** If Buyer defaults under this Agreement and Seller is not in default, all initial and additional deposit funds provided in Paragraph 3 shall be paid over to and retained by Seller, less commissions due, if any, as liquidated damages, and both parties shall be relieved of further liability under this Agreement. If Seller defaults under this Agreement and Buyer is not in default, Buyer shall be entitled to any and all remedies provided by law including, without limitation, specific performance and recovery of amounts spent for mortgage application, appraisal, title search, and tests or inspections.

**18. Assignment and Survivorship.** This Agreement may be assigned by either party without written consent of the other, and shall be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto. No assignment shall act as an extension or modification of any provision of this Agreement, and shall not serve as a release of the assigning party's obligations under this Agreement. However, if this Agreement contains a provision for Seller financing, it may not be assigned without the express written consent of the Seller.

**19. Use of Electronic Record.** The parties agree that they may use an electronic record, including fax or e-mail, to make and keep this Agreement. Either party has the right to withdraw consent to have a record of this Agreement provided or made available to them in electronic form, but that does not permit that party to withdraw consent to the Agreement itself once it has been signed. A party's agreement to use an electronic record applies only to this particular real estate transaction and not to all real estate transactions.

For access to and retention of faxed records, you will need access to a fax machine or fax modem and accompanying software connected to a personal or laptop computer. For access to and retention of e-mail records, you will need a personal or laptop computer, Internet account and an e-mail account.

Seller electronic addresses:  Fax number is: \_\_\_\_\_  
 E-mail address is: \_\_\_\_\_  
Buyer electronic addresses:  Fax machine. Fax number is: \_\_\_\_\_  
 E-mail. E-mail address is: \_\_\_\_\_

Each party will promptly inform the other of any change in e-mail address or fax number in writing.

**20. Brokers Recognized.** The parties recognize the Dunmore Agency LLC as the Listing Broker and the Dunmore Agency LLC as the Selling Broker in this transaction.

**21. Additional Provisions.** See attached additional provisions

SPS  
Seller's Initials  
CBP  
Buyer's Initials



22. **Modifications. Acceptance. Date of Acceptance.** We, the parties hereto, each declare that this instrument contains the entire agreement between us, subject to no understandings, conditions, or representations other than those expressly stated herein. This Agreement may not be changed, modified or amended in whole or in part except in writing, signed by all parties. The "Date of Acceptance of this Agreement" shall be the latest date noted below on which a party accepts the Agreement.

WITNESS the signatures of the parties below on the date(s) set forth beside their respective names.

Acceptance by Seller:

Charles B Payne 11/1/13  
Seller Date

Ronald J Scamira 11/1/13  
Seller Date

Acceptance by Buyer:

[Signature] 11/5/13  
Buyer Date

\_\_\_\_\_  
Buyer Date

[Signature] [Signature]  
Seller's Initials Buyer's Initials

©2005-2010 Connecticut Association of Realtors, Inc.  
Revised September 30, 2008; July 15, 2010, August 5, 2011; July 26, 2012

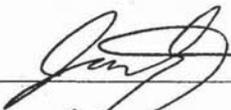


Additional provisions to the contract to Purchase 100 New Hartford Rd Wins ted CT

Offer subject to Buyer receiving all necessary approvals from required Governmental Agencies to open and operate a Medical Marijuana Distribution Center. All such approvals to be obtained by January 31 2014

Offer subject to a satisfactory building/mechanical system inspection by a licensed commercial building inspector. Inspection to be completed within 20 days of acceptance of offer

Offer subject to Buyer payments totaling \$150,000 at closing and a seller mortgage of \$150,000 at 6 % interest based on a 15 year amortization schedule with a Balloon payment due in five years  
Mortgage to be written without pre payment penalties. Amortization schedule attached.

BUYER  DATE 11/5/13

SELLER Charles B Payne DATE 11/1/13

SELLER Richard J. Swamra DATE 11/1/13



Any combination of...

- Company Name
- Your Name
- Address
- Office Phone
- Mobile Phone
- Website
- Email Address



**Loan Amortization Schedule with Balloon Payment**

Loan Amount: \$150,000.00

Number of Payments: 180  
(ie 30yrs x 12 = 360)

Annual Interest Rate: 6%

Balloon Payment No.: 60

Payment Intervals: Monthly

First Payment Due Date: 01/31/2014

Periodic Payment: \$1,265.79

Balloon Payment Amount: \$114,013.31

Payment Number	Periodic Payment	Applied to Interest	Applied to Principal	Principal Balance	Date
1	\$1,265.79	\$750.00	\$515.79	\$149,484.21	1/31/2014
2	\$1,265.79	\$747.42	\$518.37	\$148,965.84	2/28/2014
3	\$1,265.79	\$744.83	\$520.96	\$148,444.88	3/31/2014
4	\$1,265.79	\$742.22	\$523.57	\$147,921.31	4/30/2014
5	\$1,265.79	\$739.61	\$526.18	\$147,395.13	5/31/2014
6	\$1,265.79	\$736.98	\$528.81	\$146,866.32	6/30/2014
7	\$1,265.79	\$734.33	\$531.46	\$146,334.86	7/31/2014
8	\$1,265.79	\$731.67	\$534.12	\$145,800.74	8/31/2014
9	\$1,265.79	\$729.00	\$536.79	\$145,263.95	9/30/2014
10	\$1,265.79	\$726.32	\$539.47	\$144,724.48	10/31/2014
11	\$1,265.79	\$723.62	\$542.17	\$144,182.31	11/30/2014
12	\$1,265.79	\$720.91	\$544.88	\$143,637.43	12/31/2014
<b>Yearly Interest = \$8,826.91</b>					
13	\$1,265.79	\$718.19	\$547.60	\$143,089.83	1/31/2015
14	\$1,265.79	\$715.45	\$550.34	\$142,539.49	2/28/2015
15	\$1,265.79	\$712.70	\$553.09	\$141,986.40	3/31/2015
16	\$1,265.79	\$709.93	\$555.86	\$141,430.54	4/30/2015
17	\$1,265.79	\$707.15	\$558.64	\$140,871.90	5/31/2015
18	\$1,265.79	\$704.36	\$561.43	\$140,310.47	6/30/2015
19	\$1,265.79	\$701.55	\$564.24	\$139,746.23	7/31/2015
20	\$1,265.79	\$698.73	\$567.06	\$139,179.17	8/31/2015

21	\$1,265.79	\$695.90	\$569.89	\$138,609.28	9/30/2015
22	\$1,265.79	\$693.05	\$572.74	\$138,036.54	10/31/2015
23	\$1,265.79	\$690.18	\$575.61	\$137,460.93	11/30/2015
24	\$1,265.79	\$687.30	\$578.49	\$136,882.44	12/31/2015
<b>Yearly Interest = \$8,434.49</b>					
25	\$1,265.79	\$684.41	\$581.38	\$136,301.06	1/31/2016
26	\$1,265.79	\$681.51	\$584.28	\$135,716.78	2/29/2016
27	\$1,265.79	\$678.58	\$587.21	\$135,129.57	3/31/2016
28	\$1,265.79	\$675.65	\$590.14	\$134,539.43	4/30/2016
29	\$1,265.79	\$672.70	\$593.09	\$133,946.34	5/31/2016
30	\$1,265.79	\$669.73	\$596.06	\$133,350.28	6/30/2016
31	\$1,265.79	\$666.75	\$599.04	\$132,751.24	7/31/2016
32	\$1,265.79	\$663.76	\$602.03	\$132,149.21	8/31/2016
33	\$1,265.79	\$660.75	\$605.04	\$131,544.17	9/30/2016
34	\$1,265.79	\$657.72	\$608.07	\$130,936.10	10/31/2016
35	\$1,265.79	\$654.68	\$611.11	\$130,324.99	11/30/2016
36	\$1,265.79	\$651.62	\$614.17	\$129,710.82	12/31/2016
<b>Yearly Interest = \$8,017.86</b>					
37	\$1,265.79	\$648.55	\$617.24	\$129,093.58	1/31/2017
38	\$1,265.79	\$645.47	\$620.32	\$128,473.26	2/28/2017
39	\$1,265.79	\$642.37	\$623.42	\$127,849.84	3/31/2017
40	\$1,265.79	\$639.25	\$626.54	\$127,223.30	4/30/2017
41	\$1,265.79	\$636.12	\$629.67	\$126,593.63	5/31/2017
42	\$1,265.79	\$632.97	\$632.82	\$125,960.81	6/30/2017
43	\$1,265.79	\$629.80	\$635.99	\$125,324.82	7/31/2017
44	\$1,265.79	\$626.62	\$639.17	\$124,685.65	8/31/2017
45	\$1,265.79	\$623.43	\$642.36	\$124,043.29	9/30/2017
46	\$1,265.79	\$620.22	\$645.57	\$123,397.72	10/31/2017
47	\$1,265.79	\$616.99	\$648.80	\$122,748.92	11/30/2017
48	\$1,265.79	\$613.74	\$652.05	\$122,096.87	12/31/2017
<b>Yearly Interest = \$7,575.53</b>					
49	\$1,265.79	\$610.48	\$655.31	\$121,441.56	1/31/2018
50	\$1,265.79	\$607.21	\$658.58	\$120,782.98	2/28/2018
51	\$1,265.79	\$603.91	\$661.88	\$120,121.10	3/31/2018
52	\$1,265.79	\$600.61	\$665.18	\$119,455.92	4/30/2018
53	\$1,265.79	\$597.28	\$668.51	\$118,787.41	5/31/2018
54	\$1,265.79	\$593.94	\$671.85	\$118,115.56	6/30/2018
55	\$1,265.79	\$590.58	\$675.21	\$117,440.35	7/31/2018
56	\$1,265.79	\$587.20	\$678.59	\$116,761.76	8/31/2018
57	\$1,265.79	\$583.81	\$681.98	\$116,079.78	9/30/2018
58	\$1,265.79	\$580.40	\$685.39	\$115,394.39	10/31/2018
59	\$1,265.79	\$576.97	\$688.82	\$114,705.57	11/30/2018
60	\$1,265.79	\$573.53	\$692.26	<b>\$114,013.31</b>	12/31/2018
<b>Yearly Interest = \$7,105.92</b>					

# CERTIFICATE OF MEMBERSHIP



**MEMBER 2013**

**Nutmeg State Health & Wellness Center, Inc.** has joined businesses across the country in supporting the lobbying, public advocacy and industry-building activities of the National Cannabis Industry Association. Through its membership with the association **Nutmeg State Health & Wellness Center, Inc.** has agreed to ensure that all business practices are ethical, responsible, and consistent with the highest of community standards.

F. Aaron Smith  
NCIA Executive Director

**November 2013**

Date

*The mission of the National Cannabis Industry Association is to promote the growth of a responsible and legitimate cannabis industry and work for a favorable social, economic and legal environment for that industry in the United States.*

## **James C. Dietz, MS, PMP, CSM**

**Background:** Certified Project Management Professional (PMP) / Certified Scrum Master (CSM) with over 15 years IT experience with extensive expertise in the areas of Health Care/Insurance and Pharmaceutical/Biotechnology & Life Science Industries.

Strong background in Regulatory and Compliance related projects currently and previously supporting a wide variety of Health Care Reform based initiatives, ICD-10 related implementations, Health Insurance Portability and Accountability Act (HIPAA)/HITECH, and Sarbanes Oxley Act (SOX) related projects.

In depth knowledge and experience with many industry standard best practice frameworks and methodologies: Capability Maturity Model (CMM), Project Management Institute (PMI), Control Objectives for Information and related Technology (COBIT), Six Sigma, ITIL, as well as proprietary Software Development Lifecycle methodologies currently being used at companies such as Blue Cross Blue Shield, Pfizer, United Healthcare, and Aetna.

**Objective:** To obtain a management position with a company where my experience, accomplishments, and proficiency will allow me to apply my knowledge and skills with the opportunity for growth. Focused on providing Director Level Program Management oversight as well as in depth experience as a Senior Program/Project Manager executing consistently on-time/on-budget project delivery for in-house applications as well as commercial off the shelf software.

### **Work Experience:**

- Aetna Inc October 2013 – current  
Hartford, CT  
Senior Project Manager
- Working Within the Pharmacy Domain; acted as Project Manager responsible for the strategic Aetna Medicare – CVS/Caremark Integration Project.
- Yale University November 2012 – April 2013  
New Haven, CT  
Senior Project Manager
- Coordinated implementation of PaperCut software campus wide to an anticipated 10,000+ users under Office of Sustainability.
  - Responsible for migration of legacy ticketing system for Athletics Department.
  - Managed Vendor selection process for new Housing Director software.
- Burgess Group January 2012 – September 2012  
Alexandria, VA  
Director, IT Program Management / Senior Project Manager
- Responsible for all aspects of implementing and managing the Agile Scrum SDLC program at Burgess Group LLC.
  - Ensured regulatory and compliance objectives were met on time and on budget.
  - Implementation of new Michigan Medicaid Inpatient and Outpatient programs to expand client base/product offerings.
  - Implementation of Microsoft Message Queuing (MSMQ) messaging protocol.
  - Responsible for ICD-10 related project management and compliance activities.
- OptumHealth Care Solutions – Reporting & Insights (formerly Ingenix) June 2011 – October 2011  
Rocky Hill, CT  
Project Manager – HIPAA 5010 / ICD-10
- Responsible for managing HIPAA 5010 implementation for OptumHealth Care Solutions to meet mandated December 31<sup>st</sup> deadline for compliance.
  - For Prescription, manage the conversion of the National Council for Prescription Drug Programs (NCPDP) version 5.1 to NCPDP version D.0.
  - For enrollment/eligibility, manage the conversion of the 834 Enrollment file from the 4010 format to the 5010 format.
  - Communications liaison with outside vendors as well as other internal project leads to identify upstream and downstream dependencies of HIPAA 5010 related changes. Facilitate working with our partners to obtain test files prior to implementation.
- Aetna Inc August 2010 – June 2011  
Hartford, CT  
Senior Project Manager
- Within Claim Domain; acted as Project Manager responsible for Health Care Reform (HCR) regulatory based initiatives as well as several other projects relating specifically to claim applications.
  - Executed Projects using PlanView, Inuit Quicbase, an Rational Clearcase tool suites to support Project Management activities in compliance with Aetna's CMMI Level 3 rated Software Development Life Cycle approach.
- OptumInsight - Hospital Solutions (formerly Ingenix) September 2009 – August 2010  
Rocky Hill, CT  
Senior Program/Project Manager

- Responsible for managing entire portfolio of OptumInsight Hospital Solutions projects within all phases of the SDLC.
- Compile annual Resource Demand Plans for HSS organization used for annual budgeting and project planning purposes.
- Create Project plans, resource estimates, risk management, financial data, and reporting metrics for multiple projects.
- As part of PMO, provide updates/dashboard to Executive Leadership relating to project status, risks, and issues.
- Perform audits and gap analysis to identify areas for improvement within the organization.
- Change Agent for migrating projects from Waterfall to Scrum / Agile methodology.

Digital Autobahn, LLC

September 2008 – September 2009

Danbury, CT

Project Manager

- Managed projects for multiple clients specializing in areas of website services for small and medium size businesses.
- Provided services and solutions relating to website creation, hosting, search engine optimization, email services, and maintenance.

Science Applications International Corporation (SAIC)

August 2004 to September 2008

Client: Pfizer, Inc. - Groton/New London, CT

Consultant; Master Scheduler / Project Manager

- Managed/Supported 15+ projects simultaneously with cumulative budget of over twenty million dollars to ensure on-time on-budget delivery.
- Enterprise Informatics (Ei) Project Manager for Bulk Database Migration project; liaison between site leads, database administrators, application owners and SME's to move databases from legacy to target reference architecture.
- Ei Project Manager for NT4 operating system remediation effort; provide coordination and support working with site leads, application owners and SME's at various PGRDi sites for NT server operating system and domain remediation.
- Guided the planning efforts of projects in compliance with Project Management Office (PMO) processes and Project Support Team (PST), familiar with associated toolsets (Activity Tracker, SourceForge, eContainer, Cognos).
- Familiar with Enterprise Life Cycle (ELC), Solutions Life Cycle (SLC), Informatics System Life Cycle (iSLC) Processes including Project, Production Application Change Control (PACC), Environment Change Control (ECC), Retirement/Migration/Archival (ReMArc).
- Experienced with Project Management Planning processes, Developing Resource Loaded Networks, producing/analyzing Earned Value Metrics (EVM), and expertise in the use of Microsoft Project Office 2007 and related toolsets.
- Responsible for the tracking of projects in iPM/EPM; statusing of Resources, Schedule, and Tasking is timely, accurate, and schedules are maintained in good quality based on PMO standards and Scheduling Best Practices.
- Responsible for understanding the meaning of data inputted into EPM as well as understanding the meaning of data extracted from EPM for Reporting at multiple levels. Data includes not only Scheduling of Tasking, but Critical Path, Resourcing, and Cost as derived through Microsoft Project.
- Provided data from Microsoft Project to Project Managers and the Project Support teams, communication with Stakeholders.
- Developed work instructions to support Project Managers and Project Scheduling related activities.
- Conducted Information Protection Program (IPP) Remediation effort to work with the business units to determine the appropriate IPP rating for applications.
- Performed Application Repository Core (ARC) data remediation to ensure that all applications are present in ARC and data is complete and accurate.

Keane, Inc.

June 2004 to August 2004

Client: Capital District Physicians Health Plan (CDPHP) - Albany, NY

Senior Consultant; Release Management / Change Management / Data Access / HIPAA / Sarbanes Oxley

- Completed an IT Assessment/Audit of CDPHP's current Release and Change Management policies and procedures for all areas including Web, Data Warehouse, HP, Paperfree.
- Performed a Gap Analysis against Industry standard best practices.
- Designed comprehensive detailed procedures ensuring compliance with HIPAA and Sarbanes Oxley.

Keane, Inc.

A

August 2002 to June 2004

Client: Blue Cross Blue Shield of Vermont (BCBSVT) - Barre, VT

Senior Consultant; Software Configuration Management / Change Management / Release Management / E-Commerce Support / HIPAA

- Process Improvement project to examine and identify current SCM processes and procedures that need to be improved or created if they do not currently exist.
- Conducted employee interviews and obtain relevant process assets and background material for Gap Analysis against industry best practice, Keane's Application Management Methodology, SEI CMM, and the Sarbanes-Oxley Act of 2002.
- Implemented tailored Software Configuration Management Processes and Procedures using PVCS Version Manager for Source Code Control for the Web development staff and TurnOver for the AS400 staff.
- Reviewed / Audited and Approved QA results and coordinated release activities with the Quality Assurance Team and Business Units.
- EDI / E-Commerce Configuration and Support Specialist responsible for setting up trading partners and troubleshooting incoming files.
- Team Lead for Health Insurance Portability and Accountability Act (HIPAA) Security Remediation project and assisting with HIPAA Privacy rule compliance activities.
- Created and maintained procurement-tracking database, which reduced overall procurement costs significantly.

Keane, Inc.

December 2001 to June 2002

Client: Exsif Worldwide, Inc. - Purchase, NY

Senior Consultant; Software Configuration Manager / Quality Assurance

- Wrote and maintained build scripts using Apache Ant to successfully automate the build process of over 600 files and decrease time to deployment increasing efficiency and reducing costs.

- Responsible for the administration of PVCS, WebLogic, Astra FastTrack / QuickTest including installation, configuration, troubleshooting, and the creation of any related user process documentation.
- Synchronized test scenarios with use cases as needed to ensure they are updated and accurate for testing.
- Performed load testing of application using Astra LoadTest and LoadRunner, setting baselines and noting any performance differences between builds to aid in identifying any possible performance bottlenecks.
- Reviewed QA results and coordinated release activities with all parties within IT and with the respective Business Units.
- Tank container leasing; M&R Protocol (Maintenance and Repairs) is a secure, paperless system that automates the repair estimate process for customers and depots. It allows the entry, review, revision, authorization, and routing of tank repair estimates 24 hours/day, 7 days/week.

Keane, Inc.

June 2001 to December 2001

Client: Pfizer, Inc. - Groton/New London, CT - La Jolla, CA - Sandwich, UK

Senior Consultant; Software Configuration Management and Release Management - Process Improvement Project

- Conducted Observation and Interview Sessions with a variety of staff from management to development at several different sites including Groton, CT - La Jolla, CA - Sandwich, England.
- Identified and obtained relevant process assets from all sites for consideration during development of new process documentation.
- Created site assessment documents that outlined the current state of software configuration management and release management activities at the different locations.
- Performed a Gap Analysis of completed site assessments against Keane's own Application Management Methodology and other industry recognized best practices.
- Created process definitions and work procedures manual that encompassed all of the identified process improvements.
- Conducted structured walkthroughs and process mentoring to ensure proper usage and implementation of new procedures.

Keane, Inc.

September 2000 to June 2001

Client: StarCite, Inc. (formerly b-there.com Corporation) - Westport, CT

Senior Consultant; Software Configuration Manager / Release Manager

- Provided version control for Cold Fusion based application in which code is released into Production every two weeks following a Rapid Application Development (RAD) lifecycle.
- Responsible for moving all code through development, QA, User Acceptance Testing, Operational Acceptance Testing, performance, and staging, into a load balanced production environment.
- Assisted with application testing ensuring compatibility with several versions of differing web browsers and different operating systems (Netscape, Internet explorer, PC, Mac, Windows 98, Windows 2000, etc)
- Application security administration with regards to granting security rights for users to access restricted areas in all environments.
- SourceSafe Administrator responsible for installing software, setting up users, and providing training documentation and standards.
- Visual Intercept administration including installation, documentation, and enforcing defect tracking standards and guidelines.
- Installed and supported various third party software needed for increased functionality of website including Verisign, eCal, and Mapquest.
- Supported Windows NT 4.0 migration to Windows 2000 with the creation of additional environments for testing the new operating system.
- Assisted with Infrastructure operations and support including installing/upgrading software packages, applying service packs, software patches, etc.
- Provided support for move of physical servers and code from in house to third party data center (XAND).
- Coordinated Release / Change Management schedule and deliverables with Quality Assurance Team and Business Units.
- Created an enforced policies and procedures regarding development coding standards, quality assurance testing methodologies, and supporting documentation.
- Assisted with management of Quality Assurance and Development Team.
- Assisted with integration of GetThere.com partner website code and testing.
- Developed attendee relationship management and enterprise meetings management tools.

Cartus (formerly Cendant Mobility Services Corporation)

June 1998 to September 2000

Danbury, CT

Configuration Manager / Release Engineer

- Responsible for creating releases, auditing deliverable products, version management, and preparing / updating configuration management plans.
- SourceSafe Administrator of databases used to establish and maintain the integrity of the documentation and code that constitutes a software product.
- Streamlined the configuration management process, which decreased the average build and deploy time from up to several days to several hours.
- Ensured that all environments stay synchronized from development through QA and into production including but not limited to source code and stored procedures.
- Reviewed / Audited and Approved QA test results in conjunction with Release Management activities.
- Developed InstallShield packages used in SMS deployments to clients in several regions across the country to over 2000 users.
- Worked closely with operations and help desk staff to support existing products in production and new product deployment issues.
- Worked on numerous in-house software projects and with external vendors to ensure year 2000 readiness.

#### **Education:**

Master of Science (MS) in Managing Innovation & Information Technology

Champlain College, Burlington, VT – May 2008

Bachelor of Business Administration (BBA) in Management Information Systems (MIS)

Western Connecticut State University; Ansell School of Business, Danbury, CT – May 2002

**Affiliations:**

Project Management Institute (PMI) Member # 848893

Scrum Alliance Member

The United States Junior Chamber of Commerce (Jaycees) - Danbury, CT Chapter - 2009 & 2010 President

**References:** *Available upon request*

**INTELLECTUAL WORK PRODUCT, CONFIDENTIALITY  
AND NON-SOLICITATION AGREEMENT**

This Intellectual Work Product, Confidentiality and Non-Solicitation Agreement (this "Agreement") effective as of January 1, 2014, is hereby entered into between Nutmeg State Health and Wellness Center, Inc., having an office at 19 Hearthstone Drive, Barkhamsted, CT 06063 ("NSHWC") and \_\_\_\_\_, residing at \_\_\_\_\_ ("Employee").

Ownership. Any ideas, concepts, discoveries, innovations, designs, specifications, models, techniques, research findings, inventions or other intellectual property of any kind whatsoever related in any way to the NSHWC mission or businesses (whether patentable or non-patentable or whether reduced to written or electronic form or otherwise) developed, conceived, or created by Employee, either singly or in combination with others, during the term of employment (whether created during working hours at the NSHWC facility or at any other time or location, and whether upon the suggestion or request of the NSHWC or otherwise) (collectively, "Intellectual Work Product") shall exclusively belong to the NSHWC. Employee agrees to promptly reveal to the NSHWC all information relating to any Intellectual Work Product. Employee agrees to take any actions reasonably requested of Employee by the NSHWC to perfect or secure the NSHWC's ownership interest in and to any such Intellectual Work Product, including, but not limited to, executing assignments thereof to the NSHWC. Employee also agrees that any research grants, funding, and other corporate opportunities that Employee either becomes aware of, identifies, discovers, or develops while employed by the NSHWC shall belong exclusively to the NSHWC and that Employee shall not pursue such opportunities independent of the NSHWC, either personally or through any other entity. Employee agrees to disclose any such opportunities to the NSHWC without delay.

Any computer or other equipment provided by the NSHWC and any electronically-stored information on any computer or other equipment in connection with employment shall belong exclusively to the NSHWC and Employee acknowledges and agrees that Employee shall have no right of privacy with respect to any information, including e-mails, electronically-stored on any NSHWC equipment.

Confidentiality. Employee agrees, at any time after the date of this Agreement, to maintain the confidentiality of any non-public information, documents, and materials that the NSHWC considers and/or treats as confidential, including, but not limited to: this Agreement, any business plans and models; strategic plans; fundraising strategies and techniques; methods of operation or fundraising; business development initiatives and plans; grant award targets and strategies; legal contracts and forms; clinical study plans and initiatives; and donor lists and related information (collectively, "Confidential Information"). Employee agrees not to disclose or make any commercial use of any Confidential Information. If Employee becomes obligated to testify about any information to comply with an applicable governmental law, regulation, or court order, Employee agrees to provide the NSHWC with written notice of such requirement as far in advance of disclosure as is reasonably possible so that the NSHWC may take any action it deems appropriate to prevent or limit disclosure, and Employee agrees to provide reasonable cooperation with such actions.

Upon request by the NSHWC, (i) Employee shall promptly return to the NSHWC all Confidential Information, in any form or media, and all copies thereof; and (ii) Employee shall promptly delete all Confidential Information from any computers or electronic memory devices, including, without limitation, portable USB storage devices, PDAs, and cell phones, that Employee owns or uses, for the purpose of ensuring that the Confidential Information and business relationships of the NSHWC will not be put at risk in any new or future position Employee may assume.

Non-Solicitation / Non-Compete. During the term of employment and for one year thereafter, Employee shall not solicit or encourage any employees of either the NSHWC to leave the employment of the NSHWC. Employee agrees, during the term of employment and for one year thereafter, not to solicit or encourage any clients or vendors of NSHWC to cease doing business with NSHWC.

Reasonableness of Restrictions; Injunctive Relief. Employee expressly acknowledges and agrees that the confidentiality, non-solicitation, and non-compete restrictions set forth in this Agreement are reasonable and designed to promote the legitimate business and fundraising objectives of the NSHWC. Employee further acknowledges and agrees that any violation or threatened violation of these restrictions by Employee would cause a loss of goodwill and irreparable harm to the NSHWC, and that any remedy at law for any such violation or threatened violation may be inadequate. Therefore, Employee agrees that the NSHWC may, in addition to and not in lieu of, all other remedies to which it may be entitled under this Agreement, obtain equitable relief, including but not limited to a temporary restraining order and/ or preliminary injunction or similar order from any court having personal jurisdiction over Employee.

Non-Disparagement. Employee agrees, both during and following the term of this Agreement, not to disparage or say anything of a negative nature about the NSHWC, or any individuals or organizations affiliated with the NSHWC.

Entire Agreement. This Agreement, along with any offer letter signed by the NSHWC and Employee, constitutes the entire agreement between the parties with respect to the subject matter hereof. This Agreement may not be assigned, amended or modified without the express written consent of both parties hereto. The waiver or unenforceability of any term of this Agreement shall not render unenforceable any other term. The waiver of any term of this Agreement shall not prohibit the future enforcement of such term.

Captions. The captions in this Agreement are for convenience of reference only and shall have no force or effect for any purpose whatsoever, including without limitation, the construction of the provisions of this Agreement.

Governing Law. This Agreement is made in, and shall be governed by and construed in accordance with, the laws of the State of Connecticut without regard to its conflict of law provisions.

IN WITNESS WHEREOF, the parties have caused this Agreement to be effective as of January 1, 2014.

**Nutmeg State Health and Wellness Center, Inc.**

\_\_\_\_\_  
Date:

\_\_\_\_\_  
James Dietz, President  
Date:

Exhibit 3

# Certificate of Completion

This certificate is presented to

*James Dietz*

---

for successful completion of the

**BOSWYCK FARMS HYDROPONIC CERTIFICATION COURSE**

Awarded on March 9<sup>th</sup>, 2013



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Lee Mandell  
Chief Hydroponicist  
Boswyck Farms



Boswyck the Sheep

# HARTFORD BUSINESS JOURNAL

August 26, 2013

PHOTO | GNN



## BARRIERS Growing pot in CT will be a high-rollers game TO ENTRY

Applications to open marijuana cultivation facilities, like the one shown above, have been sprouting up in cities and towns across the state, as Connecticut prepares to finalize regulations that will govern its new medical marijuana industry. Some prospective growers are raising concerns that the cost of entry into the market will be too high.

By Matt Pilon

mpilon@HartfordBusiness.com

**W**hen the state legalized medical marijuana last year, health care information technologist James Dietz thought about vying for a license to grow the drug in Connecticut.

The Litchfield resident sees the potential for a lucrative industry to sprout, and he wanted a piece of the action.

But Dietz quickly realized that growing pot here won't be as simple as planting a garden: it will require a significant investment — as much as \$5 million to \$7 million, by his estimate — which will likely price smaller competitors like himself out of the market.

With only three to 10 cultivation licenses up for grabs, Dietz said he feels moneyed and established interests — some from other states — will likely dominate Connecticut's medical marijuana growing industry.

And as the unofficial field takes shape, there are several “gorillas” some perceive as favorites to win the coveted licenses when the application period begins in the coming months, Dietz said.

“That’s a big hurdle for us to overcome and still have money left over for infrastructure and operating costs,” Dietz said. “Without raising somewhere in the magnitude of \$5 million to \$7 million, it’s probably not viable.”

Dietz's concerns come at a critical time for the development of Connecticut's medical marijuana industry.

The state legislature's Regulations Review Committee will meet this week to potentially vote on proposed regulations that will in many ways determine how the state's medical marijuana market blossoms.

The 75 pages of regulations, drafted by the state Department of Consumer Protection which will oversee the industry, establishes rules for the sale, production and use of medical marijuana, and have already raised concerns similar to those expressed by Dietz.

Some prospective growers say the upfront costs to even compete for a license are too high.

Potential licensees, for example, are required to post \$2 million in escrow, or an equivalent bond, and pay a nonrefundable \$25,000 application fee.

There are also concerns that the escrow payment could be seized by the federal government since marijuana remains illegal under federal law.

The state has since tweaked some of the draft regulations, allowing the \$2 million figure to be reduced as grow operations hit certain benchmarks.

Still, the high price of admission has Dietz preparing to opt for a less costly dispensary license instead. Seller licenses will be allocated based on the number of

registered patients in the state, according to DCP. Sellers too will be tightly regulated with strict siting standards, background checks and pharmacist requirements.

It may not come as a surprise that well funded entities have an advantage in a strict licensing process, but Andrew Glassman, an attorney with Pullman & Comley, said the state is right to set minimum capital requirements, though he harbors concerns that banks will be too nervous about the federal status of marijuana to finance a growing operation in Connecticut.

“They’ve created significant barriers to entry with all these fees, but I think those barriers are appropriate,” Glassman said. “They’re looking for legitimate businessmen and women who want to be in on the ground floor of what I think will be a significant industry in Connecticut.”

Glassman said he represents a client — who he declined to name — that has applied for local approvals for a grow facility, a first step he thinks potential industry competitors will need to complete before they can seriously contend for a cultivation license from the state.

“I don’t think you can have a successful application if you don’t have a site approved,” he said. “It looks like there might be four to five parties currently positioned to make the application.”

Continued 

▶ from previous page

# Prospective pot growers vie for cultivation licenses



## Medical marijuana market

Connecticut's new medical marijuana law makes it legal for patients to use the drug for "palliative use." A qualifying patient must be at least 18 years old and be diagnosed by a physician with one of the following debilitating medical conditions:

- Cancer
- Glaucoma
- HIV
- AIDS
- Parkinson's disease
- Multiple sclerosis
- Certain spinal cord injuries (specifically, damage to spinal cord nervous tissue)
- Epilepsy
- Wasting syndrome
- Crohn's disease
- Post-traumatic stress disorder

## Fast Facts

### State financial requirements for medical marijuana growers:

- Ability to post \$2 million escrow or bond
- \$25,000 nonrefundable application fee

### Medical marijuana registration as of Aug. 12, 2013:

- Doctors registered: **96**
- Patients registered: **850**

SOURCE: DEPT. OF CONSUMER PROTECTION



William Rubenstein, Commissioner, DCP

"We looked at the regulatory structure and experience of every other state," Rubenstein said.

As palliative pot laws have taken hold in nearly half the country over the past decade, Rubenstein said Connecticut will stand out in how much control enforcement authorities will have over the enterprise.

"Colorado had, at one point, over 1,100 licensed producers," Rubenstein said. "Can you imagine the difference in regulatory oversight and control when you're overseeing 10 or fewer facilities?"

Joseph Palmieri, who owns an environmental firm and maintains a farm in Easton, said he plans to apply for a cultivation license. He's visited Colorado to view grow operations, and even designed a type of pod he plans to grow marijuana in if he wins a license. Right now, those pods are sprouting tomatoes.

Palmieri, however, is concerned that there



Medical marijuana is grown in cultivation fields and then treated in labs before being sold to patients.

may not be enough patients to sustain three or more grow operations in the state.

"I hope they start smaller," Palmieri said. "With all the costs of doing this, if there's no demand you're in big trouble."

Rubenstein admitted it's difficult to estimate what sort of market will develop in Connecticut, especially because of the state's strict qualifying conditions. So far, 850 patients have been certified by physicians to use marijuana, but Rubenstein said he expects that number to increase once dispensaries open and product starts flowing. "The experience with other states is in the first year, you get a ramp up," Rubenstein said.

If the Regulations Review Committee doesn't make major changes to draft regulations created by DCP, Rubenstein said a license application period would likely begin within a few weeks.

The state would review applications for a few months, and marijuana would be legally for sale in Connecticut within three to six months. ■

Applications for grow facilities have been filed in Middletown, Watertown, West Haven and Bridgeport. Middletown and West Haven have approved grow locations with Fairfield-based Greenbelt Management and Advanced Grow Labs, respectively.

DCP Commissioner William Rubenstein said his agency has juggled input from various players as best as it could, but the overall goal is to attract legitimate businesses into the industry.

"We want [potential growers] to be serious and to operate uninterrupted over a long period of time," Rubenstein said.

He said the serious interest shown so far by potential growers proves that they believe it will be a lucrative and worthwhile investment.

## Compassionate Need Plan

- **Eligibility:** Data provided for the most recent year by the U.S. Department of Health and Human Services will be used as Compassionate Need Plan guidelines.
  - Source: <http://aspe.hhs.gov/poverty/13poverty.cfm>
- Incomes at or below 100 percent of the federal poverty guidelines will receive their medication at a 75 percent discount.
- Incomes that fall between 100 and 150 percent of the federal poverty guidelines will receive medication at a 50 percent discount.
- Incomes that fall between 150 and 200 percent of the federal poverty guidelines will receive medication at a 25 percent discount.
- **Qualification:** Two step qualification process in order to determine patient eligibility in the Compassionate Need Plan.
  - **Proof of Income:** Patients to provide their most recent year tax return.
  - **Liquid Asset Test:** Patients to declare and provide evidence of the following:
    - Checking
    - Savings
    - CD's
    - Stocks
    - Bonds
    - Shares
    - Certificates of Deposit
    - individual retirement accounts (if the accounts are in the name of a household member who is at least 59-and-one-half years old)
- **Calculations:** For homeowners, the first \$10,000 in liquid assets, and for other households, the first \$7,000 in liquid assets, is disregarded. Any amount over that limit, when added to the annual gross income must be below the income guidelines.

- **Purpose:** The purpose of the liquid assets test is to try to ensure that assistance goes to patients most in need; that is, to patients without the financial means to treat their diseases.

**Nutmeg State Health and Wellness Center Compassionate Need Program - Poverty Guidelines / Discount Table**

Persons in family/household	100%	150%	200%	Discount at 100% Poverty Guideline or below	Discount between 100% and 150% Poverty Guideline	Discount between 150% and 200% Poverty Guideline
1	\$11,490	\$17,235	\$22,980	75%	50%	25%
2	\$15,510	\$23,265	\$31,020	75%	50%	25%
3	\$19,530	\$29,295	\$39,060	75%	50%	25%
4	\$23,550	\$35,325	\$47,100	75%	50%	25%
5	\$27,570	\$41,355	\$55,140	75%	50%	25%
6	\$31,590	\$47,385	\$63,180	75%	50%	25%
7	\$35,610	\$53,415	\$71,220	75%	50%	25%
8	\$39,630	\$59,445	\$79,260	75%	50%	25%

For families/households with more than 8 persons, add \$4,020 for each additional person.

**Nutmeg State Health and Wellness Center Community Benefits Program**

<b>Donation</b>	<b>Geographic Target</b>
5%	Local/Community Level
3%	State Level
2%	National Level
<b>10%</b>	<b>Total (as % of Net Profit)</b>

<b>Month</b>	<b>Debilitating Condition Targeted Donations*</b>
January	National Glaucoma Awareness Month
February	World Cancer Day (February 4)
March	MS Awareness Month National Colorectal Cancer Awareness Month
April	Parkinson's Awareness Month IBS Awareness Month (Crohn's Disease)
May	Cancer Research Month
June	Posttraumatic Stress Disorder (PTSD)
July	National HIV Awareness Month
August	Substance Abuse Program(s) (10% of Net Profit)
September	National Blood Cancer Awareness Month National Ovarian Cancer Awareness Month National Childhood Cancer Awareness Month National Prostate Cancer Awareness Month Childhood Cancer Month Leukemia and Lymphoma Awareness Month Thyroid Cancer Awareness Month
October	National Breast Cancer Awareness Month National Liver Cancer Month
November	National Epilepsy Awareness Month Lung Cancer Awareness Month Pancreatic Cancer Awareness Month
December	Cancer-Related Fatigue Awareness Month AIDS Awareness Month
* Donations will fall under Local, State, or National Level or combination thereof	

<b>Charity Ratings Organizations:</b>
charitywatch.org
charitynavigator.org
bbb.org
www2.guidestar.org

**DRAFT TEMPLATE**  
**SUBJECT INFORMED CONSENT FORM AND HIPAA AUTHORIZATION**

**Research Study Title:** Based on the disease named being treated with medical marijuana

**Protocol #:** NSHWC-14-001

**Sponsor:** Nutmeg State Health and Wellness Center (NSHWC)

**Principal Investigator Name:** Daniel Vaughan, RPh

**Daytime telephone number(s):** «Phone»

**Introduction and Purpose of the Subject Informed Consent Form**

You are being asked to take part in a research study because you are a medical marijuana patient registered in the State of Connecticut.

This is a consent form for research participation. It contains important information about the research study and what you can expect if you decide to participate. Please consider the information carefully. After you have finished reviewing the information, you should talk to your pharmacist about the study and ask any questions you have. Feel free to discuss this study with your friends and family and to ask your pharmacist questions before making your decision whether or not to participate. It is important that you are given all the information that this study is about before you decide to participate. If you decide to participate, you will be asked to sign this form and you will receive a copy of the form.

Your participation in this study is voluntary. You may refuse to participate in this study. If you decide to participate in the study, you may leave the study at any time. No matter what decision you make, there will be no penalty to you and you will not lose any of your usual rights or benefits. Your decision will not affect your future relationship with NSHWC.

**Who is sponsoring this study?**

Nutmeg State Health and Wellness Center, Inc. (“NSHWC”) is sponsoring this study. NSHWC is a licensed medical marijuana dispensary in the State of Connecticut. Additional information can be found on the website ([www.nshwc.com](http://www.nshwc.com)).

**Why is this study being done?**

This research is being done because we hope that a better understanding of Medical Marijuana and it’s benefits and risks in treating qualifying diseases.

The purpose of this study is to learn about Medical Marijuana.

**Who can take part in this study?**

Patients that are registered with the State of Connecticut as legally able to obtain medical marijuana.

### **How many people will participate in this study?**

Approximately 1,500 patients that use medical marijuana are expected to be consented in this study in Connecticut over the next three (3) years.

### **How long will I be in the study?**

We anticipate that you will be in the study for follow-up over the next 5 years and potentially longer. Participating in this study is your choice. You may participate in this study as long as you wish and as long as the study doctor agrees that you should be included in the study.

### **What will happen if I participate in this study?**

You will fill out survey questions as part of this study each time you fill your medical marijuana prescription. If you choose to take part in this study, a description of what will happen at each visit is listed below:

#### **Initial Survey:**

Once you decide to participate in this study, you will take an initial survey providing the following information:

- Disease type
- Date of diagnosis
- Treatment history
- Medication history
- Current symptomology
- Perceived difficulties with current medicines
- Other information important to determine baseline readings

#### **Follow-up Assessments:**

Each time your prescription is filled the following information will be collected:

- Change in symptoms
- Change in functionality
- Change in lifestyle/quality of life
- New emergent symptoms or side effects
- Other experiences encountered with medical marijuana

#### **Annual Assessment:**

Once per year, you will be asked to fill out a quality of life assessment (see attached Appendix).

### **What are my responsibilities?**

While you are in the study, you must:

- Tell us about any changes in your health.
- Tell us if you want to stop participating in the study at any time.

## **What risks can I expect from participating in the study?**

### **Risks associated with the collection and sharing of health information:**

While specific measures are in place to protect the confidentiality of your health information as provided in this consent form, there is a minimal risk that your health information could be released to persons or institutions that do not participate in medical marijuana research. These risks include potential harm to your reputation and a potential risk to your insurability or employability.

## **Will the researchers tell me if they learn of new information that could change my willingness to stay in this study?**

Yes, the pharmacists will tell you if they learn of important new information that may change your willingness to stay in this study. If new information is provided to you after you have joined the study, it is possible that you may be asked to sign a new consent form that includes the new information. You may contact Daniel Vaughan, RPh at any time after your participation ends to find out if any new information about this study has become available.

## **What benefits can I expect from being in the study?**

You will not receive any personal benefits from being in this study. Taking part in this study will not make your health better. We hope the information learned from this study will help doctors learn more about medical marijuana as a treatment option.

## **What other choices do I have if I do not participate in the study?**

You have the right to not participate in this study. If you decide not to participate in this study, it will have no effect on the services you receive from NSHWC now or in the future.

## **If I participate in this study can I also participate in other research studies?**

Your participation in this study will not prohibit you from participating in future research studies. .

## **Do I have to pay to participate in this study?**

There is no cost for participating in this research study.

## **Will I be paid for participating in this study?**

You will not be paid for participating in this study. There is a chance that some commercial value may result from the use of your information. If that should happen, you will not be offered a share in any profits.

## **Who is paying for this study?**

NSHWC is paying for any costs associated with this study.

## **What are my rights if I take part in this study?**

You do not waive any legal rights by signing this Subject Informed Consent Form.

Participating in this study does not take away any other rights or benefits you might have if you did not participate in the study. You will not be penalized in any way if you decide not to participate or if you stop after you start the study. You do not have to be in this study to receive or continue to receive services from NSHWC.

**Can I stop being in the study?**

You may leave the study at any time. If you decide to stop participating in the study, there will be no affect, in any way, on the services you received from NSHWC to which you are otherwise entitled. Your decision will not affect your future relationship with NSHWC.

**Could I be removed from the study even if I want to continue to participate?**

You may be removed from this study without your permission for any reason including:

- If NSHWC decides to end the study.
- If funding is stopped or if new information becomes available that will affect your willingness to participate in the study.

If you are removed from the study, Daniel Vaughan will explain to you why you were removed.

**Subject's Statement of Consent**

*STUDY TITLE*

I have read the information printed on this form. I am aware that I am being asked to participate in a research study. I have been given the opportunity to discuss this study, its risks and potential benefits, and my other choices. I have been given sufficient opportunity to consider whether to participate in this study. I voluntarily agree to participate in this study. I have been told who I can contact if I have more questions or concerns about the study or my participation as a research subject. I have been told that I will receive a copy of this form at the time I sign and date it and later upon request. This form will not expire unless I withdraw from the study as described above. I have been told that I am not giving up any legal rights by signing this form.

<hr/> <p>Printed Name of Subject</p>	<hr/> <p>Signature of Subject</p> <hr/> <p>_____ AM/PM</p> <p>Date and Time</p>
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Pharmacist

I have explained the research to the subject before requesting the signature above. A copy of this form will be given to the subject. I certify that the information provided was given in language that was understandable to the subject

<hr/> <p>Printed Name of Person Obtaining Consent</p>	<hr/> <p>Signature of Person Obtaining Consent</p> <hr/> <p>_____ AM/PM</p> <p>Date and Time</p>
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## HIPAA AUTHORIZATION

The United States government has issued a privacy rule to protect the privacy rights of patients. This rule was issued under a law called the Health Insurance Portability and Accountability Act of 1996 (HIPAA). The Privacy Rule is designed to protect the confidentiality of your personal health information. The document you are reading, called an “Authorization,” describes your rights and explains how your health information will be used and disclosed (shared).

Your privacy is very important to us and we will use many safety measures to protect your privacy and we will make all reasonable efforts to comply with applicable foreign, federal, state, and local laws regarding the privacy and security of your information. However, in spite of all the safety measures used, there is no guarantee that your identity will never become known.

Once you agree to participate in this research study, a unique identification numbers will be generated and attached to your health

Only Daniel Vaughan and his staff at NSHWC will be able to link your unique identification numbers to your name or survey. To accomplish scientific analysis in the study, researchers may need to see or use some of your health information. Signing this authorization gives the researchers your permission to obtain, use, and share information about you for this study, and is required in order for you to take part in the study.

There are many reasons why information about you may be used or seen by the researchers or others during this study. Moreover, there may be circumstances where this information must be released to people other than researchers. For example, your health information and the fact that you participate in this study may be disclosed if required by law. Specifically, your records may be reviewed by the following groups:

- Office for Human Research Protections or other federal, state, or international regulatory agencies,
- United States Food and Drug Administration (FDA),
- The sponsor (Nutmeg State Health and Wellness Center) supporting the study, its agents, contractors, and study monitors.

As a rule, the researchers will not continue to use or disclose information about you, but will keep it secure until it is destroyed. Sometimes, it may be necessary for information about you to continue to be used or disclosed, even after you have canceled your permission or the study is over. Examples of reasons for this include:

- To avoid losing study results that has already included your information
- To provide limited information for research, education, or other activities (this information would not include your name, social security number, or anything else that could let others know who you are)
- To make sure that the study was conducted properly

As long as your information is kept within NSHWC, it is protected by NSHWC privacy policies. For more information about these policies, ask for a copy of the NSHWC Notice of Privacy Practices.

Note that once your information has been shared with others as described above, it may no longer be protected by the privacy regulations of the Privacy Rule.

You have the right to see and get a copy of your records related to the study for as long as the NSHWC has this information. However, by signing this Authorization, you agree that you might not be able to review or receive some of your records related to the study until after the study has been completed.

Your permission will not expire unless you cancel it. If you do not withdraw this Authorization in writing, it will remain in effect indefinitely. You may cancel your permission at any time by writing to Daniel Vaughan whose information is listed on page one of this form. You must notify the Daniel Vaughan in writing.

You also have the right to withdraw your permission so that researchers are not allowed to use your health information for research. This health information will be removed from the study unless it has already been used or if it becomes important to have a record of the people who start the study, not just those who finish it. If you decide to withdraw such permission, please talk to Daniel Vaughan. So that we may be clear as to your wishes, you must state, in writing that you wish to withdraw your permission. Once you withdraw from the study, we will not collect new information about you.

If you withdraw from the study and withdraw your Authorization, no new information will be collected for study purposes.

If you withdraw from the study, but do not withdraw your Authorization, new personal health information may be collected until this study ends.

If you do not sign this Authorization, you cannot participate in this research study. If you withdraw this Authorization in the future, you will no longer be able to participate in this study. Your decision to withdraw your Authorization or not to participate will not involve any penalty or loss of access to treatment or other benefits to which you are entitled.

**Authorization**

I authorize the release of my medical records and personal health information related to this study to the sponsor and its representatives, the FDA, and other regulatory agencies as described above. I have been told that I will receive a signed and dated copy of this Authorization for my records.

<hr/> Printed Name of Subject	<hr/> Signature of Subject  <hr/> AM/PM Date and Time
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<hr/> Printed Name of Person Obtaining Authorization	<hr/> Signature of Person Obtaining Authorization  <hr/> AM/PM Date and Time
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# CLINICAL STUDY PROTOCOL

Protocol Title

Protocol Number                      NSHWC-14-001

Date:

Study Design:                              Patient Reported Outcomes Study

Investigator(s):                            Daniel Vaughan, RPh

Sponsor:                                      Nutmeg State Health and Wellness Center (NSHWC)

Global Lead Investigator                Daniel Vaughn, RPh

This study will be conducted in compliance with the protocol, Good Clinical Practice and all other applicable regulatory requirements, including the archiving of essential documents.

## **Confidential Information**

**No use or disclosure outside NSHWC is permitted without prior written authorization from NSHWC.**

## PROTOCOL SIGNATURE PAGE

Protocol Title

Protocol Number      NSHWC-14-001

Date:

Sponsor:              Nutmeg State Health and Wellness Center (NSHWC)

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Global Lead Investigator	Print or Type Name	Date
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President, NSHWC	Print or Type Name	Date
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## TABLE OF CONTENTS

## PROTOCOL SYNOPSIS

<b>Study Title</b>	Based on the name of the disease being treated with Medical Marijuana
<b>Recruitment Period</b>	3-year Target to start Q2 2014 and end Q4 2016
<b>Follow-up Period</b>	Follow-up of each patient for at least 5 years or until death. All enrolled and living patients will be followed until the last enrolled and living patient has been followed for 5 years; LPLV estimated Q4 2021
<b># Patients to be Enrolled</b>	1,500 patients that are registered with the State of Connecticut and use medical marijuana to be surveyed.
<b># Sites</b>	Up to the number of dispensaries licensed by the State of Connecticut
<b>Primary Objective</b>	Improvement of disease symptomology
<b>Secondary Objectives</b>	Improvement of quality of life
<b>Protocol Design</b>	This is a long-term, prospective, observational study of patients that are registered with the State of Connecticut and use medical marijuana.
<b>Key Inclusion Criteria</b>	Patients that are registered with the State of Connecticut and use medical marijuana. Patients that consent to participate in the study.
<b>Key Exclusion Criteria</b>	<ul style="list-style-type: none"> <li>• Patients that refuse to participate in the study.</li> <li>• Patients with draw prior authorized consent to participate in the study.</li> </ul>
<b>Endpoints</b>	<p>End of study period</p> <p>Unable to tolerate medication</p> <p>Patient with draws from study</p>
<b>Baseline Data Elements</b>	<ul style="list-style-type: none"> <li>• Verbal symptomology scales</li> <li>• Written experiential data</li> </ul>
<b>Follow-up Data</b>	Verbal and written symptomology scales
<b>Sample Size and Power</b>	<p>The proposed sample size for analysis in this study is 1500 patients.</p> <p>The exploratory nature of this study will allow for sample size re-estimation after interim statistical analyses. If strong trends suggest that a particular cohort should be expanded, the overall study sample size could increase to more than 1500 or subsequent enrollment to other cohorts could be restricted.</p>
<b>Statistical</b>	

<b>Methods</b>	<p>Interim statistical analyses will be conducted at 6, 12, 18, 24, 30 and 36 months after the first patient is enrolled, then annually for the duration of the study. After 12, 18, and 24 months of patient enrollment, we anticipate that approximately 250, 500, and 750 patients, respectively, will have enrolled. At these analyses we will look at distributions of treatment and symptom patterns. If these analyses suggest that higher proportions of patients in one or more subgroups are required, recruitment will be adjusted accordingly.</p> <p>At the 24-, 30-, and 36-month interim analyses we anticipate a minimum of 250, 500, and 750 patients, respectively, with at least one-year of follow-up. At these analyses we will re-evaluate statistical assumptions and power of the study to detect clinically meaningful results. These re-evaluations will inform any changes in recruitment strategy.</p>
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## **1. INTRODUCTION**

### **1.1 Overview of Medical Marijuana**

#### **1.2 Clinical Presentation, Debilitating Medical Conditions include:**

- Cancer
- Glaucoma
- Positive Status for Human Immunodeficiency Virus (HIV) or Acquired Immune Deficiency Syndrome (AIDS)
- Parkinson's Disease
- Multiple Sclerosis
- Damage to the Nervous Tissue of the Spinal Cord with Objective Neurological Indication of Intractable Spasticity
- Epilepsy
- Cachexia
- Wasting Syndrome
- Crohn's Disease
- Post-Traumatic Stress Disorder

#### **1.5 Assessment of Response**

#### **1.6 Current Symptoms for Use of Medical Marijuana**

## **1.7 Study Rationale**

## **2. STUDY OBJECTIVES**

## **3. STUDY DESIGN**

This is a prospective observational study in patients that use medical marijuana.

The type of medical marijuana and dosage during the period of observation is up to the discretion of the treating physician.

Prospective observational data will be captured on enrolled patients until the last enrolled and living patient has completed five years.

Data collection will occur each time a patient's prescription is filled.

Written documentation of all data collected for the study must be available for review in the source documents.

A panel of experts, the Scientific Advisory Board (SAB), will oversee this study and provide advice on analyzing patient data and on publications. The Global Lead Investigator will sign off on the protocol and any possible amendments.

## **4. STUDY POPULATION**

### **4.1 General Considerations**

The study will enroll patients that use medical marijuana. The selection of drug treatment, dose and regimen, is at the patient's physician's discretion.

## **4.2 Eligibility**

### **4.2.1 Inclusion Criteria**

1. Patients that are registered with the State of Connecticut and use medical marijuana.
2. Patients that consent to participate in the study.

### **4.2.2 Exclusion Criteria**

1. Patients that refuse to participate in the study.
2. Patients with draw prior authorized consent to participate in the study.

## **5. TREATMENTS**

### **5.1 Prior Treatment**

### **5.2 Medical Marijuana as a treatment**

#### **5.2.1 Cannabis Sativa**

#### **5.2.2 Cannabis Indica**

## **6. OBSERVATIONAL PLAN / STUDY EVALUATIONS**

The study will end when all patients have had at least five years of follow-up.

### **6.1.2 Demographics and Family History**

The patient's age, gender, race, ethnicity, and family history of cancer will be collected at baseline.

### **6.1.3 Therapy and Medications**

Therapies and medications specific to multiple myeloma and supportive multiple myeloma care will be recorded for each patient during the study.

### **6.1.4 Health-related Quality of Life Measures**

Patient-reported health-related quality of life (HRQoL) data will be collected

#### **6.1.10 Study Exit Form**

At the patient's last study visit or after early termination, the investigator will complete the Study Exit Form, including the reasons for discontinuing the study if appropriate.

## **6.2 Discontinuation of Individual Patients**

Patients may withdraw from the study at any time. The Investigator may also elect to discontinue the study at any time.

The Investigator may remove a patient from the study for the following reasons:

- Patient no longer consents to participate in the study
- Patient is lost to follow-up (defined as the inability to contact the patient on 3 separate occasions over a period of 12 weeks)

Every enrolled study participant has the right to withdraw further participation in the study at any time and without providing reasons. A study participant's participation is to be terminated immediately upon his/her request. The Investigator will make every effort to complete the Study Exit Form for any study participant who withdraws, including the

participant's reason for withdrawal. If the patient has previously provided consent, the investigator will attempt to obtain survival data at the end of the study.

## **7. STATISTICAL METHODS AND SAMPLE SIZE**

### **7.1 Statistical and Analytical Plans**

### **7.2 Power and Sample Size**

## **8. ETHICS**

### **8.1 Institutional Review Board or Independent Ethics Committee**

### **8.2 Ethical Conduct of the Study**

The study will be conducted in accordance with the protocol and applicable regulations and guidelines governing clinical study conduct and the ethical principles that have their origin in the Declaration of Helsinki.

### **8.3 Patient Information and Consent**

Informed consent will be obtained from the patient prior to the conduct of any study-related assessments. The investigator or his/her representative will explain the nature of the study to the patient and answer all questions regarding this study. The informed consent process will be documented by use of an IRB/IEC approved consent signed and dated by the patient or the patient's legally authorized representative. A copy of the signed informed consent will be provided to the patient and the original must be maintained by the investigator and available for inspection.

Patient medical information obtained as part of this study is confidential, and must not be disclosed to third parties, except as noted below. The patient may request in writing that medical information be given to his/her personal physician.

The Investigator/Institution will permit direct access to source data and documents to the study sponsor, its designees, the FDA, and other applicable regulatory authorities. The access may consist of trial-related monitoring, audits, IRB/IEC reviews, and FDA/regulatory authority inspections.

Release of research results should preserve the privacy of medical information and must be carried out in accordance with Department of Health and Human Services Standards for Privacy of Individually Identifiable Health Information, 45 CFR 164.508.

## **9. SOURCE DOCUMENTS AND CASE REPORT FORM COMPLETION**

### **9.1 Source Documents**

Source documents are defined as original documents, data and records. This will be the surveys completed by the patients

## **10. DATA QUALITY ASSURANCE**

A Data Management Plan (DMP) that includes procedures for quality control will be developed under the supervision of the Lead Investigator.

The participant's data will be obtained from the surveys completed by the patients.

Record Keeping: The document administrator or designate, will log all study data documents into a tracking system.

The investigator(s) will permit trial-related monitoring review by providing direct access to source data/documents. The investigator and study staff / research assistants are responsible for maintaining a comprehensive and centralized filing system of all study-related (essential) documentation, suitable for inspection at any time by representatives from NSHWC.

## **11. COMPLETION OF THE STUDY**

The end-of-study is defined as the date when all patients have had at least five years of observation or terminated study participation.

Patients may withdraw from the study at any time. The NSHWC may elect to discontinue the study at any time.

## 12. INVESTIGATOR'S AGREEMENT

Protocol Title

Protocol Number           NSHWC-14-001

Version                     1.0

Version Date

1. I have read this protocol and agree that the study is ethical.
2. I agree to conduct the study as outlined and in accordance with all applicable regulations and guidelines.
3. I agree to maintain the confidentiality of all information received or developed in connection with this protocol.

---

Signature of Principal Investigator

---

Date

---

Name of Principal Investigator (printed or typed)

## Appendix

### Quality of Life Assessments

#### E1. EORTC QLQ-C30 (version 3)

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*[Answers from 1 to 4 corresponding to Not at All, A Little, Quite a Bit, Very Much]*

1. Do you have any trouble doing strenuous activities, like carrying a heavy shopping bag or a suitcase?
2. Do you have any trouble taking a long walk?
3. Do you have any trouble taking a short walk outside of the house?
4. Do you need to stay in bed or a chair during the day?
5. Do you need help with eating, dressing, washing yourself or using the toilet?

#### **During the past week:**

6. Were you limited in doing either your work or other daily activities?
7. Were you limited in pursuing your hobbies or other leisure time activities?
8. Were you short of breath?
9. Have you had pain?
10. Did you need to rest?
11. Have you had trouble sleeping?
12. Have you felt weak?
13. Have you lacked appetite?
14. Have you felt nauseated?
15. Have you vomited?
16. Have you been constipated?
17. Have you had diarrhea?
18. Were you tired?
19. Did pain interfere with your daily activities?

20. Have you had difficulty in concentrating on things, like reading a newspaper or watching television?
21. Did you feel tense?
22. Did you worry?
23. Did you feel irritable?
24. Did you feel depressed?
25. Have you had difficulty remembering things?
26. Has your physical condition or medical treatment interfered with your family life?
27. Has your physical condition or medical treatment interfered with your social activities?
28. Has your physical condition or medical treatment caused you financial difficulties?

**For the following questions please circle the number between 1 and 7 that best applies to you**

*[7-point Likert scale with anchors Very poor (1) and Excellent (7)]*

29. How would you rate your overall health during the past week?
30. How would you rate your overall quality of life during the past week?

## **E2. EORTC QLQ – MY20**

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Patients sometimes report that they have the following symptoms or problems. Please indicate the extent to which you have experienced these symptoms or problems during the past week.

Please answer by circling the number that best applies to you.

*[Answers from 1 to 4 corresponding to Not at All, A Little, Quite a Bit, Very Much]*

**During the past week:**

31. Have you had bone aches or pain?

32. Have you had pain in your back?
33. Have you had pain in your hip?
34. Have you had pain in your arm or shoulder?
35. Have you had pain in your chest?
36. If you had pain did it increase with activity?
37. Did you feel drowsy?
38. Did you feel thirsty?
39. Have you felt ill?
40. Have you had a dry mouth?
41. Have you lost any hair?
42. Answer this question only if you lost any hair: Were you upset by the loss of your hair?
43. Did you have tingling hands or feet?
44. Did you feel restless or agitated?
45. Have you had acid indigestion or heartburn?
46. Have you had burning or sore eyes?
47. Have you felt physically less attractive as a result of your disease or treatment?
48. Have you been thinking about your illness?
49. Have you been worried about dying?
50. Have you worried about your health in the future?

### **Substance Abuse Prevention Plan**

Nutmeg State Health and Wellness Center recognizes that any drug can be abused for a variety of reasons. While Marijuana in and of itself has not been found to be addictive, we nevertheless take responsibility in preventing abuse by not only Medical Marijuana patients, but the greater general population as well. We are committed to working closely with organizations within Connecticut to combat substance abuse. For the month of August, NSHWC will donate 10% of pretax profits to Substance Abuse Programs located within the State of Connecticut.



Friday, November 8, 2013

Ms. Karen Dietz  
CEO  
Nutmeg State Health and Wellness Center  
19 Hearthstone Dr  
Barkhamsted, CT 06063

Reference: Letter of Intent

Dear Ms. Dietz,

MJ Freeway has created a fully integrated Point of Sale (POS), Inventory Control, Cultivation Management and Patient Management System precisely designed to serve state-approved Dispensary Facilities and Producers.

We have what we and many others believe to be the most advanced and sophisticated complete software solution for the medical marijuana industry. Our confidence in our product is buttressed by ample testimonials from customers.

This letter will confirm MJ Freeway's willingness and intent to enter into a formal agreement with Nutmeg State Health and Wellness Center to provide software solutions guaranteed to meet published State of Connecticut reporting, regulation, and compliance guidelines for medical marijuana dispensary facilities and producers in the event that your application is viewed favorably and you emerge with the requisite authorized license.

We appreciate your confidence in our company and services and wish you well in your efforts to secure a license. MJ Freeway is ready to enter into a services agreement with you immediately thereafter on terms already discussed.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Amy A Poinsett", with a horizontal line extending from the end of the signature.

Amy A Poinsett  
Chief Executive Officer

The State of Connecticut's Department of Consumer Protection has issued draft regulations concerning the palliative use of marijuana. These regulations include significant requirements in the areas of operational policies and procedures, inventory control, patient recordkeeping, information security and patient education, among other topics. Below is information from MJ Freeway™ on how GramTracker™ and GrowTracker™ software meets each relevant section of regulations.

**Sec. 21a-408-34. Operation of dispensary facility**

- (a) No person may operate a dispensary facility without a dispensary facility license issued by the department.
- (b) A dispensary facility shall not dispense marijuana from, obtain marijuana from, or transfer marijuana to, a location outside of the state of Connecticut.
- (c) A dispensary facility shall not obtain, cultivate, deliver, transfer, transport, sell or dispense marijuana except:
  - (1) It may acquire marijuana from a producer; and
  - (2) It may dispense and sell marijuana to a qualifying patient or primary caregiver who is registered with the department pursuant to the Act and section 21a-408-6 of the Regulations of Connecticut State Agencies.

***MJ Freeway's sales records, vendor records, purchase orders, transfer records and transport manifests document the source and destination of all marijuana that is dispensed from or obtained by the dispensary facility. These records are all time and date stamped and tied to an individual user to ensure accountability. MJ Freeway's GramTracker™ batch tracking system allows a dispensary to keep detailed records of all movements of product, ensuring the dispensary's capability to ensure that both incoming and outgoing product are associated with legally permitted sources and destinations.***

- (d) No person at a dispensary facility shall provide marijuana samples or engage in marijuana compounding.

***MJ Freeway's inventory capabilities provide accuracy to the tenth of a gram, using integrated legal-for-trade scales. Any discrepancy in inventory levels is plainly visible in inventory and reconciliation reports, ensuring that dispensary facility managers have the ability to ensure that policies prohibiting the provision of samples or compounding are being upheld.***

- (f) Only a dispensary may dispense marijuana, and only a dispensary or dispensary technician may sell marijuana, to qualifying patients and primary caregivers who are registered with the department pursuant to the Act and section 21a-408-6 of the Regulations of Connecticut State Agencies. A dispensary technician may

assist, under the direct supervision of a dispensary, in the dispensing of marijuana.

(h) A dispensary facility shall not permit any person to enter the dispensary department unless:

(1) Such person is licensed or registered by the department pursuant to 21a-408-1 to 21a-408-70, inclusive, of the Regulations of Connecticut State Agencies;

(2) Such person's responsibilities necessitate access to the dispensary department and then for only as long as necessary to perform the person's job duties;

or

(3) Such person has a patient or caregiver registration certificate, in which case such person shall not be permitted behind the service counter or in other areas where marijuana is stored. 43

(i) All dispensary facility employees shall, at all times while at the dispensary facility, have their current dispensary license, dispensary technician registration or

dispensary facility employee registration available for inspection by the commissioner or the commissioner's authorized representative.

***MJ Freeway's GramTracker™ allows a dispensary to prevent sales and check-ins of patients without valid licenses, and also tracks which user within the database performs a sale, allowing a dispensary to track and ensure that all transactions take place between two legal parties.***

(n) A dispensary facility shall make publicly available the price of all marijuana products offered by the dispensary facility to prospective qualifying patients and primary caregivers. Such disclosure may include posting the information on the dispensary facility Internet web site

***MJ Freeway provides several methods for dispensary facilities to publicize their pricing, including through online menus and integration with locator services.***

(o) A dispensary facility shall provide information to qualifying patients and primary caregivers regarding the possession and use of marijuana. The dispensary facility manager shall submit all informational material to the commissioner for approval prior to being provided to qualifying patients and primary caregivers. Such informational material shall include information related to:

(1) Limitations on the right to possess and use marijuana pursuant to the Act and sections 21a-408-1 to 21a-408-70, inclusive, of the Regulations of Connecticut State Agencies;

(2) Safe techniques for proper use of marijuana and paraphernalia;

(3) Alternative methods and forms of consumption or inhalation by which one can use marijuana;

(4) Signs and symptoms of substance abuse; and

(5) Opportunities to participate in substance abuse programs.

***MJ Freeway provides the ability for dispensary facilities to provide patient educational information at the point of sale, and to capture a record of the date and time that such information was provided to the patient. Multiple pieces of educational material can be created and notes of which specific ones were provided can be captured in the patient purchase record.***

(q) All deliveries from producers shall be carried out under the direct supervision of a dispensary who shall be present to accept the delivery. Upon delivery, the marijuana shall immediately be placed in an approved safe or approved vault within the dispensary department where marijuana is stored.

***When purchase orders or transfers are received in MJ Freeway, the incoming product count and weight is captured. The date and time stamp, as well as the name of the person receiving the product is also captured. An inventory location for the received inventory is recorded as the product is checked in.***

#### **Sec. 21a-408-38. Rights and responsibilities of dispensaries**

(a) A dispensary, in good faith, may sell and dispense marijuana to any qualifying patient or primary caregiver that is registered with the department. Except as otherwise provided by sections 21a-408-1 to 21a-408-70, inclusive, of the Regulations of Connecticut State Agencies, the dispensary dispensing the marijuana shall include the date of dispensing and the dispensary's signature or initials on the dispensary facility's dispensing record log.

***MJ Freeway's sales records capture the date and time of each sale, the name of the dispensary making the sale, and attach that information to the patient record. This is maintained both as a log of daily sales, as well as a log of sales to the patient.***

(e) A dispensary may dispense a portion of a qualifying patient's one-month supply of marijuana. The dispensary may dispense the remaining portion of the one-month supply of marijuana at any time except that no qualifying patient or primary caregiver shall receive more than a one-month supply of marijuana in a one-month period.

***MJ Freeway includes safeguards to monitor the weight of medicine on a particular order and compare that to the total weight dispensed to that patient over the previous one month. If an individual sale will exceed the remaining portion for a one-month supply, the dispensary is alerted and the sale is blocked.***

(g) A dispensary shall document a qualifying patient's self-assessment of the effects of marijuana in treating the qualifying patient's debilitating medical condition or the symptoms thereof. A dispensary facility shall maintain such documentation electronically for at least three years following the date the patient ceases to designate the dispensary facility and such documentation shall be made available in accordance with section 21a-408-70 of the Regulations of Connecticut State Agencies.

***MJ Freeway's SymptomTracker™ module provides a mechanism for the dispensary to review with the patient their symptoms and self-assess the effects of marijuana on those symptoms or conditions. This self-assessment is attached to the patient record. Self-assessments can be scheduled to ensure that dispensaries are communicating with their patients about symptoms and conditions on a regular basis.***

#### **Sec. 21a-408-39. Dispensaries to assign serial number and maintain records. Transfer of records to another dispensary facility**

(a) A dispensary shall assign and record a sequential serial number to each marijuana product dispensed to a patient and shall keep all dispensing records in numerical order in a suitable file, electronic file or ledger. The records shall indicate:

- (1) The date of dispensing;
- (2) The name and address of the certifying physician;
- (3) The name and address of the qualifying patient, or primary caregiver if applicable;
- (4) The initials of the dispensary who dispensed the marijuana; and
- (5) Whether a full or partial one-month supply of marijuana was dispensed.

(b) A dispensary facility shall maintain records created under this section and shall make such records available in accordance with section 21a-408-70 of the Regulations of Connecticut State Agencies.

(c) When a dispensary department closes temporarily or permanently, the dispensary facility shall, in the interest of public health, safety and convenience, make its complete dispensing records immediately available to a nearby dispensary facility and post a notice of this availability on the window or door of the closed dispensary facility. The dispensary facility shall simultaneously provide such notice to the commissioner.

***MJ Freeway assigns unique batch numbers to every strain, from every harvest. Furthermore, every package created from a batch of inventory is assigned a unique, non-repeatable, package/serial number. These serial numbers, once generated and assigned, cannot be changed.***

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***MJ Freeway's sales records capture the date of dispensing, the recommending physician, and the quantity dispensed. This information is all attached to the record of the qualifying patient.***

***MJ Freeway saves, and allows exports of, all inventory and sales history. Also, an MJ Freeway client can request an archived copy of their site, which will allow all records to be passed on quickly and easily as described in (5)(c).***

**Sec. 21a-408-40. Labeling of marijuana products by dispensary**

(a) A dispensary shall not dispense marijuana that does not bear the producer label required pursuant to section 21a-408-56 of the Regulations of Connecticut State Agencies.

(b) A dispensary, or a dispensary technician under the direct supervision of the dispensary, shall completely and properly label all marijuana products dispensed with all required information as follows:

- (1) The serial number, as assigned by the dispensary facility;
- (2) The date of dispensing the marijuana;
- (3) The quantity of marijuana dispensed;
- (4) The name and registration certificate number of the qualifying patient and, where applicable, the primary caregiver;
- (5) The name of the certifying physician;
- (6) Such directions for use as may be included in the physician's written certification or otherwise provided by the physician;
- (7) Name of the dispensary;
- (8) Name and address of the dispensary facility;
- (9) Any cautionary statement as may be required by Connecticut state statute or regulation; and
- (10) A prominently printed expiration date based on the producer's recommended conditions of use and storage that can be read and understood by the ordinary individual.

(c) The expiration date required by this section shall be no later than the expiration date determined by the producer.

(d) No person except a dispensary, or a dispensary technician operating under the direct supervision of a dispensary, shall alter, deface or remove any label so affixed.

***J Freeway currently captures and retains all data described in the requirements above. Any specific label formatting or disclaimers required by the Department of Consumer Protection will be adhered to. MJ Freeway creates both inventory labels, which are applied to the product at the production facility, prior to sale, and patient labels, which include required patient information and are applied at the point of sale. MJ Freeway's current batch tracking and test result logging structure already allows discrete packages of inventory to carry unique details including expiration dates and cannabinoid profiles.***

**Sec. 21a-408-47. Dispensing error reporting. Quality assurance program**

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(b) A dispensary facility shall include the following printed statement on the receipt or in the bag or other similar packaging in which marijuana is contained: "If you have a concern that an error may have occurred in the dispensing of your marijuana, you may contact the Department of Consumer Protection, Drug Control Division, by calling (Department of Consumer Protection telephone number authorized pursuant to section 21a-2 of the Connecticut General Statutes)." The dispensary facility shall print such statement in a size and style that allows it to be read without difficulty by patients.

***MJ Freeway provides dispensary facilities with the ability to provide this statement at the point of sale. It may be provided through an information sheet that prints upon completion of the sale and is then included in the bag, or it may be added to the receipt itself.***

#### **Sec. 21a-408-49. Electronic system record-keeping safeguards**

(a) If a dispensary facility uses an electronic system for the storage and retrieval of patient information or other marijuana records, the dispensary facility shall use a system that:

- (1) Guarantees the confidentiality of the information contained therein;
- (2) Is capable of providing safeguards against erasures and unauthorized changes in data after the information has been entered and verified by the dispensary; and
- (3) Is capable of being reconstructed in the event of a computer malfunction or accident resulting in the destruction of the data bank.

***MJ Freeway maintains a highly redundant server architecture, with both hardware redundancy and data replication and backups. MJ Freeway's follows HIPAA security guidelines, which include maintaining stringent physical security of servers, maintaining access control restrictions to the data and servers, and protecting patient identifiable information through encryption.***

#### **Sec. 21a-408-50. Dispensary reporting into the prescription monitoring program**

(a) At least once per day, a dispensary shall transmit electronically to the Drug Control Division of the department the information set forth in the most recent edition of the Standard for Prescription Monitoring Programs established by the American Society for Automation in Pharmacy, a copy of which may be purchased from the American Society for Automation in Pharmacy on their Internet web site: [www.asapnet.org](http://www.asapnet.org).

(b) A dispensary shall transmit to the department, in a format approved by the department, the fields listed in this subsection, including, but not limited to, the following:

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- (1) Drug Enforcement Administration Pharmacy number, which shall be populated by a number provided by the department;
  - (2) Birth date;
  - (3) Sex code;
  - (4) Date order filled, which shall be the date marijuana is dispensed;
  - (5) Order number, which shall be the serial number assigned to each marijuana product dispensed to a patient;
  - (6) New-refill code;
  - (7) Quantity;
  - (8) Days supply;
  - (9) National Drug Code number, which shall be provided by the department;
  - (10) Drug Enforcement Administration Prescriber identification number;
  - (11) Date order written, which shall be the date the written certification was issued;
  - (12) Number of refills authorized;
  - (13) Order origin code, which shall be provided by the department;
  - (14) Patient last name;
  - (15) Patient first name;
  - (16) Patient street address;
  - (17) State;
  - (18) Payment code for either cash or third-party provider; and
  - (19) Drug name, which shall be the brand name of the marijuana product.
- (c) A dispensary shall transmit the information required pursuant to this section in such a manner as to insure the confidentiality of the information in compliance with all federal and Connecticut state statutes and regulations, including the federal Health Insurance Portability and Accountability Act of 1996, Public Law 104-191.

***MJ Freeway's GramTracker™ currently has the ability to capture all of items outlined above. Should the state provide the framework to allow it, MJ Freeway will happily construct an integration to report all required information directly to the state database as seamlessly and conveniently as possible.***

#### **Sec. 21a-408-52. Operation of production facility**

- (b) A producer shall not:

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- (1) Produce or manufacture marijuana in any place except its approved production facility;
- (2) Sell, deliver, transport or distribute marijuana from any place except its approved production facility;
- (3) Produce or manufacture marijuana for use outside of Connecticut;
- (4) Sell, deliver, transport or distribute marijuana to any place except a dispensary facility located in Connecticut;

***MJ Freeway's sales records, vendor records, purchase orders, transfer records and transport manifests document the source and destination of all marijuana that is dispensed from or obtained by the dispensary facility. These records are all time and date stamped and tied to an individual user to ensure accountability.***

### **Sec. 21a-408-53. Minimum requirements for the storage and handling of marijuana by producers**

- (c)(4) Document the chain of custody of all marijuana and marijuana products.

***MJ Freeway's seed-to-sale data management capabilities are specifically designed to capture the chain of custody of all marijuana products from creation of the plant, through cultivation, harvesting, processing, distribution, inventory and sale.***

- (d)(1) Handling mandatory and voluntary recalls of marijuana products. Such process shall be adequate to deal with recalls due to any action initiated at the request of the commissioner and any voluntary action by the producer to remove defective or potentially defective marijuana products from the market or any action undertaken to promote public health and safety by replacing existing marijuana products with improved products or packaging;

***MJ Freeway's batch tracking information ties any finished product, all the way back to the original plant in came from. In addition, all sales of product from that batch can be identified. In the case of a product recall, simply reporting on the batch ID of the defective product would enable the dispensary facility to remove all product from that batch from their inventory and to contact all patients who purchased product from that batch.***

- (d)(3) Ensuring that any outdated, damaged, deteriorated, misbranded, or adulterated marijuana is segregated from all other marijuana and destroyed. This procedure shall provide for written documentation of the marijuana disposition;

***MJ Freeway captures destruction of marijuana by recording an inventory adjustment, requiring that the reason code for the adjustment be entered to indicate destruction, giving the ability to enter a note with further***

*information, and providing a time and date stamp, as well as identification of who entered the record. The destroyed product shows as a unique entry on inventory reports, enabling future reporting on destroyed product.*

#### **Sec. 21a-408-54. Producer record keeping**

Producers shall keep records of all marijuana produced or manufactured and of all marijuana disposed of by them. Such records shall be maintained and made available in accordance with section 21a-408-70 of the Regulations of Connecticut State Agencies and, in each case shall show:

- (1) The brand name, kind and quantity of marijuana involved;
- (2) The date of such production or removal from production;
- (3) A record of all marijuana sold, transported or otherwise disposed of;
- (4) The date and time of selling, transporting or disposing of the marijuana;
- (5) The name and address of the dispensary facility to which the marijuana was sold;
- (6) The name of the dispensary who took custody of the marijuana; and
- (7) The name of the production facility employee responsible for transporting the marijuana.

*MJ Freeway's GrowTracker™ allows for detailed records of plant production, from seed to shipment, tracking strain/brand, harvest date and ingredients. Once harvested, useable product, useable byproduct, and waste can be tracked, and dealt with, independently. With static historical data and the Transport Manifest, chain of custody becomes traceable and unchangeable. MJ Freeway software serves as a thorough database of current and historic inventory and transactional data. The software features a suite of prepared reports, and its robust reporting engine allows dispensary ownership to produce custom reports as required. Should the state create its own custom form, we will strive to build it and incorporate it into the system.*

#### **Sec. 21a-408-56. Packaging and labeling by producer**

(c) A producer shall label each marijuana product prior to sale to a dispensary and shall securely affix to the package a label that states in legible English:

- (1) The name and address of the producer;
- (2) The brand name of the marijuana product that was registered with the department pursuant to section 21a-408-59 of the Regulations of Connecticut State Agencies;
- (3) A unique serial number that will match the product with a producer batch and lot number so as to facilitate any warnings or recalls the department or producer deem appropriate;
- (4) The date of final testing and packaging;
- (5) The expiration date;
- (6) The quantity of marijuana contained therein;

- (7) A terpenes profile and a list of all active ingredients, including:
- (A) tetrahydrocannabinol (THC);
  - (B) tetrahydrocannabinol acid (THCA);
  - (C) cannabidiol (CBD);
  - (D) cannabidiolic acid (CBDA); and
  - (E) any other active ingredient that constitute at least 1% of the marijuana batch used in the product.
- (8) A pass or fail rating based on the laboratory's microbiological, mycotoxins, heavy metals and chemical residue analysis; and
- (9) Such other information necessary to comply with state of Connecticut labeling requirements for similar products not containing marijuana, including but not limited to the Connecticut Food, Drug and Cosmetic Act, Connecticut General Statutes, sections 21a-91 to 21a-120, inclusive, and Connecticut General Statutes, sections 21a-151 to 21a-159, inclusive, regarding bakeries and food manufacturing establishments.
- (d) A producer shall not label marijuana products as "organic" unless the marijuana plants have been organically grown as defined in section 21a-92 of the Connecticut General Statutes and the marijuana products have been produced, processed, manufactured and certified to be consistent with organic standards in compliance with section 21a-92a of the Connecticut General Statutes.

***MJ Freeway captures all of the data outlined above and will meet any production labeling requirements specified by Connecticut. Any specific label formatting or disclaimers required by the Department of Consumer Protection will be adhered to. After harvest, the production facility will be able to track the conversion of finished flower to discrete, uniquely label, sellable packages. MJ Freeway creates both inventory labels, which are applied to the product at the production facility, prior to sale, and patient labels, which include required patient information and are applied at the point of sale. MJ Freeway's current batch tracking and test result logging structure already allows discrete packages of inventory to carry unique details including expiration dates and cannabinoid profiles.***

### **Sec. 21a-408-58. Laboratory testing**

- (a) Immediately prior to manufacturing any marijuana product or packaging raw marijuana for sale to a dispensary, a producer shall segregate all harvested marijuana into homogenized batches.
- (b) A producer shall make available each such batch at the production facility for a laboratory employee to select a random sample. The laboratory shall test each sample for microbiological contaminants, mycotoxins, heavy metals and pesticide chemical residue, and for purposes of conducting an active ingredient analysis.
- (c) From the time that a batch of marijuana has been homogenized for sample testing and eventual packaging and sale to a dispensary facility, until the laboratory provides the results from its tests and analysis, the producer shall segregate and withhold from use the entire batch of marijuana, except the samples that have been removed by the laboratory for testing. During this period of segregation, the producer shall maintain the marijuana batch in a secure, cool and dry location so as to prevent the marijuana from becoming contaminated or losing its efficacy. Under no circumstances shall a producer include marijuana in a marijuana product or sell

it to a dispensary facility prior to the time that the laboratory has completed its testing and analysis and provided those results, in writing, to the producer or other designated production facility employee.

Test	Specification
AlfatoxinB1	<20uG/KGofSubstance
AlfatoxinB2	<20uG/KGofSubstance
AlfatoxinO1	<20uG/KGofSubstance
AlfatoxinO2	<20uG/KGofSubstance
OchratoxinA	<20uG/KGofSubstance

(3) For purposes of the heavy metal test, a marijuana sample shall be deemed to have passed if it meets the following standards:

Metal	NaturalHealthProductsAcceptablelimitsuG/KGBW/Day
Arsenic	<0.14
Cadmium	<0.09
Lead	<0.29
Mercury	<0.29

(4) For purposes of the pesticide chemical residue test, a marijuana sample shall be deemed to have passed if it satisfies the most stringent acceptable standard for a pesticide chemical residue in any food item as set forth in Subpart C of the federal Environmental Protection Agency’s regulations for Tolerances and Exemptions for Pesticide Chemical Residues in Food, 40 CFR 180.

(f) If a sample of marijuana passes the microbiological, mycotoxin, heavy metal and pesticide chemical residue test, the laboratory shall release the entire batch for immediate manufacturing, packaging and labeling for sale to a dispensary facility.

(g) The laboratory shall file with the department an electronic copy of each laboratory test result for any batch that does not pass the microbiological, mycotoxin, heavy metal or pesticide chemical residue test, at the same time that it transmits those results to the producer. In addition, the laboratory shall maintain the laboratory test results and make them available in accordance with section 21a-408-70 of the Regulations of Connecticut State Agencies.

(h) A producer shall provide to a dispensary facility the laboratory test results for each batch of marijuana used in a product purchased by the dispensary facility. Each dispensary facility shall have such laboratory results available upon request to qualifying patients, primary caregivers and physicians who have certified qualifying patients.

***MJ Freeway’s batch tracking and inventory location functionality supports the requirements above for product control prior to the completion of testing. Finished product that is not yet tested can easily be maintained as***

*separate inventory from that which is already tested and available for packaging or further processing.*

*Laboratory results can be attached to product entries once they have been sent to the producer. MJ Freeway's GramTracker™ test results module allows a dispensary to attach test data to individual batches within the dispensary's inventory, ensuring that each unit of inventory can be correctly assigned a necessary test profile.*

#### **Sec. 21a-408-59. Brand name**

(a) A producer shall assign a brand name to each marijuana product. A producer shall register each brand name with the department, on a form prescribed by the commissioner, prior to any sale to a dispensary facility and shall associate each brand name with a specific laboratory test that includes a terpenes profile and a list of all active ingredients, including:

- (1) Tetrahydrocannabinol (THC);
- (2) Tetrahydrocannabinol acid (THCA);
- (3) Cannabidiols (CBD);
- (4) Cannabidiolic acid (CBDA); and
- (5) Any other active ingredient that constitutes at least 1% of the marijuana batch used in the product.

(b) A producer shall not label two marijuana products with the same brand name unless the laboratory test results for each product indicate that they contain the same level of each active ingredient listed within subsection (a)(1) to (4), inclusive, of this section within a range of 97% to 103%.

(c) The department shall not register any brand name that:

- (1) Is identical to, or confusingly similar to, the name of an existing non-marijuana product;
- (2) Is identical to, or confusingly similar to, the name of an unlawful product or substance;
- (3) Is confusingly similar to the name of a previously approved marijuana product brand name;
- (4) Is obscene or indecent;
- (5) May encourage the use of marijuana for recreational purposes;
- (6) May encourage the use of marijuana for a condition other than a debilitating medical condition;
- (7) Is customarily associated with persons under the age of 18; or
- (8) Is related to the benefits, safety or efficacy of the marijuana product unless supported by substantial evidence or substantial clinical data.

***MJ Freeway software allows cultivators and dispensaries to establish strains within the database and attach them to batch information, along with potency and contamination testing performed on a batch by batch basis.***

**Sec. 21a-408-60. Transportation of marijuana**

- (a) Prior to transporting any marijuana or marijuana product, a producer shall:
- (1) Complete a shipping manifest using a form prescribed by the commissioner; and
  - (2) Securely transmit a copy of the manifest to the dispensary facility that will receive the products and to the department at least twenty-four hours prior to transport.
- (b) The producer and dispensary facility shall maintain all shipping manifests and make them available in accordance with section 21a-408-70 of the Regulations of Connecticut State Agencies.
- (c) A producer shall only transport marijuana products:
- (1) In a locked, safe and secure storage compartment that is part of the vehicle transporting the marijuana; and
  - (2) In a storage compartment that is not visible from outside the vehicle.
- (d) A production facility employee, when transporting marijuana, shall travel directly from the producer facility to the dispensary facility and shall not make any stops in between, except to other dispensary facilities.
- (e) A producer shall ensure that all delivery times and routes are randomized.
- (f) A producer shall staff all transport vehicles with a minimum of two employees. At least one delivery team member shall remain with the vehicle at all times that the vehicle contains marijuana.
- (g) A delivery team member shall have access to a secure form of communication with employees at the production facility at all times that the vehicle contains marijuana.
- (h) A delivery team member shall possess a department-issued identification card at all times when transporting or delivering marijuana and shall produce it to the commissioner, the commissioner's authorized representative or law enforcement official upon request.

***MJ Freeway currently provides a robust shipping manifest, which includes sending and receiving party information, transporter information including route traveled and auto description, and a detailed product listing. Any specific format prescribed by the commissioner will be created within MJ Freeway.***

**Sec. 21a-408-64. Disposal of marijuana**

(a) A dispensary, producer, laboratory, law enforcement or court official or the commissioner or the commissioner's authorized representative shall dispose of undesired, excess, unauthorized, obsolete, adulterated, misbranded or deteriorated marijuana in the following manner:

(1) By surrender without compensation of such marijuana to the commissioner or the commissioner's authorized representative; or

(2) By disposal in the presence of an authorized representative of the commissioner in such a manner as to render the marijuana non-recoverable.

(b) The person disposing of the marijuana shall maintain and make available in accordance with section 21a-408-70 of the Regulations of Connecticut State Agencies a separate record of each such disposal indicating:

(1) The date and time of disposal;

(2) The manner of disposal;

(3) The brand name and quantity of marijuana disposed of; and

(4) The signatures of the persons disposing of the marijuana, the authorized representative of the commissioner and any other persons present during the disposal.

***MJ Freeway captures destruction of marijuana by recording an inventory adjustment, requiring that the reason code for the adjustment be entered to indicate destruction, giving the ability to enter a note with further information, and providing a time and date stamp, as well as identification of who entered the record. The destroyed product shows as a unique entry on inventory reports, enabling future reporting on destroyed product.***

### **Sec. 21a-408-65. Inventory**

(a) Each dispensary facility and production facility, prior to commencing business, shall:

(1) Conduct an initial comprehensive inventory of all marijuana at the facility. If a facility commences business with no marijuana on hand, the dispensary or producer shall record this fact as the initial inventory; and

(2) Establish ongoing inventory controls and procedures for the conduct of inventory reviews and comprehensive inventories of marijuana, which shall enable the facility to detect any diversion, theft or loss in a timely manner.

(b) Upon commencing business, each dispensary facility and production facility shall conduct a weekly inventory of marijuana stock, which shall include, at a minimum, the date of the inventory, a summary of the inventory findings, the name, signature and title of the individuals who conducted the inventory, the date of receipt of marijuana, the name and address of the producer from whom received, where applicable, and the kind and quantity of marijuana received. The record of all marijuana sold, dispensed or

(c) A complete and accurate record of all stocks or brands of marijuana on hand shall be prepared annually on the anniversary of the initial inventory or such other date that the dispensary facility manager or producer may choose, so long as it is not more than one year following the prior year's inventory.

(d) All inventories, procedures and other documents required by this section shall be maintained on the premises and made available in accordance with section 21a-408-70 of the Regulations of Connecticut State Agencies.

(e) Whenever any sample or record is removed by a person authorized to enforce the provisions of sections 21a-408-1 to 21a-408-70, inclusive, of the Regulations of Connecticut State Agencies or the provisions of the state of Connecticut food, drug and cosmetic statutes and regulations for the purpose of investigation or as evidence, such person shall tender a receipt in lieu thereof and the receipt shall be kept for a period of at least three years.

***MJ Freeway's GramTracker™ provides a robust inventory reconciliation tool, allowing a dispensary to run regular inventories of all stock stored at the dispensary and recording historical information so that management may refer back to any past reconciliation to see a summary of changes made. In addition, management may also perform manual inventory adjustments when a full reconciliation is unnecessary. To complement this, the system includes a thorough transaction history report which can be used to review all changes to inventory, including time, date, and user recording the change.***

**Sec. 21a-408-69. Dispensary facility and producer records; furnishing of information; audits**

(a) Each dispensary facility and producer shall maintain a complete set of all records necessary to fully show the business transactions related to marijuana for a period of the current tax year and the three immediately prior tax years, all of which shall be made available in accordance with section 21a-408-70 of the Regulations of Connecticut State Agencies.

(b) The commissioner may require any licensee or registrant to furnish such information as the commissioner considers necessary for the proper administration of the Act and sections 21a-408-1 to 21a-408-70, inclusive, of the Regulations of Connecticut State Agencies, and may require an audit of the business of any dispensary facility or producer and the expense thereof shall be paid by such dispensary facility or producer.

***MJ Freeway captures all historical data, within GramTracker™ and GrowTracker™, in easily viewable and exportable reports. 'READ ONLY' access can also be granted to the software, if needed.***

**Medical Marijuana Program**

Connecticut Department of Consumer Protection  
165 Capitol Avenue, Room 145  
Hartford CT 06106

**RE: Nutmeg State Health and Wellness Center, Inc - Plan to obtain General Liability Insurance**

Commissioner William Rubenstein:

This letter is to inform you that the applicant plans to obtain a General Liability policy tailored specifically to the unique needs of medical marijuana operations. Offered by Lloyd's of London, this policy's underwriting carefully addresses important safety and security exposures. A few examples:

To prevent diversion, theft or loss, one operational feature Lloyd's has found to be effective is a "double entry". In a dispensary this is typically achieved with a medical office-style waiting room separating patients from the marijuana by way of a locked, "buzz-in" door controlled by staff. In cultivations, a separate entryway can serve as a changing/clean room to reduce the likelihood of pests or disease being transferred to the crop.

A second preventive measure Lloyd's requires is a safe of 800lbs minimum weight, with a 1 hour or greater fire rating and bolted to the floor. This is very similar to Connecticut's requirement (even slightly exceeding CT's minimum weight of 750lbs). We offer insureds a premium credit for using safes of 2000lbs or more with a 1 hour or greater fire rating that are bolted to the floor.

Another "best practice" risk management strategy strongly preferred by Lloyds is one mandated by Connecticut's Palliative Use of Marijuana Act: independent laboratory testing of the product. Our CT clients will receive premium credits for having their product certified to be free of mold, mildew, pesticides and heavy metals.

Hopefully these few examples indicate this applicant's dedication to protecting not only its own interests, but also the safety and security of its patients, employees and the surrounding community, should it receive a license to operate.

Thank you for your time and consideration.



Doug Banfelder  
Commercial Specialist  
Premier Southwest Insurance Group  
Scottsdale Arizona

November 01, 2013

James Dietz, President  
Nutmeg State Health and Wellness Center, Inc.  
19 Hearthstone Drive  
Barkhamsted, CT 06063

We are pleased to confirm our understanding of the services we are to provide for Nutmeg State Health and Wellness Center, Inc. for the month ended October 31, 2013.

We will audit the financial statements of Nutmeg State Health and Wellness Center, Inc., which comprise the balance sheet(s) as of October 31, 2013, and the related statements of income, retained earnings, and cash flows for the month then ended, and the related notes to the financial statements.

### **Audit Objective**

The objective of our audit is the expression of an opinion about whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add an emphasis-of-matter or other-matter paragraph. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

## **Audit Procedures**

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We may also request written representations from your attorneys as part of the engagement. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to you and those charged with governance internal control related matters that are required to be communicated under professional standards.

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

### **Management Responsibilities**

You agree to assume all management responsibilities for the tax services and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

You are responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles. You are also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the company from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the company involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing

us of your knowledge of any allegations of fraud or suspected fraud affecting the company received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations.

**Engagement Administration, Fees, and Other**

We understand that your employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing.

Christopher King, CPA is the engagement partner and is responsible for supervising the engagement.

It is difficult for us to project the time requirements of this engagement; however, we estimate that our fees for these services will range from **\$2,000 to \$3,000**. You may also be billed for travel and other out-of-pocket costs such as report production, word processing, postage, etc. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will keep you informed of any problems we encounter and our fees will be adjusted accordingly. Our invoices for these fees will be rendered as work progresses and are payable on presentation.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

King, King & Associates, CPAs

**RESPONSE:**

This letter correctly sets forth the understanding of Nutmeg State Health and Wellness Center, Inc.

Management signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## Exhibit XX

November 13, 2013

King, King & Associates, CPAs  
170 Holabird Avenue  
Winsted, CT 06098

This representation letter is provided in connection with your audits of the financial statements of Nutmeg State Health and Wellness Center, Inc., which comprise the balance sheets as of October 31, 2013, and the related statements of income, retained earnings, and cash flows for the month then ended, and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of November 13, 2013, the following representations made to you during your audit.

### **Financial Statements**

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated November 5, 2013, including our responsibility for the preparation and fair presentation of the financial statements.
- The financial statements referred to above are fairly presented in conformity with U.S. generally accepted accounting principles.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- Material concentrations have been properly disclosed in accordance with U.S. GAAP.
- Guarantees, whether written or oral, under which the company is contingently liable, have been properly recorded or disclosed in accordance with U.S. GAAP.

- Note 4 to the financial statements discloses all of the matters of which we are aware that are relevant to the company's ability to continue as a going concern, including significant conditions and events, and management's plans.

#### **Information Provided**

- We have provided you with:
  - Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
  - Additional information that you have requested from us for the purpose of the audit.
  - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
  - Management,
  - Employees who have significant roles in internal control, or
  - Others where the fraud could have a material effect on the financial statements.
- We have no knowledge of any allegations of fraud or suspected fraud affecting the entity's financial statements communicated by employees, former employees, analysts, regulators, or others.
- We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing the financial statements.
- We are not aware of any pending or threatened litigation, claims, or assessments, or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with U.S. GAAP, and we have not consulted a lawyer concerning litigation, claims, or assessments.
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
- The company has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- We have provided you with all the information that is relevant to our plans to mitigate the adverse effects of conditions and events that indicate there is substantial doubt about the company's ability to continue as a going concern for a reasonable period of time, including our evaluation of the likelihood that those plans can be effectively implemented.

---

James Dietz, President

**NUTMEG STATE HEALTH AND WELLNESS CENTER, INC.**  
Audited Financial Statements  
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October 31, 2013

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Member of  
American Institute of  
Certified Public Accountants

Connecticut Society of  
Certified Public Accountants

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## INDEPENDENT AUDITOR'S REPORT

To the Management and Stockholders of  
Nutmeg State Health and Wellness Center, Inc.

We have audited the accompanying financial statements of Nutmeg State Health and Wellness Center, Inc. (a Connecticut corporation), which comprise the balance sheet as of October 31, 2013, and the related statements of income and retained earnings, and cash flows for the period from inception to October 31, 2013, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

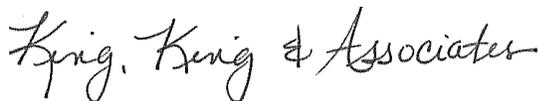
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Nutmeg State Health and Wellness Center, Inc. as of October 31, 2013, and the results of its operations and its cash flows for the initial period then ended in accordance with accounting principles generally accepted in the United States of America.

## Emphasis-of-matter Regarding Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in note 4 to the financial statements, the Company is applying for a license as a dispensary of medical marijuana from the State of Connecticut Department of Consumer Protection. The State will be issuing three to five licenses this year. These conditions raise substantial doubt about its ability to continue as a going concern. Management's plans regarding those matters also are described in note 4. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to that matter.



King, King & Associates, CPAs.  
Winsted, Connecticut  
November 13, 2013

# NUTMEG STATE HEALTH AND WELLNESS CENTER, INC

Balance Sheet  
October 31, 2013

## ASSETS

### *Current Assets:*

Cash	\$	-
		<u>-</u>
Total Current Assets		<u>-</u>

**Total Assets** \$ -

## LIABILITIES AND EQUITY

### *Current Liabilities:*

Shareholder Loans Payable	\$	7,233
Current Liabilities		<u>7,233</u>

### *Stockholders' Equity*

Common Stock, 20,000 shares authorized	-
Retained Earnings	<u>(7,233)</u>
Total Equity	<u>(7,233)</u>

**Total Liabilities and Equity** \$ -

See accompanying notes to financial statements.

**NUTMEG STATE HEALTH AND WELLNESS CENTER, INC**

Statement of Income and Retained Earnings

For the Month Ended October 31, 2013

**Operating Revenues**

Sales		\$ -
	<b>Total Revenues</b>	<u>-</u>

**Administrative Expenses**

Office Supplies		85
Filing Fees		300
Memberships		800
Technology		639
Training		2,961
Travel		<u>2,448</u>
	<b>Total Expenses</b>	<u><b>7,233</b></u>

Net Income (Loss) (7,233)

Beginning Retained Earnings -  
**Ending Retained Earnings** **\$ (7,233)**

See accompanying notes to financial statements.

**NUTMEG STATE HEALTH AND WELLNESS CENTER, INC**

Statement of Cash Flows

For the Month Ended October 31, 2013

**CASH FLOW FROM OPERATING ACTIVITIES:**

Net Income	\$ (7,233)
Depreciation Expense	-
Increase/(Decrease) In:	
Shareholder Loan	<u>7,233</u>
Net Cash Flow Provided By Operating Activities	<u>-</u>

**CASH FLOW FROM INVESTING ACTIVITIES:**

Net Cash Flow Used By Investing Activities	<u>-</u>
--	----------

**CASH FLOW FROM FINANCING ACTIVITIES:**

Net Cash Flow Provided By Financing Activities	<u>-</u>
--	----------

**Net Increase in Cash Flows**

Cash at Beginning of Year	<u>-</u>
<b>Cash at End of Year</b>	<u><u>\$ -</u></u>

**Supplemental Disclosure:**

Interest Paid	\$ -
Income Taxes Paid	\$ -

See accompanying notes of financial statements.

# NUTMEG STATE HEALTH AND WELLNESS CENTER, INC.

## Notes to the Financial Statements

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Organization

Nutmeg State Health and Wellness Center, Inc. (Nutmeg) a Connecticut corporation formed for the purpose of becoming a licensed dispensary facility for medical marijuana in the State of Connecticut.

#### Cash and Cash Equivalents

For purposes of the statements of cash flows, Nutmeg considers all deposits and investments with an initial maturity of three months or less to be cash equivalents.

#### Property, Plant, and Equipment

Property, Plant, and Equipment are recorded at cost. Purchases over \$1,000 are capitalized as Property, Plant, and Equipment. Depreciation is calculated using accelerated and straight-line methods over the following estimated useful lives:

Building and Improvements	39 years
Machinery and Equipment	5-10 years
Furniture and Fixtures	5-7 years
Vehicles	5 years

#### Management Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### Review for Subsequent Events

In connection with the preparation of the financial statements as of and for the month ended October 31, 2013, events and transactions subsequent to October 31, 2013 through November 13, 2013, the date the financial statements were available to be issued, have been evaluated by Nutmeg's management for possible adjustment and/or disclosure

### NOTE 2 – INCOME TAXES

Nutmeg is in its initial year of existence and is not required to file income tax returns for the period covered by the audit.

### NOTE 3 – DETAIL NOTES ON ASSETS, LIABILITIES, AND EQUITY

#### Shareholder Loan Payable

This amount represents expenses paid by the shareholders during the initial phase of the corporation. There is no formal note specifying repayment terms.

### NOTE 4 – GOING CONCERN

Currently, Nutmeg is applying for a medical marijuana dispensary facility license in the State of Connecticut. The Department of Consumer Protection is granting 3-5 licenses, with no more than one in each County. If Nutmeg is not granted a license, or the Town in which the facility is to be

## **NUTMEG STATE HEALTH AND WELLNESS CENTER, INC.**

### **Notes to the Financial Statements**

located does not approve the zoning application, there is substantial doubt that Nutmeg will continue more than one year beyond the financial statement date. Management is currently preparing all necessary information to submit a timely application for licensing.

#### **NOTE 5 – SUBSEQUENT EVENTS**

Subsequent to the date of the financial statements, a contract for the purchase of real estate was executed for \$300,000, and a deposit of \$5,000 was placed in escrow with the seller's broker. A property survey was completed and paid by the shareholder for \$3,750.

November 14, 2013

**James Dietz**  
**President**  
**Nutmeg State Health and Wellness Center, Inc.**  
**203-241-6464**

Dear Mr. Dietz:

Please see below for the proposed cost of (1) Magnetic Microdrive Barrier Gate plus installation.

QTY P	Product ID	Product Description	Ext Cost
(1)	MAG	Magnetic Automation Microdrive Barrier Gate	\$ 4,090.00

**Installation:**

- Install one concrete pad.
- Mount, furnish and install the equipment listed above.
- Perform final wire termination, programming and system startup.
- Instruct on programming, usage and maintenance.

Equipment: \$ 4,090.00  
Installation: \$ 3,130.00

**Total Investment: \$ 7,220.00**

**Project Notes:**

1. Tax, If Applicable, Is Not Included
2. Permits, If Applicable, are not Included
3. Only equipment listed above is included in this proposal.
4. Labor is predicated on "Open Shop" rates.
5. Owner is responsible for running power.
- a. Pricing is subject to change if additional equipment or labor is required to complete this project.
6. Preferred terms are 50% on order, 40% upon equipment delivery, and the final 10% due after two weeks of equipment usage.

Thank you for your time and consideration of this proposal. If everything meets with your approval please sign where indicated and fax/email me this proposal back as soon as possible. If you have any questions or concerns please feel free to give me a call.

Sincerely,

*Christopher Patrick*

Northeast Sales Engineer  
(215) 237 – 5356 (Phone)  
(973) 268 – 2703 (Fax)

Agreed & Accepted \_\_\_\_\_  
**Nutmeg State Health and Wellness Center, Inc.**

**northeast**

#7 davis street, harrison nj 07029  
800 905 3526

**midatlantic**

1550 caton center drive, suite m, baltimore md 21227  
301 474 4470



**Prepared For:**

**Nutmeg State Health and Wellness Center, Inc - Connecticut Medical Marijuana Dispensary - Access Control**

Nutmeg State Health and Wellness Center, Inc  
100 New Hartford Road  
Winsted, CT 06098

**Prepared By:**

Diebold, Inc.  
5995 Mayfair Road  
North Canton, OH 44720  
1-800-DIEBOLD  
Patrick J. Farrell  
Senior National Account Manager  
203-231-7646  
patrick.farrell2@diebold.com

**Project Site:**

Nutmeg State Health and Wellness Center, Inc  
100 New Hartford Road  
Winsted, CT 06098

## Table of Contents

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# Scope of Work

## I. The Equipment and Material:

The Equipment and Material listed on the attached Schedule of Installation shall be installed in the locations indicated on the attached device layout drawing (SC-01).

## II. Installation:

The installation services included in this proposal are all encompassing and are sufficient for the complete installation as described on Schedules "B" and "C". Installation is to be done during normal business hours. Work shall begin and finish in one complete continuous effort. There is no planned phased delivery for this project. After hour access shall be provided if requested and coordinated in advance. Installation price is based on free air cabling and a construction environment composed of mainly lift out ceiling (10ft max. height), and hollow walls.

Specific exceptions to the required Installation above are as follows:

Because permits and compliance fees vary considerably from area, they have been excluded from this proposal. Permits and compliance fees for this project will be billed under separate cover once the fees have been identified.

Additional installation time required to complete the work beyond the quantities stated may be subject to charge if sufficient access cannot be reasonably coordinated, if phased delivery is required, or if work by others is not complete and causes unforeseen delays.

## III. Work by Others:

The following work is the responsibilities of others and is required to be complete and in place before Diebold begins the installation:

1. Power
2. Conduit and stub ups
3. Network connections
4. IP Addresses
5. Core Drilling
6. Environmental
7. Fire Alarm Interface
8. Fire Stopping
9. Lift rental
10. Painting & Patching

## IV. Training and Turn Over:

The customer shall be available for training, turn over and acceptance immediately after the project is complete. Should there be any punch list items they shall be established at this time.

## V. Services:

All services including monitoring, maintenance and enhanced managed services are to be provided as described in the attached Schedule of Services.

## IV. Clarifications and Exclusions

\* 110V power is not included and will be provided, installed and connected by others. Diebold to extend the hardwirepower to the security panel wall field.

\* ALL Conduits [as required] will be supplied and installed as well as ring/j-hooks and pull strings by the base building contractors under the direction of the project General Contractors.

\* Stub-ups, electrical wiring (power cabling/wiring), sleeves, etc. are not included in this proposal and will be provided and installed by others. Proposal 20834 8/19/2013 of 11

\* Diebold will provide low voltage security cable per the enclosed Schedule A amounts reflecting normally expected wiring runs. Any additional wire beyond the following Schedule A quantities will be treated as an add-on via a change order.

\* As required: data, communications, network equipment and connectivity will be provided and installed by others for field/access control panels and CCTV with a 15 ft service loop for installation purposes.

\* A N/C dry contact must be provided and installed by the customer's fire alarm vendor at each access control equipment backplane/closet location. Customer/Owner is responsible for coordinating obtaining the relays, testing, etc. Customer/Owner is responsible for ensuring that the fire alarm vendor has tagged and fully tested the system for proper relay activation after connection. This relay should be mounted within three feet of Diebold lock power supply. Final quantity of relays to be determined by Project Manager. Customer/Owner is responsible for final coordination and testing prior to Diebold, Inc. leaving the project site.

\* All work will be completed during normal working hours. Overtime work is not included and will be charged additionally. Unforeseen down time for elevator access, construction schedule changes, etc. will be charged additionally.

\* Unless specified otherwise, the costs for lifts and other construction and material moving equipment is not included.

\* Diebold is not providing a bond for this project.

\* Taxes are not included and will be invoiced additionally.



## Schedule of Installation

### Schedule "A" - Material

#### Access Head End

<u>Manufacturer</u>	<u>Part Number</u>	<u>Qty</u>
Altronix (AL400ULACM) Altronix Lock Power Supply Diebold Part Number: 19-071199-0000A	AL400ULACM	1
Altronix (SMP3EK1) Altronix SMP3 powersupply charger 12vdc @2.5 ampsw enclosure, LPD8 batt low disconnect@8vdc, TP2450 24vac 50VA Xformer Diebold Part Number: 19-068237-000A	SMP3EK1	1
Yuasa (NP7-12) 12VDC 7 AH Battery Diebold Part Number: 19-036230-000A	NP7-12	5
DMP (734) DMP Standard Hardwired Door Module Diebold Part Number: 19-059777-000A	734	4
SDC (631RFAUR2A) 631RFAUR2A-1.5 AMP REGULATED Power Supply W/ UR2A	631RFAUR2A	1
SDC (701ULT) Keyswitch Maintained Spdt 630 Finish	701ULT	1
HID HID ISOProx II - plain white, programmable PVC cards, sequentially ink-jet numbered. Minimum Order Quantity is 100, shipped in packs of 50, price is per card Diebold Part Number: 00-050725-000E	1386-LGGMN/26	100

#### Access Field Devices

<u>Manufacturer</u>	<u>Part Number</u>	<u>Qty</u>
Bosch Request to Exit PIR - grey Diebold Part Number: 19-041958-000A	DS150i	4
HID (920PTNNEK00000) SE RP40 Switchplate multiCLASS Reader Diebold Part Number: 19-080309-000B	920PTNNEK00000	4

Securitron (SN-PB3N) Egress push button, momentary, 1 x 3/4" rectangular, narrow stile plate Diebold Part Number: 19-049057-000A	SN-PB3N	2
Anixter Inc. (FRP-84) Pedestal Pole Mount Diebold Part Number: 19-081339-000A	FRP-84	1
Anixter Inc. (FRH-2316) Pedestal Hood Diebold Part Number: 19-081340-000A	FRH-2316	1
CSC Hoffman Wall-Mount Type 4X Enclosure 16.00x16.00x6.00 EA	CSD16166SS6	1

**Metal Detector**

<b><u>Manufacturer</u></b>	<b><u>Part Number</u></b>	<b><u>Qty</u></b>
ADI PD 6500i --- Standard 30" clearance in neutral beige color scheme. 33 distinct pinpoint zones for ultimate detection and throughput. Precise target location identification on right, left or center of body from head to toe	1168411	1
TRIPP (SMART1500LCD) 1500VA UPS System SmartPro Rack/Shelf/Tower Digital LCD Line-Interactive 120V 8 Outlet - 1500 VA, 1 USB, 1 DB9, 1 Line Modem/Fax/Ethernet	SMART1500LCD	1

**Intercom**

<b><u>Manufacturer</u></b>	<b><u>Part Number</u></b>	<b><u>Qty</u></b>
Aiphone PANTILT ZOOM HANDS-FREE 1 X 2 COLOR VIDEO SET W/MEMORY . (JK-1MED, JK-DV, PS-1820UL) Diebold Part Number: 19-065534-000A	JKS-1AEDV	1
Aiphone Desk Stand for Video Monitor Diebold Part Number: 19-064010-000A	MCW-S/A	1
Aiphone Aiphone Relay Door Release Module, Form C, 12-18VDC Diebold Part Number: 19-064017-000A	RY-18L	1

**Schedule "C" - Diebold Subcontracting & Cable**

**Categories****Qty**

5-Non Union Licensed Low Voltage Per Plans and Specifications

**Part Cables**

CABLE-B - 6 cond, 18 Ga - Plenum - Montana 975.0

CABLE-M - Cable M - for card reader doors - Montana 300.0

**Additional Cables and Locks:**

(CABLE-B) - Montana - 6 cond, 18 Ga - Plenum 500

(Single Magnetic Lock) - As Required - Example: Single MinMag 750 LBS 4

(Electric Door Strike) - As Required - Example: HES 2

(CABLE-C) - Montana - 2 cond 18Ga - Teflon 500

**Schedule "D" - Service and Support Offerings (Priced Separately)****Categories****Qty****Diebold Part #****Mon. Ext. Sell**

Monthly Charges Per Attached Schedule of Services

1

\$302.06

**Schedule of Services**

<b>Qty</b>	<b>Monitoring</b>	<b>Qty</b>	<b>Embedded</b>
	Intrusion Alarm Monitoring (Financial) Intrusion Alarm Monitoring (Non-Financial) Intrusion Alarm Monitoring (Residential) Fire Alarm Monitoring Elevator Monitoring Disaster Recovery Response Monitoring ATM Skimming Alert Basic (Email or Text Notification Only) ATM Skimming Alert Advanced (Voice Notification, Customized Response) Daily Alarm Test Signals Hold Up Monitoring (Non-Financial) Duress Monitoring (Non-Financial) Critical Condition Monitoring Fire Alarm Monitoring – Addition Logged Arm & Disarm Signals Supervised Arm & Disarm Signals Diebold PIN Management		Embedded Technical Resource I Embedded Technical Resource II Embedded Technical Resource III Embedded Technical Resource IV Embedded Technical Resource V Embedded Technical Resource VI Embedded Administrative Specialist I Embedded Administrative Specialist II Embedded Administrative Specialist III Embedded Administrative Specialist IV Embedded Administrative Specialist V Embedded Administrative Specialist VI Embedded Field Project Manager I Embedded Field Project Manager II Embedded Field Project Manager III Embedded Field Project Manager IV Embedded Field Project Manager V Embedded Field Project Manager VI Embedded Program Manager
<b>Qty</b>	<b>System Communication</b>	<b>Qty</b>	<b>Video Services</b>
	Cellular Back-Up Service – Monthly Supervision Cellular Back-Up Service – Weekly Supervision Cellular Back-Up Service – Daily Supervision Cellular Back-Up Service – Uplink Daily Supervision Cellular Primary Service Cellular Service – Fire Alarm Supervision Cellular Service – UL High Security Supervision Internet Communication - Daily Supervision Internet Communication with 60 Minute Supervision Internet Communication - UL High Security		Remote DVR Health Check (Verint) Video System Trouble Notification Video Alarm Verification Video Alarm Verification with Audio Video Guard Tour Each Additional Guard Tour per Day Videofied Alarm Verification - Indoor Application Videofied Alarm Verification - Secure Outdoor Application Videofied Alarm Verification - Unsecure outdoor Application Videofied Alarm Verification - Indoor (IP Communication) Each Additional Videofied Camera
<b>Qty</b>	<b>Online</b>	<b>Qty</b>	<b>Remote Enterprise</b>
	SecureStat SecureStat Monitoring with Standard Reports SecureStat Alarm SecureStat Managed Access SecureStat Video Health Check Basic SecureStat Video Health Check Advanced SecureStat Video Cloud Storage I SecureStat Video Cloud Storage II SecureStat Video Cloud Storage III SecureStat Video Cloud Storage IV SecureStat Video Live SecureStat Local Video Storage SecureStat Controlled Access Each Additional SecureStat User Code Custom Exception Reports		Third Party Software Management & Support Plan Software License & Update Service Remote Technical Assistance
<b>Qty</b>	<b>Access Control</b>	<b>Qty</b>	<b>Service Plans</b>
	Access Door Management & Monitoring (Bosch & DMP Alarm Panels) Access – Hosted w/ Web Client (Pacom) Access – Hosted, Managed & Monitored w/ Web Client (Pacom) Additional Web Client Sign-On (Pacom) Access – Managed (Lenel, Software House, Sielox) Each Additional 50 Cardholders for Managed Access	X	Standard Service Plan (Parts & Labor M-F 8-5) Advanced Service Plan (Parts & Labor 24/7) Premium Service Plan (Parts & Labor 24/7 w/ 4 hour response) Labor Only Service Plan (Labor Only M-F 8-5)
<b>Qty</b>	<b>Additional Services</b>		
	Permit Management False Alarm Fine Management Specialized Billing UL Intrusion Alarm Certificate UL Fire Alarm Certificate		
<b>Preventative Maintenance and Fire Inspection</b>			
	Semi-Annual Preventative Maintenance III – Access Control		

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Note: Billing for all services, including Service Plan, will commence upon installation completion or in service date.

## Purchase Investment Summary

Included in the cost below is the specified scope of work and the equipment indicated on the Schedule of Installation.

**Total: \$27,436.40**

\*Prices quoted do not include Sales or Use tax. Applicable Sales and Use tax will be added to the quoted prices.

Monthly Charges Per Attached Schedule of Services \$302.06

Customer agrees to pay Diebold the sum per month, plus all applicable taxes, for the Services, as indicated on the Schedule of Services, prepaid, Monthly for a period of 3 year(s).

## Billing Terms

100% Upon completion of Installation. Payment Terms: Due Upon Receipt.

This proposal is valid for 30 days

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Thank you for the opportunity to provide this proposal. Please sign, date and return the proposal in its entirety to

eMail: patrick.farrell2@diebold.com

Please issue any Purchase Order or other contract documents to Diebold, Incorporated.

This Agreement shall not become binding on Diebold until approved and accepted by Diebold's management as provided below.

**Seller:**

Diebold, Incorporated  
\_\_\_\_\_  
Company

\_\_\_\_\_  
,

Address

Patrick J. Farrell, Senior National Account  
Manager  
\_\_\_\_\_

Account Representative Name & Title

\_\_\_\_\_  
Diebold Management

\_\_\_\_\_  
Diebold Management Signature          Date

**Buyer:**

Nutmeg State Health and Wellness Center, Inc  
\_\_\_\_\_  
Trade, partnership or corporate name if different  
from above

100 New Hartford Road  
\_\_\_\_\_

Winsted, CT 06098  
\_\_\_\_\_  
Address

\_\_\_\_\_  
Name & Title

\_\_\_\_\_  
Authorized Signature          Date

**Prepared For:**

**Nutmeg State Health and Wellness Center, Inc - Connecticut Medical Marijuana Dispensary - CCTV**

Nutmeg State Health and Wellness Center, Inc.  
100 New Hartford Road  
Winsted, CT 06098

**Prepared By:**

Diebold, Inc.  
5995 Mayfair Road  
North Canton, OH 44720  
1-800-DIEBOLD  
Patrick J. Farrell  
Senior National Account Manager  
203-231-7646

**Project Site:**

Nutmeg State Health and Wellness Center, Inc.  
100 New Hartford Road  
Winsted, CT 06098

## Table of Contents

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# Scope of Work

## I. The Equipment and Material:

The Equipment and Material listed on the attached Schedule of Installation shall be installed in the locations indicated on the attached device layout drawing (SC-01).

## II. Installation:

The installation services included in this proposal are all encompassing and are sufficient for the complete installation as described on Schedules "B" and "C". Installation is to be done during normal business hours. Work shall begin and finish in one complete continuous effort. There is no planned phased delivery for this project. After hour access shall be provided if requested and coordinated in advance. Installation price is based on free air cabling and a construction environment composed of mainly lift out ceiling (10ft max. height), and hollow walls.

Specific exceptions to the required Installation above are as follows:

Because permits and compliance fees vary considerably from area, they have been excluded from this proposal. Permits and compliance fees for this project will be billed under separate cover once the fees have been identified.

Additional installation time required to complete the work beyond the quantities stated may be subject to charge if sufficient access cannot be reasonably coordinated, if phased delivery is required, or if work by others is not complete and causes unforeseen delays.

## III. Work by Others:

The following work is the responsibilities of others and is required to be complete and in place before Diebold begins the installation:

1. Power
2. Conduit and stub ups
3. Network connections
4. IP Addresses
5. Core Drilling
6. Environmental
7. Fire Alarm Interface
8. Fire Stopping
9. Lift rental
10. Painting & Patching

## IV. Training and Turn Over:

The customer shall be available for training, turn over and acceptance immediately after the project is complete. Should there be any punch list items they shall be established at this time.

## V. Services:

All services including monitoring, maintenance and enhanced managed services are to be provided as described in the attached Schedule of Services.

## IV. Clarifications and Exclusions

\* 110V power is not included and will be provided, installed and connected by others. Diebold to extend the hardwirepower to the security panel wall field.

\* ALL Conduits [as required] will be supplied and installed as well as ring/j-hooks and pull strings by the base building contractors under the direction of the project General Contractors.

\* Stub-ups, electrical wiring (power cabling/wiring), sleeves, etc. are not included in this proposal and will be provided and installed by others. Proposal 20834 8/19/20133 of 11

\* Diebold will provide low voltage security cable per the enclosed Schedule A amounts reflecting normally expected wiring runs. Any additional wire beyond the following Schedule A quantities will be treated as an add-on via a change order.

\* As required: data, communications, network equipment and connectivity will be provided and installed by others for field/access control panels and CCTV with a 15 ft service loop for installation purposes.

\* A N/C dry contact must be provided and installed by the customer's fire alarm vendor at each access control equipment backplane/closet location. Customer/Owner is responsible for coordinating obtaining the relays, testing, etc. Customer/Owner is responsible for ensuring that the fire alarm vendor has tagged and fully tested the system for proper relay activation after connection. This relay should be mounted within three feet of Diebold lock power supply. Final quantity of relays to be determined by Project Manager. Customer/Owner is responsible for final coordination and testing prior to Diebold, Inc. leaving the project site.

\* All work will be completed during normal working hours. Overtime work is not included and will be charged additionally. Unforeseen down time for elevator access, construction schedule changes, etc. will be charged additionally.

\* Unless specified otherwise, the costs for lifts and other construction and material moving equipment is not included.

\* Diebold is not providing a bond for this project.

\* Taxes are not included and will be invoiced additionally.



## Schedule of Installation

### Schedule "A" - Material

#### CCTV Head End

<u>Manufacturer</u>	<u>Part Number</u>	<u>Qty</u>
Costar 16-Channel Digital Video Recorder, H.264, Up to 480 ips Recording, 2000 GB, Time & Date Search, RS-232, RS-485, 4 Channels Two Way Audio, USB, Text interface, IP, Linux OS, RAS+, iPhone compatible Diebold Part Number: 29-018028-000A	CR1600E-2000	1
APC APC Uninterruptible Power Supply - EdgeVR Diebold Part Number: 19-069527-000A	BE650G	1
MG Electronics 16 channel Power Supply Diebold Part Number: 19-065304-000A	DPS-16UL/PTC	1

#### CCTV Field Devices

<u>Manufacturer</u>	<u>Part Number</u>	<u>Qty</u>
CSC CONN,BNC,RG59,TEFLON CRIMP **10 Pack** Diebold Part Number: 19-056517-000A	CP8810	4
Costar (CDC3613FEIR) Dome, Flush / Surface Mount, 600TVL, 36 LED/115ft beam, 2.8-12 mm, IP66, DC12V / AC24V Diebold Part Number: 19074650000A	CDC3613FEIR	7
Costar (CDC3613FEIRH) Dome, Flush & Surface Mount, 600TVL, 36 LED/115ft beam, 2.8-12 mm, IP66, DC12V / AC24V, with Heater Kit Diebold Part Number: 19080281000A	CDC3613FEIRH	8
Costar (CDC3613FEIRM) Dome, Flush / Surface Mount, 600TVL, 36 LED/115ft beam, 2.8-12 mm, IP66, DC12V / AC24V, and (CDMKVFE) Wall Bracket Diebold Part Number: 19080282000A	CDC3613FEIRM	1
Costar (CHG2511) Adapter Pole Mount Diebold Part Number: 19-080341-000A	CHG2511	1

**Schedule "C" - Diebold Subcontracting & Cable**

<u>Categories</u>	<u>Qty</u>
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5-Non Union Licensed Low Voltage Per Plans and Specifications

**Part Cables**

S649948 - 18 COMPOSITE MULTI-CABLE, CONSISTS ONE EACH: 18 GAUGE 2 CONDUCTOR STRANDED BARE COPPER, UNSHIELDED, TWISTED AND ACKETED + RG-59U COAX CABLE 20 AWG SOLID BARE COPPER, BARE COPPER BRAID SHIELD - Anixter Inc. 1200.0

**Additional Cables and Locks:**

(91-200175-0062) – Diebold - Pink Cable Siamese Cable. 18WG, 2 Conductors and RG59 coax cable, Plenum 450

**Schedule "D" - Service and Support Offerings (Priced Separately)**

<u>Categories</u>	<u>Qty</u>	<u>Diebold Part #</u>	<u>Mon. Ext. Sell</u>
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Monthly Charges Per Attached Schedule of Services 1 \$156.52

**Schedule of Services**

<b>Qty</b>	<b>Monitoring</b>	<b>Qty</b>	<b>Embedded</b>
	Intrusion Alarm Monitoring (Financial) Intrusion Alarm Monitoring (Non-Financial) Intrusion Alarm Monitoring (Residential) Fire Alarm Monitoring Elevator Monitoring Disaster Recovery Response Monitoring ATM Skimming Alert Basic (Email or Text Notification Only) ATM Skimming Alert Advanced (Voice Notification, Customized Response) Daily Alarm Test Signals Hold Up Monitoring (Non-Financial) Duress Monitoring (Non-Financial) Critical Condition Monitoring Fire Alarm Monitoring – Addition Logged Arm & Disarm Signals Supervised Arm & Disarm Signals Diebold PIN Management		Embedded Technical Resource I Embedded Technical Resource II Embedded Technical Resource III Embedded Technical Resource IV Embedded Technical Resource V Embedded Technical Resource VI Embedded Administrative Specialist I Embedded Administrative Specialist II Embedded Administrative Specialist III Embedded Administrative Specialist IV Embedded Administrative Specialist V Embedded Administrative Specialist VI Embedded Field Project Manager I Embedded Field Project Manager II Embedded Field Project Manager III Embedded Field Project Manager IV Embedded Field Project Manager V Embedded Field Project Manager VI Embedded Program Manager
<b>Qty</b>	<b>System Communication</b>	<b>Qty</b>	<b>Video Services</b>
	Cellular Back-Up Service – Monthly Supervision Cellular Back-Up Service – Weekly Supervision Cellular Back-Up Service – Daily Supervision Cellular Back-Up Service – Uplink Daily Supervision Cellular Primary Service Cellular Service – Fire Alarm Supervision Cellular Service – UL High Security Supervision Internet Communication - Daily Supervision Internet Communication with 60 Minute Supervision Internet Communication - UL High Security		Remote DVR Health Check (Verint) Video System Trouble Notification Video Alarm Verification Video Alarm Verification with Audio Video Guard Tour Each Additional Guard Tour per Day Videofied Alarm Verification - Indoor Application Videofied Alarm Verification - Secure Outdoor Application Videofied Alarm Verification - Unsecure outdoor Application Videofied Alarm Verification - Indoor (IP Communication) Each Additional Videofied Camera
<b>Qty</b>	<b>Online</b>	<b>Qty</b>	<b>Remote Enterprise</b>
	SecureStat SecureStat Monitoring with Standard Reports SecureStat Alarm SecureStat Managed Access SecureStat Video Health Check Basic SecureStat Video Health Check Advanced SecureStat Video Cloud Storage I SecureStat Video Cloud Storage II SecureStat Video Cloud Storage III SecureStat Video Cloud Storage IV SecureStat Video Live SecureStat Local Video Storage SecureStat Controlled Access Each Additional SecureStat User Code Custom Exception Reports		Third Party Software Management & Support Plan Software License & Update Service Remote Technical Assistance
<b>Qty</b>	<b>Access Control</b>	<b>Qty</b>	<b>Service Plans</b>
	Access Door Management & Monitoring (Bosch & DMP Alarm Panels) Access – Hosted w/ Web Client (Pacom) Access – Hosted, Managed & Monitored w/ Web Client (Pacom) Additional Web Client Sign-On (Pacom) Access – Managed (Lenel, Software House, Sielox) Each Additional 50 Cardholders for Managed Access	X	Standard Service Plan (Parts & Labor M-F 8-5) Advanced Service Plan (Parts & Labor 24/7) Premium Service Plan (Parts & Labor 24/7 w/ 4 hour response) Labor Only Service Plan (Labor Only M-F 8-5)
<b>Qty</b>	<b>Additional Services</b>		
	Permit Management False Alarm Fine Management Specialized Billing UL Intrusion Alarm Certificate UL Fire Alarm Certificate		
<b>Preventative Maintenance and Fire Inspection</b>			
	Semi-Annual Preventative Maintenance II – Video		

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Note: Billing for all services, including Service Plan, will commence upon installation completion or in service date.

## Purchase Investment Summary

Included in the cost below is the specified scope of work and the equipment indicated on the Schedule of Installation.

**Total: \$13,264.17**

\*Prices quoted do not include Sales or Use tax. Applicable Sales and Use tax will be added to the quoted prices.

Monthly Charges Per Attached Schedule of Services \$156.52

Customer agrees to pay Diebold the sum per month, plus all applicable taxes, for the Services, as indicated on the Schedule of Services, prepaid, Monthly for a period of 3 year(s).

## Billing Terms

100% Upon completion of Installation. Payment Terms: Due Upon Receipt.

This proposal is valid for 30 days

---



**Prepared For:**

**Nutmeg State Health and Wellness Center, Inc - Connecticut Medical Marijuana Dispensary - Intrusion**

Nutmeg State Health and Wellness Center, Inc  
100 New Hartford Road  
Winsted, CT 06098

**Prepared By:**

Diebold, Inc.  
5995 Mayfair Road  
North Canton, OH 44720  
1-800-DIEBOLD  
Patrick J. Farrell  
Senior National Account Manager  
203-231-7646  
patrick.farrell2@diebold.com

**Project Site:**

Nutmeg State Health and Wellness Center, Inc  
100 New Hartford Road  
Winsted, CT 06098

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# Scope of Work

## I. The Equipment and Material:

The Equipment and Material listed on the attached Schedule of Installation shall be installed in the locations indicated on the attached device layout drawing (SC-01).

## II. Installation:

The installation services included in this proposal are all encompassing and are sufficient for the complete installation as described on Schedules "B" and "C". Installation is to be done during normal business hours. Work shall begin and finish in one complete continuous effort. There is no planned phased delivery for this project. After hour access shall be provided if requested and coordinated in advance. Installation price is based on free air cabling and a construction environment composed of mainly lift out ceiling (10ft max. height), and hollow walls.

Specific exceptions to the required Installation above are as follows:

Because permits and compliance fees vary considerably from area, they have been excluded from this proposal. Permits and compliance fees for this project will be billed under separate cover once the fees have been identified.

Additional installation time required to complete the work beyond the quantities stated may be subject to charge if sufficient access cannot be reasonably coordinated, if phased delivery is required, or if work by others is not complete and causes unforeseen delays.

## III. Work by Others:

The following work is the responsibilities of others and is required to be complete and in place before Diebold begins the installation:

1. Power
2. Conduit and stub ups
3. Network connections
4. IP Addresses
5. Core Drilling
6. Environmental
7. Fire Alarm Interface
8. Fire Stopping
9. Lift rental
10. Painting & Patching

## IV. Training and Turn Over:

The customer shall be available for training, turn over and acceptance immediately after the project is complete. Should there be any punch list items they shall be established at this time.

## V. Services:

All services including monitoring, maintenance and enhanced managed services are to be provided as described in the attached Schedule of Services.

## IV. Clarifications and Exclusions

\* 110V power is not included and will be provided, installed and connected by others. Diebold to extend the hardwirepower to the security panel wall field.

\* ALL Conduits [as required] will be supplied and installed as well as ring/j-hooks and pull strings by the base building contractors under the direction of the project General Contractors.

\* Stub-ups, electrical wiring (power cabling/wiring), sleeves, etc. are not included in this proposal and will be provided and installed by others. Proposal 20834 8/19/2013 of 11

\* Diebold will provide low voltage security cable per the enclosed Schedule A amounts reflecting normally expected wiring runs. Any additional wire beyond the following Schedule A quantities will be treated as an add-on via a change order.

\* As required: data, communications, network equipment and connectivity will be provided and installed by others for field/access control panels and CCTV with a 15 ft service loop for installation purposes.

\* A N/C dry contact must be provided and installed by the customer's fire alarm vendor at each access control equipment backplane/closet location. Customer/Owner is responsible for coordinating obtaining the relays, testing, etc. Customer/Owner is responsible for ensuring that the fire alarm vendor has tagged and fully tested the system for proper relay activation after connection. This relay should be mounted within three feet of Diebold lock power supply. Final quantity of relays to be determined by Project Manager. Customer/Owner is responsible for final coordination and testing prior to Diebold, Inc. leaving the project site.

\* All work will be completed during normal working hours. Overtime work is not included and will be charged additionally. Unforeseen down time for elevator access, construction schedule changes, etc. will be charged additionally.

\* Unless specified otherwise, the costs for lifts and other construction and material moving equipment is not included.

\* Diebold is not providing a bond for this project.

\* Taxes are not included and will be invoiced additionally.



## Schedule of Installation

### Schedule "A" - Material Intrusion Head End

<u>Manufacturer</u>	<u>Part Number</u>	<u>Qty</u>
DMP Panel, in 350 enclosure (includes 50 VA Transformer) Diebold Part Number: 19-067405-000A	KIT-DBLD-XR100N	1
Yuasa (NP7-12) 12VDC 7 AH Battery Diebold Part Number: 19-036230-000A	NP7-12	2
DMP (464-263H) 4G HSPA+ GSM Cellular Communicator for XR100 and XR500 Diebold Part Number: 19-080852-000A	464-263H	1
DMP (386) Chrome 90 Degree Antenna Mounting Bracket Chrome 90 degree antenna mounting bracket with an 8/32 inch opening. Diebold Part Number: 19-069018-000A	386	1
DMP (381-25) DMP Remote Antenna Cable Diebold Part Number: 19-069014-000A	381-25	1
DMP (714-8) Eight Point Zone Expander in 340 Enclosure Diebold Part Number: DM-714800-0000	714-8	1
Altronix (SMP3EK1) Altronix SMP3 powersupply charger 12vdc @2.5 ampsw enclosure, LPD8 batt low disconnect@8vdc, TP2450 24vac 50VA Xformer Diebold Part Number: 19-068237-000A	SMP3EK1	1
Yuasa (NP4-12) 12VDC 4AH battery sealed lead acid Diebold Part Number: 29-014313-000A	NP4-12	1

### Intrusion Field Devices

<u>Manufacturer</u>	<u>Part Number</u>	<u>Qty</u>
DMP Thin LCD Keypad Ivory Diebold Part Number: 19-049388-000A	7060-I	1

Bosch	ISC-BPR2-W12	6
Blue Line Gen2 PIR Motion Detector (12 m [40 ft] coverage) Voltage operating: 9 VDC to 15 VDC, Tampe		
Diebold Part Number:	19-071847-000A	
Bosch	ISC-PDL1-WA18G	3
(ISC-PDL1-WA18G) 60' Professional Series Tritech Motion Detector		
Diebold Part Number:	19-080500-000A	
UTC	1076D	8
1' DPDT Door Contact		
Diebold Part Number:	SE-1076D0-0000	
UTC	2707A-L	2
High Security Contacts w/Armored Cable, Triple Biased, SPDT, 3/16" to 5/8" Gap Size. Single Pole-Double Throw.		
3' Stainless Steel Armored Cable		
Diebold Part Number:	19-049120-000A	
DMP	1142BC-B	6
(1142BC-B) 2 Button Wireless Hold-up Device, with Belt Clip		
Diebold Part Number:	11-046736-000A	

**Schedule "C" - Diebold Subcontracting & Cable**

<b>Categories</b>	<b>Qty</b>
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5-Non Union Licensed Low Voltage Per Plans and Specifications

**Part Cables**

CABLE-C - 2 cond 18Ga - Teflon - Montana	750.0
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91-200178-0062 - 22 GAUGE STRANDED BARE COPPER, 4 CONDUCTORS TWISTED, UNSHIELDED, PVC/PVC JACKET - Diebold	750.0
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**Additional Cables and Locks:**

(91-200183-0062) - Diebold - 22AWG Stranded Bare copper, 4 conductors, unshielded, plenum	150
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**Schedule "D" - Service and Support Offerings (Priced Separately)**

<u>Categories</u>	<u>Qty</u>	<u>Diebold Part #</u>	<u>Mon. Ext. Sell</u>
Monthly Charges Per Attached Schedule of Services	1		\$170.28

**Schedule of Services**

<b>Qty</b>	<b>Monitoring</b>
1	Intrusion Alarm Monitoring (Financial) Intrusion Alarm Monitoring (Non-Financial) Intrusion Alarm Monitoring (Residential) Fire Alarm Monitoring Elevator Monitoring Disaster Recovery Response Monitoring ATM Skimming Alert Basic (Email or Text Notification Only) ATM Skimming Alert Advanced (Voice Notification, Customized Response) Daily Alarm Test Signals Hold Up Monitoring (Non-Financial) Duress Monitoring (Non-Financial) Critical Condition Monitoring Fire Alarm Monitoring – Addition
1	Logged Arm & Disarm Signals
1	Supervised Arm & Disarm Signals
1	Diebold PIN Management

<b>Qty</b>	<b>System Communication</b>
1	Cellular Back-Up Service – Monthly Supervision Cellular Back-Up Service – Weekly Supervision Cellular Back-Up Service – Daily Supervision Cellular Back-Up Service – Uplink Daily Supervision Cellular Primary Service Cellular Service – Fire Alarm Supervision Cellular Service – UL High Security Supervision Internet Communication - Daily Supervision Internet Communication with 60 Minute Supervision Internet Communication - UL High Security

<b>Qty</b>	<b>Online</b>
	SecureStat SecureStat Monitoring with Standard Reports SecureStat Alarm SecureStat Managed Access SecureStat Video Health Check Basic SecureStat Video Health Check Advanced SecureStat Video Cloud Storage I SecureStat Video Cloud Storage II SecureStat Video Cloud Storage III SecureStat Video Cloud Storage IV SecureStat Video Live SecureStat Local Video Storage SecureStat Controlled Access Each Additional SecureStat User Code Custom Exception Reports

<b>Qty</b>	<b>Access Control</b>
	Access Door Management & Monitoring (Bosch & DMP Alarm Panels) Access – Hosted w/ Web Client (Pacom) Access – Hosted, Managed & Monitored w/ Web Client (Pacom) Additional Web Client Sign-On (Pacom) Access – Managed (Lenel, Software House, Sielox) Each Additional 50 Cardholders for Managed Access

<b>Preventative Maintenance and Fire Inspection</b>	
	Semi-Annual Preventative Maintenance III – Intrusion

<b>Qty</b>	<b>Embedded</b>
	Embedded Technical Resource I Embedded Technical Resource II Embedded Technical Resource III Embedded Technical Resource IV Embedded Technical Resource V Embedded Technical Resource VI Embedded Administrative Specialist I Embedded Administrative Specialist II Embedded Administrative Specialist III Embedded Administrative Specialist IV Embedded Administrative Specialist V Embedded Administrative Specialist VI Embedded Field Project Manager I Embedded Field Project Manager II Embedded Field Project Manager III Embedded Field Project Manager IV Embedded Field Project Manager V Embedded Field Project Manager VI Embedded Program Manager

<b>Qty</b>	<b>Video Services</b>
	Remote DVR Health Check (Verint) Video System Trouble Notification Video Alarm Verification Video Alarm Verification with Audio Video Guard Tour Each Additional Guard Tour per Day Videofied Alarm Verification - Indoor Application Videofied Alarm Verification - Secure Outdoor Application Videofied Alarm Verification - Unsecure outdoor Application Videofied Alarm Verification - Indoor (IP Communication) Each Additional Videofied Camera

<b>Qty</b>	<b>Remote Enterprise</b>
	Third Party Software Management & Support Plan Software License & Update Service Remote Technical Assistance

<b>Qty</b>	<b>Service Plans</b>
X	Standard Service Plan (Parts & Labor M-F 8-5) Advanced Service Plan (Parts & Labor 24/7) Premium Service Plan (Parts & Labor 24/7 w/ 4 hour response) Labor Only Service Plan (Labor Only M-F 8-5)

<b>Qty</b>	<b>Additional Services</b>
	Permit Management False Alarm Fine Management Specialized Billing UL Intrusion Alarm Certificate UL Fire Alarm Certificate

ver 1.7

Note: Billing for all services, including Service Plan, will commence upon installation completion or in service date.

## Purchase Investment Summary

Included in the cost below is the specified scope of work and the equipment indicated on the Schedule of Installation.

**Total: \$6,892.66**

\*Prices quoted do not include Sales or Use tax. Applicable Sales and Use tax will be added to the quoted prices.

Monthly Charges Per Attached Schedule of Services \$170.28

Customer agrees to pay Diebold the sum per month, plus all applicable taxes, for the Services, as indicated on the Schedule of Services, prepaid, Monthly for a period of 3 year(s).

## Billing Terms

100% Upon completion of Installation. Payment Terms: Due Upon Receipt.

This proposal is valid for 30 days

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Thank you for the opportunity to provide this proposal. Please sign, date and return the proposal in its entirety to

eMail: patrick.farrell2@diebold.com

Please issue any Purchase Order or other contract documents to Diebold, Incorporated.

This Agreement shall not become binding on Diebold until approved and accepted by Diebold's management as provided below.

**Seller:**

Diebold, Incorporated  
\_\_\_\_\_  
Company

\_\_\_\_\_  
,

Address

Patrick J. Farrell, Senior National Account  
Manager

\_\_\_\_\_  
Account Representative Name & Title

\_\_\_\_\_  
Diebold Management

\_\_\_\_\_  
Diebold Management Signature          Date

**Buyer:**

Nutmeg State Health and Wellness Center, Inc  
\_\_\_\_\_  
Trade, partnership or corporate name if different  
from above

100 New Hartford Road  
\_\_\_\_\_

Winsted, CT 06098  
\_\_\_\_\_  
Address

\_\_\_\_\_  
Name & Title

\_\_\_\_\_  
Authorized Signature          Date



## PROPOSAL

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15 Chapel Road • North Hampton, NH 03862 • Ph: (617) 549 5945 Fax: (508) 480 6499

November 12, 2013

Mr. James Dietz  
Nutmeg State Health and Wellness, Inc.  
19 Hearthstone Drive  
Barkhamsted, CT 06063

RE: **Connecticut Medical Marijuana Dispensary**

Dear Mr. Dietz,

We at Diebold thank you for the opportunity to present this proposal for a range of Security Solutions in connection with Medical Marijuana facility being planned in Winsted, CT. This proposal includes a Secure Vestibule for the main entrance, Five Custom Bullet Resistant Windows – one of which will be deployed in the Drive-thru along with a Transaction Drawer, The windows and drawer will all be U.L. rated Level 1 from a Bullet Resistant (B.R.) standpoint. This proposal also includes a TL-15 Rated Safe.

The pricing contained herein presumes that all work will be done during standard business hours, and that our installers will have free and easy access to site. All site preparation, wall opening modifications, demolition, electrical work and permit requirements are not included within the scope of this proposal. There is also not a Sales Tax allowance included in this pricing.

We understand your need to provide quality service to your customers in a secure and safe environment. We are certain Diebold's experience and our portfolio of high quality, flexible, easily installed products will enable you to enhance your operations. At Diebold we work hard to continuously improve performance standards, working relationships with our customers and the quality of our products and services.

We appreciate your consideration and look to putting our experience and expertise to work for you on this groundbreaking project. If you have any questions or need additional information please contact me at 617 549 5945.

Sincerely

*Michael Whittier*

Michael Whittier  
DIEBOLD, Inc.

## DIEBOLD PRICING

QTY DESCR PTION

- (1) Secure Vestibule # 40625: Four Doors, Finish TBD, 7'-6"H x 6'-11"W x 9'-7"D.  
System Includes:  
-Door hardware: concealed door closers, handles, manual locks on exterior doors. All hardware is brushed stainless steel  
- Bullet Resistive Ceiling with BR Vent Baffle System  
- (4) Desktop RF Remote Transmitters  
- (4) Ceiling light kits, LED 24V  
- Electronics Package: Ceia Panel 02PN8 Metal Detector, Electromagnetic Locks (1,200 lbs), Occupancy Sensors, Handicapped Call Button, Intercom between Staff and entry chamber, Touch Screen Master Control Station, Power Supply and Control Cables.  
- Secure Vestibule electronics supplied with Secure Vestibule status relay and Staff capture status relay. The Secure Vestibule electronics can be programmed to lock door A and door D upon a Staff capture signal. It can also be programmed to lock door D only.  
- Dual Emergency Release Assemblies  
- (1) 1/3" Color Super Hi-Res Dome Camera, 540 TVL, with 3.3 – 12 mm Auto Iris Varifocal Lens on hinge side of door #4.  
- (1) Height Strip Camera, 1/3" Color, 350 TVL, 0.9 Lux, 3.7 mm Lens  
- (1) 19" LCD Monitor with wall mount. Location is TBD
- (1) Level 1 Bullet Resistant Window – approx. dimensions 6'-3 1/2" W. x 7'-8" H.\*  
(1) Level 1 Bullet Resistant Window – approx. dimensions 7'-4" W. x 7'-8" H.\*  
(2) Level 1 Bullet Resistant Windows – approx. dimensions 8'-4" W X 7'-8" H.\*  
(1) Level 1 Bullet Resistant Drive-Thru Window – dimensions 8' 4"W. x 3'-0" H.  
(1) Level 1 Bullet Resistant Transaction Drawer – Manual with Heater  
(1) TL- 15 271-95 Chest – Includes Dual Interior Lockers and Full Alarm Package

\* Units to include two pieces of glass and two B.R. Panels above each window.

<b>Equipment Subtotal</b>	<b>\$113,530.00</b>
<b>Freight Subtotal</b>	<b>\$3,704.00</b>
<b>Installation Subtotal</b>	<b>\$22,662.00</b>
<b>Delivered &amp; Installed Total</b>	<b>\$139,896.00</b>

**This proposal is based upon your acceptance of the provisions of one of the following signed agreements:**

- \*\*Your signed Diebold Comprehensive Agreement (“DCA”) on file with Diebold.
- Your Master Agreement on file with Diebold. *Note: The Sale of Fire Product under a Master Agreement is subject to Diebold review and approval.*
- Diebold’s Offer of Sale Terms of Diebold’s Memorandum of Agreement. Please go to Diebold’s Web site at <http://www.diebold.com/tc>. for a copy of the Terms & Conditions. *Note: Fire Product cannot be purchased under the Sale of Terms of the Memorandum of Agreement.*
- \*\*Diebold Healthcare Comprehensive Agreement on file with Diebold

**\*\* NOTE: IF THIS PROPOSAL CONTAINS FIRE PRODUCTS, THE FOLLOWING APPLIES:**

- All equipment and installations are subject to final approval by the local AHJ/Fire Department (FD). Any changes needed to meet local requirements will be billed separately.
- Except as specifically stated in the proposal, fire alarm permits and fire system AHJ/FD inspection fees are not included.
- Pricing is based on all work being performed during normal work hours: M-F 8:00 a.m. to 5:00 p.m.
- Pricing includes fire alarm system submittal packages for the local AHJ and customer. Extra sets are available for an additional charge.
- Diebold inspects and tests the fire system function and not the system design. Diebold neither verifies nor assumes any liability for the system design when conducting a fire system inspection and test.

**Terms: Fire Product Sales are based on Purchaser acceptance of the provisions of Diebold’s Comprehensive Agreement (DCA). Please go to Diebold’s website at [www.diebold.com/tc](http://www.diebold.com/tc) for a copy of the DCA Terms and Conditions.**



## PROPOSAL

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15 Chapel Road • North Hampton, NH 03862 • Ph: (617) 549 5945 Fax: (508) 480 6499

November 13, 2013

Mr. James Dietz  
Nutmeg State Health and Wellness, Inc.  
19 Hearthstone Drive  
Barkhamsted, CT 06063

**RE: Connecticut Medical Marijuana Dispensary**

Dear Mr. Dietz,

We at Diebold thank you for the opportunity to present this proposal for a range of Security Solutions in connection with Medical Marijuana facility being planned in Winsted, CT. This proposal includes Five Custom Bullet Resistant Windows – one of which will be deployed in the Drive-thru along with a Transaction Drawer, The windows and drawer will all be U.L. rated Level 1 from a Bullet Resistant (B.R.) standpoint. This proposal also includes a TL-15 Rated Safe.

The pricing contained herein presumes that all work will be done during standard business hours, and that our installers will have free and easy access to site. All site preparation, wall opening modifications, demolition, electrical work and permit requirements are not included within the scope of this proposal. There is also not a Sales Tax allowance included in this pricing.

We understand your need to provide quality service to your customers in a secure and safe environment. We are certain Diebold's experience and our portfolio of high quality, flexible, easily installed products will enable you to enhance your operations. At Diebold we work hard to continuously improve performance standards, working relationships with our customers and the quality of our products and services.

We appreciate your consideration and look to putting our experience and expertise to work for you on this groundbreaking project. If you have any questions or need additional information please contact me at 617 549 5945.

Sincerely

*Michael Whittier*

Michael Whittier  
DIEBOLD, Inc.

## DIEBOLD PRICING

QTY DESCR \_\_\_\_\_ IPTION

- (1) Level 1 Bullet Resistant Window – approx. dimensions 6’-3 1/2” W. x 7’-8“ H.\*
- (1) Level 1 Bullet Resistant Window – approx. dimensions 7’-4” W. x 7’-8“ H.\*
- (2) Level 1 Bullet Resistant Windows – approx. dimensions 8’-4” W X 7’-8“ H.\*
- (1) Level 1 Bullet Resistant Drive-Thru Window – dimensions 8’ 4”W. x 3’-0” H.
- (1) Level 1 Bullet Resistant Transaction Drawer – Manual with Heater
- (1) TL- 15 271-95 Chest – Includes Dual Interior Lockers and Full Alarm Package

\* Units to include two pieces of glass and two B.R. Panels above each window.

<b>Equipment Subtotal</b>	<b>\$46,530.00</b>
<b>Freight Subtotal</b>	<b>\$1,704.00</b>
<b>Installation Subtotal</b>	<b>\$12,662.00</b>
<b>Delivered &amp; Installed Total</b>	<b>\$60,896.00</b>

**This proposal is based upon your acceptance of the provisions of one of the following signed agreements:**

- \*\*Your signed Diebold Comprehensive Agreement (“DCA”) on file with Diebold.
- Your Master Agreement on file with Diebold. *Note: The Sale of Fire Product under a Master Agreement is subject to Diebold review and approval.*
- Diebold’s Offer of Sale Terms of Diebold’s Memorandum of Agreement. Please go to Diebold’s Web site at <http://www.diebold.com/tc> for a copy of the Terms & Conditions. *Note: Fire Product cannot be purchased under the Sale of Terms of the Memorandum of Agreement.*
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**\*\* NOTE. IF THIS PROPOSAL CONTAINS FIRE PRODUCTS, THE FOLLOWING APPLIES.**

- All equipment and installations are subject to final approval by the local AHJ/Fire Department (FD). Any changes needed to meet local requirements will be billed separately
- Except as specifically stated in the proposal, fire alarm permits and fire system AHJ/FD inspection fees are not included
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Seven Central Street  
Framingham, MA 01701

508-877-1020  
Fax 508-877-5515

November 11, 2013

Nutmeg State Health and Wellness Center, Inc.  
19 Hearthstone Drive  
Barkhamsted, CT 06063

Dear Karen and James:

We are pleased to inform you that Nexum Group, LLC (the "Bank") has approved your application for a line of credit subject to the following terms and conditions:

**BORROWER:** Nutmeg State Health and Wellness Center, Inc.  
Karen Dietz  
James Dietz  
Entity taking title to 100 New Hartford Road, Winsted, CT 06098

**GUARANTOR:** Nutmeg State Health and Wellness Center, Inc.  
Karen Dietz  
James Dietz  
Entity taking title to 100 New Hartford Road, Winsted, CT 06098

**COLLATERAL:** The Bank will receive a first security interest in all business assets of the Borrower, including, without limitations, all inventory, accounts receivable, contract rights, general intangibles, including, without limitation, all of the Borrower's rights to acquire or obtain goods and/or services, all obligations owing to the Borrower, all good will, trade secrets, computer programs, customer lists, trade names, trademarks and patents of the Borrower, all equipment including, without limitation, machinery, furniture, trade fixtures, or substitute specific equipment etc. and all of the goods used in the conduct of the Borrower's business, all books and records relating to the conduct of the Borrower's business, all deposit accounts maintained by the Borrower with any bank and all proceeds of any of the collateral granted to the Bank. And additionally secured by a second mortgage on 100 New Hartford Road, Winsted, CT 06098.

**PURPOSE:** Working Capital

**AMOUNT:** \$300,000.00

**TERM:** Demand, subject to an annual review

**RATE:** Prime Rate as published by the Wall Street Journal ("Prime Rate") plus 5.00%.  
The rate is floating, which means it shall be adjusted to five percent (5.00%) over the Prime Rate, up or down, when the Prime Rate changes.

INITIALS \_\_\_\_\_

Nutmeg State Health and Wellness Center, Inc. et al  
November 11, 2013

**PAYMENTS:** Interest only.

**FEE:** An Origination Fee of \$3,000.00 shall be paid by the Borrower by November 18, 2013. The Borrower shall reimburse the Bank for any out-of-pocket expenses incurred by the Bank in conjunction with this loan.

A Renewal Fee of \$3,000.00 shall be due on the annual review date of the line of credit.

**INSURANCE:** The Bank shall be furnished with an insurance binder or policy on all fixed assets and the subject collateral in an amount and form satisfactory to the Bank, on or before closing. The form must designate the Bank as loss payee and read as follows:

**“NEXUM GROUP, LLC, ITS SUCCESSORS  
AND ASSIGNS AS THEIR INTEREST MAY APPEAR”**

If prior to closing or at any time during the term of the loan, the Property is determined to be in a Special Flood Hazard Area, the Borrower will be required to furnish to the Bank a flood insurance policy in an amount and form satisfactory to the Bank and monthly payments of approximately 1/12 of the estimated premium due with respect to the Property will then be required.

**DEFAULT RATE:** The Borrower and the Guarantor understand and agree that the loan is considered a Demand loan and that the Bank may demand the payment in full of the entire loan at anytime and in its sole and exclusive discretion. In the event the Bank elects to demand that the loan be paid in full, then the Borrower shall pay all amounts due under the loan within ten days after the date of the notice given by the Bank to the Borrower to make such payment. Upon default, at the option of the Bank, the rate shall be changed to the highest rate permitted by law. The resulting rate shall, at the Bank's option, remain in force for as long as a balance remains due on the loan or until the loan's maturity.

**LATE CHARGE:** The loan documents will provide that there will be a late charge equal to five percent (5%) of the monthly principal and interest payment due if the total payment is not made within five (5) days of the due date.

INITIALS \_\_\_\_\_

Nutmeg State Health and Wellness Center, Inc. et al  
November 11, 2013

Seven Central Street  
Framingham, MA 01701  
508-877-1020  
Fax 508-877-5515

**GENERAL TERMS AND CONDITIONS:**

1. Such loan documents as the Bank and/or Its attorneys deem necessary to adequately document this loan. Such loan documents will include terms and conditions which are usual and customary which are contained in a promissory note, loan agreement and/or security agreement, mortgage and other loan documents, including but not limited to: representations and warranties, affirmative and negative covenants, events of default, rights and remedies upon default, financial reporting, financial covenants and security requirements.
2. All of the closing documentation shall be prepared by the Bank, and except as otherwise provided, shall contain the terms and conditions customarily used by the Bank in connection with loans and shall include opinions acceptable to the Bank's counsel relative to zoning, compliance with local codes or any environmental opinions that may be required by the Bank. The Borrower shall be required to furnish any other documents required by the Bank to effectuate the loan.
3. The Borrower and Guarantor shall sign an affidavit at the time of the loan closing, certifying that the facts set forth in the operating and financial statements, and other written representations delivered to the Bank prior to the issuance of this commitment letter are materially and substantially correct and there has been no material attrition or change from any statement or representation set forth therein and shall supply such reasonable substantiation and documentation as the Bank may request in connection therewith.
4. Each year, for as long as a balance remains due on this loan, the Bank must be provided, within sixty (60) days following the closing of the Borrower's fiscal year or calendar year, current personal and /or business financial statements for all Borrowers and Guarantors, in a form acceptable to the Bank. Within sixty (60) days following the Borrower's annual tax filing deadline, complete Federal income tax returns (or evidence of extensions) for all Borrowers and Guarantors shall be provided to the Bank.
5. Each year, for as long as a balance remains due on this loan, the Bank must be provided, upon written request, current personal and/or business financial statements and/or tax returns for all Borrowers and Guarantors, in a form acceptable to the Bank.
6. The Bank reserves the right to examine the Borrower's books and other financial records, as well as inventory and other collateral, from time to time, and to the extent deemed reasonably necessary by the Bank. Such an examination may include, but not be limited to, a field examination and/or inspection and evaluation of the loan collateral. Advance notice of such examinations shall be in accordance with the terms of the loan documents. All costs incurred in the course of a reasonable examination shall be the sole responsibility of the Borrower.
7. The loan to be executed shall stand as security not only for the subject loan but also for any other indebtedness now existing, due or hereafter arising to the Bank by the Borrower. In consideration of the terms and conditions of this letter, the undersigned further agrees and hereby authorizes any person or any consumer credit reporting agency to give the Bank any information which he, she, they or it may have on the undersigned when requested by the Bank, for so long as any obligation or guarantee of the undersigned to the Bank is outstanding.
8. This commitment is issued on the condition that none of the Bank's Managers, Members, and any of Its officers or agents shall be liable personally hereunder or for any action taken, with respect hereto, and the Borrower, by acceptance hereof, agrees that, in the event there is a dispute with respect to this commitment, or any loan granted pursuant hereto, the Borrower looks solely to the Bank for performance of any obligations hereunder or under any such loan or for any other claim.

INITIALS \_\_\_\_\_

Nutmeg State Health and Wellness Center, Inc. et al  
November 11, 2013

9. JURY TRIAL WAIVER

Borrower and the Bank hereby mutually waive any and all rights that they may have now or hereafter under the laws of the United States of America, any state or territory, to a trial by jury of any and all issues arising either directly or indirectly in any litigation, action or proceeding between the Borrower, the Bank or their successors and assigns, out of or in any way connected with this note, the commitment letter or any other documents executed in connection herewith. Borrower hereby certifies that no representative, employee, agent or counsel of the Bank has represented, whether expressly or otherwise, that the Bank would not, in the event of such litigation, action or proceeding seek to enforce this waiver of right to a trial by jury.

10. Acceptance of this commitment shall constitute the Borrower's unconditional agreement to pay all expenses incurred by the Bank in connection with this loan, whether or not the loan is closed.

**TERMINATION:**

The Bank may terminate this commitment upon the occurrence of any of the following events:

- (1) If any report or statement made to the Bank by the Borrower, in connection herewith, is or proved to be false or misleading in any material respect as of the date made or furnished.
- (2) If prior to closing, any change occurs in the Borrower's financial condition or credit standing which, in the judgment of the Bank, affects their ability to pay any obligation due the Bank.
- (3) Failure to submit all required fees and documentation required by the Bank as outlined in this letter.

To be valid, the Bank must receive one copy of this letter **signed** no later than the close of business on November 18, 2013. This loan hereby committed must close on or before December 13, 2013 or the Bank's obligation to fund the loan hereunder shall cease, unless the Bank agrees in writing to extend the closing date.

The identity of the Borrower is of material importance to the Bank, and accordingly, neither this commitment nor the loan may be assigned. This commitment cannot be changed orally, but only by an instrument in writing signed by the party against whom enforcement of any change is sought. Titles are for convenience only and shall not effect the construction hereof.

A Federal law aimed at protecting our country from financial crimes and terrorist attacks requires the Bank to collect and keep identifying information about each Borrower. At the closing each Individual must be prepared to provide a current State Issued Drivers License. Any other forms of identification must be approved by the Bank prior to closing. Additional documentation may be required for any business entities as well.

It is expressly understood and agreed that the terms, conditions, requirements and obligations of this commitment shall survive the closing of the contemplated loan and remain in full force and effect after the closing of the loan.

This commitment letter summarizes certain important items of the Bank's loan commitment and does not necessarily contain all the conditions that will be recited in the loan documents.

INITIALS \_\_\_\_\_

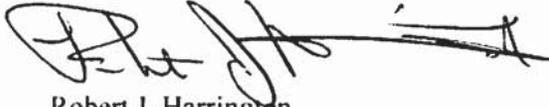
Nutmeg State Health and Wellness Center, Inc. et al  
November 11, 2013

Seven Central Street  
Framingham, MA 01701  
508-877-1020  
Fax 508-877-5515

By executing this letter, the Borrower agrees and acknowledges that the Bank shall not be responsible for any costs, expenses, or any type of claim or damage for its failure to consummate the contemplated loan transaction on or by any certain date which the Borrower desires.

Once again we thank you for giving us this opportunity to service your financial requirements.

Sincerely,  
Nexum Group, LLC



Robert J. Harrington  
Manager

**AGREED TO AND ACCEPTED BY:**

Nutmeg State Health and Wellness Center, Inc.

\_\_\_\_\_  
Date

\_\_\_\_\_  
By: Karen Dietz, Its Duly Authorized CEO & Secretary

\_\_\_\_\_  
Date

\_\_\_\_\_  
Karen Dietz, Guarantor

\_\_\_\_\_  
Date

\_\_\_\_\_  
James Dietz, Guarantor

INITIALS \_\_\_\_\_



**TOWN OF WINCHESTER – CITY OF WINSTED**

Office of the Town Manager, Town Hall

338 Main Street

Winsted, Connecticut 06098

(860) 738-6962

[townmanager@townofwinchester.org](mailto:townmanager@townofwinchester.org)

November 14, 2013

Mr. James Dietz  
Nutmeg State Health and Wellness Center, Inc.  
19 Hearthstone Drive  
Barkhamsted CT 06063

Dear Mr. Dietz:

Your Application for Development (site plan review; dated November 6, 2013) for a medical marijuana dispensary (proposed location: 100 New Hartford Road) has been received by the Town of Winchester. Town officials will review the application in preparation for formal consideration by the Town of Winchester Planning and Zoning Commission on November 25, 2013.

I will keep you informed of staff comments so that you may be prepared to appropriately respond.

If you have any questions, please contact me.

Sincerely,

Dale L. Martin  
Town Manager

LAW OFFICES OF  
**KEVIN E. NELLIGAN, LLC**

194 ASHLEY FALLS ROAD  
P.O. BOX 776  
CANAAN, CONNECTICUT 06018

860-824-5171  
FACSIMILE NO. 860-824-5161  
EMAIL kevin@nelliganlaw.com

WINSTED OFFICE  
40 PARK PLACE EAST  
WINSTED, CONNECTICUT 06098  
860-379-7109

PLEASE REPLY TO CANAAN OFFICE

October 24, 2013

Dale Martin  
Town Manager  
Town of Winchester  
338 Main Street  
Winsted, CT 06098

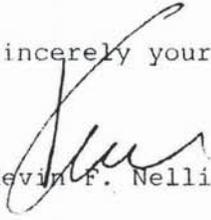
Marc Melanson  
Enforcement Officer  
Town of Winchester  
338 Main Street  
Winsted, CT 06098

Re: Medical Marijuana Facility Moratorium

Dear Dale and Marc:

At your suggestion, I have prepared a proposed amendment to our zoning regulation establishing a moratorium on applications regarding medical marijuana facilities. Since this would take the form of an amendment to the regulations, you should follow the regular procedure used for amending the regulations. If you have any questions on this please give me a call. Otherwise, please let me know what the commission decides at their next meeting.

Sincerely yours,



Kevin F. Nelligan

KFN:ch  
Enc.  
cc: Board of Selectmen

PROPOSED AMENDMENT TO THE ZONING REGULATIONS  
SECTION 22  
Uses Subject to Moratorium

A Moratorium on the Acceptance of Applications for  
Medical Marijuana Dispensary and Production Facilities  
and new Definitions in Section 1 (to define these facilities)

**Reasons:** The Commission acknowledges the adoption by the State of Connecticut on August 28, 2013 of final regulations concerning the "Palliative Use of Marijuana", codified in sections 21a-408-1 to 21a-408-70 in the Regulations of State Agencies for the Department of Consumer Protection ("DCP"). The regulations include seventy-six pages of regulations for the administration of the State's Medical Marijuana Program, including requirements for those who seek licenses for the growing and dispensing of medical marijuana.

In order for the Planning and Zoning Commission of the Town of Winchester to properly evaluate these State regulations and to consider the adoption of zoning regulations for local control of these uses, with a goal toward maintaining and protecting the public health, safety and welfare of the residents of the community, a moratorium on the acceptance of any application for facilities for dispensing or growing of medical marijuana is proposed.

The State of Connecticut has indicated that there will be a maximum of 10 licenses issued within the State for growers, and only 3-5 licenses issued for dispensaries in the initial stages of the program. In addition, the DCP regulations require that the Agency, when issuing licenses, consider "whether the proximity of the proposed dispensary facility will have a detrimental effect upon any place used primarily for religious worship, public or private school, convent, charitable institution, whether supported by private or public funds, hospital or veteran's home or any camp or military establishment" [Sec. 21a-408-14].

The complexity of the DCP regulations and controls adopted to carefully regulate this use at the State level supports the

premise that the use should also be carefully regulated at the local level. The proposed moratorium is therefore justified.

Section 22 is added to the regulations as follows:

**Section 22: Uses Subject to Moratorium**

**A. INTENT AND PURPOSE**

The Planning and Zoning Commission has determined that the following uses have the potential to impair the health, safety and welfare of its citizens, and that a temporary, limited moratorium is needed in order to properly develop restrictions and standards for the implementation of these uses.

**B. IDENTIFIED USES SUBJECT TO MORATORIUM**

1. Medical marijuana dispensary facility
2. Medical marijuana production facility

**C. APPLICATION**

1. No application for a medical marijuana dispensary or production facility and no installation or creation of a medical marijuana dispensary or production facility shall be permitted in any zone with the Town of Winchester during the effective dates specified below.

**D. EFFECTIVE DATE AND EXPIRATION**

1. The effective date of the moratorium on the application or installation or creation of any medical marijuana dispensary or production facility is the date of adoption of this regulation by the Planning and Zoning Commission together with the filing of the amendment with the town clerk (beginning on \_\_\_\_\_), expiring in one calendar year (ending on \_\_\_\_\_).

**E. EXCLUSIONS**

1. [There are no exclusions proposed under this amendment.]

Under Section 1 (Definitions), add new definitions for "medical marijuana dispensary facility" and "medical marijuana production facility" (in conformance with State definitions taken from Sec. 21a-408-1 of the Regulations for State Agencies, CT Department of Consumer Protection, for Palliative Use of Marijuana), as follows:

"Medical marijuana dispensary facility" means a place of business where marijuana may be dispensed or sold at retail to qualifying patients and primary caregivers, and for which the CT Department of Consumer Protection has issued a dispensary facility permit to an applicant in accordance with Section 21a-406-14 of the Regulations of Connecticut State Agencies.

"Medical marijuana production facility" means a secure, indoor facility where the production of marijuana occurs, and that is operated by a person to whom the CT Department of Consumer Protection has issued a producer license in accordance with Section 21a-406-20 of the Regulations of Connecticut State Agencies.

Draft: 10/29/13

Revised:

Public Hearing:

Adopted:

Published:

Effective:

## Town Manager

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**From:** JARRETT STEVENS [JSTEVENS@CCM-CT.ORG]  
**Sent:** Monday, October 28, 2013 12:27 PM  
**To:** 'kevin@nelliganlaw.com'  
**Cc:** Town Manager  
**Subject:** Your CCM Research request  
**Attachments:** Medical Marijuana Zoning Regulations.pdf; P&Z Moratoria.pdf



Kevin Nelligan  
Town Attorney, Town of Winchester  
109 Main Street.  
P.O. Box 776  
Canaan, CT 06018

Dear Mr. Nelligan:

I am writing in response to your request for information regarding ordinances or regulations that have been adopted restricting dispensaries and producers of medical marijuana.

I have attached a PDF file containing the Town of Ridgefield's zoning amendment as proposed and enacted (instating a one year moratorium on marijuana dispensaries and production), the Town of Monroe's proposed moratorium as posted in a legal notice (also instating a one year moratorium on marijuana dispensaries and production), and the agenda of the Shelton Planning and Zoning Commission meeting and public hearing after which the commission enacted its nine month moratorium.

The Town of West Hartford also recently passed a nine month moratorium, which stipulates that that no marijuana dispensary facilities, marijuana production facilities, [or] pharmaceutical manufacturing facilities will be allowed in town until the council revises zoning codes to regulate such facilities or for nine months, whichever is sooner. West Hartford does not have a standalone Planning and Zoning Commission – The Town's charter designates the Council as the town's zoning authority – and as such, this ordinance was passed by the Council under its authority as the Town's zoning regulatory body.

The City of Ansonia and Town of Westport also have enacted one year moratoria, and the Town of Trumbull has enacted a four month moratorium, all coming from their respective Planning and Zoning commissions.

I have also attached a PDF file containing completed regulations from three Connecticut municipalities (Canton, Southington, and Torrington), all of which regulated the production and dispensing of marijuana through their planning and zoning departments.

I hope that this information answers your question fully.

Please do not hesitate to call me at (203) 498-3055 or email me at [jstevens@ccm-ct.org](mailto:jstevens@ccm-ct.org) if you have any questions or would like further information.

Regards,  
Jarrett Stevens

**Jarrett Stevens**

Government Research Analyst  
Connecticut Conference of Municipalities [CCM]  
900 Chapel Street, 9th Floor  
New Haven, CT 06510-2807  
Phone: (203) 498-3055 Fax: (203) 498-5817  
Email: [jstevens@ccm-ct.org](mailto:jstevens@ccm-ct.org)  
[www.ccm-ct.org](http://www.ccm-ct.org)

**Save the Date!**  
**2014 Emergency Management Symposium**  
**May 6 at the Cromwell Crowne Plaza**

This message (including any attachments) may contain confidential information intended for a specific individual and purpose, and is protected by law. If you are not the intended recipient, you should delete this message.

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#### 4.2.C. USES PERMITTED BY SPECIAL PERMIT AND SITE PLAN APPROVAL (COMMISSION)

The following principal uses shall be permitted in the Industrial District subject to special permit in accordance with Section 9.2:

##### 1. Business Uses

- a. Any use allowed by zoning permit, site plan approval, or by special permit in the Business District

##### 2. Industrial / Infrastructure Facilities

- a. Manufacturing, fabricating, processing, converting, altering, or assembling, and the packaging, warehousing and distribution of machine parts, electrical equipment, electronic equipment, photographic products, optical products, office and business equipment, plastic components and computing equipment within buildings greater than 5,000 square feet.
- b. Warehousing, and storage within buildings greater than 5,000 square feet, excluding wholesale storage of propane, and self storage units that meet the requirements of Section 4.1.C.10.
- c. Volume reduction plant and recycling facility to be limited to:
  - i. intake of raw materials and clean bulky construction waste such as bituminous products, brush, card board, concrete, dirt, gravel, masonry block, metal, quarry rock, sand, stone, topsoil and wood;
  - ii. compacting, crushing, grinding, screening, separating, sorting, washing, or similar processing of raw materials and construction waste;
  - iii. stockpiling or storing of raw materials, construction waste and processed materials;
  - iv. wholesale and retail sales of processed materials which may include truck weighing facilities; and/or
  - v. shipment of un-recyclable materials to an approved disposal facility.
- d. Licensed medical marijuana producer provided that all cultivation of marijuana plants be conducted in doors.

##### 3. Adult Uses

- a. Adult establishments provided that:
  - i. adult establishments shall be offset one hundred fifty (150) feet from all District boundaries, and shall not be located less than 150 feet from any dwelling. Measurement of these distances shall be based on the shortest measurable distance of 150 feet;
  - ii. no adult establishment shall be permitted on any lot located within one thousand five hundred (1,500) feet of a: house of worship; cemetery; school; publicly owned recreational facility, park and playground; library; day care services, or, any other adult establishment. Measurement of these distances shall be made from the point at which the nearest side lot line intersects with the street line of one of the above uses to the point at which the nearest side lot line intersects the street line of another of the above uses, thence along the street line(s) connecting the two points;
  - iii. no adult establishment shall be conducted in such a manner that permits "specified anatomical areas" or "specified sexual activities" to be visible from the outside of a building. This provision shall apply to any exterior display, decoration, signage, show window, or other exterior opening; and
  - iv. adult establishments shall operate only Monday through Friday between 9:00 AM and 9:00 PM, and Saturday and Sunday between 12:00 PM and 6:00 PM





**PLANNING & ZONING DEPARTMENT**  
**Town Hall Annex, 66 Prospect St.,**  
**Ridgefield, CT 06877**  
**203-431-2766 Fax 203-431-2737**

**PROPOSED AMENDMENT TO THE ZONING REGULATIONS**  
**Section 8.6**  
***Uses Subject to Moratorium***

**A Moratorium on the Acceptance of Applications for  
Medical Marijuana Dispensary and Production Facilities  
and new Definitions in Sec. 2.2 (to define these facilities)**

**Reasons:** The Commission acknowledges the adoption by the State on August 28, 2013 of final regulations concerning the "Palliative Use of Marijuana", codified in sections 21a-408-1 to 21a-408-70 in the Regulations of State Agencies for the Department of Consumer Protection. As printed from the DCP website, the regulations include 76 pages of regulations for the very tightly controlled administration of the State's Medical Marijuana Program, including requirements for those who seek licenses for the growing and dispensing of medical marijuana.

In order for the Planning and Zoning Commission of the Town of Ridgefield to properly evaluate these State regulations and to consider the adoption of zoning regulations for local control of these uses, with a goal toward maintaining and protecting the public health, safety and welfare of the residents of the community, a moratorium on the acceptance of any application for facilities for dispensing or growing of medical marijuana is proposed.

The State has indicated that there will be a maximum of 10 licenses issued within the State for growers, and only 3-5 licenses issued for dispensaries in the initial stages of the program. In addition, the DCP regulations require that the Agency, when issuing licenses, consider "whether the proximity of the proposed dispensary facility will have a detrimental effect upon any place used primarily for religious worship, public or private school, convent, charitable institution, whether supported by private or public funds, hospital or veteran's home or any camp or military establishment." [Sec. 21a-408-14].

Clearly, the complexity of the DCP regulations and controls adopted to carefully regulate this use at the State level supports the premise that the use should also be carefully regulated at the local level. The proposed moratorium is therefore justified.

**In Section 8.6 (SPECIAL PROVISIONS – "Uses Subject to Moratorium"), add the following BOLD, UNDERLINED language:**

***8.6 Uses Subject to Moratorium***

**A. INTENT AND PURPOSE**

The Planning and Zoning Commission has determined that the following uses have the potential to impair the health, safety and welfare of its citizens, and that a temporary, limited moratorium is needed in order to properly develop restrictions and standards for the implementation of these uses.

**B. IDENTIFIED USES SUBJECT TO MORATORIUM**

1. Medical marijuana dispensary facility
2. Medical marijuana production facility

**C. APPLICATION**

1. No application for a medical marijuana dispensary or production facility and no installation or creation of a medical marijuana dispensary or production facility shall be permitted in any zone within the Town of Ridgefield during the effective dates specified in Sec. 8.6.D.1.

**D. EFFECTIVE DATE and EXPIRATION**

1. The effective date of the moratorium on the application or installation or creation of any medical marijuana dispensary or production facility is the date of adoption of this regulation by the Planning and Zoning Commission together with the filing of the amendment with the town clerk (beginning on \_\_\_\_\_), expiring in one calendar year (ending on \_\_\_\_\_).

**E. EXCLUSIONS**

1. *[There are no exclusions proposed under this amendment.]*

Under Sec. 2.2 (Defined Terms), add new definitions for “medical marijuana dispensary facility” and “medical marijuana production facility” (in conformance with State definitions taken from Sec. 21a-408-1 of the Regulations for State Agencies, CT Department of Consumer Protection, for Palliative Use of Marijuana), as follows:

“Medical marijuana dispensary facility” means a place of business where marijuana may be dispensed or sold at retail to qualifying patients and primary caregivers, and for which the CT Department of Consumer Protection has issued a dispensary facility permit to an applicant in accordance with Section 21a-408-14 of the Regulations of Connecticut State Agencies.

“Medical marijuana production facility” means a secure, indoor facility where the production of marijuana occurs, and that is operated by a person to whom the CT Department of Consumer Protection has issued a producer license in accordance with Section 21a-408-20 of the Regulations of Connecticut State Agencies.

Draft: 8/29/13  
Revised:  
Public Hearing:  
Adopted:  
Published:  
Effective:

The Shelton Planning and Zoning Commission will hold a special meeting on Wednesday, August 28, 2013, Shelton City Hall, Auditorium, 7:00 p.m., 54 Hill Street, Shelton, CT 06484.

**AGENDA**

**I. Call to Order**

**II. Pledge of Allegiance**

**III. Roll Call**

**IV. Public Hearing**

- A. Proposal of the Shelton PZC for a Moratorium on Medical Marijuana Dispensaries and Producers: Amendment of Section 23: Permitted Uses by adding a new Paragraph 23.2.4 prohibiting said Dispensaries and Producers for a period of nine (9) months.

**V. Old Business**

- A. Application #13-9, CT Commercial Investors, LLC for Modification of Statement of Uses and Standards and Detailed Development Plans for PDD #24 (3,060 sq. ft. commercial bldg.), 705-711 Bridgeport Avenue (Map 28, Lot 22) (public hearing closed on 7/9/13)
- B. Proposal of the Shelton PZC: Re-write of Section 42: Off Street Parking and Loading (public hearing closed on 8/13/13)
- C. Proposal of the Shelton PZC for a Moratorium on Medical Marijuana Dispensaries and Producers: Amendment of Section 23: Permitted Uses by adding a new Paragraph 23.2.4 prohibiting said Dispensaries and Producers for a period of nine (9) months.

**VI. Other Business**

1. Appeal of decision of ZBA regarding Application #813-1: Kid Zone Realty, LLC, 7 Platt Road

## **VII. Adjournment**

**TOWN PLANNING & ZONING COMMISSION  
MONROE, CONNECTICUT**

**NOTICE OF PUBLIC HEARING**

**October 24, 2013**

The Monroe Planning and Zoning Commission hereby gives Notice in accordance with CGS §8-3 that it will hold four Public Hearings in the Town Hall Council Chambers, 7 Fan Hill Road, Monroe, CT, on Thursday, October 24, 2013, at 7:00 p.m. or soon thereafter, to hear testimony, public input and receive correspondence concerning the following:

**SPECIAL EXCEPTION PERMITS**

**1430 Monroe Turnpike (13-8-SEP)**

Application of Kimball Construction, LLC and the Sisters of the Holy Family of Nazareth for approval to construct a new 28-bedroom, 28,816 square-foot convent to replace an existing convent building to be demolished, as well as associated site improvements (to driveway access and circulation, parking, drainage, utilities and landscaping) on property located in an RC District, as shown on the Monroe Tax Assessor Map 145, Block 24 Lot 00.

**618 Main Street (13-11-SEP)**

Application of Carpenter's Union Local 210 - John P. Cunningham, President for approval of exterior building and site modifications on a property located within a DB-1 District, as shown on the Monroe Tax Assessor Map 70, Lot 24.

**REGULATION AMENDMENTS**

**LOR Regulation Amendment**

Proposed Planning and Zoning Commission Zoning Regulations Amendment affecting the Limited Office Retail (LOR) District by the addition of a new §5.1.3G to permit banks without drive-through window service as permitted principal use requiring Site Plan Approval; and a new and §5.1.4G to permit banks with drive-through window service as a permitted principal use requiring Special Exception Permit Approval.

**MORATORIUM**

Proposed Planning and Zoning Commission Resolution to establish a one (1) year Moratorium, in accordance with Connecticut General Statutes §8-2 and §8-3, during which time no zoning application under Chapter 117, Zoning Regulations, or as may be amended during the duration of the Moratorium, will be accepted, considered or approved to permit the establishment, development or use of a Medical Marijuana Dispensary in the Town of Monroe, in any Zoning District.

Copies of these applications are available for review in the Planning and Zoning Department at Town Hall.

A copy of this Legal Notice dated October 1, 2013 is on file in the office of the Town Clerk.

By: William Agresta, AICP, Clerk

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**Publishing instructions:** Publish in the Connecticut Post on:  
**Friday, October 11, 2013** and  
**Friday, October 18, 2013**

**Please bill:** Finance Department  
Monroe Town Hall  
7 Fan Hill Road  
Monroe, CT 06468

For questions about the **content** of this ad **ONLY** call P & Z Dept. (203)452-2812

**PURCHASE ORDER NO.:** NO. 13-21000

Connecticut Post Account #: 111545 (Town of Monroe) **BOLD PRINT NOT REQUIRED - CERTIFICATE OF PUBLICATION REQUESTED**

11-23 Medical Marijuana<sup>1</sup>

A. Purpose. The intent of this section is to regulate the location of Medical Marijuana Dispensaries and Producers. The primary purposes of these regulations are to prevent a concentration of these uses in any one area, to minimize any adverse impacts, and to protect and preserve the quality of Southington's neighborhoods, commercial districts, property values and the quality of urban life through effective land use planning.

B. Definitions – for use in this section of the Regulations:

1. Dispensary or licensed dispensary means a person licensed as a dispensary pursuant to Section 9 of Public Act #12-55:

A. No person shall act as a dispensary or represent that such person is a licensed dispensary unless such person has obtained a license from the Commissioner of Consumer Protection pursuant to this section.

B. The Commission of Consumer Protection shall determine the number of dispensaries appropriate to meet the needs of qualifying patients in this state and shall adopt regulations, in accordance with Chapter 54 of the General Statutes, to provide for the licensure and standards for dispensaries in this state and specify the maximum number of dispensaries that may be licensed in this state. On and after the effective date of such regulations, the Commissioner may license any person who applies for a license in accordance with such regulations, provided (1) The Commissioner deems such applicant qualified to acquire, possess, distribute and dispense marijuana pursuant to Section 1 to 15, inclusive, of this act, (2) the applicant is a pharmacist licensed under Chapter 400j of the General Statutes, and (3) the number of dispensary licenses issued does not exceed the number appropriate to meet the needs of qualifying patients in this state, as determined by the Commissioner pursuant to this subsection. At a minimum, such regulations shall:

1. Indicate the maximum number of dispensaries that may be licensed this this state;
2. Provide that only a pharmacist licensed under Chapter 400j of the General Statutes may apply for and receive a dispensary license;
3. Provide that no marijuana may be dispensed from, obtained from or transferred to a location outside of the state;
4. Establish a licensing fee and renewal fee for each licensed dispensary, provided such fees shall not be less than the amount necessary to cover the direct and indirect cost of licensing and

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<sup>1</sup> New, ZA #565, effective 10/6/12

regulating dispensaries pursuant to Sections 1 to 15, inclusive, of Public Act #12-55;

5. Provide for renewal of such dispensary licenses at least every two years;
6. Describe areas in this state where licensed dispensaries may not be located, after considering the criteria for the location of retail liquor permit premises set forth in subsection (a) of Section 30-46 of the General Statutes;
7. Establish health, safety and security requirements for licensed dispensaries, which may include, but need not be limited to: (i) the ability to maintain adequate control against the diversion, theft and loss of marijuana acquired or possessed by the licensed dispensary, and (ii) the ability to maintain the knowledge, understanding, judgment, procedures, security controls and ethics to ensure optimal safety and accuracy in the distributing, dispensing and use of palliative marijuana;
8. Establish standards and procedures for revocation, suspension, summary suspension and nonrenewal of dispensary licenses, provided such standards and procedures are consistent with the provisions of subsection (c) of Section 4-182 of the General Statutes; and
9. Establish other licensing, renewal and operational standards deemed necessary by the Commissioner

C. Any fees collected by the Department of Consumer Protection under this Section shall be paid to the State Treasurer and credited to the account established pursuant to Section 19 of Public Act 12-55

2. Producer or licensed producer means a person licensed as a producer pursuant to Section 10 of Public Act #12-55;

- A. No person may act as a producer or represent that such person is a licensed producer unless such person has obtained a license from the Commissioner of Consumer Protection pursuant to this section.
- B. The Commissioner of Consumer Protection shall determine the number of producers appropriate to meet the needs of qualifying patients in this state and shall adopt regulations, in accordance with Chapter 54 of the General Statutes, to provide for the licensure, standards and locations for producers in this state and specify the maximum number of producers that may be licensed in this state at any time. On and after the effective date of such regulations, the Commissioner may license any person who applies for a license in accordance with such regulations, provided (1)

such person is organized for the purpose of cultivating marijuana for palliative use in this state, (2) the Commissioner finds that such applicant has appropriate expertise in agriculture and that such applicant is qualified to cultivate marijuana and sell, deliver, transport or distribute marijuana solely within this state pursuant to Sections 1 to 15, inclusive, of Public Act 12-55, and (3) the number of producer licenses issued does not exceed the number appropriate to meet the needs of qualifying patients in this state, as determined by the Commissioner pursuant to this subsection. At a minimum, such regulations shall.

1. Indicate the maximum number of producers that may be licensed in this state at any time, which number shall not be less than three nor more than ten producers;
2. Provide that no marijuana may be sold, delivered, transported or distributed by a producer from or to a location outside of this state;
3. Establish a nonrefundable application fee of not less than twenty-five thousand dollars for each application submitted for a producer license;
4. Establish a license fee and renewal fee for each licensed producer, provided the aggregate amount of such license and renewal fees shall not be less than the amount necessary to cover the direct and indirect cost of licensing and regulating producers pursuant to Sections 1 – 15, inclusive, of Public Act #12-55;
5. Provide for renewal of such producer licenses at least every five years;
6. Provide that no producer may cultivate marijuana for palliative use outside of this state and designate permissible locations for licensed producers in this state;
7. Establish financial requirements for producers, under which (i) each applicant demonstrates the financial capacity to build and operate a marijuana production facility, and (ii) each licensed producer may be required to maintain an escrow account in a financial institution in this state in an amount of two million dollars;
8. Establish health, safety and security requirements for licensed producers, which shall include, but need not be limited to, a requirement that the applicant or licensed producer demonstrate: (i) The ability to maintain adequate control against the diversion, theft and loss of marijuana cultivated by the producer, and (ii) the ability to cultivate pharmaceutical grade marijuana for palliative use in a secure indoor facility;

- 9 Define "pharmaceutical grade marijuana for palliative use" for the purposes of this section;
10. Establish standards and procedures for revocation, suspension, summary suspension and nonrenewal of producer licenses, provided such standards and procedures are consistent with the provisions of subsection (c) of Section 4-182 of the General Statutes; and
- 11 Establish other licensing, renewal and operational standards deemed necessary by the Commissioner.

C Any fees collected by the Department of Consumer Protection under this section shall be paid to the State Treasurer and credited to the account established pursuant to Section 19 of Public Act #12-55.

3. Public Building means any building owned, leased or otherwise held by the United States, the state, the town, any other town, any fire district, any school district, or any other agency or political subdivision of the United States or the state, which building is used for governmental purposes.
4. Private Recreation Area means any private business, whether for-profit or not-for-profit, intended to serve or attract clients, customers, or users under 18 years of age, for the purpose of engaging in indoor or outdoor youth-oriented programs or activities, including but not limited to sports or fitness centers, martial arts, dance, gymnastics, music or art studios, indoor open or guided play areas, camps, and the like.
5. Public Park and Recreation Area means public land that has been designated for park or recreational activities including, but not limited to, a park, playground, nature trails, swimming pool, reservoir, athletic field, golf course, basketball or tennis courts, pedestrian or bicycle paths, open space, wilderness areas, or similar public land within the town that is under the control, operation, or management of the town, any other town, or the state.
6. School means any public, private or parochial educational facility including, but not limited to, child day care facilities, nursery schools, preschools, kindergartens, elementary schools, middle schools, junior high schools, high schools, vocational schools, secondary schools, continuation schools, special education schools, alternative schools, junior colleges, colleges and universities. School includes the school grounds, but does not include any facility used primarily for another purpose and only incidentally as a school.

C Applicability Medical Marijuana dispensaries shall be permitted only in the Central Business Zone (CB) and Business Zone (B), subject to special permit use approval in accordance with Section 8 of these Regulations and site plan approval in accordance with Section 9 of these Regulations and the requirements of this section. Medical Marijuana production facilities shall be permitted only in an Industrial Zone, subject to special permit use approval in accordance with Section 8 of these Regulations and site plan approval in accordance with Section 9 of these Regulations and the requirements of this section.

- D. Separation Requirements. Regulated uses identified in this section shall be subject to the following separation restrictions:
- a. No Medical Marijuana Producer shall be permitted on a site that is less than 1,000 feet from any other site containing an Medical Marijuana Producer,
  - b. No Medical Marijuana Producer shall be permitted on a site that is less than 750 feet from any site containing a church, school, public building, public park or recreation area, or private recreation area;
  - c. No Medical Marijuana Producer shall be permitted on a site that is less than 750 feet from any residentially zoned land as defined in the town's zoning regulations, or from a site zoned B with 5 or more residential units;
  - d. No Medical Marijuana Dispensary or Producer shall be permitted within the same building, structure or portion thereof that is used for residential purposes or that contains another Medical Marijuana Dispensary or Producer,
  - e. All distances contained in this section shall be measured by taking the nearest straight line between the respective lot boundaries of each site;
- E. Sign and exterior display requirements. No Medical Marijuana Dispensary or Producer shall be conducted in any manner that permits the observation of any material depicting, describing or relating to Medical Marijuana from any public way or from any property not licensed as an Medical Marijuana Dispensary or Producer. This provision shall apply to any display, decoration, sign, show window or other opening.

- D. Deed Guarantees. Regardless of the method employed, the instrument of the open space conveyance must include provisions suitable to the Commission and its Legal Counsel for guaranteeing the following:
1. Continuity of proper maintenance for those portions of the common open space land requiring maintenance;
  2. When appropriate, the availability of funds required for such maintenance; and
  3. Recovering of loss sustained by casualty, condemnation or otherwise.

**Section 4.16 Alternate Incarceration, Substance Abuse/Mental Health, Medical Marijuana Dispensary Overlay Zone (ASM Zone) (Effective 4/28/12)**

**4.16.1 Purpose**

The purpose of the Alternate Incarceration, Substance Abuse/Mental Health, Medical Marijuana Dispensary Overlay Zone (ASM Zone) is to provide an overlay zone (floating zone) where alternate incarceration facilities, substance abuse/mental health facilities and medical marijuana dispensaries can be located. The overlay zone will provide conditions and safeguards to protect the public health, safety and welfare of the citizens of Torrington. The overlay zone will guide the development of new alternate incarceration facilities, substance abuse/mental health facilities and medical marijuana dispensaries in Torrington. The intent is to minimize the impact of such development on neighbors and abutters in adjacent more restrictive zones while at the same time recognizing the important services these facilities may provide to the residents of Torrington.

**4.16.2 Applicability**

This overlay zone may not be applied to any lots located in the Downtown District (DD Zone), R-6, R10, R-10S, R-15, R-15S, R-25 Zone, R-40, R-60 or R-WP Zones.

**4.16.3 Permitted Uses**

The following uses shall be permitted within the overlay zone:

- A. Alternate Incarceration Facilities.
- B. Substance Abuse/Mental Health diagnosis and treatment facilities.
- C. Substance Abuse/Mental Health walk-in emergency clinics.
- D. Substance Abuse/Mental Health counseling services, groups or clinics.
- E. A Medical Marijuana Dispensary licensed by the State of Connecticut.

**4.16.4 Changes in Use, Enlargement or Expansion**

No changes in the approved use, enlargement, expansion of existing structures, or construction of an additional structure shall be permitted on the premises unless: a) approved by the Planning and Zoning Commission under this section or; b) subsequently as a Special Exception approval. Any application submitted for initial approval, and any change in the approved use, enlargement or expansion for which approval is sought, shall include a statement of the square footage of space to be utilized, the proposed uses of the property in specific terms, and the number of clients to be served and the type of services to be provided. Any approval shall be conditioned upon the information provided

in this statement.

4.16.5 Yard and Height, Maximum Impervious Surface Ratio Requirements

Lot width, front yard, side yard, rear yard, maximum height and maximum impervious surface ratio shall be the same as the requirements for the underlying zone.

4.16.6 Building and Site Requirements

A. All site plans shall be approved by the Planning and Zoning Commission and shall be submitted simultaneously with the application to apply for the ASM Zone;

B. Any improvements to the exterior of existing buildings and all new buildings shall be reviewed by the Architectural Review Committee in accordance with Section 8.5 of the Zoning Regulations. A report of such review from the Architectural Review Committee must be submitted before any approval can be issued;

C. The location of the facility shall be compatible with the neighborhood in terms of traffic, noise, illumination and number of patients/clients served. The facility shall be compatible with its setting in terms of scale, materials and design;

D. In addition to the landscaping requirements contained in Section 5.11 of the Zoning Regulations, the Planning and Zoning Commission may require additional buffering from adjoining uses including but not limited to landscape plantings, fences and earthen berms; and

E. The Planning and Zoning Commission may impose such additional conditions and modifications as it finds necessary to protect the public health, safety and welfare.

4.16.7 Lighting and Signage

A. Exterior lighting shall be in accordance with Section 5.17 of the Zoning Regulations.

B. In the ASM Zone one free standing sign at a maximum height of 5 feet and maximum sign area of 20 sq ft shall be allowed.

END OF SECTION 4



**Nutmeg State Health and Wellness Center, Inc.**

**Code of Ethics**

Approved by Board of Directors on November 11, 2013

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## CONFLICT OF INTEREST POLICY

### ARTICLE I PURPOSE

1.1 The purpose of the conflict of interest policy (“Policy”) is to protect the interest of Nutmeg State Health and Wellness Center, Inc. (“NSHWC”) when it is contemplating entering into a Contract or Transaction that might benefit the private interest of an officer or director of NSHWC or might result in an excess benefit transaction. Further, this Policy ensures the operation of NSHWC in a manner that will avoid the appearance of impropriety. This policy is intended to supplement but not replace any applicable federal and state laws governing conflicts of interest applicable to non-profit and charitable corporations.

### ARTICLE II DEFINITIONS

2.1 Compensation Arrangement. “Compensation” is the receipt of any form of income from working, including salary or wage; deferred compensation; retirement benefits, whether in the form of qualified or non-qualified employment plan (for example: pensions or annuities); fringe benefits (for example: personal vehicles, meals, lodging, personal and family educational benefits, low interest loans, payment of personal travel, entertainment, or other expense, athletic or country club membership, and personal use of property); and bonuses. A Compensation Arrangement includes the receipt of direct and indirect remuneration as well as gifts or favors that are substantial in nature.

2.2 Contract or Transaction. Any agreement or relationship involving the sale or purchase goods, services or rights of any kind, the providing or receipt of a loan or grant or the establishment or any other type of pecuniary relationship. The making of a gift to NSHWC is not a Contract or Transaction.

2.3 Related Person. A “Related Person” includes any of the following:

- (a) one’s spouse or a parent or sibling thereof;
- (b) a child, grandchild, parent or sibling of the director or officer, or the spouse of any thereof;
- (c) a person with whom one is living;
- (d) a trust or estate in which anyone mentioned in (a), (b) or (c) is a substantial beneficiary;
- (e) any entity (other than NSHWC or an entity controlled by NSHWC) controlled by the director or officer or by any person mentioned in (a), (b) (c) or (d);
- (f) any domestic or foreign business or nonprofit corporation (other than NSHWC or an entity controlled by NSHWC) of which the director is a director, or unincorporated entity of which the director is a general partner or a member of governing body;
- (g) any individual, trust or estate for whom or of which the director or officer is a trustee, guardian, personal representative or like fiduciary; or
- (h) any person or entity that is controlled by an employer of the director or officer.

2.4 Interested Person. Any director, officer, or member of a standing or advisory committee with powers delegated by NSHWC Board of Directors (the “Board”) who has a direct or indirect Financial Interest (as defined in Section 2.5 below) is an “Interested Person.”

2.5 Financial Interest.

2.5.1 A person has a “Financial Interest” if the person has, directly or indirectly, through business relationship, investment or a Related Person:

- (a) an ownership or investment interest in any entity with which NSHWC has a Contract or Transaction;
- (b) a Compensation Arrangement with NSHWC or with any entity or individual with which NSHWC has a Contract or Transaction; or

(c) a potential ownership or investment interest in, or Compensation Arrangement with, any entity or individual with which NSHWC is negotiating a Contract or Transaction.

2.5.2 A Financial Interest is not necessarily a conflict of interest. A person who has a Financial Interest may have a conflict of interest only if the Board decides that a conflict of interest exists as provided under Section 3.5.

2.6 Resource Allocation. “Resource Allocation” is the allocation of research and educational resources by NSHWC, including without limitation, the implementation of strategies pursuant to the Strategic Plan, the issuance of grants to research or health care providers and/or pharmaceutical organizations, or the entrance into Contracts or Transactions by and between NSHWC and research or health care providers and/or pharmaceutical organizations with respect to the implementation of the Strategic Plan and/or the allocation of research and educational resources.

2.7 Resource Allocation Relationship. Any relationship involving any director, officer or member of a standing or advisory committee with powers delegated by the Board having a Financial Interest in any entity which currently benefits from or may become the beneficiary of a Resource Allocation from NSHWC shall be a “Resource Allocation Relationship.”

### **ARTICLE III DUTIES AND PROCEDURES**

3.1 Duty of Care. The NSHWC’s directors and officers owe a duty of care to NSHWC and shall conduct the affairs of NSHWC in good faith, acting honestly and lawfully. Directors and officers shall be diligent in their duties to NSHWC and shall act reasonably, remain informed, and exercise independent judgment. At all times, directors and officers shall act in the best interests of NSHWC.

3.2 Duty of Loyalty. The NSHWC’s directors and officers owe a duty of loyalty to NSHWC and shall not use their position with NSHWC for personal gain. A director’s or officer’s duty of loyalty applies equally whether the director or officer is engaged in NSHWC’s activities or outside activities. The director’s and officer’s duties of loyalty include, but are not limited to, the director’s and officer’s obligations to protect the confidences of NSHWC and to refrain from engaging in transactions that would create a conflict of interest or the appearance of a conflict of interest.

3.3 Confidentiality. In the course of carrying out their duties and responsibilities, directors and officers will be privy to information that was created, discovered, acquired or developed by or disclosed to NSHWC and, as such, is considered to be confidential and proprietary in nature. This information includes, but is not limited to, research and development data, business plans, strategic plans, financial statements, lists and information about gifts and grants. Directors and officers shall recognize that they have a legal and ethical duty not to disclose this information, shall hold all such information in strictest confidence and shall agree not to release confidential and proprietary information to anyone outside of NSHWC except for authorized purposes or unless required by law.

3.4 Duty to Disclose a Potential Conflict of Interest. Any Interested Person must disclose the existence of his or her Financial Interest to the Board and must be given the opportunity to disclose all material facts to the Board when considering the proposed Contract or Transaction.

3.5 Determining Whether a Conflict of Interest Exists. After disclosure of the Financial Interest and all material facts, and after any discussion with the Interested Person, the Interested Person shall leave the Board meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board members, as applicable, shall decide if a conflict of interest exists.

3.6 Procedures for Addressing the Conflict of Interest.

3.6.1 An Interested Person may make a presentation at the Board meeting, but after such presentation, he or she shall leave the meeting during the discussion of, and the vote on, the Contract or Transaction that result in the conflict of interest.

3.6.2 The Board shall, if appropriate, appoint a disinterested person or appoint or establish an advisory committee to investigate alternatives to the proposed Contract or Transaction.

3.6.3 After exercising due diligence, the Board shall take all reasonable steps to determine whether NSHWC can obtain a more advantageous Contract or Transaction with reasonable efforts from a person or entity that would not give rise to a conflict of interest.

3.6.4 If a more advantageous Contract or Transaction is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the Board shall determine by a majority vote, but not less than two, of the disinterested directors or members thereof whether the Contract or Transaction is in NSHWC's best interest and is fair and reasonable to NSHWC; provided, however, if such Contract or Transaction is approved by disinterested directors who do not satisfy a quorum or voting requirement applicable to the authorization of the action by reason of NSHWC's certificate of incorporation, bylaws or a provision of law, the action must be independently approved by such interested and disinterested directors as satisfy the applicable quorum or voting requirement.

3.7 Violation of the Conflicts of Interest Policy.

3.7.1 If the Board has reasonable cause to believe that a director, officer or committee member has failed to disclose actual or possible conflicts of interest, it shall inform such person of the basis for such belief and afford such person an opportunity to explain the alleged failure to disclose.

3.7.2 After hearing the response of the director, officer or committee member and making such further investigation as may be warranted in the circumstances, the Board determines that such person has in fact failed to disclose an actual or possible conflict of interest, the Board, as applicable, shall take appropriate disciplinary and corrective action.

**ARTICLE IV  
RECORDS OF PROCEEDINGS**

4.1 The minutes of the Board shall contain:

(a) The names of the persons who disclosed or otherwise were found to have a Financial Interest in connection with an actual or possible conflict of interest, the nature of the Financial Interest, any action taken to determine whether a conflict of interest was present, and the Board's decision as to whether a conflict of interest in fact existed.

(b) The names of the persons who were present for discussions and votes relating to the Contract or Transaction, the content of the discussion, including any alternatives to the proposed Contract or Transaction, and a record of any votes taken in connection therewith.

**ARTICLE V  
COMPENSATION**

5.1 A director of the Board who has a Compensation Arrangement, directly or indirectly, with NSHWC for services is precluded from voting on matters pertaining to that director's Compensation Arrangement.

5.2 A voting member of any committee whose jurisdiction includes Compensation Arrangements and who has a Compensation Arrangement, directly or indirectly, with NSHWC for services is precluded from voting on matters pertaining to that member's Compensation Arrangement.

5.3 Researchers or physicians (other than directors), who have a Compensation Arrangement, directly or indirectly, with NSHWC for services are precluded from membership on any committee whose jurisdiction may include their Compensation Arrangements. No researcher or physician, either individually or collectively, is prohibited from providing information to any committee regarding Compensation Arrangements.

5.4 No director of the Board or a voting member of any committee whose jurisdiction includes Compensation Arrangements and who has a Compensation Arrangement, directly or indirectly, with NSHWC, either individually or collectively, is prohibited from providing information to the Board or any committee regarding Compensation Arrangements.

## **ARTICLE VI RESOURCE ALLOCATION**

6.1 Any member of a standing or advisory committee (a) whose jurisdiction includes Resource Allocation; and (b) who has a Resource Allocation Relationship, shall disclose such Resource Allocation Relationship (including the Financial Interest involved therein) to the other members of the committee prior to such committee addressing any Resource Allocation matter. Such member shall be permitted to participate in and provide information to such committee regarding such Resource Allocations, including participating in any vote by such committee; provided, such member's Resource Allocation Relationship (including the Financial Interest involved therein) shall be disclosed in writing to the Board along with the written recommendation of such committee to the Board with respect to such Resource Allocation.

6.2 Any member of a committee disclosed in the written recommendation to the Board pursuant to Section 6.1 as having a Resource Allocation Relationship with respect to a Resource Allocation matter, is precluded from voting on such Resource Allocation matter at the Board level, and the Board's approval of the Resource Allocation shall occur in accordance with Section 3.6.4 of this Policy.

6.3 No director of the Board or a voting member of any committee whose jurisdiction includes Resource Allocation and who has a Resource Allocation Relationship is prohibited from providing information to the Board or any committee regarding Resource Allocation.

## **ARTICLE VII ANNUAL STATEMENTS**

7.1 Each director, officer, and member of a committee with Board-delegated powers shall sign a statement that affirms that such person:

- (a) has received a copy of this conflicts of interest policy;
- (b) has read and understands the policy;
- (c) has agreed to comply with the policy; and
- (d) understands that NSHWC is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

**ARTICLE VIII  
PERIODIC REVIEWS**

8.1 To ensure that NSHWC operates in a manner consistent with its charitable purposes and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews shall be conducted by the Board. The periodic reviews shall, at a minimum, include the following subjects:

(a) whether Compensation Arrangements and benefits are reasonable and are the result of arm's-length bargaining;

(b) whether partnerships, joint venture arrangements and arrangements with external organizations conform to NSHWC's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further NSHWC's charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction, all as determined by applicable law.

**ARTICLE IX  
USE OF OUTSIDE EXPERTS**

9.1 In conducting the periodic reviews provided for in Article VIII, NSHWC may, but need not, use outside advisors. If outside experts are used their use shall not relieve the Board of its responsibility for ensuring that periodic reviews are conducted.

## **DOCUMENT RETENTION POLICY**

### **ARTICLE I PURPOSE**

1.1 Nutmeg State Health and Wellness Center, Inc. (the "NSHWC") has a strong desire to control and manage the significant costs incurred in retaining, storing and retrieving records. The NSHWC is also committed to complying with applicable state and federal laws regarding the maintenance of various types of records, including any that may be relevant to actual or threatened litigation involving NSHWC. This policy is designed to establish a systematic, cost-effective policy for controlling, maintaining, processing, retrieving and disposing of files within NSHWC, in accordance with the requirements of applicable laws.

### **ARTICLE II RESPONSIBILITY**

2.1 Every employee of NSHWC bears responsibility for meeting the goals of this policy. EACH EMPLOYEE IS REQUIRED TO READ THIS POLICY AND ACKNOWLEDGE IN WRITING HIS OR HER REVIEW THEREOF.

### **ARTICLE III CREATION, STORAGE AND DESTRUCTION**

3.1 Creation. Everyone at NSHWC is charged with the duty of creating and indexing files so that they are readily identifiable. Files should normally be kept in active file cabinets until activity related to that file ceases. Thereafter, they should be placed in archive storage for the appropriate retention period outlined in the attached Record Retention Schedule, as the same may be revised from time to time upon notice to employees by the President as necessary to ensure compliance with applicable law and recognized standards of document retention and disposal.

3.2 Labeling. The retention period for each file shall begin upon the date activity ceases (for instance, the expiration of the program or the termination of the contract). Before forwarding documents to archives, every effort should be made to label files in accordance with the different type of records contained in such file and the anticipated disposal date in accordance with the attached schedule. In addition, reasonable efforts should be made not to mix different types of records in a single file before sending such file to archives. Where different types of records must be held in a single file, the latest disposal date will govern the entire file.

3.3 Retention. No employee should retain files either in hard copy or electronic formats for longer than the periods specified in the attached schedule. Items not specified on the attached schedule, should be retained only for fairly short periods of time consistent with the limited value associated with the items. Any files residing in personal computers, laptops, notebooks, removable storage media, or PDAs are covered by this policy. This policy also applies to any of NSHWC's records that may be authorized by NSHWC to be in your home or otherwise outside the office.

3.4 Electronic Records. Electronic records are generally subject to the same retention periods as documents in other formats. However, as a general rule, e-mail records should be purged in accordance with the documentation schedule in Section 4.3 herein and all other emails should be purged at fairly short regular intervals because the bulk of e-mail messages have limited value. E-mails that transmit substantive information, such as an acknowledgement of receipt of goods or the transmission of a NSHWC policy, should be retained in accordance with the attached Record Retention Schedule.

**ARTICLE IV  
SUSPENDED DISPOSAL OF RECORDS**

4.1 Suspension. There may be circumstances in which NSHWC must suspend the normal disposal of records because production of those records may be required by subpoena or other forms of compulsory legal process. Failure to suspend record disposal in these situations could lead to liability and adverse evidentiary rulings in court.

WHENEVER THE NSHWC FINDS ITSELF IN THE MIDST OF A LEGAL DISPUTE THAT COULD RESULT IN THE FILING OF LITIGATION, AN INVESTIGATION OR AN ARBITRATION BY OR AGAINST THE NSHWC, IT IS CRITICAL THAT THE NSHWC IMMEDIATELY SUSPEND ANY ROUTINE DOCUMENT DESTRUCTION OF ANY RECORDS OR FILES THAT HAVE ANY RELEVANCE TO THE SUBJECT MATTER IN DISPUTE.

4.2 Electronic Records. The above admonition also applies to NSHWC’s electronic records. For example, if NSHWC is faced with litigation, the recycling of backup tapes should be suspended.

4.3 Threatened Action. If you become aware of possible or threatened litigation, investigation or similar action against NSHWC you should immediately alert the President. For clarity, you should suspend disposal of records if NSHWC:

- receives a subpoena for documents;
- is served with a complaint or if litigation is threatened against NSHWC;
- if NSHWC is embroiled in a legal dispute which NSHWC may eventually seek to litigate;
- learns of a pending or threatened grand jury proceeding against NSHWC;
- learns of a criminal investigation against NSHWC; or
- learns of a government investigation against NSHWC.

**DOCUMENT RETENTION SCHEDULE**

TYPE OF RECORD	DURATION
<b>Patient Data</b>	
Patient Records	10 years
<b>Accounting and Finance</b>	
Annual Financial Reports and Work Papers	7 years
Accounting Reports (monthly reports) Schedule Department Balances, Transaction Statements, Account Analysis Statements, Monthly and Year-to-Date Salary and Wage Statements	7 years
Inventories of Products, Materials and Supplies	7 years
Bank Statements	7 years
Depreciation Records	Life of Asset
Internal Audit Reports	3 years
Invoices	7 years
New Account Records and Back-up Documentation	6 years after account closing
Other Accounting and Finance Records	6 years
<b>Communications</b>	
Press Releases	Permanent
Publications	7 years
Press Clippings	7 years

TYPE OF RECORD	DURATION
<b>Community Philanthropy</b>	
Approved grants—all documentation support grant payment, including application/recommendation, due diligence, grant agreement letters, grant transmittal letters, and post-grant reporting information, if any	7 years from termination
Declined/withdrawn grant applications	7 years
<b>Investments</b>	
Fund Agreements	7 years
Investment Funding Statements	7 years
<b>Corporate Records</b>	
Board and Committee Meeting Agendas and Minutes	Permanent
Bylaws and Articles of Incorporation	Permanent
Corporate Resolutions	Permanent
Conflict of Interest Disclosure Forms	4 years
<b>Human Resources</b>	
Federal Reporting Requirements: Welfare Benefits and other Fringe Benefit Plans (i.e., 5500-s).	Permanent
Workers' Compensation Claims and Insurance Policies	18 years
Employee Personnel Files (including application, resume, payroll, appointment/salary forms)	6 years after termination
Solicited Resumes and Employment Applications	1 year after date of decision not to hire
Individual Contracts of Employment	6 years after termination
I-9 Forms	3 years, or 1 year after termination (whichever is greater)
<b>Insurance</b>	
Insurance Policies (Liability, Property, and Other Policies)	Permanent
Certificates of Insurance, Indemnification Agreements, Hold Harmless Agreements, Contracts	6 years after expiration
Incident Reports, Accident Reports	4 years after report date
<b>Legal</b>	
Consent Orders, Court Orders, Judgments, Releases, Settlement Agreements	Permanent
<b>Intellectual Property</b>	
Original Patents, Trademarks, and Copyrights	Permanent
Royalty Records	Life of intellectual property plus 6 years
Licensing Agreements	10 years after expiration

<b>Payroll</b>	
Annual Payment Records	Permanent
Information Returns filed with Federal and State authorities (W-2, 941, etc.)	6 years
Payroll Deduction Authorization Forms (W-4, etc.)	5 years after employment ends
Record of Payments and Deductions (payroll registers, deductions lists, adjustments)	5 years
Payroll Vouchers & Time Cards	3 years
<b>Purchasing</b>	
Purchase Orders, Contracts, Agreements (and related documentation including correspondence, invoices, shipping records, bills of lading)	6 years from termination or expiration
<b>Real Property</b>	
Property Deeds, Easements, Licenses, Rights of Way, Rights of First Refusal, Remainder Interests	Permanent
Leases (expired), Mortgages, Security Agreements	7 years after obligations end
Title Insurance Policies	10 years after disposal of property
Property Tax Returns filed with taxing jurisdiction	6 years
<b>Tax</b>	
Information Returns (1099, W-2, etc.)	Permanent
Other Tax Returns (e.g., excise, income, payroll, property, and sales tax returns)	7 years

## **WHISTLEBLOWER POLICY**

### **ARTICLE I PURPOSE**

1.1 Nutmeg State Health and Wellness Center, Inc. (“NSHWC”) exists to serve its mission and purposes. To these ends, the Board of Directors adopts this Whistleblower Policy in order to encourage and empower NSHWC's directors, officers, employees, and agents to report misuse, inappropriate allocation or diversion of NSHWC's resources, each, a “Misuse.” Without limitation, examples of illegal or dishonest activities are violations of federal, state or local laws; billing for services not performed or for goods not delivered; and other fraudulent financial reporting.

1.2 This policy shall be shared among directors, officers and, as appropriate, agents. Employees have received notice of this policy in the employee handbook.

### **ARTICLE II OBLIGATION TO REPORT**

2.1 Reporting. Actual, suspected, or threatened Misuses shall be promptly reported to the President, or in the case of a report concerning the President, to the Chief Executive Officer (“CEO”) or any Board of Director (each a “Responsible Officer”). Insofar as reasonably possible, the confidentiality of the person making the report (the “Whistleblower”) will be maintained. However, identity may have to be disclosed to conduct a thorough investigation, to comply with the law and to provide accused individuals their legal rights of defense. Furthermore, a Whistleblower may submit a report anonymously, in writing. However, the Whistleblower should be aware that, in some instances, preserving anonymity could make it more difficult to investigate the report and ensure appropriate resolution of the reported Misuse.

The Responsible Officer shall take the following steps:

1. Take appropriate action to investigate the reported Misuse;
2. If, after such investigation, the Responsible Officer reaches the conclusion that no Misuse has occurred, the Responsible Officer shall forward a final written report to the Board of Directors and meet with the Whistleblower (unless the report was made anonymously) for the purpose of providing a copy of the Responsible Officer's report and discussing the report, including decisions regarding the report and recommended resolutions;
3. Any reported Misuse that is believed to be credible and does not exceed \$500 may be resolved by the Director, with a report to the Board of Directors as outlined in Paragraph 2 above; and
4. Any reported Misuse that is believed to be credible and exceeds \$500 shall be forwarded to the Board of Directors. The Board of Directors shall afford the person accused of the Misuse an opportunity to defend the accusation in a proceeding that is fair and reasonable. Thereafter, the Board of Directors may further investigate the reported Misuse, as it deems appropriate.

2.2 Determination. The Board of Directors shall determine whether a Misuse has occurred, with an affirmative finding requiring a two-thirds vote of the disinterested directors present at a meeting at which a quorum is present. If the Board of Directors determines that a Misuse has occurred, it shall consider and take appropriate action which may include, but not be limited to: (a) requiring the return of any misappropriated assets or funds; (b) removal or dismissal of the person who committed the Misuse; and (c) reporting the Misuse to the appropriate legal and law-enforcement authorities.

**ARTICLE III  
NO RETALIATIONS**

3.1 Good Faith Reports. Every director, officer, employee, or volunteer who has a reasonable belief or suspicion that a Misuse has occurred should feel free to raise the concern, in good faith, without fear of retaliation. It shall be considered a violation of this Policy for any director, officer, employee, or volunteer to retaliate, encourage, or permit retaliation against a person for reporting an actual, suspected, or threatened Misuse. Employees will not be disciplined, demoted or terminated for bringing concerns, in good faith, to the attention of NSHWC and providing NSHWC a reasonable opportunity to investigate and take appropriate action. Any director, officer, employee, or volunteer who engages in retaliation will be subject to disciplinary action, which may include, but not be limited to, removal and/or dismissal. Reports of retaliation should be made pursuant to the reporting procedures of this Policy.

3.2 Disciplinary Action. This Policy is intended to be used in good faith and in a judicious manner. NSHWC may take action against a person who has committed an offense even though they cooperated with the investigation or against an individual who files a complaint without having a reasonable belief in the truth of the matters reported. In both cases such action may include termination. The right of a Whistleblower for protection against retaliation does not include immunity for any personal wrongdoing on the part of the Whistleblower.

I have reviewed this Whistleblower Policy

Print Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_



**BY-LAWS OF  
NUTMEG STATE HEALTH AND WELLNESS CENTER, INC.**

Approved by the Board of Directors on November 11, 2013

**ARTICLE I  
NAME AND OFFICE**

1.1 Name. The name of the corporation is Nutmeg State Health and Wellness Center, Inc. (“Corporation”).

1.2 Office. The office of the Corporation shall be located at such place or places as the board of directors of the Corporation (“Board”) may from time to time determine.

**ARTICLE II  
SHAREHOLDERS**

2.1 Annual Meeting. The annual meeting of the shareholders shall be held on the first Monday in the month of October in each year, beginning with the year 2014 for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the State of Connecticut, such meeting shall be held on the next succeeding business day. If the election of Directors shall not be held on the day designated herein for any annual meeting of the shareholders, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the shareholders as soon thereafter as conveniently may be.

2.2 Special Meetings. Special meetings of the shareholders, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the Chief Executive Officer or by the Board of Directors, and shall be called by the Chief Executive Officer at the request of the holders of not less than 20% percent of all the issued shares of the Corporation entitled to vote at the meeting.

2.3 Place of Meetings. The Board of Directors may designate any place, within the State of Connecticut, unless otherwise prescribed by statute, as the place of meeting for any annual meeting or for any special meeting. A waiver of notice signed by all shareholders entitled to vote at a meeting may designate any place, within the State of Connecticut, unless otherwise prescribed by statute, as the place for the holding of such meeting. If no designation is made, the place of meeting shall be the principal office of the Corporation.

2.4 Notice of Meetings. Notice of the time and place of each regular, special or annual meeting of the shareholders, and, to the extent possible, a written agenda stating all matters upon which action is proposed to be taken, shall be mailed to each shareholder, postage prepaid, addressed to him or her at his or her residence or usual place of business (or at such other address as he or she may have designated in writing to the Secretary), no less than seven (7) days before the day on which such meeting is to be held, provided that notice of special meetings to discuss any matter requiring prompt action may be sent to the shareholders at such addresses by hand delivery, email, or by facsimile or similar means, no less than forty-eight (48) hours before the time at which such meeting is to be held. Notice of a meeting need not be given to any director who submits a signed waiver of notice, whether before or after the meeting, or who attends such meeting without protesting, prior thereto or at its commencement, lack of notice to him or her.

2.5 Closing of Transfer Books of Existing Record. The purpose of determining shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or shareholders entitled to receive payment of any dividend, or in order to make a determination of shareholders for any other proper purpose, the Board of Directors of the Corporation may provide that the stock transfer books shall be closed for a stated period, but not to exceed in any case fifty (50) days. If the stock transfer books shall be closed for the purpose of determining shareholders entitled to notice of or to vote at a meeting of shareholders, such books shall be closed for at least thirty (30) days immediately preceding such meeting. In lieu of closing the stock transfer books, the Board of Directors may fix in advance a date as the record date for any such determination of shareholders, such date in any case to be not more than sixty (60) days and, in case of a meeting of shareholders, not less than forty five (45) days, prior to the date on which the particular action requiring such determination of shareholders is to be taken. If

the stock transfer books are not closed and no record date is fixed for the determination of shareholders entitled to notice of or to vote at a meeting of shareholders, or shareholders entitled to receive payment of a dividend, the date on which the notice of the meeting is mailed or the date on which the resolution of the Board of Directors declaring such dividend is adopted, as the case may be, shall be the record date for such determination of shareholders. When a determination of shareholders entitled to vote at any meeting of shareholders has been made as provided in this section, such determination shall apply to any adjournment thereof.

2.6 Voting Lists. The officer or agent having charge of the stock transfer books for shares of the Corporation shall make a complete list of the shareholders entitled to vote at each meeting of shareholders or any adjournment thereof, arranged in alphabetical order, with the address of and the number of shares held by each. Such list shall be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any shareholder during the whole time of the meeting for the purposes thereof.

2.7 Quorum. A majority of the outstanding shares of the Corporation entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of shareholders. If less than a majority of the outstanding shares are represented at a meeting, a majority of the shares so represented may adjourn the meeting from time to time without further notice. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed. The shareholders present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum.

2.8 Proxies. At all meetings of shareholders, a shareholder may vote in person or by proxy executed in writing by the shareholder or by his duly authorized attorney-in-fact. Such proxy shall be filed with the secretary of the Corporation before or at the time of the meeting. A meeting of the Board of Directors may be had by means of a telephone conference or similar communications equipment by which all persons participating in the meeting can hear each other, and participation in a meeting under such circumstances shall constitute presence at the meeting.

2.9 Voting of Shares. Each outstanding share entitled to vote shall be entitled to one vote upon each matter submitted to a vote at a meeting of shareholders.

2.10 Voting of Shares by Certain Holders. Shares standing in the name of another Corporation may be voted by such officer, agent or proxy as the Bylaws of such Corporation may prescribe or, in the absence of such provision, as the Board of Directors of such Corporation may determine. Shares held by an administrator, executor, guardian or conservator may be voted by him, either in person or by proxy, without a transfer of such shares into his name. Shares standing in the name of a trustee may be voted by him, either in person or by proxy, but no trustee shall be entitled to vote shares held by him without a transfer of such shares into his name. Shares standing in the name of a receiver may be voted by such receiver, and shares held by or under the control of a receiver may be voted by such receiver without the transfer thereof into his name, if authority so to do be contained in an appropriate order of the court by which such receiver was appointed. A shareholder whose shares are pledged shall be entitled to vote such shares until the shares have been transferred into the name of the pledgee, and thereafter the pledgee shall be entitled to vote the shares so transferred. Shares of its own stock belonging to the Corporation shall not be voted, directly or indirectly, at any meeting, and shall not be counted in determining the total number of outstanding shares at any given time.

2.11 Informal Action by Shareholders. Unless otherwise provided by law, any action required to be taken at a meeting of the shareholders, or any other action which may be taken at a meeting of the shareholders, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the shareholders entitled to vote with respect to the subject matter thereof.

## ARTICLE III BOARD OF DIRECTORS

3.1 General Powers. The business and affairs of the Corporation shall be managed by the Board in accordance with the purposes and limitations set forth in the Corporation's Certificate of Incorporation ("Certificate"), these By-Laws, and the Connecticut Business Corporation Act (the "Act"), each as amended from time to time.

3.2 Number. The number of directors constituting the entire Board shall be such number as shall be designated by the Board at any time provided that the Board at all times shall have no fewer than three (3) members. No decrease in the number of directors shall serve to diminish the term of any director then in office. As used in these By-Laws, "entire Board" means the total number of directors entitled to vote which the Corporation would have if there were no vacancies on the Board. At all times, directors comprising more than 50% of the entire Board shall consist of persons who are not receiving fees or other compensation from the Corporation (other than any compensation received solely in his or her capacity as a director).

3.3 Term; Election; Removal.

3.3.1 Subject to the provisions of this Section 3.3.1 and Sections 3.3.2 and 3.3.4, the directors shall be elected by two-thirds majority vote at the annual meeting of the Board at which a quorum is present, from a slate of nominees proposed by the Board Development Committee. The directors shall serve for three-year terms. In any event, each director shall continue in office until his or her successor shall have been elected and qualified, or until his or her death, resignation or removal. Any increase or decrease in the number of directors shall be allocated among the staggered terms as equally as possible. The slate of nominees for directors to be elected at the applicable annual meeting of the Board shall be submitted to the Secretary not less than ten (10) days prior to the date of such annual meeting. There shall be no limit upon the number of successive three-year terms which may be served by a director.

3.3.2 A director may be removed from office at any time, with or without cause, by a vote of two-thirds of the entire Board.

3.3.3 Any director may resign at any time by giving written notice of such resignation to the Chief Executive Officer of the Corporation.

3.3.4 Vacancies among the directors occurring prior to the completion of the vacating director's term shall be filled by the Board from a slate of nominees proposed by the Board. Directors so appointed to fill vacancies shall serve until the expiration of the vacating director's term.

3.4 Place and Time of Meetings. The time and place for holding annual and regular meetings of the Board shall be fixed by the Board. The Board shall hold a minimum of two (2) Board meetings per year. A special meeting of the Board may be called at any time by the Chief Executive Officer or upon the written demand of any two (2) directors, at such time and place as shall be determined by the Chief Executive Officer. Meetings of the Board may be held at any location within the State of Connecticut.

3.5 Participation in Meetings by Conference Telephone. Subject to the provisions of 3.9, a director may participate in any meeting of the Board by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and, in such event, such director shall be counted for the purpose of determining a quorum and such director may exercise all rights and privileges, including all voting rights, to which he or she would be entitled if physically present at such meeting.

3.6 Notice of Meetings. Notice of the time and place of each regular, special or annual meeting of the Board, and, to the extent possible, a written agenda stating all matters upon which action is proposed to be taken, shall be mailed to each director, postage prepaid, addressed to him or her at his or her residence or usual place of business (or at such other address as he or she may have designated in writing to the Secretary), no less than seven

(7) days before the day on which such meeting is to be held, provided that notice of special meetings to discuss any matter requiring prompt action may be sent to the directors at such addresses by hand delivery, email, or by facsimile or similar means, no less than forty-eight (48) hours before the time at which such meeting is to be held. Notice of a meeting need not be given to any director who submits a signed waiver of notice, whether before or after the meeting, or who attends such meeting without protesting, prior thereto or at its commencement, lack of notice to him or her.

3.7 Quorum and Voting. At all meetings of the Board, a majority of directors then in office and entitled to vote shall constitute a quorum for the transaction of business. Except as otherwise required by the Act, the Certificate, or these By-Laws, an act approved by the affirmative vote of a majority of directors present at such meeting at which a quorum is present shall be an act of the Board.

3.8 Consent of Directors in Lieu of Meeting. Any action required or permitted to be taken by the Board or by any Standing Committee thereof may be taken without a meeting if all directors or members of such Standing Committee consent in writing to the adoption of a resolution authorizing such action, which such resolutions and written consents shall be filed in the minute book of the Corporation.

3.9 Attendance at Meetings. All directors shall be required to attend, at a minimum, at least one (1) Board meeting per year in person, unless excused by the Chairman.

#### **ARTICLE IV OFFICERS**

4.1 Officers. The officers of the Corporation shall be the Chief Executive Officer, President, Secretary, Treasurer, and such other officers of the Corporation as the Board may from time to time elect (collectively, the "Officers"). Any two or more offices may be held by the same person.

4.2 General Powers; Term of Office; Removal. In addition to the specific powers and duties set forth in these By-Laws, each Officer shall have such powers and duties customary to his or her office and as the Board shall from time to time prescribe. As provided herein, all Officers shall be appointed by the Board and shall continue in office until his or her successor is appointed, or until his or her resignation or removal. Any Officer appointed by the Board may be removed at any time with or without cause, by the Board.

4.3 Other Agents. The Board may from time to time appoint such agents of the Corporation as it deems necessary, who shall have such authority and perform such duties as the Board may from time to time prescribe. Any such agents shall serve at the pleasure of the Board.

4.4 Chair of the Board. The Chair of the Board shall be chosen from among the directors of the Corporation and shall preside at all meetings of the Board and shall perform such other duties as may be prescribed from time to time by the Board.

4.5 Chief Executive Officer. The Chief Executive Officer shall be the chief executive officer of the Corporation and shall supervise and control its property, business and affairs, subject to the policies and directions of the Board. The Chief Executive Officer shall report to the Board. The Chief Executive Officer shall have the power to sign, in the name of the Corporation, all contracts generally or specifically authorized by the Board. The Chief Executive Officer shall perform all other duties incident to his or her office or as may be from time to time prescribed by the Board.

4.6 President. The President shall supervise and control its property, business and affairs, subject to the policies and directions of the Board. The President shall report to the CEO. The President shall have the power to sign, in the name of the Corporation, all contracts generally or specifically authorized by the Board. The President shall perform all other duties incident to his or her office or as may be from time to time prescribed by the CEO.

4.7 Secretary. The Secretary shall keep the minutes of all meetings of the Board, shall issue or cause to be issued all notices of the Corporation, shall have charge and custody of the seal and records of the Corporation (other than financial records) and shall perform all other duties incident to his or her office or as may be from time to time prescribed by the Board.

4.8 Treasurer. The Treasurer shall be responsible for the safekeeping of all funds of the Corporation, shall maintain an accurate accounting system, shall present financial reports to the Board at such times and in such manner as the Board may from time to time determine, and shall perform all other duties incident to his or her office or as may be from time to time prescribed by the Board. The Treasurer shall have the power to sign, in the name of the Corporation, all contracts generally or specifically authorized by the Board.

## ARTICLE V INDEMNIFICATION

5.1 Right to Indemnification. The Corporation shall indemnify, to the fullest extent permitted under the Act, any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative by reason of the fact that such person is or was a director, Officer, committee member, employee, or agent of the Corporation, or who, while a director, officer, employee or agent of the Corporation serves at the Corporation's request as a director, officer, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other entity, against any and all loss, liability damage, cost or expense (including attorney's fees), judgments, fines, excise taxes, and amounts paid in settlement actually and reasonable incurred by such person in connection with such action, suit, or proceeding, to the extent that such person is not insured or otherwise indemnified and the power to so indemnify has been or may be granted by statute, provided that such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation and, with respect to any criminal proceedings, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action or proceeding by judgment, order, settlement, or conviction, or upon a plea of *nolo contendere* or its equivalent, shall not of itself create a presumption that such person did not act in good faith and in a manner that he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation and, with respect to any criminal proceedings, had no reasonable cause to believe his or her conduct was unlawful. For this purpose the Board may, and on request of any such person shall be required to, determine in each case whether the applicable standards in the Act have been met, which such determination may be made by independent legal counsel if the Board so directs or if the Board is prohibited from making such determination under the Act.

5.2 Advance of Expense. The Corporation shall pay reasonable expenses (including attorneys' fees) incurred by any person in defending any action or proceeding referred to in Section 6.1 above in advance of the final disposition of the action or proceeding upon receipt of an undertaking by or on behalf of such person to repay the amounts so advanced if it is ultimately determined that such person is not entitled to be indemnified by the Corporation.

5.3 Indemnification Not Exclusive. The foregoing indemnification shall not be deemed exclusive of any other rights to which a person indemnified by the Corporation may be entitled, both as to action in such person's official capacity and as to action in any other capacity approved by the Board, and shall inure to the benefit of the heirs, executors, and administrators of such person.

5.4 Insurance and Other Indemnification. The Corporation shall have the power, to the full extent permitted under the Act, to purchase and maintain insurance on behalf of the Corporation and/or any person who is a director, Officer, committee member, employee, or agent of the Corporation, or who, while a director, officer, employee or agent of the Corporation serves at the Corporation's request as a director, officer, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other entity, against liability asserted against or incurred by such person in such capacity or arising from his or her status as a

director, officer, employee or agent, whether or not the Corporation would have power to indemnify or advance expenses to such person under Sections 6.2.

## **ARTICLE VI CERTIFICATES FOR SHARES AND THEIR TRANSFER**

6.1 Certificates for Shares. Certificates representing shares of the Corporation shall be in such form as shall be determined by the Board of Directors. Such certificates shall be signed by the Secretary and Treasurer or by such other officers authorized by law and by the Board of Directors so to do. All certificates for shares shall be consecutively numbered or otherwise identified. The name and address of the person to whom the shares represented thereby are issued, with the number of shares and date of issue, shall be entered on the stock transfer books of the Corporation. All certificates surrendered to the Corporation for transfer shall be canceled and no new certificate shall be issued until the former certificate for a like number of shares shall have been surrendered and canceled, except that in case of a lost, destroyed or mutilated certificate, a new one may be issued upon such terms and indemnity to the Corporation as the Board of Directors may prescribe.

6.2 Transfer of Shares. Transfer of shares of the Corporation shall be made only on the stock transfer books of the Corporation by the holder of record thereof or by his legal representative, who shall furnish proper evidence of authority to transfer, or by his attorney thereunto authorized by power of attorney duly executed and filed with the Secretary of the Corporation, and on surrender for cancellation of the certificate for such shares. The person in whose name shares stand on the books of the Corporation shall be deemed by the Corporation to be the owner thereof for all purposes.

## **ARTICLE VII MISCELLANEOUS PROVISIONS**

7.1 Fiscal Year. The fiscal year of the Corporation shall end on the 31st day of December of each year.

7.2 Audit. The Board shall select an independent public accountant to audit the books and accounts of the Corporation annually.

7.3 Books. There shall be kept at an office of the Corporation correct books of account of the activities and transactions of the Corporation. The Corporation's minute books, which shall contain a copy of the Certificate, these By-Laws, and all minutes of meetings of the Board and Executive Committee, shall be kept at such office as the Board may direct from time to time.

## **ARTICLE VIII AMENDMENT OF BY-LAWS**

8.1 Amendments. Except as otherwise required by the Act, these By-Laws may be amended by the affirmative vote of no less than two-thirds of the entire Board then serving at a duly held meeting of directors, provided notice of such proposal shall have been provided to all directors at least seven (7) days before such meeting.



**NSHWC Privacy Policies and Procedures**  
**Privacy Policy #01**  
**PHI Subject to Minimum Necessary Requirement**

***Purpose***

Nutmeg State Health and Wellness Center, Inc. (“NSHWC”) is committed to protecting the privacy of the electronic Protected Health Information (“ePHI”) in its NSHWC Databases. NSHWC understands the importance of limiting the collection, use, and disclosure of PHI to the minimum necessary for its intended business purposes.

***Policy***

When requesting PHI from Patients or Covered Entities for entry into the NSHWC Databases and when using or disclosing, or accessing ePHI from the NSHWC Databases, such ePHI will be limited, to the extent practicable, to the limited data set (as defined below) or, if needed, to the minimum necessary to accomplish the intended purpose of the use, disclosure, or request.

***Procedures***

1. The NSHWC Databases user accounts will have limited access to data within the NSHWC Databases based on the following classes of user:
  - a) *NSHWC User.* The NSHWC Databases shall be configured to limit the access of users at NSHWC or its affiliate, other than administrator users (see next item), to the minimum necessary, to the greatest extent practicable.
  - b) *Administrator.* Users with system administrator access to the NSHWC Databases are able to access all data within the NSHWC Databases. While these users are not restricted by the application itself, the users must comply with NSHWC’s minimum use policy. For these users, access to ePHI is generally incidental to their administrative functions and they must exercise caution not to access or disclose any ePHI except the minimum necessary for the conduct of their official duties on behalf of NSHWC.
  
2. **Contents of Limited Data Set.** A Limited Data Set (LDS) is an exception to the Privacy Rule requirement for an authorization from the subject for research use of protected health information. A LDS lacks 16 of the 18 identifiers itemized by the Privacy Rule. Specifically, a LDS does NOT include the following direct identifiers of the individual or of relatives, employers, or household members of the individual:
  - a) Names;
  - b) Postal address information, other than town or city, State or zip code;
  - c) Telephone numbers;
  - d) Fax numbers;
  - e) Electronic mail addresses;
  - f) Social security numbers;
  - g) Medical record numbers;
  - h) Health plan beneficiary numbers;
  - i) Account numbers;
  - j) Certificate/license numbers;
  - k) Vehicle identifiers and serial numbers, including license plate numbers;
  - l) Device identifiers and serial numbers;
  - m) Web Universal Resource Locators (URLs);
  - n) Internet Protocol (IP) address numbers;
  - o) Biometric identifiers, including finger and voice prints; and
  - p) Full face photographic images and any comparable images.

## Nutmeg State Health and Wellness Center, Inc.

An LDS may contain, for example:

- a) Dates of birth
- b) Dates of death
- c) Dates of service
- d) Town or city, State, Zip code

The difference between a LDS and de-identified information is that a LDS may contain dates and certain geographic information associated with an individual that are absent from de-identified information.

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Karen Dietz, Chief Executive Officer  
*Effective 10/31/2013*



**NSHWC Privacy Policies and Procedures  
Privacy Policy #02  
Breach Notification**

***Purpose***

Nutmeg State Health and Wellness Center, Inc. (NSHWC) is committed to protecting the privacy of the Protected Health Information (PHI) in the NSHWC Databases.

***Policy***

This policy documents the steps that NSHWC will take to provide notification to NSHWC Site Members in the event of breach of unsecured PHI in accordance with the procedures set forth below.

**DEFINITIONS:**

“Breach” means the unauthorized acquisition, access, use, or disclosure of protected health information in a manner not permitted under the HIPAA Privacy Rule and that compromises the security or privacy of such information. “Compromises the security or privacy of the protected health information” means poses a significant risk of financial, reputational, or other harm to the individual.

The term "breach" does not include--

- (1) any unintentional acquisition, access, or use of protected health information by a workforce member or individual acting under the authority of NSHWC if:
  - (a) such acquisition, access, or use was made in good faith and within the scope of authority of NSHWC; and
  - (b) such information is not further acquired, accessed, used, or disclosed in a manner not permitted by the HIPAA Privacy Rule; or
- (2) any inadvertent disclosure from an individual who is otherwise authorized to access protected health information at NSHWC to another person authorized to access protected health information at NSHWC; and
- (3) any such information received as a result of such disclosure is not further acquired, accessed, used, or disclosed in a manner not permitted under the HIPAA Privacy Rule.

“Unsecured protected health information” means protected health information that is not secured through the use of a technology or methodology specified by the Secretary of the Department of Health and Human Services.

**Procedures**

1. Discovery of a Breach or Suspected Breach of Protected Health Information.
  - a) All NSHWC or affiliate workforce members and agents are responsible for reporting an actual or suspected breach of protected health information, whether secured or unsecured, to the NSHWC Chief Executive Officer as soon as possible.
  - b) A breach is treated as discovered as of the first day on which such breach is known to NSHWC or, by exercising reasonable diligence, would have been known to NSHWC.
  - c) The NSHWC Chief Executive Officer will receive, document, and investigate, in conjunction with the NSHWC Security & Privacy Officer as appropriate, all actual or reasonably suspected breaches of protected health information in a timely manner, in accordance with this policy.
2. Determining Whether a Breach Has Occurred
  - a) Determining Impermissible Use or Disclosure. To determine whether a breach of protected health information has occurred, the NSHWC Chief Executive Officer will first determine whether the incident involved an impermissible use or disclosure of protected health information that would violate the HIPAA Privacy Rule.

- b) *Determining Whether Unsecured Protected Health Information was Involved.* If it is determined that the incident involved an impermissible use or disclosure of protected health information, the NSHWC Chief Executive Officer will then determine whether the incident involved secured or unsecured protected health information. If the incident did not involve unsecured protected health information, the notice requirements set forth below do not apply. The NSHWC Chief Executive Officer will, however, work with staff and others as appropriate to mitigate any harmful effect of the incident to the extent practicable, in accordance with applicable policies and procedures.
- c) *Determining Whether an Exception to the Definition of Breach Applies.* The NSHWC Security & Privacy Officer will determine whether an incident involving unsecured protected health information falls under one of the exceptions to the definition of breach, as specified in the Definitions section above. If an exception applies, the incident would not constitute a breach, and the NSHWC Chief Executive Officer will document such determination. If the incident did not involve a breach, the notice requirements set forth below do not apply.
- d) *Determining Whether there is a Significant Risk of Harm to the Individual.* If it is determined that the incident involved an impermissible use or disclosure of unsecured protected health information, and an exception to the definition of breach does not apply, the NSHWC Chief Executive Officer will perform a risk assessment to determine whether such incident poses a significant risk of financial, reputational, or other harm to the individual whose protected health information has been breached. The Chief Executive Officer will document such risk assessment.
- Examples of the types of factors that may need to be taken into account in determining whether an impermissible use or disclosure presents a significant risk of harm to the individual include, without limitation:
- *Nature of the Data Elements Breached.* In assessing whether significant harm may result, the data element(s) should be considered in light of their context and the broad range of potential harms flowing from their disclosure to unauthorized individuals.
    - Social Security numbers and account information are useful to committing identity theft, as are date of birth and mother's maiden name.
    - The means by which the compromise of information occurred, including whether the incident might be the result of a criminal act or is likely to result in criminal activity, should also be assessed in considering whether the loss of information could result in identity theft or fraud.
      - For example, theft of a database containing individuals' names in conjunction with Social Security numbers, and/or dates of birth may pose a high level of risk of harm, while a theft of a database containing only the names of individuals may pose a lower risk, depending on its context.
  - *Likelihood the Information is Accessible and Usable.* The likelihood that personal health information will be or has been used by unauthorized individuals should be assessed. Other considerations may include the likelihood that any unauthorized individual will know the value of the information and either use the information or sell it to others.
  - *Broad Reach of Potential Harm.* A number of possible harms associated with the loss or compromise of information should be assessed. Such harms may include the effect of a breach of confidentiality or fiduciary responsibility, the potential for blackmail, the disclosure of private facts, mental pain and emotional distress, the disclosure of address information for victims of abuse, the potential for secondary uses of the information which could result in fear or uncertainty, or the unwarranted exposure leading to humiliation or loss of self-esteem.

If it is determined, following the risk assessment, that the impermissible use or disclosure of unsecured protected health information will cause a significant risk of harm to the individual whose information has been impermissibly used or disclosed, then NSHWC will comply with the notice requirements set forth below. If it is determined that the impermissible use or disclosure of unsecured protected health information will *not* cause a significant risk of harm to the individual whose information has been impermissibly used or disclosed, then there is no breach.

- e) *Documentation.* The NSHWC Chief Executive Officer is responsible for maintaining documentation of (i) all required notifications that were made as provided in this policy, (ii) all assessments performed in determining whether a breach has occurred and the outcomes of such assessments, including whether an impermissible use or disclosure of protected health information satisfied an exception to the definition of breach.

3. **Notification of Breach to Covered Entities.**

- a) *General Notification Requirement.* In the event that a breach of unsecured PHI is discovered, the NSHWC Site Member shall be notified by the NSHWC Chief Executive Officer of such breach so that the covered entity may comply with any notice obligations it may have.
- b) *Content of Notification.* Notice of breach provided to the NSHWC Site Member shall include, to the extent possible, the identification of each individual whose unsecured protected health information has been, or is reasonably believed to have been, accessed, acquired, or disclosed during such breach. The NSHWC Site Member will also be provided with any other available information as it becomes available that NSHWC Site Member is required to include in the notification to the individual under 45 C.F.R. § 164.404(c), either at the time it provides notice to the NSHWC Site Member of the breach or promptly thereafter as information becomes available.
- c) *Notification Timeframe.* NSHWC shall notify the NSHWC Site Member of a breach without unreasonable delay and in no case later than 60 calendar days after the discovery of the breach or the earlier timeframe as may be indicated in a Business Associate Agreement between NSHWC and NSHWC Site Member. NSHWC will provide the NSHWC Site Member with the information required under Section 2(b) of this policy even if it becomes available after notifications have been sent to affected individuals or after the 60-day period has elapsed.
- d) *Delaying the Notification.* If a law enforcement official determines that providing a notification of breach would impede a criminal investigation or cause damage to national security, then the notification of breach will be delayed. If a law enforcement official provides the notification in writing and such notification includes the length of time that the notification must be delayed, then the notification of breach will be delayed for the time specified. If the law enforcement official provides such notification orally, then the statement and identity of the official will be documented and the notification of breach will be delayed no longer than 30 days, unless the law enforcement official provides a written statement as provided above.

4. **State Law Breach Notification Requirements.** The NSHWC Chief Executive Officer shall also determine whether state laws regarding data breach notification obligations may apply, and may consult with outside Chief Executive Officer as necessary in making this determination.

5. **Documentation.** The NSHWC Security & Privacy Officer will maintain documentation that (a) all required notifications were made as provided in this policy, (b) the risk assessment revealed that there was less than a significant risk of harm as a result of the impermissible use or disclosure of protected health information, and/or (c) the use or disclosure of protected health information satisfies an exception to the definition of breach.

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Karen Dietz, Chief Executive Officer  
Effective 10/31/2013



**NSHWC Security Policies and Procedures  
Security Policy #01  
Risk Assessment and Management**

***Purpose***

NSHWC is committed to protecting the security and privacy of ePHI contained in the NSHWC Databases. Risk assessment and management is an important aspect of the NSHWC's commitment to ensuring the security and privacy of ePHI in the NSHWC Databases.

This policy documents the risk assessment procedure for identifying actual or potential security and privacy risks to the NSHWC Databases and the risk management procedure for remedying any actual or potential security and privacy risks through the use of appropriate security measures and safeguards.

***Policy***

1. NSHWC will regularly assess risks and vulnerabilities to ePHI in the NSHWC Databases and develop, implement, and maintain appropriate security measures and safeguards.
2. NSHWC will implement security measures and safeguards sufficient to remedy or reduce risks and vulnerabilities to reasonable and appropriate levels.
3. NSHWC will implement policies and procedures to prevent, detect, contain, and correct security and privacy violations.

***Procedures***

1. The Security & Privacy Officer is responsible for the ongoing development and day-to-day security and privacy of the NSHWC Databases.
2. The Security & Privacy Officer shall perform a risk assessment of security and access control measures, including cost-effectiveness analysis, on at least an annual calendar basis.
3. The Security & Privacy Officer may have designees, under his/her direction, to perform or assist with the risk assessment process.
4. The risk assessment procedure shall address, at a minimum, the following:
  - (a) The ability of the NSHWC Databases to secure ePHI and potential risk of unauthorized disclosure of ePHI.
  - (b) Steps to be taken to reduce any actual or potential risks.
  - (c) Processes for maintaining an acceptable level of risk.
5. **Risk Assessment Procedure:**
  - (a) Identify technology (e.g., hardware, software, applications, information/data sets) and perform a criticality analysis of the NSHWC Databases (see Contingency Plan policies and procedures, SP-009); determine the value and relative desired assurance levels. Consider the levels desired for confidentiality, integrity and availability. Ensure that systems and technology containing or accessing ePHI are identified and included.
  - (b) Leverage the results of information system activity reviews and evaluation programs to identify the current status of safeguards protecting NSHWC Databases.
  - (c) Identify any actual or potential vulnerabilities of systems and technologies containing or accessing ePHI. Consider technical, administrative/process, human, and physical vulnerability sources. Include vulnerabilities that could impact the confidentiality, integrity and availability of data.
  - (d) Identify the threats that could exploit the vulnerabilities identified. Consider human (intentional and unintentional) and environmental threats. Include threats that could impact the confidentiality, integrity and availability of data.

Nutmeg State Health and Wellness Center, Inc.

- (e) Estimate the likelihood that a threat would successfully exploit each of the identified vulnerabilities, given the current countermeasures in place to guard against such exploits.
- (f) Evaluate the level of impact that a successful exploitation would cause to NSHWC.
- (g) From the above factors, compute the relative magnitude of each identified risk using a qualitative scale.

**6. Risk Management Procedure:**

- (a) For each risk identified in the risk assessment process above, determine if the current level of risk is acceptable. Formulate a scale for determining “reasonableness and appropriateness” of the risk to the NSHWC.
- (b) In deciding what level of risk is acceptable, compare the cost and impact of additional security measures and safeguards against the magnitude of the risk.
- (c) Select and implement security measures and safeguards that are cost-effective in reducing risk to acceptable levels.
- (d) Once safeguards have been incorporated, identify any residual risk remaining. For the residual risk, analyze the applicable threats, vulnerabilities and countermeasures to further assess the potential for a security incident. Base residual risk tolerance on factors specific to NSHWC (e.g., size, environment, operating changes, and configuration).
- (e) Ensure personnel are adequately trained with respect to information security policies and procedures, including relevant threats, vulnerabilities and countermeasures.
- (f) The Security & Privacy Officer (or designee) shall provide an annual report to the Chief Executive Officer in conjunction with the annual audit.

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Karen Dietz, Chief Executive Officer  
*Effective 10/31/2013*



**NSHWC Security Policies and Procedures  
Security Policy #02  
Sanction Policy**

***Purpose***

The NSHWC is committed to protecting the security and privacy of ePHI contained in the NSHWC Databases. Sanction policies are an important aspect of NSHWC's commitment to ensuring that the NSHWC applies appropriate penalties against NSHWC Workforce Members and Subcontractors who fail to comply with the Security Policies and Procedures.

***Policy***

1. NSHWC will communicate this Sanction Policy to NSHWC Workforce Members and vendors that have access to NSHWC Databases, and NSHWC will instruct NSHWC Workforce Members and vendors on the proper handling of actual or reasonably suspected security violations and incidents.
2. NSHWC Workforce Members are required to report actual or reasonably suspected security violations and incidents, including without limitation, any breaches of unsecured ePHI (as defined in the PHI Breach Notification Policy) to the Security & Privacy Officer. Vendors are required to report actual or reasonably suspected security violations and incidents, including without limitation, any breaches of unsecured ePHI (as defined in the PHI Breach Notification Policy) to the Security & Privacy Officer, and as otherwise in accordance with NSHWC's written agreement with the Subcontractor.
3. Failure to comply with the Security Policies and Procedures will result in corrective or disciplinary action. Possible actions may include the following:
  - Verbal warnings;
  - Retraining;
  - Suspension of privileges;
  - Employment termination;
  - Termination of any contractual agreements;
  - Notification to law enforcement officers, regulatory, accreditation, and/or licensure organizations; or
  - Civil and/or criminal penalties.
4. The type of sanction applied shall vary depending on the severity of the violation, whether the violation was intentional or unintentional, whether the violation indicates a pattern or practice of improper access, use or disclosure of ePHI, or any other applicable factors.
5. The Security & Privacy Officer shall notify the Chief Executive Officer of any violations or reasonably suspected violations of the Security and Privacy Policies. The Chief Executive Officer is responsible for determining the severity of any sanctions.
6. The NSHWC will not retaliate against any individual who reports a violation of the Security Policies and Procedures, or who reports a security violation or incident.

***Procedures***

1. Upon discovery of the violation, the Security & Privacy Officer will notify the Chief Executive Officer. The Chief Executive Officer is responsible for the investigation of alleged violations or other wrongful actions, and the determination of whether sanctions are necessary and, if so, the severity of the sanctions.
2. The following compliance violation categories apply to violations of the Security Policies and Procedures and/or with the requirements of applicable laws and regulations. The category of a particular violation will be taken into account, along with any resulting financial or reputation damages incurred by NSHWC, when determining appropriate sanctions to be applied.

Nutmeg State Health and Wellness Center, Inc.

- **Tier 1 (Accidental)**
    - 1a: No Reportable Breach
    - 1b: Reportable Breach
  - **Tier 2 (Not Willful Neglect, but Not Accidental)**
    - 2a: No Reportable Breach
    - 2b: Reportable Breach
  - **Tier 3 (Willful Neglect, but Corrected)**
    - 3a: No Reportable Breach
    - 3b: Reportable Breach
  - **Tier 4 (Willful Neglect, Not Corrected)**
    - 4a: No Reportable Breach
    - 4b: Reportable Breach
3. Any sanctions imposed upon NSHWC Workforce Members and vendors will be documented and retained by President for a period of at least six (6) years from the date a sanction was imposed or the date when any such sanction was last in effect, whichever is later.
  4. The Security & Privacy Officer (or designee) will ensure any necessary changes are immediately made after identifying the contributing causes of the security violation or incident.

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Karen Dietz, Chief Executive Officer  
*Effective 10/31/2013*



**NSHWC Security Policies and Procedures**  
**Security Policy #03**  
**Activity Review**

***Purpose***

The NSHWC is committed to protecting the security and privacy of ePHI contained in the NSHWC Databases. Information systems activity review is an important aspect of the NSHWC's commitment to conducting periodic internal system reviews of records to minimize security violations to ePHI.

***Policy***

1. The Security & Privacy Officer (or designee) will be responsible for conducting an internal review of the activity of the NSHWC Databases on a regular, ongoing basis. The Security & Privacy Officer (or designee) may designate one or more individuals to assist in monitoring and reviewing activity within the NSHWC Databases.
2. The Security & Privacy Officer (or designee) will perform an audit of the monthly system activity monitoring and review process on an annual basis.
3. When evaluating technology upgrades, NSHWC will take into consideration the upgrades' ability to track activity and generate activity reports. Preference will be given to upgrades that have the required features and functionality to support this policy.

***Procedures***

1. The Security & Privacy Officer will establish an internal review process whereby activity of the NSHWC Databases, including, but not limited to, security incidents, system audit logs, activity reports, access reports, logins, file access, or other mechanisms that document systems activity, is reviewed at least monthly.
2. Upon review of the activity of the NSHWC Databases, the Security & Privacy Office (or designee) will report any suspicious or questionable activity to Legal Counsel. The Security & Privacy Officer and Chief Executive Officer will investigate the matter, which will include a determination of whether a breach, as defined in the PHI Breach Notification Policy (PP002), has occurred.
3. The Security & Privacy Officer (or designee) will ensure that a process has been implemented whereby activity reports of the NSHWC Databases are maintained and archived as follows:
  - System generated activity log files – no less than one (1) year; and
  - Incident reports and other documentation – no less than six (6) years.
4. The Security & Privacy Officer (or designee) will maintain activity reports of the NSHWC Databases in secure, designated areas.
5. Findings and recommendations will be incorporated into the security training and awareness program administered to NSHWC Workforce Members as appropriate.
6. Adjustments to the Security Policies and Procedures will be made as necessary based on the review findings.

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Karen Dietz, Chief Executive Officer  
*Effective 10/31/2013*





**NSHWC Security Policies and Procedures  
Security Policy #04  
Assigned Security Responsibility**

***Purpose***

NSHWC is committed to protecting the security and privacy of ePHI contained in the NSHWC Databases. Assigned security responsibility is an important aspect of NSHWC's commitment to the privacy and security of ePHI.

***Policy***

NSHWC will identify a qualified individual to serve as the Security & Privacy Officer who will supervise the NSHWC Databases and ensure its compliance with the Security Policies and Procedures.

***Procedures:***

***Responsibilities of Security & Privacy Officer***

1. The Security & Privacy Officer leads in the development and enforcement of the Security Policies and Procedures, and measures and mechanisms to ensure the prevention, detection, containment, and correction of security incidents.
2. The Security & Privacy Officer maintains the Security Policies and Procedures that include, without limitation:
  - (a) **Administrative Safeguards**: formal mechanisms for risk analysis and management, information access controls, and appropriate sanctions for failure to comply;
  - (b) **Physical Safeguards**: formal mechanisms for ensuring assigned security responsibilities, control access to media (e.g., diskettes, tapes, backups, disposal of data), protection against unauthorized access to systems containing ePHI, and secure workstation locations and use;
  - (c) **Technical Safeguards**: formal mechanisms for establishing access controls, emergency procedures, authorization controls, and data/entity access and authentication.
  - (d) The Security & Privacy Officer maintains appropriate security measures and mechanisms to guard against unauthorized access to ePHI and protect against reasonably anticipated threats.
3. The Security & Privacy Officer oversees and/or performs on-going security monitoring of the NSHWC Databases.
4. The Security & Privacy Officer ensures compliance through periodic security audits.
5. The Security & Privacy Officer may, at his/her discretion, assign qualified designees (internal or external) to fulfill all assigned duties.
6. The Security & Privacy Officer serves as a resource regarding matters of informational security and, on an as needed, but no less than on an annual basis, reports the status of information security activities to the Chief Executive Officer.
7. All applicable NSHWC Workforce Members and Subcontractors will be made aware of the Security & Privacy Officer, as well as the Security & Privacy Officer's role and responsibilities. Any Security & Privacy Officer personnel change will be promptly communicated.

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Karen Dietz, Chief Executive Officer  
*Effective 10/31/2013*





**NSHWC Security Policies and Procedures**  
**Security Policy #05**  
**Databases Security – Workforce Users**

***Purpose***

NSHWC is committed to protecting the security and privacy of ePHI contained in its Databases. Security of the Databases is an important aspect of the NSHWC's commitment to developing, implementing, and maintaining appropriate security measures for ePHI.

***Policy***

NSHWC maintains formal procedures to ensure that all NSHWC Workforce Users have appropriate levels of access to ePHI and to prevent those NSHWC Workforce Users who do not require access to such information from obtaining access to ePHI.

***Procedures***

1. The Security & Privacy Officer shall ensure that NSHWC Workforce Users are granted the appropriate access level to the NSHWC Databases.
2. The Security & Privacy Officer (or designee) will perform the functions associated with establishing or removing access authorization as described in this policy.
3. The Security & Privacy Officer will review on an annual basis the access levels of NSHWC Workforce Users to determine whether their respective access to ePHI conforms with the appropriate level of access authorized.
4. The Security & Privacy Officer will define the level of access to ePHI for each NSHWC Workforce User. There are two levels of access:
  - a) ePHI Access – access level allowing User to access data containing ePHI.
  - b) No-ePHI Access – access level not allowing User to access data containing ePHI.
5. A background check is performed on all staff before being hired. The results of those background checks will be considered prior to providing access to ePHI in NSHWC Databases.
6. Terminations and changes in NSHWC Workforce Member or Subcontractor positions will be immediately communicated to the CEO, President, Security & Privacy Officer, and Legal Counsel.
7. Upon the termination of a NSHWC Workforce Member, the Security & Privacy Officer will retrieve all physical media, devices, or equipment containing ePHI of the respective NSHWC Workforce Member to determine and, if necessary, mitigate risk associated with their use or disclosure of ePHI. Upon termination of a NSHWC Workforce User, the Security & Privacy Officer will remove/revoke such MMRF Workforce User's access to the NSHWC Databases.

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Karen Dietz, Chief Executive Officer  
*Effective 10/31/2013*



**NSHWC Security Policies and Procedures  
Security Policy #06  
Information Access Management**

***Purpose***

The NSHWC is committed to protecting the security and privacy of ePHI contained in the NSHWC Databases. Information access management is an important aspect of NSHWC's commitment to continually assess potential risks and vulnerabilities to ePHI in its possession, and towards developing, implementing, and maintaining appropriate security measures.

***Policy***

NSHWC Workforce Members, vendors, and Users are granted access only to that ePHI to which they are authorized according to the procedures herein, in order to perform the particular function specified.

***Procedures***

1. The Security & Privacy Officer is responsible for determining appropriate levels of access to ePHI based upon the individual's position and need for access to ePHI. Granting appropriate access to ePHI is completed by the Security & Privacy Officer (or designee).
2. NSHWC Workforce Member access to facilities, restricted areas, workstations, computer equipment, physical files or other areas/items containing ePHI shall be granted in accordance with the Security Policies and Procedures.
3. The Security & Privacy Officer is responsible for ensuring that NSHWC Workforce Members with the following requirements:
  - (a) Use of ePHI only for purposes authorized by NSHWC.
  - (b) Comply with the Security Policies and Procedures.
  - (c) Not disclose ePHI unless authorized to do so.
4. Vendors' access to ePHI shall be outlined in agreements with the applicable vendor.
5. The Security & Privacy Officer (or designee) is responsible for conducting an annual review of the Security Policies and Procedures addressing access to systems containing ePHI.
6. The Security & Privacy Officer is responsible for determining a User's initial right of access to NSHWC Databases based on such User's position. Users will be assigned access authorization by the Security & Privacy Officer (or designee) for access control purposes. If an NSHWC Workforce Member's, vendor's or User's duties, role, function, or responsibilities change, the access permissions of the applicable NSHWC Workforce Member or Subcontractor shall be re-evaluated and revised as necessary.
7. The Security & Privacy Officer will ensure that all Users enter into agreements which set forth the terms and conditions for accessing ePHI.

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Karen Dietz, Chief Executive Officer  
*Effective 10/31/2013*



**NSHWC Security Policies and Procedures  
Security Policy #07  
Security Awareness and Training**

***Purpose***

The NSHWC is committed to protecting the security and privacy of ePHI contained in the NSHWC Databases. Security awareness and training is an important aspect of the NSHWC's commitment to maintaining the security of ePHI.

***Policy***

NSHWC Workforce Members having access to ePHI on NSHWC Databases will receive training regarding security awareness.

***Procedures***

1. The Security & Privacy Officer is responsible for the development and implementation of the security training program.
2. The security training program shall include, without limitation, the following:
  - a. Overall discussion of threats and vulnerabilities specific to ePHI.
  - b. Information access control.
  - c. Access Authorization Levels.
  - d. Incident Reporting.
  - e. User log-in.
  - f. Password creation, maintenance and safeguarding.
  - g. Security principles.
  - h. HIPAA and organizational privacy and security rules, policies and procedures, and the sanctions, and civil and criminal penalties prescribed for wrongful actions.
3. Successful completion of the initial and periodic security training program is a prerequisite for access to ePHI on the NSHWC Databases. The Security & Privacy Officer (or designee) will maintain a record of each NSHWC Workforce Member who has completed the security training program.
4. An NSHWC Workforce Member's job responsibilities will determine whether such NSHWC Workforce Member will be required to complete the Security Training Program.
5. Security training will be provided to NSHWC Workforce Members during initial orientation, when a NSHWC Workforce Member's role and access level changes, and thereafter on an annual calendar basis.

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Karen Dietz, Chief Executive Officer  
*Effective 10/31/2013*



**NSHWC Security Policies and Procedures**  
**Security Policy #08**  
**Security Incidents**

***Purpose***

The NSHWC is committed to protecting the security and privacy of ePHI contained in the NSHWC Databases. Identifying security incidents and working to prevent them is an important aspect of the NSHWC's commitment to developing, implementing and maintaining appropriate security measures.

***Policy***

It is the policy of the NSHWC to implement procedures to identify a suspected or known occurrence of a security incident, to enable NSHWC Workforce Members, vendors or IT systems to report a security incident to the Security & Privacy Officer, to mitigate the harmful effect of any incident to the extent practicable and to document any security incident and its outcome.

***Procedures***

1. NSHWC Workforce Members and vendors will immediately report any and all suspected and actual violations of the Security Policies and Procedures and any and all suspected and actual breaches of ePHI to the Security & Privacy Officer.
2. The Security & Privacy Officer shall notify the Chief Executive Officer of actual or reasonably suspected violations. The Chief Executive Officer is responsible for determining whether a breach exists, in accordance with the PHI Breach Notification Policy (PP02).
3. The Security & Privacy Officer is responsible for coordinating the response to all security incidents. Security incidents include any and all attempts to gain unauthorized access to NSHWC Databases and the use, disclosure, modification or destruction of information or interference with systems containing ePHI.
4. NSHWC Workforce Members and vendors who suspect a security incident will immediately notify the Security & Privacy Officer. When reporting a security incident, NSHWC Workforce Members and vendors should provide the following information, which will be documented by the Security & Privacy Officer in a formal report:
  - a. Name and phone number of person reporting the incident;
  - b. Date and time the incident was discovered;
  - c. Observed behaviors that led to the incident being suspected;
  - d. Any unusual circumstances surrounding the event.

The Security & Privacy Officer (or designee filling out the formal report) shall also include the date, time, and the Security & Privacy Officer's name and contact information on the formal report. The report will be immediately provided to the Chief Executive Officer.

5. The Chief Executive Officer will respond to a reported security incident in the following manner:
  - a. Determine if the reported security incident meets the definition of a breach of unsecured ePHI pursuant to the PHI Breach Notification Policy (PP02), and take the steps outlined therein, as applicable.
  - b. Record all findings of the reported security incident.
  - c. Assess the risk of continuing operations.
  - d. Take appropriate actions which may include the following:
    - i. Change passwords used on affected systems and/or networks containing ePHI as necessary.
    - ii. Restore affected systems using the last uncompromised backup.
    - iii. Recommend and/or make changes necessary to address vulnerabilities exploited with respect to the reported security incident.
    - iv. Reinforce training of NSHWC Workforce Members.
6. The Security & Privacy Officer will ensure that sufficient products and/or services are dedicated to the monitoring and reporting of security incidents. Methods to monitor and report security incidents may include dedicated email alarm/alert functionality regarding misuse of data, improper system and network activity, unauthorized system and network activity and the regular review of system and/or network generated incident reports.

Nutmeg State Health and Wellness Center, Inc.

7. In the event of a security incident, the Security & Privacy Officer will take steps to mitigate any harmful effects (e.g., repairing damage, restoring IT Service).
8. Chief Executive Officer may report a security incident to law enforcement personnel or other outside entities, if appropriate.
9. Security incidents reported to the Chief Executive Officer will be processed in the following manner:
  - a. Investigate the security incident.
  - b. Identify any persons and/or parties involved.
  - c. Obtain a full description of the security incident.
  - d. Document all communications.
  - e. Determine the best course of action to resolve the security incident.
  - f. Determine a mitigation plan to resolve the security incident.
  - g. The Chief Executive Officer will file copies of any personnel actions, sanctions, or legal opinions.

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Karen Dietz, Chief Executive Officer  
*Effective 10/31/2013*



**NSHWC Security Policies and Procedures  
Security Policy #09  
Contingency Plan**

***Purpose***

The NSHWC is committed to protecting the security and privacy of ePHI contained in the NSHWC Databases. A Contingency Plan is an important aspect of the NSHWC's commitment to maintaining access to and protection of the ePHI stored and processed in the NSHWC Databases.

***Policy***

NSHWC shall establish and implement a Contingency Plan including procedures for responding to an emergency or other occurrence (e.g., fire, vandalism, system failure, or natural disaster) that impacts NSHWC Databases. It is acknowledged that access to the NSHWC Databases is not required for the provision of patient care.

***Procedures***

1. In the event of an emergency or other occurrence that impacts the NSHWC Databases, NSHWC will follow the procedures outlined in the attached Contingency Plan. The Contingency Plan contains the following sections:
  - a. Data Backup Plan
  - b. Disaster Recovery Plan
  - c. Emergency Mode Operation Plan
2. The Privacy & Security Officer shall review and approve the Contingency Plan to ensure that:
  - a. The Contingency Plan is thorough and considers all significant risks to continuity of operations and protection of the ePHI stored and processed by the system containing ePHI. In particular, the Contingency Plan should demonstrate how ePHI protections will be maintained regardless of an emergency situation.
  - b. Any noted deficiencies in the Contingency Plan are corrected prior to approval.
3. The Security & Privacy Officer (or designee) shall implement the Contingency Plan in case of an emergency and follow the procedures prescribed in the Contingency Plan to respond to and recover from the emergency.
4. The Security & Privacy Officer (or designee) shall test the Contingency Plan as needed, but no less than annually. Results of such tests must be formally documented and presented to the Chief Executive Officer. The Contingency Plan must be revised as necessary to address issues or gaps identified in the testing process.
5. The Security & Privacy Officer shall review the Contingency Plan and the associated test results on an annual calendar basis and ensure that:
  - a. The Contingency Plan was effective in dealing with the emergency situation.
  - b. Any deficiencies exposed by the testing process have been addressed by the Security & Privacy Officer (or designee) with a revision to the Contingency Plan or system as needed.

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Karen Dietz, Chief Executive Officer  
*Effective 10/31/2013*

## Background

The NSHWC Database Contingency Plan considers all significant risks to continuity of operations and protection of the ePHI stored and processed by the system. In particular, the Plan demonstrates how NSHWC Database business processes and ePHI protections will be maintained regardless of an emergency situation.

To achieve this objective this Contingency Plan contains the following sections:

- A – Data Backup Plan
- B – Disaster Recovery Plan
- C – Emergency Mode Operation Plan
- D – Contingency Plan Testing

The Security & Privacy Officer shall implement the Contingency Plan in case of an emergency and follow the procedures prescribed in the Plan to respond to and recover from the emergency. The Security & Privacy Officer will commence Disaster Recovery and Emergency Mode Operations at the request of the Chief Executive Officer.

The Chief Executive Officer will consist of senior management that will meet in the advent of an emergency or event (such as a flood, fire, storm) that severely impacts NSHWC's ability to conduct critical business processes and bring up required support systems. The NSHWC Databases and associated business processes are just one of many systems that must be addressed by the Chief Executive Officer. If required, the Chief Executive Officer will notify the Security & Privacy Officer to invoke this NSHWC Databases Contingency Plan, specifically Sections B and C.

### A – Data Backup Plan

A Data Backup Plan is a required part of the NSHWC Contingency Plan. It establishes and implements procedures to create and maintain retrievable exact copies of needed NSHWC Databases servers and associated electronic protected health information.

#### NSHWC Databases Backups

The NSHWC Databases is contained on the following servers:

Liquid Web Inc. is responsible for the hosting and regular backup of the NSHWC Databases servers. Liquid Web Guardian runs on each server and sends the backup data to Terabyte backup media agents which then stores the data on tapes.

- By default everything on the servers gets backed up and the backups are retained for 18 days.
  - **Full back up once a week**
  - **Incremental backups 7 days a week**
- If the agents or actual backup fails, the system generates an alert
- Containers are opened with a master key that is signed out with each use. Tapes are loaded into the container.
- The containers are then locked
- 2 days after a full back up is done it is sent to a secure facility (Recall). Tape containers are given to a credentialed agent for Recall who transports them in a locked vehicle to Recall's hardened facility

The Backup Restoral Tests include the following steps:

- Liquid Web recalls the tapes from Recall
- Once received, Liquid Web installs the backups

## B – Disaster Recovery Plan

The Disaster recovery plan is required within the NSHWC Contingency Plan. It establishes, and implements as needed, procedures to restore any loss of NSHWC Databases data and supportive system hardware and software.

### Applications and Data Criticality Analysis

Because the NSHWC Databases represents a single asset and is NSHWC’s only ePHI asset, we have not included any evaluation of the relative criticality as would normally be done to prioritize multiple assets. We did evaluate the desired assurance levels for confidentiality, integrity, and availability as follows:

<b>Assurance Factor</b>	<b>Analysis</b>	<b>Recommended Assurance Level</b>
Confidentiality	The data in the NSHWC Databases consists of individually identifiable patient records.	HIGH
Integrity	The data in the NSHWC Databases is considered a system of record for health information as that information is retained by the NSHWC. The data is used to fill prescriptions for patients and to contribute patient background information to assist researchers in evaluate the results of the medicine.	HIGH
Availability	The NSHWC Databases is not used to make any time-sensitive health care decisions.	MEDIUM

Based on this Criticality assessment NSHWC has determined that the Recovery Time Objective (RTO) for the NSHWC Databases is 1 day. This is to be considered the worst case scenario. Ideally, it is desired that NSHWC Databases functionality be restored within 4 hours whenever possible.

### NSHWC Databases Recovery

Disaster Recovery work practices are the shared responsibility of Liquid Web, NSHWC, or its agent, with assistance from as required. If it is determined there has been a system disaster resulting in data corruption or loss, mutually agreed upon after a 4 hour or greater outage of the primary server environment, a Cold Site Disaster Recovery process of Data from Backup Tape will be initiated as follows:

1. Disaster Recovery request submitted to the Liquid Web by calling (800)580-4985. The Liquid Web Data Center is staffed 24x7x365.
2. Liquid Web will order replacement server(s) as required.
3. Liquid Web will request backup tape stored off site.
4. Liquid Web will install, configure Microsoft 2008 OS to affected server(s).
5. Liquid Web will transfer Oracle License from Production Environment to new server(s).
6. NSHWC, or its agent, will work with Liquid Web to install configured NSHWC Databases Application.
7. NSHWC, or its agent, will work with Liquid Web to verify network settings function with installed application.
8. NSHWC, or its agent, will be responsible to transfer all licenses for other software, as required.
9. Liquid Web will restore data from Most Recent Backup Tape.
10. Liquid Web will configure Network Connectivity to Server(s).
11. Liquid Web will monitor Disaster Recovery process for success/failure (and will restart Disaster Recovery process if failed)
12. NSHWC, or its agent, will work with Liquid Web to validate new application and configuration.
13. NSHWC, or its agent, will test new application and configuration.
14. Liquid Web will verify Disaster Recovery process of Data from Tape to be successful.
15. Liquid Web Disaster Recovery process of Data from Tape completion time depends on the volume of data to be restored.
16. To ensure recovery process is completed in a timely manner, the following communication and coordination steps will be implemented with oversight by NSHWC, or its agent, and representatives from Liquid Web.
  - a. Liquid Web notifies the Security & Privacy Officer of a need for NSHWC Databases restoration to be performed.

## Nutmeg State Health and Wellness Center, Inc.

- b. Liquid Web will communicate the nature of the problem (hardware failure, hosting site destroyed, etc) and how long it is anticipated that the recovery steps will take.
- c. A conference call will be held with NSHWC to review all recovery steps required.
- d. Liquid Web will keep the NSHWC Security & Privacy Officer updated regarding restoration progress through regular updates of at least 4 hour intervals.
- e. Testing will be coordinated to confirm that the restoration of the NSHWC Databases was successful.
- f. NSHWC will give the approval to commence with usage of the restored NSHWC Databases.
- g. A post restoration report will be created by Liquid Web that describes the nature of the outage and all steps taken to restore the NSHWC Databases. The report will also point out any preventative steps that could be taken to prevent a repeat of the particular outage.

### **C - Emergency Mode Operation Plan**

Emergency mode operation plan is required within the NSHWC Contingency Plan. It establishes and implements, as needed, procedures to enable continuation of NSHWC Databases operations and the protection of the security of electronic protected health information while operating in emergency mode. The Security & Privacy Officer shall implement the Emergency Mode Operation Plan in case of an emergency and follow the procedures prescribed in the Plan to respond to and recover from the emergency. The Security & Privacy Officer will commence Emergency Mode Operations at the request of the Chief Executive Officer.

#### **NSHWC Databases Continuity of Operations**

**All appropriate steps will be taken to protect all ePHI data while in Emergency Mode Operation.**

- Hard copy papers will be stored in secure locations
- Hard copy papers will be isolated so only authorized personnel have access of can view ePHI data
- Hard Copy papers containing ePHI will be archived in a secure manner.
- No ePHI will be sent via email.

### **D – Contingency Plan Testing**

The Security & Privacy Officer must implement procedures for periodic testing and revision of the Contingency Plan. The following represents some testing scenarios that should be conducted on an annual basis. Based on the results of these tests, revisions may be made to the Contingency Plan.

#### **System Backups**

- Confirm that needed NSHWC Databases backups are being performed as scheduled and they are being stored off-site.
- Confirm that backups are being tested to ensure they can be restored properly.
- Monitor storage and removal of backups; ensure all applicable access controls are enforced.

#### **Hosting System Failure**

- Walk through with the hosting company how the NSHWC Databases will be restored in the event of catastrophic hardware failure at the hosting site.
  - Notifications
  - Procedures to be followed
  - Confirm that all administrative passwords are available
- Walk through with the hosting company how the NSHWC Databases will be restored in the event of the hosting facility being destroyed or incapacitated for an extended period.
  - Notifications
  - Procedures to be followed
  - Confirm that all administrative passwords are available

#### **Continuity of Business Operations**

- Confirm that call lists and notification procedures are current.
- Walk through the Emergency Mode Operation Plan to ensure that the procedure steps are still valid and proper communications and results will take place.
- Manually submit, receive and store a test tissue sample in manual operations mode.

## Nutmeg State Health and Wellness Center, Inc.

- Communicate to Consortium Member Sites how the Emergency Mode Operation Plan works and the procedures they will follow to protect ePHI and tissue samples. (This could be achieved through written communications)
- Confirm that all hard copy ePHI is protected throughout the manual process.



**NSHWC Security Policies and Procedures  
Security Policy #10  
Security Evaluation**

***Purpose***

The NSHWC is committed to protecting the security and privacy of ePHI contained in the NSHWC Databases. Security evaluation is an important aspect of the NSHWC's commitment to developing, implementing and maintaining appropriate security measures.

***Policy***

The Security & Privacy Officer (or designee) will evaluate and confirm compliance with the Security Policies and Procedures.

***Procedures***

1. The Security & Privacy Officer will perform an evaluation on an annual calendar basis or upon the occurrence of one or more of the following events:
  - a) Changes in the HIPAA Security or Privacy Regulations, as communicated by the Chief Executive Officer.
  - b) New Federal, State, or local laws and regulations, or changes thereto, affecting security of ePHI, as communicated by the Chief Executive Officer.
  - c) Changes in the risk assessment recommendations, pursuant to the Risk Assessment and Management Policy (SP001).
  - d) Material changes to the underlying information technology of the NSHWC Databases.
  - e) Material changes in the NSHWC's business processes with respect to information technology.
  - f) A major security incident.
2. The review will be comprised of both technical and non-technical evaluations to establish the extent to which the NSHWC Databases meet the security requirements of these policies.
3. The Security & Privacy Officer (or designee) will make recommendations for revisions to the Security Policies and Procedures to reflect the current operating environment. The Security & Privacy Officer will take into consideration the results of inspections, interviews, and/or tests since the last evaluation, and any recent threats, vulnerabilities, and/or risk assessment results, to ensure any significant findings are addressed sufficiently.

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Karen Dietz, Chief Executive Officer  
Effective 10/31/2013



**NSHWC Security Policies and Procedures  
Security Policy #11  
Vendor Contracts and Other Arrangements**

***Purpose***

The NSHWC is committed to protecting the security and privacy of ePHI contained in the NSHWC Databases. Vendor contracts and other arrangements are an important aspect of MMRF's commitment to ensuring that vendor having access to ePHI also protect the security and privacy of ePHI.

***Policy***

Prior to disclosing or making available any ePHI to a Vendor, NSHWC will obtain satisfactory assurances from the vendor that it will appropriately safeguard ePHI it receives, maintains or creates on behalf of MMRF. NSHWC shall require all vendors requiring access to ePHI to enter into written agreements ensuring the security and privacy of ePHI or by including necessary compliance requirements within existing contracts. Any disclosures of ePHI to a vendor must be limited to the minimum necessary, must be limited to only such use or disclosure as is necessary to allow the vendor to carry out the function or activity it is engaged to carry out on behalf of MMRF, and may not be made for the vendor's independent use or purposes.

***Procedures***

Examples of a vendor requiring ePHI may include:

- a. A vendor to review the NSHWC Databases.
  - b. A vendor that provides data center services that host NSHWC systems that contain ePHI.
  - c. A vendor that provides document shredding services to NSHWC for the purpose of shredding documents containing ePHI.
  - d. An attorney who assists in assessing MMRF's compliance with HIPAA.
1. Disclose only minimum necessary: NSHWC will disclose to a vendor only the ePHI that is reasonably necessary to accomplish the intended purpose of the disclosure.
  2. Agreements for Vendors requiring access to ePHI: If a vendor requires access to ePHI to perform its services, a contract or other written arrangement is required to document the assurances from the vendor that the vendor will appropriately safeguard the ePHI it receives or creates on behalf of NSHWC.
  3. Non-Compliance by Vendor having access to ePHI: If NSHWC has actual knowledge of a pattern of activity or practice of the Vendor that constitutes a material breach or violation of an obligation of the vendor under any agreement, NSHWC, at the discretion of the Security & Privacy Officer and in conjunction with the Chief Executive Officer, will take reasonable steps to cure the breach or end the violation, as applicable, and if such steps are unsuccessful, NSHWC may:
    - (a) terminate the agreement or arrangement with the vendor, if feasible; or
    - (b) mitigate and address, to the extent practicable, any harmful effect that is known to NSHWC arising from the use or disclosure of ePHI in violation of the Security Policies and Procedures.
  4. Authority to Sign Vendor Agreements: All vendor agreements, or other written contracts evidencing the subcontractor agreement, must be signed by an officer of the NSHWC having authority to sign contractual agreements on MMRF's behalf.

Karen Dietz, Chief Executive Officer  
Effective 10/31/2013



**NSHWC Security Policies and Procedures  
Security Policy #12  
Facility Access Controls**

***Purpose***

The NSHWC is committed to protecting the security and privacy of ePHI contained in the NSHWC Databases. Facility access controls are an important aspect of NSHWC's commitment to limiting physical access to its NSHWC Databases and the facility or facilities in which such systems are housed, while ensuring that properly authorized access is allowed.

NSHWC understands the importance of ensuring only registered patients obtain the medical marijuana as prescribed by their treating physician. NSHWC is committed to securing its inventory of Medical Marijuana.

***Policy***

Physical access to the ePHI system hosting facility is limited so as to safeguard such facility and the equipment therein from unauthorized physical access, tampering, and theft.

***Procedures***

1. NSHWC and Hosting Facility shall create a facility security plan that addresses physical access to the equipment contained therein. This plan shall serve as the master plan for safeguarding the data contained in the hosting facility from unauthorized physical access, tampering, or theft.
2. NSHWC and Hosting Facility shall document all installations, repairs and maintenance that affect security of NSHWC and Hosting Facility, such as hardware, walls, doors, and locks.
3. Physical access to the hosting facility and the equipment therein by all persons must be controlled and validated based on their role or function, including visitor control, and control of access to software programs for testing and revision.
4. Physical access to NSHWC and Hosting Facility and the equipment therein by all persons must be controlled and validated based on their role or function, including visitor control, and control of access to software programs for testing and revision.
5. All repairs and modifications to the physical components of the hosting facility which are related to security (for example, hardware, walls, doors, and locks) must be documented.

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Karen Dietz, Chief Executive Officer  
*Effective 10/31/2013*

**Hosting Facility Plan**

- Liquid Web has many years of experience in designing, constructing, and operating large-scale data centers. This experience has been applied to the Liquid Web platform and infrastructure.
- Liquid Web data centers are housed in nondescript facilities, and critical facilities have extensive setback and military grade perimeter control berms as well as other natural boundary protection.
- Physical access is strictly controlled both at the perimeter and at building ingress points by professional security staff utilizing video surveillance, state of the art intrusion detection systems, and other electronic means.
- Authorized staff must pass two-factor authentication no fewer than three times to access data center floors. All visitors and contractors are required to present identification and are signed in and continually escorted by authorized staff.
- Liquid Web only provides data center access and information to employees who have a legitimate business need for such privileges.

## Nutmeg State Health and Wellness Center, Inc.

- When an employee no longer has a business need for these privileges, his or her access is immediately revoked, even if they continue to be an employee of Liquid Web or Liquid Web Web Services.
- All physical and electronic access to data centers by Liquid Web employees is logged and audited routinely.



**NSHWC Security Policies and Procedures**  
**Security Policy #13**  
**NSHWC Workforce Member Workstation Use and Security**

***Purpose***

The NSHWC is committed to protecting the security and privacy of ePHI contained in the NSHWC Databases. The workstation use and security policy is an important aspect of the NSHWC's commitment to ensuring the proper usage and security of workstations utilized to access the NSHWC Databases. This policy applies to a NSHWC Workforce Member's computing devices used to access the NSHWC Databases.

***Policy***

Only authorized workstations (or classes of workstations) shall be used to access the NSHWC Databases. Users shall use workstations only for conducting official business on behalf of the NSHWC.

Only specifically authorized workstations shall be used to access or store ePHI (e.g., reports and extracts from the NSHWC Databases). All workstations accessing or storing ePHI must be approved by the Security & Privacy Officer.

***Procedures***

1. **Authorized Workstations.** Only the following classes of workstations are authorized to access the NSHWC Databases:
  - a) **NSHWC Workforce Member Workstations.** Properly secured workstations operated by NSHWC Workforce Members. Workstation use, physical security and workstation configuration is the responsibility of the Security & Privacy Officer. Storage of ePHI on these workstations is permitted only on encrypted media.
2. **NSHWC Workforce Member Responsibilities.** An NSHWC Workforce Member shall abide by the following workstation use guidelines:
  - a) Use care at all times to protect the NSHWC Databases from unauthorized access or misuse.
  - b) Prevent unauthorized physical access to workstations. For portable workstations moved outside of secure areas, maintain personal control of such workstation at all times.
  - c) When using a workstation, ensure the physical surroundings prevent unauthorized persons from viewing sensitive information such as ePHI or passwords. For portable workstations moved outside of secure areas, maintain personal control of the Workstation during use.
  - d) Log off prior to leaving the workstation unattended; workstations will automatically be locked/logged off after fifteen (15) minutes of inactivity.
  - e) Comply with all applicable password policies and procedures, including storing written passwords only in secure locations.
  - f) Close files and application windows that are not in use.
  - g) Perform memory-clearing functions (e.g., close browser and application windows, re-boot) at the end of a session before using the workstation for other non-NSHWC functions.
  - h) Do not load or install unauthorized software. Only the Security & Privacy Officer may grant permission for additional software on workstations.
  - i) Do not disable or bypass anti-virus, account restrictions, password protection, or any other security measures on a Workstation.
  - j) For workstations approved for local storage of ePHI, store ePHI (e.g., reports and exports from the NSHWC Databases) only on secure encrypted media approved by the Security & Privacy Officer. Back up any locally stored ePHI in accordance with the NSHWC Data Backup Policy.
  - k) Do not use workstations to access ePHI beyond that which is the minimum necessary for conduct of official duties on behalf of NSHWC.

Nutmeg State Health and Wellness Center, Inc.

- l) Do not access the NSHWC Database s from unauthorized co mputer s ystems or from non-secure phy sical surroundings.
- m) Notify the Security & Privacy Officer (or designee) of any changes to the location or status of assigned workstations.
- n) Immediately report any of the following events, whether actual or s uspected, to th e Security & Privacy O fficer ( or designee):
  - a. Loss or theft of any workstation regardless of whether ePHI was stored on the workstation.
  - b. Loss or theft of media containing ePHI, regardless of whether the ePHI was encrypted.
  - c. Loss or t heft o f acces s credentia ls to an y o f t he datab ases or n etworks containing eP HI (i.e., u sername and password).
  - d. Any other breach or suspected breach of the security or privacy of ePHI.
3. The Security & Privacy Officer shall ensure that all NSHWC Workforce Members having access to the NSHWC Databases are trained in the proper functions to be performed, the manner in which those functions are to be performed, and the security policies and guidelines that apply. The Security & Privacy Officer (or designee) shall include workstation security as a topic in the security awareness and training program.
4. The Security & Privacy Officer (or designee) will maintain an inventory that documents the location, status, responsible NSHWC Workforce Member, configuration, and other security attributes of each workstation.
5. The Security & Privacy Officer (or designee) will annually assess a NSHWC Workforce Member's workstations to ensure that:
  - a) Workstations are running an operating system that allows for:
    - a. Secure log-in;
    - b. Automatic Logoff or Secure Screensaver; and
    - c. Encryption where required by the Risk Assessment.
  - b) Workstations have had all non-essential devices and software removed or disabled if they pose a security threat.
  - c) Workstations have had all necessary operating system patches, updates, and service packs applied.
  - d) Workstations are running appropriate anti-virus and anti-spyware software.
  - e) Workstations are free from all forms of malware.
  - f) No unauthorized software is installed on a workstation that poses a security threat.
  - g) The workstation is approved for local storage of ePHI, that the media used (e.g., hard disk, removable media) is encrypted.
  - h) Any locally stored ePHI is backed up in accordance with NSHWC's Backup Policy.
  - i) Any other requirements as determined by the Risk Assessment are met.
6. The Security & Privacy Officer will take appropriate action to correct any deficiencies found with an NSHWC Workforce Member's workstation.

\_\_\_\_\_  
Karen Dietz, Chief Executive Officer  
*Effective 10/31/2013*



**NSHWC Security Policies and Procedures  
Security Policy #14  
Device and Media Controls**

***Purpose***

The NSHWC is committed to protecting the security and privacy of ePHI contained in the NSHWC Databases. Device and media controls are an important aspect to NSHWC's commitment to maintaining formal practices to monitor the receipt, movement and disposal of hardware and electronic media (e.g., flash memory, magnetic disks, magnetic tapes, optical disks) that contains ePHI.

***Policy***

1. The NSHWC will maintain formal practices to monitor the receipt, movement and disposal of ePHI.
2. This policy applies to all hardware components of the NSHWC Databases. This policy applies only to storage devices where the information is retained after power is removed from the device.
3. A retrievable, exact copy of ePHI, when needed, must be created before movement of NSHWC Databases equipment and systems containing ePHI.

***Procedures***

1. Vendors shall be responsible for all hardware and electronic media devices containing ePHI under their control and shall follow the procedures herein.
2. Users authorized to store ePHI on their workstations and associated electronic media shall be responsible for their assigned workstations and associated ePHI Media and shall follow the procedures herein.
3. The NSHWC Security & Privacy Officer shall maintain an inventory of all hardware and electronic media containing ePHI in NSHWC's possession.
4. All use of hardware or electronic media containing ePHI must be authorized as follows:
  - (a) Vendors may authorize routine transfers of backup media to/from a hosting facility.
  - (b) All other transfers of hardware or electronic media containing ePHI between NSHWC and vendors must be authorized by the Security & Privacy Officer.
5. The Security & Privacy Officer (or designee) shall ensure that a backup copy of transferred ePHI is created prior to movement or transfer of such ePHI.
6. The record of all ePHI Media movement and transfer must contain the following information:
  - (a) Date and time of movement of the hardware or electronic media containing ePHI.
  - (b) Person/location sending/receiving the hardware or electronic media containing ePHI.
  - (c) Brief description of the purpose of transferring the hardware or electronic media containing ePHI.
  - (d) Name of person authorizing the transfer.
7. When hardware or electronic media containing ePHI will be released beyond NSHWC's control for re-use or recycling, the Security & Privacy Officer shall ensure or shall receive assurances from Subcontractors that the hardware or electronic media containing ePHI is cleared of any ePHI as follows:
  - (a) **Media Re-use.** When hardware or electronic media containing ePHI will be re-used, a "wipe" utility must be used to perform a three (3) pass minimum random wipe, where each sector of the hardware or electronic media containing ePHI is erased and written to with random data a minimum of three (3) times. The Security & Privacy Officer (or designee) must verify and document that such sanitization steps have been completed successfully.
  - (b) **Disposal.** When re-use is not possible (e.g., a failed device) or desired, hardware or electronic media containing ePHI will be destroyed in such a manner that the previously stored information is not recoverable. This can include magnetic "degaussing" (wiping with a strong magnetic field) or physical mutilation of the storage media (e.g., cutting, severing, drilling, breaking). The Security & Privacy Officer (or designee) must remove any labeling that had been affixed to the hardware or electronic media containing ePHI prior to disposal.

Nutmeg State Health and Wellness Center, Inc.

8. The Security & Privacy Officer (or designee) shall review the inventory and movement records for hardware or electronic media containing ePHI on an annual calendar basis and verify that the hardware or electronic media containing ePHI is correctly accounted for. If any discrepancies are found, the Security & Privacy Officer (or designee) shall take action to correct the procedures for handling hardware or electronic media containing ePHI and, if applicable, the designee shall notify the Security & Privacy Officer of any missing or unaccounted hardware or electronic media containing ePHI, regardless of whether the ePHI was encrypted.

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Karen Dietz, Chief Executive Officer  
*Effective 10/31/2013*



**NSHWC Security Policies and Procedures  
Security Policy #15  
Access Control**

***Purpose***

The NSHWC is committed to protecting the security and privacy of ePHI contained in the NSHWC Databases. Access control is an important aspect of the NSHWC's commitment to implement technical policies and procedures for electronic information systems that maintain ePHI to allow access only to those persons that have been granted access rights.

***Policy***

The NSHWC grants access to the NSHWC Databases only to those Users that have been formally granted specific access rights. In case of an emergency, necessary ePHI within the NSHWC Databases is made accessible when needed, in accordance with the Contingency Plan.

***Procedures***

1. **Unique User Identification.** The Security & Privacy Officer (or designee) will configure access controls on the NSHWC Databases to regulate access based on approved authorizations.
  - a) Only the Security & Privacy Officer (or designee) is permitted to create or change access control settings.
  - b) The Security & Privacy Officer (or designee) will verify that access permissions are set correctly and functioning properly when any modifications are made to a list of authorized users.
  - c) The Security & Privacy Officer (or designee) will assign a unique username and password to Users.
  - d) The Security & Privacy Officer (or designee) will maintain a protected record of username assignments.
2. **Automatic Logoff.** The NSHWC Databases will be configured so that sessions are automatically terminated after fifteen (15) minutes of inactivity. The Security & Privacy Officer (or designee) will test this feature at least annually to ensure proper operation.
3. **Encryption and Decryption.** The Security & Privacy Officer (or designee) is responsible for ensuring that the NSHWC Databases is configured so that only encrypted Secure Sockets Layer (SSL) sessions are allowed and all non-SSL requests are ignored.
4. The Security & Privacy Officer (or designee) must ensure that any new or modified NSHWC Databases software incorporates sufficient controls to limit access to electronic data on an individual basis to only those Users that have been granted access rights, provide for emergency access, terminate sessions after a period of inactivity, and encrypt data transmissions, all in accordance with the Security Policies and Procedures.

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Karen Dietz, Chief Executive Officer  
Effective 10/31/2013



**NSHWC Security Policies and Procedures  
Security Policy #16  
Audit Controls**

***Purpose***

The NSHWC is committed to protecting the security of the ePHI in the NSHWC Databases. Audit controls are an important aspect of the NSHWC's commitment to recording and examining activity in information systems that contain or use ePHI.

***Policy***

NSHWC Databases will record security-relevant events and is capable of producing audit logs that identify who has accessed ePHI and whether such ePHI has been altered in any way. NSHWC will examine suspicious and/or unauthorized activity in accordance with the procedures set forth herein to detect whether ePHI has been accessed without proper authority.

***Procedures***

1. The NSHWC Security & Privacy Officer (or designee) will determine the components of the NSHWC Databases that will record audit logs and be used in the internal audit process. Such components shall include, at a minimum:
  - a. Firewall event logs recording network traffic
  - b. Operating System security event logs recording system level access events
  - c. Database journals recording transactions in database systems
  - d. Application activity logs recording user actions within the application
  - e. Manual logs where automated logs are not available
2. The NSHWC Security & Privacy Officer (or designee) will ensure the capability to log all user logins and changes, additions and deletions of ePHI in the Databases, including the time of the transaction and the responsible user.
3. The NSHWC Security & Privacy Officer (or designee) shall ensure designated audit logs are properly configured for network, operating system, and database components.
4. The NSHWC Security & Privacy Officer (or designee) shall ensure automated audit logs are properly configured for the Databases application software.
5. NSHWC Vendors shall ensure available storage capacity to retain audit trails for a minimum of one (1) year.
6. Audit trails and internal audit reports are segregated and stored in a locked cabinet when not being used.
7. The NSHWC Security & Privacy Officer (or designee) shall review audit reports at least monthly in accordance with the NSHWC Information Security Policies and Procedures.
8. The NSHWC Security & Privacy Officer (or designee) must ensure that any new or modified Database software incorporates sufficient audit logging features to record and examine activity in accordance with the policies and procedures herein.

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Karen Dietz, Chief Executive Officer  
*Effective 10/31/2013*



**NSHWC Security Policies and Procedures**  
**Security Policy #17**  
**Data Integrity**

***Purpose***

The NSHWC is committed to protecting the security and privacy of ePHI contained in the NSHWC Databases. This Data Integrity Policy is an important aspect of NSHWC's commitment to protecting ePHI from improper alteration, access or destruction.

***Policy***

Data in the NSHWC Databases are used by for research purposes only. In accordance with the procedures outlined below, the data in the NSHWC Databases are corroborated and reconciled by NSHWC as necessary to verify the reliability of the data contained in the NSHWC Databases. Security or system deficiencies that result in a risk of improper alteration or destruction of ePHI will be addressed with reasonable integrity safeguards.

***Procedures***

1. The Security & Privacy Officer shall oversee the collection and processing data from NSHWC identify any issues or concerns regarding the integrity of the data.
2. The Security & Privacy Officer (or designee) will send out data monitors, if necessary, to address integrity issues associated with the data.
3. The Security & Privacy Officer (or designee) shall investigate any issues or findings to determine the cause of such issues or findings and, if applicable, such designee shall report such findings to the Security & Privacy Officer.
4. The Security & Privacy Officer shall perform, on an annual calendar basis, risk analysis, using available audit reports as a basis, to determine the adequacy of integrity protection mechanisms incorporated in the NSHWC Databases. Changes to such mechanisms will be made as necessary given the nature of the purpose for which data in the NSHWC Databases is used.

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Karen Dietz, Chief Executive Officer  
*Effective 10/31/2013*



**NSHWC Security Policies and Procedures  
Security Policy #18  
Person or Entity Authentication**

***Purpose***

The NSHWC is committed to protecting the security and privacy of ePHI contained in the NSHWC Databases. Person or entity authentication is an important aspect of NSHWC's commitment to verifying that an individual or entity seeking access to ePHI located in the NSHWC Databases.

***Policy***

NSHWC Databases must validate the identity of individuals seeking access to the NSHWC Databases by requiring the individual to insert a unique identification and password that is known only to the individual authorized user.

***Procedures***

1. The NSHWC Databases must require an individual who is attempting to access such system to insert a unique user identification and password at the start of each session prior to gaining access to the system.
2. **System Configuration Guidelines.** The password management features of the NSHWC Databases shall meet the following password configuration guidelines:
  - a) Password files will be encrypted with a one-way hash or other function that renders the stored passwords inaccessible by anyone, including system administrators.
3. **Password Selection Guidelines.** All passwords for NSHWC Databases shall meet the following general password guidelines:
  - a) Temporary passwords for must be changed upon first login.
  - b) Password must be changed at least quarterly.
  - c) Do not use the same password for gaining access to publicly available websites as they select for gaining access to the NSHWC Databases.
  - d) Use different passwords for system-level access (e.g., workstation login) and NSHWC Database access.
  - e) Password must contain the following characteristics (or as many of them as the system allows if not all are supported):
    - a. Minimum of eight characters in length.
    - b. Contain at least three (3) types of the following:
      - Uppercase letters
      - Lowercase letters
      - Numbers
    - c. Not a common usage word such as:
      - Names of family, pets, friends, co-workers or characters
      - Computer terms and names, commands, sites, companies, hardware, software
      - Birthdays and other personal information such as addresses and phone numbers
      - Word or number patterns like qwerty, zyxwvuts or 123321
      - Any of the above spelled backwards
      - Any of the above preceded or followed by a digit (e.g., street1, 1street)
4. **Password Use Guidelines.** Use of password will comply with the following rules:
  - a) Passwords must be changed at least quarterly
  - b) The re-use of passwords will not be allowed for twelve (12) months.
  - c) The Database shall be configured to automatically disable a user's password after Six (6) consecutive unsuccessful login attempts. Login deactivation will last for fifteen (15) minutes

Nutmeg State Health and Wellness Center, Inc.

5. The Security & Privacy Officer (or designee) shall conduct a review of the password settings on the NSHWC Databases (network, operating system, database, application, and workstation) on an annual basis to verify the password management features are properly configured. If deficiencies are found the Security & Privacy Officer (or designee) will be notified of such deficiencies and the Security & Privacy Officer (or designee) will take action to correct the system configuration.
6. The Security & Privacy Officer (or designee) must ensure that any new or modified software incorporates sufficient password management features to comply with the Security Policies and Procedures.
7. Terminations or changes in an individual's position will be communicated to the Security & Privacy Officer (or designee) immediately to enable the revocation or modification of any accounts and passwords, if necessary, in accordance with the Access Control Policy, SP-015.
8. The Security & Privacy Officer (or designee) will revoke an individual's password the Security & Privacy Officer has reasonable cause to believe the password has been created, used or disclosed in a manner not compliant with the Security Policies and Procedures.
9. The Security & Privacy Officer (or designee) may grant an individual a password in an emergency situation in compliance with the Access Control Policy, SP-015.

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Karen Dietz, Chief Executive Officer  
*Effective 10/31/2013*



**NSHWC Security Policies and Procedures  
Security Policy #19  
Transmission Security**

***Purpose***

The NSHWC is committed to protecting the security and privacy of ePHI contained in the NSHWC Databases. Transmission security is an important aspect of the NSHWC's commitment to implementing technical security measures to guard against unauthorized access to ePHI that is maintained in the NSHWC Databases or that is being transmitted over an electronic communications network.

***Policy***

The following procedures are used by the NSHWC and its vendors to ensure the validity and security of ePHI transmitted over an electronic communications network.

***Procedures***

1. The Security & Privacy Officer (or designee) is responsible for ensuring that the configuration of the NSHWC Databases only allows encrypted Secure Sockets Layer (SSL) sessions and all non-SSL requests are ignored.
2. If deficiencies are found, the Security & Privacy Officer will have the system configuration corrected to ensure these mechanisms are working properly to protect ePHI transmissions.

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Karen Dietz, Chief Executive Officer  
*Effective 10/31/2013*



**NSHWC Security Policies and Procedures**  
**Security Policy #20**  
**Information Security Policies, Procedures and Documentation**

***Purpose***

The NSHWC is committed to protecting the security and privacy of ePHI contained in the NSHWC Databases. The NSHWC is committed to creating, implementing and reviewing policies, procedures, and related documents that document NSHWC's protection of ePHI located in the NSHWC Databases.

***Policy***

The NSHWC maintains policies and procedures that demonstrate NSHWC's commitment to the security of ePHI.

***Procedures***

1. The Security & Privacy Officer (or designee) will create and maintain in written form (paper and/or electronic) the Security Policies and Procedures.
2. The Security & Privacy Officer (or designee) will continually monitor for events (in accordance with this policy) that would necessitate revisions to the Security Policies and Procedures.
3. The Security & Privacy Officer (or designee) will recommend changes to existing documents to address these events.
4. The Security & Privacy Officer (or designee) will conduct a review of the Security Policies and Procedures on an annual basis.
5. The Security & Privacy Officer and Chief Executive Officer must approve any revisions made to the Security Policies and Procedures before such revisions are effective.
6. The Security & Privacy Officer (or designee) will disseminate all official updates to the Security Policies and Procedures to NSHWC Workforce Members and vendors, as applicable, within thirty (30) days of any changes.
7. The Security Policies and Procedures will be maintained by the Security & Privacy Officer in a manner that allows necessary availability.
8. The Security & Privacy Officer (or designee) will maintain documentation, in written or electronic form, of policies, procedures, communications, and other administrative documents for a period of at least six (6) years from the date of creation or the date when last in effect, whichever is later.

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Karen Dietz, Chief Executive Officer  
*Effective 10/31/2013*



**EMPLOYEE HANDBOOK**

**NUTMEG STATE HEALTH AND WELLNESS CENTER**

Issue Date: October 31, 2013

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## WELCOME!

Welcome new employee!

On behalf of your colleagues, I welcome you to Nutmeg State Health and Wellness Center and wish you every success here.

We believe that each employee contributes directly to Nutmeg State Health and Wellness Center growth and success, and we hope you will take pride in being a member of our team.

This Employee Handbook was developed to describe some of the expectations of our employees and to outline the policies, programs, and benefits available to eligible employees. Employees should familiarize themselves with the contents of the Employee Handbook as soon as possible, for it will answer many questions about employment with Nutmeg State Health and Wellness Center.

We hope that your experience here will be challenging, enjoyable, and rewarding. Again, welcome!

Sincerely,

*Karen A. Dietz*

Karen A. Dietz, JD, MBA  
Chief Executive Officer

## **EMPLOYMENT**

### **101 Nature of Employment**

Your relationship with NSHWC is that of an employee-at-will. Your job status does not guarantee employment for any specific length of time. Your employment with NSHWC is entered into voluntarily and both you and NSHWC are free to end the employment relationship at any time, for any reason, with or without cause or advance notice. Your employment at-will status with NSHWC may be altered only with written authorization by the CEO or President. If you have any questions about this please feel free to contact NSHWC at 203-241-6464.

If your position requires additional pre-employment criteria, such as a background investigation and/or a pre-employment drug test and if you have been offered employment before any such investigation or test is completed, your employment is contingent upon a satisfactory result on all required tests.

### **102 Employee Relations**

If employees have concerns about work conditions or compensation, they are strongly encouraged to voice these concerns openly and directly to their supervisors. Our experience has shown that when employees deal openly and directly with supervisors, the work environment can be excellent, communications can be clear, and attitudes can be positive. We believe that NSHWC amply demonstrates its commitment to employees by responding effectively to employee concerns.

### **103 Equal Employment Opportunity**

In order to provide equal employment and advancement opportunities to all individuals, employment decisions at NSHWC will be based on merit, qualifications, and abilities. NSHWC is an equal employment opportunity employer and do not discriminate against any person because of race, color, creed, religion, sex, sexual orientation, national origin, disability, age, genetic information, or any other characteristic protected by law (referred to as "protected status"). This nondiscrimination policy extends to all terms, conditions and privileges of employment as well as the use of all company facilities, participation in all company-sponsored activities, and all employment actions such as promotions, compensation, benefits and termination of employment.

NSHWC will make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship. This policy governs all aspects of employment, including selection, job assignment, compensation, discipline, termination, and access to benefits and training.

Any employees with questions or concerns about any type of discrimination in the workplace are encouraged to bring these issues to the attention of the CEO or President at NSHWC at 203-241-6464. Employees can raise concerns and make reports without fear of reprisal. Anyone found to be engaging in any type of unlawful discrimination will be subject to disciplinary action, up to and including termination of employment.

### **104 Business Ethics and Conduct**

The successful business operation and reputation of NSHWC is built upon the principles of fair dealing and ethical conduct of our employees. Our reputation for integrity and excellence requires careful observance of the spirit and letter of all applicable laws and regulations, as well as a scrupulous regard for the highest standards of conduct and personal integrity.

The continued success of NSHWC is dependent upon our constituents' trust and we are dedicated to preserving that trust. Employees owe a duty to NSHWC and constituents' to act in a way that will merit the continued trust and confidence.

NSHWC will comply with all applicable laws and regulations and expects its directors, officers, and employees to conduct business in accordance with the letter, spirit, and intent of all relevant laws and to refrain from any illegal, dishonest, or unethical conduct.

In general, the use of good judgment, based on high ethical principles, will guide you with respect to lines of acceptable conduct. If a situation arises where it is difficult to determine the proper course of action, the matter should be discussed openly with the CEO or President at NSHWC at 203-241-6464 for advice and consultation.

Compliance with this policy of business ethics and conduct is the responsibility of every NSHWC employee. Disregarding or failing to comply with this standard of business ethics and conduct could lead to disciplinary action, up to and including possible termination of employment.

### **105 Immigration Law Compliance**

NSHWC is committed to employing only United States citizens and aliens who are authorized to work in the United States and do not unlawfully discriminate on the basis of citizenship or national origin.

In compliance with the Immigration Reform and Control Act of 1986, each new employee, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identity and employment eligibility. For mer employees who are rehired may also be required to complete the form.

Employees with questions or seeking more information on immigration law issues are encouraged to contact the CEO at 203-241-6464. Employees may raise questions or complaints about immigration law compliance without fear of reprisal.

### **106 Conflicts of Interest**

Employees have an obligation to conduct business within guidelines that prohibit actual or potential conflicts of interest. This policy establishes only the framework within which NSHWC wishes the business to operate. The purpose of these guidelines is to provide general direction so that employees can seek further clarification on issues related to the subject of acceptable standards of operation. Contact the CEO at 203-241-6464 for more information or questions about conflicts of interest.

Transactions with outside firms must be conducted within a framework established and controlled by the CEO and President. Business dealings with outside firms should not result in unusual gains for those firms. Unusual gain refers to bribes, product bonuses, special fringe benefits, unusual price breaks, and other windfalls designed to ultimately benefit either the employer, the employee, or both. Promotional plans that could be interpreted to involve unusual gain require specific executive-level approval.

An actual or potential conflict of interest occurs when an employee is in a position to influence a decision that may result in a personal gain for that employee or for a relative as a result of NSHWC business dealings. For the purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the employee is similar to that of persons who are related by blood or marriage.

No "presumption of guilt" is created by the mere existence of a relationship with outside firms. However, if employees have any influence on transactions involving purchases, contracts, or leases, it is imperative that they

disclose to the CEO or President as soon as possible the existence of any actual or potential conflict of interest so that safeguards can be established to protect all parties.

Personal gain may result not only in cases where an employee or relative has a significant ownership in a firm with which NSHWC does business, but also when an employee or relative receives any kickback, bribe, substantial gift, or special consideration as a result of any transaction or business dealings involving NSHWC.

### **107 Outside Employment**

Employees may hold outside jobs as long as they meet the performance standards of their job with NSHWC. All employees will be judged by the same performance standards and will be subject to NSHWC scheduling demands, regardless of any existing outside work requirements.

If NSHWC determines that an employee's outside work interferes with performance or the ability to meet the requirements of NSHWC as they are modified from time to time, the employee may be asked to terminate the outside employment if he or she wishes to remain with NSHWC.

Outside employment that constitutes a conflict of interest is prohibited. Employees may not receive any income or material gain from individuals outside NSHWC for materials produced or services rendered while performing their jobs.

### **108 Non-Disclosure**

The protection of confidential business information and trade secrets is vital to the interests and the success of NSHWC. Such confidential information includes, but is not limited to, the following examples:

- Patient Information
- Confidential Information of Third Parties Entrusted to NSHWC
- Customer Lists
- Customer Preferences
- Financial Information
- Marketing Strategies
- New Materials Research
- Pending Projects and Proposals
- Proprietary Production Processes
- Research And Development Strategies
- Scientific Data
- Scientific Formulae
- Scientific Prototypes
- Technological Data
- Technological Prototypes

All employees may be required to sign a non-disclosure agreement as a condition of employment. Employees who improperly use or disclose trade secrets or confidential business information will be subject to disciplinary action, up to and including termination of employment and legal action, even if they do not actually benefit from the disclosed information.

### **109 Disability Accommodation**

NSHWC is committed to complying fully with the Americans with Disabilities Act (ADA) and applicable state law, and to ensure equal opportunity in employment for qualified persons with disabilities. All employment

practices and activities are conducted on a non-discriminatory basis.

Hiring procedures are designed to provide persons with disabilities meaningful employment opportunities. Pre-employment inquiries are made only regarding an applicant's ability to perform the duties of the position.

Reasonable accommodations for qualified individuals with known disabilities will be made unless to do so would be an undue hardship. All employment decisions are based on the merits of the situation in accordance with defined criteria, not the disability of the individual.

Qualified individuals with disabilities are entitled to equal pay and other forms of compensation (or changes in compensation) as well as in job assignments, classifications, organizational structures, position descriptions, lines of progression and seniority lists. Leave of all types will be available to all employees on an equal basis.

NSHWC is also committed to not discriminating against any qualified employees or applicants because they are related to or associated with a person with a disability. NSHWC will follow any state or local law that provides individuals with disabilities greater protection than the ADA.

This policy is neither exhaustive nor exclusive. NSHWC is committed to taking all other actions necessary to ensure equal employment opportunity for persons with disabilities in accordance with the ADA and all other applicable federal, state, and local laws.

## **EMPLOYMENT STATUS & RECORDS**

### **201 Employment Categories**

It is the intent of NSHWC to clarify the definitions of employment classifications so that employees understand their employment status and benefit eligibility. These classifications do not guarantee employment for any specified period of time.

Each employee is designated as either **NONEXEMPT** or **EXEMPT** from federal and state wage and hour laws. **NONEXEMPT** employees are entitled to overtime pay under the specific provisions of federal and state laws. **EXEMPT** employees are excluded from specific provisions of federal and state wage and hour laws. An employee's **EXEMPT** or **NONEXEMPT** classification may be changed only upon written notification by management.

**REGULAR FULL-TIME** employees are those who are regularly scheduled to work NSHWC's full-time schedule. Generally, they are eligible for NSHWC's benefits package, subject to the terms, conditions, and limitations of each benefit program, typically, employees who work thirty (30) or more hours per week.

**PART-TIME** employees are those who work continuously for a specified number of hours per week which is less than a regular schedule of thirty (30) or more hours per week. Part-time employees receive all legally mandated benefits (such as Social Security and workers' compensation insurance).

### **202 Access to Personnel Files**

NSHWC maintains a personnel file on each employee. The personnel file includes such information as the employee's job application, resume, records of training, documentation of performance appraisals and salary increases, and other employment records.

Personnel files are the property of NSHWC and access to the information they contain is restricted. Generally, only supervisors and management personnel of NSHWC who have a legitimate reason to review information in a file are allowed to do so.

Employees who wish to review their own file should contact the President. With reasonable advance notice, employees may review their own personnel files in NSHWC's offices and in the presence of the President.

### **203 Employment Reference Checks**

To ensure that individuals who join NSHWC are well qualified and have a strong potential to be productive and successful, it is the policy of NSHWC to check the employment references of all applicants.

NSHWC will respond verbally only to those reference check inquiries that are submitted in writing. Responses to such inquiries will confirm only dates of employment and position(s) held. No employment data will be released without a written authorization and release signed by the individual who is the subject of the inquiry. If you have questions, please contact the COE or President at 203-241-6464.

### **204 Personnel Data Changes**

It is the responsibility of each employee to promptly notify NSHWC of any changes in personnel data. Personal mailing addresses, telephone numbers, number and names of dependents, individuals to be contacted in the event of an emergency, educational accomplishments, and other such status reports should be accurate and current at all times. If any personnel data has changed, notify the President at 203-241-6464.

### **205 Performance Evaluation**

Supervisors and employees are strongly encouraged to discuss job performance and goals on an informal, day-to-day basis. Formal performance evaluations are conducted to provide both supervisors and employees the opportunity to discuss job tasks, identify and correct weaknesses, encourage and recognize strengths, and discuss positive, purposeful approaches for meeting goals.

The performance of all employees is generally evaluated once a year, beginning at the calendar-year end.

Merit-based pay adjustments may be awarded by NSHWC in an effort to recognize truly superior employee performance. The decision to award such an adjustment is dependent upon numerous factors, including the information documented by this formal performance evaluation process.

## **EMPLOYEE BENEFIT PROGRAMS**

### **301 Employee Benefits**

Eligible employees at NSHWC are provided a wide range of benefits. A number of the programs (such as Social Security, workers' compensation, state disability, and unemployment insurance) cover all employees in the manner prescribed by law.

Benefits eligibility is dependent upon a variety of factors, including employee classification. Your supervisor can identify the programs for which you are eligible. Details of many of these programs can be found elsewhere in the employee handbook.

The following benefit programs are available to eligible employees:

- Medical Insurance
- Dental Insurance
- Vision Care Insurance

- Life Insurance
- Long-Term Disability (LTD)
- Short-Term Disability (STD)

NSHWC will mail newly eligible employees a Benefits Enrollment package (for enrollment in Medical, Dental, Vision, Life and LTD) at their home addresses within a few weeks of their hire date, or the transfer date to a benefits-eligible position. If a Benefits Enrollment Package is not received in a timely manner, please call the President at 203-241-6464 to request an enrollment package. Each enrollment package will have a return deadline for eligibility. If employees miss the return deadline they must wait until the next Open Enrollment period to enroll in these benefits.

### **302 Vacation Benefits**

Employees in the following employment classification(s) are eligible to earn and use vacation time as described in this policy:

- Regular full-time employees

The amount of paid vacation time employees receive each year increases with the length of their active employment as shown in the following schedule:

- Upon initial eligibility the employee is entitled to 10 vacation days each year, pro-rated from the date of hire for the first year.
- After 5 years of eligible service the employee is entitled to an extra 5 vacation days.

The length of eligible service is calculated on the basis of a calendar year.

Paid vacation time can be used in minimum increments of one day. To take vacation, employees must request advance approval from their supervisors. Requests will be reviewed based on a number of factors, including business needs and staffing requirements. Approved vacation requests must be submitted to the President.

Vacation time off is paid at the employee's base pay rate at the time of vacation for the amount of days absent.

In the event that available vacation is not used by the end of the benefit year, employees will forfeit the unused time.

Upon termination of employment, employees will be paid for unused vacation time accrued at the rate of 0.385 days per year (or other prorated amount if the employee has more than ten (10) vacation days per year in the year of termination).

### **303 Holidays**

NSHWC will grant holiday time off to all active employees on the holidays listed below:

- New Year's Day (January 1)
- Martin Luther King Jr. Day
- Presidents' Day (third Monday in February)
- Memorial Day (last Monday in May)
- Independence Day (July 4)
- Labor Day (first Monday in September)
- Columbus Day (second Monday in October)
- Veteran's Day (second Monday in November)
- Thanksgiving (fourth Thursday in November)
- Day after Thanksgiving (fourth Friday in November)

- Christmas Eve (December 24)
- Christmas (December 25)
- New Year's Eve (December 31)

NSHWC will grant paid holiday time off to all eligible employees immediately upon assignment to an eligible employment classification. Holiday pay will be calculated based on the employee's straight-time pay rate (as of the date of the holiday). Eligible employee classification(s):

- Regular full-time employees

A recognized holiday that falls on a Saturday will be observed on the preceding Friday. A recognized holiday that falls on a Sunday will be observed on the following Monday.

If a recognized holiday falls during an eligible employee's paid absence (such as vacation or sick leave), holiday pay will be provided instead of the paid time off benefit that would otherwise have applied and time deducted for that day is counted as a holiday.

### **304 Workers' Compensation Insurance**

NSHWC provides a comprehensive workers' compensation insurance program at no cost to employees. This program covers any injury or illness sustained in the course of employment that requires medical, surgical, or hospital treatment. Subject to the applicable legal requirements, workers compensation insurance provides benefits after a waiting period.

Employees who sustain work-related injuries or illnesses should inform their supervisor immediately. No matter how minor an on-the-job injury may appear, it is important that it be reported immediately. This will enable an eligible employee to qualify for coverage as quickly as possible.

### **305 Bereavement Leave**

All employees who wish to take time off due to the death of an immediate family member should notify their supervisor immediately.

Up to 3 days of paid bereavement leave will be provided to eligible employees in the following classification(s):

- Regular full-time employees

Bereavement pay is calculated based on the base pay rate at the time of absence.

Bereavement leave will normally be granted unless there are unusual business needs or staffing requirements. Employees may, with their supervisors' approval, use any available paid leave for additional time off as necessary. Approved bereavement leave must be submitted to the President.

NSHWC defines "immediate family" for the purposes of bereavement leave as the employee's spouse (or significant other), and the employee's or employee's spouse's (or significant other's) parent, child, sibling, grandparents, grandchildren, uncles and aunts. Special consideration will also be given to any other person whose association with the employee was similar to any of the above relationships.

### **306 Jury Duty**

NSHWC encourages employees to fulfill their civic responsibilities by serving jury duty when required. Employees will be compensated for jury duty consistent with state law. Employees in an eligible classification may request up to one (1) week of paid jury duty leave over any one (1) year period.

Jury duty pay will be calculated on the employee's base pay rate on the day of absence. Employee classifications that qualify for paid jury duty leave are:

- Regular full-time employees

If employees are required to serve jury duty beyond the period of paid jury duty leave, they may use any available paid time off (for example, vacation benefits) or may request an unpaid jury duty leave of absence.

Employees must show the jury duty summons to their supervisor as soon as possible so that the supervisor may make arrangements to accommodate their absence. Of course, employees are expected to report for work whenever the court schedule permits.

Either NSHWC or the employee may request an excuse from jury duty if, in NSHWC's judgment, the employee's absence would create serious operational difficulties.

NSHWC will continue to provide health insurance benefits until the end of the month in which the unpaid jury duty leave begins. At that time, employees will become responsible for the full costs of these benefits if they wish coverage to continue. When the employee returns from jury duty, benefits will again be provided by NSHWC according to the applicable plans.

### **307 Benefits Continuation (COBRA)**

The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) gives employees and their qualified beneficiaries the opportunity to continue health insurance coverage under NSHWC's health plan when a "qualifying event" would normally result in the loss of eligibility. Some common qualifying events are resignation, termination of employment, or death of an employee; a reduction in an employee's hours or a leave of absence; an employee's divorce or legal separation; and a dependent child no longer meeting eligibility requirements.

Under COBRA, the employee or beneficiary pays the full cost of coverage at NSHWC's rate plus an administration fee. NSHWC provides each eligible employee with a written notice describing rights granted under COBRA when the employee becomes eligible for coverage under NSHWC's health insurance plan. The notice contains important information about the employee's rights and obligations.

## **TIMEKEEPING/PAYROLL**

### **401 Timekeeping (Part time employees only)**

Accurately recording time worked is the responsibility of every nonexempt employee. Federal and state laws require NSHWC to keep an accurate record of time worked in order to calculate employee pay and benefits. Time worked is all the time actually performing assigned duties.

Nonexempt employees should accurately record the time they begin and end their work, as well as the beginning and ending time of each meal period using NSHWC's approved tracking system. Overtime work must always be approved before it is performed.

If for any reason an employee's own time records show any sort of disparity from NSHWC's time records or the workers' pay stubs, then the employee must report that disparity immediately and submit those records to NSHWC in order to ensure accurate wage payments.

Altering, falsifying, tampering with time records, or recording time on another employee's time record may result in disciplinary action, up to and including termination of employment.

Nonexempt employees should not report to work prior to their scheduled starting time nor stay after their scheduled

stop time without expressed, prior authorization from their supervisor.

It is the employees' responsibility to sign their time records to certify the accuracy of all time recorded. The supervisor will review and then initial the time record before submitting it for payroll processing.

#### **402 Paydays**

All employees are paid biweekly on every other Friday. Each paycheck will include earnings for all work performed through the end of the previous payroll period.

In the event that a regularly scheduled payday falls on a day off such as a weekend or holiday, employees will receive pay on the last day of work before the regularly scheduled payday.

If a regular payday falls during an employee's vacation, the employee's paycheck will be available upon his or her return from vacation.

#### **403 Employment Termination**

Termination of employment is an inevitable part of personnel activity within any organization, and many of the reasons for termination are routine. Below are examples of some of the most common circumstances under which employment is terminated:

- Resignation - voluntary employment termination initiated by an employee.
- Discharge - involuntary employment termination initiated by the organization.
- Layoff - involuntary employment termination initiated by the organization for non disciplinary reasons.

Since employment with NSHWC is based on mutual consent, both the employee and NSHWC have the right to terminate employment at will, with or without cause, at any time. Employees will receive their final pay on the next scheduled payroll.

Employee benefits will be affected by employment termination in the following manner. All accrued, vested benefits that are due and payable at termination will be paid on the next scheduled payroll. Some benefits may be continued at the employee's expense if the employee so chooses. The employee will be notified in writing of the benefits that may be continued and of the terms, conditions, and limitations of such continuance.

#### **404 Pay Advances**

NSHWC does not provide pay advances on unearned wages to employees.

#### **405 Administrative Pay Corrections**

NSHWC takes all reasonable steps to ensure that employees receive the correct amount of pay in each pay check and that employees are paid promptly on the scheduled payday.

In the unlikely event that there is an error in the amount of pay, the employee should promptly bring the discrepancy to the attention of the President at NSHWC so that corrections can be made as quickly as possible.

## 406 Pay Deductions

The law requires that NSHWC make certain deductions from every employee's compensation. Among these are applicable federal, state, and local income taxes. NSHWC also must deduct Social Security taxes on each employee's earnings up to a specified limit that is called the Social Security "wage base." NSHWC matches the amount of Social Security taxes paid by each employee.

If you have questions concerning why deductions were made from your paycheck or how they were calculated, the Chief Financial Officer can assist in having your questions answered.

## 407 Compensation

It is the practice and policy of NSHWC to accurately compensate employees and to do so in compliance with all applicable state and federal laws.

### Review Your Pay Check

We make every effort to ensure our employees are paid correctly. Occasionally, however, inadvertent mistakes can happen. When mistakes do happen and are called to our attention, we will promptly make any corrections necessary. Please review your pay check when you receive it to make sure it is correct. If you believe a mistake has occurred, or you have any questions please use the reporting procedure outlined below.

### Nonexempt Employees

If you are classified as a nonexempt employee, you must maintain a record of the total hours you work each day. You must accurately record your hours in accordance with NSHWC's time keeping procedures. Your time record must accurately reflect all regular and overtime hours worked, any absences, late arrivals, early departures, and meal breaks. Employees are prohibited from performing any "off-the-clock" work. "Off-the-clock" work means work you may perform but fail to report. Any employee who fails to report or inaccurately reports any hours worked will be subject to disciplinary action, up to and including discharge.

It is a violation of company policy for any employee to falsify or alter his or her or another employee's time. It is also a serious violation of company policy for any employee or manager to instruct another employee to incorrectly or falsely report hours. If any manager or employee instructs you to: 1) incorrectly or falsely under- or over-report your hours worked; or 2) alter another employee's time records to inaccurately or falsely report that employee's hours worked, you should report it immediately to the CEO or President at 1-203-241-6464.

### Exempt Employees

If you are classified as an exempt, salaried employee, you will receive a set salary which is intended to compensate you for any hours you may work. This salary will be established at the time of hire or when you become classified as an exempt employee. The salary will be a predetermined amount that will not be subject to deductions for variations in the quantity or quality of the work you perform.

Under federal and state law, your salary is subject to certain deductions. For example, absent contrary state law requirements, your salary may be reduced for the following reasons:

- Full day absences for personal reasons,
- Full day absences for sickness or disability, if NSHWC has a sickness or disability policy that provides for wage replacement benefits and you have exhausted or have not yet accrued enough leave time.
- Full day disciplinary suspensions for infractions of our written policies and procedures.
- Family and Medical Leave absences.
- To offset amounts received as payment for jury and witness fees or military pay.
- The first or last week of employment in the event you work less than a full week.

Your salary may also be reduced for certain types of deduction such as your portion of health, dental, or life insurance premiums; state, federal, or local taxes, or social security.

Your salary will not be reduced for any of the following reasons:

- Partial day absences for personal reasons, sickness or disability.
- Absences for jury duty, attendance as a witness or military leave in any week in which you have performed any work.
- Any other deductions prohibited by state or federal law.
- Please note, it is not an improper deduction to reduce an employee's vacation, personal or other forms of paid time off from an employee's leave bank for full day absences for personal reasons, or for sickness or disability.

Should you have any questions with respect to NSHC's policy, please contact the CEO or President at 1-203-241-6464.

#### To Report Concerns or Obtain More Information

If you have questions about deductions from your pay, please contact the CEO or President at 1-203-241-6464. If you believe you have been subject to any improper deductions, you should immediately report the matter to your supervisor or the CEO or President at 1-203-241-6464.

Every report will be fully investigated and corrective action will be taken where appropriate, up to and including discharge for any employee(s) who violate this policy. In addition, we will not allow any form of retaliation against individuals who report alleged violations of this policy or who cooperate in the investigation of such reports. Retaliation is unacceptable, and any form of retaliation in violation of this policy will result in disciplinary action, up to and including discharge.

## **WORK CONDITIONS & HOURS**

### **501 Safety**

To assist in providing a safe and healthful work environment for employees, customers, and visitors, NSHC has established a workplace safety program. This program is a top priority for NSHC. The President has responsibility for implementing, administering, monitoring, and evaluating the safety program. Its success depends on the alertness and personal commitment of all.

NSHC provides information to employees about workplace safety and health issues through regular internal communication channels such as supervisor-employee meetings, bulletin board postings, memos, or other written communications.

Some of the best safety improvement ideas come from employees. Those with ideas, concerns, or suggestions for improved safety in the workplace are encouraged to raise them with their supervisor, or with another supervisor or manager. Reports and concerns about workplace safety issues may be made anonymously if the employee wishes. All reports can be made without fear of reprisal.

Each employee is expected to obey safety rules and to exercise caution in all work activities. Employees must comply with all occupational safety and health standards and regulations established by the Occupational Safety and Health Act and state and local regulations. Employees must immediately report any unsafe condition to the appropriate supervisor and/or the President at 203-241-6464. Employees who violate safety standards, who cause hazardous or dangerous situations, who fail to report or where appropriate remedy such situations, may be subject to disciplinary action, up to and including suspension and/or termination of employment.

If you believe that you are being exposed to a known or suspected hazard when working with toxic chemicals or substances, you have a right under the Hazard Communications Law to know about such hazards through Material

Safety Data Sheets (MSDS). Your supervisor will review the MSDS with you. If your supervisor does not have this information, your supervisor will contact the President at 203-241-6464. In addition, you will receive information on what hazardous substances are in the work area and regular training on the adverse effects of each toxic substance with which you come into contact in the workplace. You will be protected against discipline or termination that results from exercising employee rights under the law.

In the case of accidents that result in injury, regardless of how insignificant the injury may appear, employees should immediately notify the President or the appropriate supervisor. Such reports are necessary to comply with laws and initiate insurance and workers' compensation benefits procedures.

### **502 Work Schedules**

Work schedules for each employee will be created between the employee and supervisor based on the specific job of the employee.

### **503 Use of Phone and Mail Systems**

Personal use of telephones for outgoing calls, including local calls, is not permitted. Employees may be required to reimburse NHSWC for any charges resulting from their personal use of the telephone.

The mail system is reserved for business purposes only. Employees should refrain from sending or receiving personal mail at the workplace.

To ensure effective telephone communications, employees should always use the approved greeting and speak in a courteous and professional manner. Please confirm information received from the caller, and hang up only after the caller has done so.

### **504 Smoking**

In keeping with NHSWC's intent to provide a safe and healthful work environment, smoking in the workplace is prohibited except in those locations that have been specifically designated as smoking areas. In situations where the preferences of smokers and nonsmokers are in direct conflict, the preferences of nonsmokers will prevail. Violations of this policy will lead to discipline up to and including termination of employment.

This policy applies equally to all employees, customers, and visitors.

### **505 Meal Periods**

All full-time employees are provided with one meal period of 30 minutes in length each workday. Supervisors may schedule meal periods to accommodate operating requirements.

### **506 Use of Equipment and Vehicles**

Equipment and vehicles essential in accomplishing job duties are expensive and may be difficult to replace. When using property, employees are expected to exercise care, perform required maintenance, and follow all operating instructions, safety standards, and guidelines.

Please notify your supervisor if any equipment, machines, tools, or vehicles appear to be damaged, defective, or in need of repair. Prompt reporting of damages, defects, and the need for repairs could prevent deterioration of

equipment and possible injury to employees or others. The supervisor can answer any questions about an employee's responsibility for maintenance and care of equipment or vehicles used on the job.

The improper, careless, negligent, destructive, or unsafe use or operation of equipment or vehicles, as well as excessive or avoidable traffic and parking violations, can result in disciplinary action, up to and including termination of employment.

### **507 Emergency Closings**

At times, emergencies such as severe weather, fires, power failures, or earthquakes, can disrupt company operations. In extreme cases, these circumstances may require the closing of a work facility.

When operations are officially closed due to emergency conditions, the time off from scheduled work will be paid for exempt employees only.

### **508 Business Travel Expenses**

NHSWC will reimburse employees for reasonable business travel expenses incurred while on assignments away from the normal work location. All business travel must be approved in advance by your supervisor of NHSWC.

Employees whose travel plans have been approved are responsible for making their own travel arrangements.

When approved, the actual costs of travel, meals, lodging, and other expenses directly related to accomplishing business travel objectives will be reimbursed by NHSWC. Employees are expected to limit expenses to reasonable amounts.

Expenses that generally will be reimbursed include the following:

- Airfare or train fare for travel in coach or economy class or the lowest available fare.
- Fares for shuttle or airport bus service, where available; costs of public transportation for other ground travel.
- Cost of meals.
- Mileage reimbursed at IRS annual recommended rate.

Employees who are involved in an accident while traveling on business must promptly report the incident to the President at 203-241-6464. Vehicles owned, leased, or rented by NHSWC may not be used for personal use without prior approval.

When travel is completed, employees should submit completed travel expense reports within 10 days. Reports should be accompanied by receipts for all individual expenses. **Expense reports submitted after thirty (30) days will not be paid.**

Employees should contact their supervisor for guidance and assistance on procedures related to travel arrangements, expense reports, reimbursement for specific expenses, or any other business travel issues.

Abuse of this business travel expenses policy, including falsifying expense reports to reflect costs not incurred by the employee, can be grounds for disciplinary action, up to and including termination of employment.

## **509 Computer and Email Usage**

Computers, computer files, the email system, and software furnished to employees are NHSWC property intended for business use. Employees should not use a password, access a file, or retrieve any stored communication without authorization. To ensure compliance with this policy, computer and email usage may be monitored.

NHSWC strives to maintain a workplace free of harassment and sensitive to the diversity of its employees. Therefore, NHSWC prohibits the use of computers and the email system in ways that are disruptive, offensive to others, or harmful to morale.

For example, the display or transmission of sexually explicit images, messages, and cartoons is not allowed. Other such misuse includes, but is not limited to, ethnic slurs, racial comments, off-color jokes, or anything that may be construed as harassment or showing disrespect for others.

Email may not be used to solicit others for commercial ventures, religious or political causes, outside organizations, or other non business matters.

NHSWC purchases and licenses the use of various computer software for business purposes and does not own the copyright to this software or its related documentation. Unless authorized by the software developer, NHSWC does not have the right to reproduce such software for use on more than one computer.

Employees may only use software on local area networks or on multiple machines according to the software license agreement. NHSWC prohibits the illegal duplication of software and its related documentation.

Employees should notify the President at 203-241-6464 or any member of management upon learning of violations of this policy. Employees who violate this policy will be subject to disciplinary action, up to and including termination of employment.

## **510 Internet Usage**

Internet access to global electronic information resources on the World Wide Web is provided by NHSWC to assist employees in obtaining work-related data and technology. The following guidelines have been established to help ensure responsible and productive Internet usage. All Internet usage is limited to job-related activities. Personal use of the Internet is not permitted.

All Internet data that is composed, transmitted, or received via our computer communications systems is considered to be part of the official records of NHSWC and, as such, is subject to disclosure to law enforcement or other third parties. Consequently, employees should always ensure that the business information contained in Internet email messages and other transmissions is accurate, appropriate, ethical, and lawful.

The equipment, services, and technology provided to access the Internet remain at all times the property of NHSWC. As such, NHSWC reserves the right to monitor Internet traffic, and retrieve and read any data composed, sent, or received through our online connections and stored in our computer systems.

Data that is composed, transmitted, accessed, or received via the Internet must not contain content that could be considered discriminatory, offensive, obscene, threatening, harassing, intimidating, or disruptive to any employee or other person. Examples of unacceptable content may include, but are not limited to, sexual comments or images, racial slurs, gender-specific comments, or any other comments or images that could reasonably offend someone on the basis of race, age, sex, religious or political beliefs, national origin, disability, sexual orientation, or any other characteristic protected by law.

The unauthorized use, installation, copying, or distribution of copyrighted, trademarked, or patented material on the Internet is expressly prohibited. As a general rule, if an employee did not create material, does not own the rights to

it, or has not gotten authorization for its use, it should not be put on the Internet. Employees are also responsible for ensuring that the person sending any material over the Internet has the appropriate distribution rights.

Abuse of the Internet access provided by NHSWC in violation of law or NHSWC policies will result in disciplinary action, up to and including termination of employment. Employees may also be held personally liable for any violations of this policy. The following behaviors are examples of previously stated or additional actions and activities that are prohibited and can result in disciplinary action:

- Sending or posting discriminatory, harassing, or threatening messages or images
- Using the organization's time and resources for personal gain
- Stealing, using, or disclosing someone else's code or password without authorization
- Copying, pirating, or downloading software and electronic files without permission
- Sending or posting confidential material, trade secrets, or proprietary information outside of the organization
- Violating copyright law
- Failing to observe licensing agreements
- Engaging in unauthorized transactions that may incur a cost to the organization or initiate unwanted Internet services and transmissions
- Sending or posting messages or material that could damage the organization's image or reputation
- Participating in the viewing or exchange of pornography or obscene materials
- Sending or posting messages that defame or slander other individuals
- Attempting to break into the computer system of another organization or person
- Refusing to cooperate with a security investigation
- Sending or posting chain letters, solicitations, or advertisements not related to business purposes or activities
- Using the Internet for political causes or activities, religious activities, or any sort of gambling
- Jeopardizing the security of the organization's electronic communications systems
- Sending or posting messages that disparage another organization's products or services
- Passing off personal views as representing those of the organization
- Sending anonymous email messages
- Engaging in any other illegal activities

## **511 Workplace Monitoring**

Workplace monitoring may be conducted by NHSWC to ensure quality control, employee safety, security, and customer satisfaction.

While on NHSWC's premises, employees have no expectation of privacy in their belongings or in the non-private workplace areas which include, but are not limited to, offices, cubicles, work locations, Company provided or designated parking areas, desks, computers, lockers, rest or eating areas, or vehicles engaged in Company operations, and any personal belongings on or in any of the above.

Employees who regularly communicate via the telephone may have their conversations monitored or recorded. Telephone monitoring is used to identify and correct performance problems through targeted training. Improved job performance enhances our customers' image of NHSWC as well as their satisfaction with our service.

Computers furnished to employees are the property of NHSWC. As such, computer usage and files, including e-mail usage and related files, may be monitored or accessed.

NHSWC may conduct video surveillance of non-private workplace areas. Video monitoring is used to identify safety concerns, maintain quality control, detect theft and misconduct, and discourage or prevent acts of harassment and workplace violence.

Because NHSWC is sensitive to the legitimate privacy rights of employees, every effort will be made to conduct workplace monitoring in an ethical and respectful manner.

### **512 Social Security Number Privacy**

Officers and employees are permitted to access and use certain personal information, such as Social Security Numbers, only as necessary and appropriate for such persons to carry out their assigned tasks for NHSWC and in accordance with NHSWC's policy.

The unauthorized access, viewing, use, disclosure, or the intentional public display of such information and the unauthorized removal of documents from NHSWC's premises that contain social security number information is prohibited and can result in discipline up to and including termination of employment.

If you come into contact with Social Security Numbers or other sensitive personal information without authorization from NHSWC or under circumstances outside of your assigned tasks, you may not use or disclose the information further, but must contact your supervisor and turn over to him or her all copies of the information in whatever form.

When necessary, documents containing social security information will be properly destroyed through shredding or other means prior to disposal to ensure confidential social security information is not disclosed.

For more information about whether and under what circumstances you may have access to this information, review your job description or contact your supervisor.

### **513 Telecommuting**

Telecommuting is the practice of working at home or at a site near the home instead of physically traveling to a central workplace. It is a work alternative that NHSWC may offer to some employees when it would benefit both the organization and the employee.

The employee's compensation, benefits, work status, work responsibilities, and the amount of time the employee is expected to work per day or per pay period will not change due to participation in the telecommuting program (unless otherwise agreed upon in writing).

Telecommuting is an alternative method of meeting the needs of the organization and is not a universal employee benefit. As such, NHSWC has the right to refuse to make telecommuting available to an employee and to terminate a telecommuting arrangement at any time.

### **514 Social Networking and Blogging**

To protect the NHSWC's interests, employees must adhere to the following rules:

Employees may not post on a blog or social networking site during their working time or at any time using NHSWC equipment or property. The NHSWC's electronic communication systems are for business use only.

If an employee identifies himself or herself as an employee of the NHSWC on any social networking site, the communication must include a disclaimer that the views expressed do not necessarily reflect the views of the NHSWC management.

All rules regarding confidential business information apply in full to blogs and social networking sites. Any information that cannot be disclosed through a conversation, a note or an e-mail also cannot be disclosed on a blog or social networking site. The transmission of confidential or proprietary information without the permission of the NHSWC is prohibited.

If you mention the NHSWC in a blog or elsewhere in online social media, or it is reasonably clear you are referring to NHSWC or a position taken by NHSWC, and also express a political opinion or an opinion regarding the NHSWC's positions, actions, or products, the post must specifically disclose your relationship with the NHSWC and note that the opinion expressed is your personal opinion and not the NHSWC's position.

Any conduct which is impermissible under the law if expressed in any other form or forum is impermissible if expressed through a social networking site. For example, posted material that is discriminatory, defamatory, libelous or malicious is forbidden. The NHSWC's policies, including but not limited to the Equal Employment Opportunity, Sexual Harassment, Harassment and Workplace Violence policies, apply equally to employee comments on social networking sites even if done on nonworking time. Employees are encouraged to review those sections of the Handbook for further guidance.

## **515 Workplace Violence Prevention**

NHSWC is committed to preventing workplace violence and to maintaining a safe work environment. Given the increasing violence in society in general, NHSWC have adopted the following guidelines to deal with intimidation, harassment, or other threats of (or actual) violence that may occur during business hours or on Company premises.

All employees, including supervisors and temporary employees, should be treated with courtesy and respect at all times. Employees are expected to refrain from fighting, "horseplay," or other conduct that may be dangerous to others.

Firearms, weapons, and other dangerous or hazardous devices or substances are prohibited from the premises of the company unless contrary to state law.

Conduct that threatens, intimidates, or coerces another employee, a customer, or a member of the public will not be tolerated. This prohibition includes all acts of harassment, including harassment that is based on an individual's protected status.

All threats of (or actual) violence, both direct and indirect, should be reported as soon as possible to your immediate supervisor or any other member of management. This includes threats by employees, as well as threats by customers, vendors, solicitors, or other members of the public. When reporting a threat of violence, you should be as specific and detailed as possible. All suspicious individuals or activities should also be reported as soon as possible to a supervisor. Do not place yourself in peril. If you see or hear a commotion or disturbance near your work station, do not try to intercede or see what is happening.

NHSWC will promptly and thoroughly investigate all reports of threats of (or actual) violence and of suspicious individuals or activities. The identity of the individual making a report will be protected as much as is practical. In order to maintain workplace safety and the integrity of its investigation, NHSWC may suspend employees, either with or without pay, pending investigation. Anyone determined to be responsible for threats of (or actual) violence or other conduct that is in violation of these guidelines will be subject to prompt disciplinary action up to and including termination of employment.

### Problem Resolution

If an employee has a problem, suggestion, question or complaint, it should be talked over with the employee's immediate supervisor. Matters are usually best handled when they are discussed frankly and promptly.

If a discussion with the immediate supervisor does not resolve the matter to employee's satisfaction, or if the problem is with the immediate supervisor, then employee should discuss it with the next level of management.

### Complaint Resolution Procedure

The purpose of this procedure is to establish fair, orderly and speedy resolution of disputes that sometimes arise in the workplace.

#### *Usage*

Employees may utilize this procedure to review an alleged misapplication of Company policies or rules pertaining to employment in the department involved or applicable laws or regulations including anti-discrimination laws or regulations that directly and adversely affect the employee.

#### *Informal Resolution of Complaints*

Regular and forthright communication between employees and supervisors reduces the likelihood of the need for more formal review. Such communication is in the mutual best interest of both the Company and employees. Therefore, employees should bring to the attention of their supervisors any work-related problems as soon as possible after they arise and discuss the concern with the objective of resolving it. Supervisors should discuss concerns with staff in a timely fashion in an effort to resolve the matters. Should these initial attempts at resolution not be effective, employees may then contact the President for further assistance.

#### *Employee Relations Assistance*

President is available for assistance in the resolution of such matters. The President may be contacted for informal counseling if the employee believes he or she cannot approach the supervisor with the problem. President will meet with the employee, the supervisor(s), or both as may be appropriate, to assist in amicably resolving their differences. President can also provide advice on matters of policy interpretation and information concerning the formal grievance procedure.

#### *Protection Against Retaliation*

Employees may not be discriminated against for utilizing this procedure. When an employee alleges he or she has been discriminated against for utilizing this procedure, or for participating in as a witness in a dispute resolution, a complaint may be initiated. The Company considers such acts of discrimination by a supervisor against any employee as a result of her or her involvement in this procedure to be unacceptable conduct and a violation of the Company policy.

### Reporting Claims or Potential Claims

It is important that claims or potential claims and complaints are reported to someone in a supervisory role as soon as they become known. If told of any bodily injury, property damage or financial injury allegedly attributable to the NSHWC please collect any available information regarding the incident and immediately forward it to President. It is generally suggested that responses to the speaker/caller be sympathetic, but do not admit any liability, and let the speaker/caller know that the claim or complaint will be reported to management.

As soon as President becomes aware of a claim or a potential claim it should be reported to the appropriate insurance carrier.

### **516 Cell Phone Usage**

If you are provided a cellular phone by NSHWC ("Company Cellular Phone"), it is provided to you as a business tool only. Company Cellular Phones are provided to assist employees in communicating with management and

other employees, their NSHWC associates, and others with whom they may conduct business. Company Cellular Phone use is intended for business-related calls only and personal calls are not permitted. Company Cellular Phone invoices and text messages (including those sent on data pagers) may be regularly monitored to ensure compliance with this policy.

Whether the cellular phone is provided by NSHWC or the employee is using his or her own phone, employees who have access to a cell phone while in their cars should remember that their primary responsibility is driving safely and obeying the rules of the road. Employees are prohibited from using cell phones to conduct business while driving and should safely pull off the road and come to a complete stop before dialing or talking on the phone or writing, sending, or reading a text-based communication.

As a representative of NSHWC, cell phone users are reminded that the regular business etiquette employed when speaking from office phones or in meetings applies to conversations conducted over a cell phone.

## **LEAVES OF ABSENCE**

### **601 Medical Leave and Family Care**

#### Purpose

To establish the guidelines for employees to take time off from work to care for a serious health condition of either themselves or family members in accordance with the requirements of NSHWC Medical Leave and Family Care (MLFC) Policy.

#### Eligibility

The NSHWC provide leaves of absence without pay to eligible employees for based on the following eligibility criteria:

1. Employee has completed at least twelve (12) consecutive months of employment with NSHWC.
2. And has worked an average of more than thirty (30) hours per week over the preceding twelve (12) months (1,000 hours).

#### Qualifying Events

The NSHWC provide leaves of absence without pay to eligible employees based on the following qualifying events:

- (1) The birth and care of a newborn child;
- (2) The placement of a child with the employee for adoption, or by the State for foster care;
- (3) To care for a spouse or domestic partner, son, daughter or parent (“covered family member”) with a serious health condition;
- (4) Or because of your own serious health condition which renders you unable to perform an essential function of your position. Leave because of reasons (1) or (2) must be completed within the 12 month period beginning on the date of birth or placement.

For purposes of this policy, serious health condition or disabilities include inpatient care in a hospital, hospice, or residential medical care facility; continuing treatment by a health care provider; and temporary disabilities associated with pregnancy, childbirth, and related medical conditions. In the event that state or federal law provides for greater rights than provided by this policy, it is up to the NSHWC to govern its actions in accordance with those laws.

Entitlement to leave for the birth of a child or the placement of a child for adoption or foster care expires twelve (12) months from the date of birth or placement.

#### Requesting Leave

Eligible employees may request a leave by submitting a leave request using the “Certification of Health Care Provider MLFC Leave of Absence Form” to their supervisors at least thirty (30) days in advance of foreseeable events and as soon as possible for unforeseeable events.

To request leave for a serious health condition of either the employee or family members, the employee will be required to submit certification from a medical doctor (or other appropriate health care provider) providing information

on the “Certification of Health Care Provider MLFC Leave of Absence Form”.

Once the President receives the MLFC request form from the employee’s supervisor and has reviewed the standard practice with the employee. The employee will sign the “Acknowledgement of Review of the Employer MLFC Standard Practice Form”.

Any of these forms can be obtained from the President.

The forms together with any required supporting documentation must be submitted at least thirty (30) days before the date on which your requested leave is to begin, unless the need for a leave is not sufficiently foreseeable to give such notice.

If the leave is foreseeable, the employee shall make a reasonable effort to schedule any planned leave so as not to unduly disrupt NSHWC operations.

#### Medical Certification Requirements

Employees must provide a copy of their medical certification in a timely matter; the request may be delayed until the required certification is provided. Failure to provide a medical certification may result in a delay of the continuation of the employee’s leave. If an employee fails to produce the required certification, the leave will not be MLFC leave, and the employee will not be entitled to MLFC leave protection.

If NSHWC grant the medical leave of absence, the leave will begin on the first workday which is missed as a result of the emergency or other situation requiring the leave, and will end on the expected return date. Should the employee request an extension of his/her medical leave of absence, the employee must furnish the President with a written request for an extension before the expiration of the original leave of absence or most recent extension. NSHWC will request documentation, including certification by a medical doctor (or other appropriate health care provider), of any circumstances requiring an extension of leave. The President will notify the employee of extended leave eligibility in writing.

It is the employee’s responsibility to communicate immediately with the President if extended leave beyond twelve (12) weeks will be required. A leave of absence, or any extension of a leave, must be approved by the President.

#### Leave Period

When applying the MLFC policy with the Short Term Disability (STD) benefit, there is a one week verification period in which the employee will not be covered under the STD benefit when the leave is deemed foreseeable by our STD provider. In conjunction with the NSHWC STD benefit, NSHWC requires that the employee use one (1) week of Vacation days upon approval of MLFC during the verification period. In the event the employee does not have enough Vacation days available, the employee will be required to use any available Vacation days for the verification period, and any remaining days will be processed as unpaid leave for the employee. If the leave is deemed unforeseeable (i.e., on the job accident and/or injury) by our provider, STD coverage will begin immediately and will not have verification period.

#### Benefits Coverage During FMLA Leave

During an approved MLFC Leave, employee benefits elected through NSHWC will remain effective for up to twelve (12) weeks under the same terms that would have applied had the employee not taken leave. Employees remain responsible for payment of the employee contribution while on leave.

The employee will be notified in writing of the monthly premium amount that he/she is responsible for prior to the approved MLFC leave. All premiums must be submitted to the President by the first (1<sup>st</sup>) of each month to cover the employee/dependent/spousal premium contributions. Failure to make timely payments may result in a termination of health insurance benefits.

In the event that an employee has exhausted their twelve (12) weeks maximum period of covered MLFC leave, the

employee will become responsible for the full cost of these benefits and may apply for benefits continuation under COBRA. Upon an employee's return from leave, automatic deduction of employee contributions through payroll will be reinstated on the first of the month following the employee's return to work.

#### Employee Returning to Work

The employee should notify the NSHWC of his/her intent to return to work at least four (4) weeks prior to the anticipated date of return, or of any medically necessary changes in the date of return.

If the leave was due to the employee's serious health condition, a Return to Work Medical Certification form must be submitted before an employee can return to work.

Job restoration is not guaranteed. However, when a leave ends, NSHWC will make reasonable efforts to reinstate the employee to the same position previously held by the employee if it is available. In the event that the employee's job is filled, the NSHWC will make reasonable efforts to reinstate the employee to an equivalent position for which the employee is qualified; in the event that an equivalent position is not available, then NSHWC may offer to reinstate the employee to a lower level position.

In accordance with section VII (A) of the employee handbook; if an employee fails to return to work within three (3) business days of the agreed upon return date, NSHWC may assume that the employee has voluntarily resigned.

## **EMPLOYEE CONDUCT & DISCIPLINARY ACTION**

### **701 Employee Conduct and Work Rules**

Effective Date: 10/31/2013

To ensure orderly operations and provide the best possible work environment, NSHWC expect employees to follow rules of conduct that will protect the interests and safety of all employees and the organization.

It is not possible to list all the forms of behavior that are considered unacceptable in the workplace. The following are examples of infractions of rules of conduct that may result in disciplinary action, up to and including termination of employment:

- Supplying false or misleading information when applying for employment or during employment
- Personal use of company gas or credit cards
- Theft or inappropriate removal or possession of property
- Falsification of timekeeping records
- Working under the influence of alcohol or illegal drugs
- Possession, distribution, sale, transfer, or use of alcohol or illegal drugs or abuse of prescription drugs in the workplace, while on duty, or while operating employer-owned vehicles or equipment
- Failure or refusal to submit or consent to a required alcohol or drug test
- Fighting or threatening violence in the workplace
- Boisterous or disruptive activity in the workplace
- Negligence or improper conduct leading to damage of employer-owned or customer-owned property
- Insubordination or other disrespectful conduct
- Engaging in unethical or illegal conduct
- Having a conflict of interest
- Violation of safety or health rules
- Smoking in prohibited areas
- Sexual or other unlawful or unwelcome harassment
- Possession of dangerous or unauthorized materials, such as explosives or firearms, in the workplace
- Excessive absenteeism or tardiness or any absence without notice
- Unauthorized absence from work station during the workday

- Unauthorized use of telephones, mail system, or other employer-owned equipment
- Unauthorized disclosure of business "secrets" or confidential proprietary information
- Conduct that reflects adversely upon you, NSHWC
- Making or publishing false or malicious statements concerning an employee, supplier, client, NSHWC
- Violation of personnel policies
- Unsatisfactory performance or conduct that does not meet the requirements of the position
- Other circumstances which warrant discipline

Employment with NSHWC is at the mutual consent of NSHWC and the employee, and either party may terminate that relationship at any time, with or without cause, and with or without advance notice.

## **702 Drug and Alcohol Use**

It is NSHWC's desire to provide a drug-free, healthful, and safe workplace. To promote this goal, employees are required to report to work in appropriate mental and physical condition to perform their jobs in a safe and satisfactory manner.

While on NSHWC premises and while conducting business-related activities off NSHWC premises, no employee may use, possess, distribute, sell, or be under the influence of alcohol or illegal drugs. However, if an employee is attending a function where alcohol is served, employees may consume alcohol, but are expected to not overindulge in alcohol consumption and to comport themselves in an appropriate and professional manner. NSHWC shall not be responsible for violations of this policy or any unlawful acts by employee for violations of this policy. The legal use of prescribed drugs is permitted on the job only if it does not impair an employee's ability to perform the essential functions of the job effectively and in a safe manner that does not endanger other individuals in the workplace.

Violations of this policy may lead to disciplinary action, up to and including immediate termination of employment, and/or required participation in a substance abuse rehabilitation or treatment program. Such violations may also have legal consequences.

Employees with drug or alcohol problems that have not resulted in, and are not the immediate subject of, disciplinary action may request approval to take unpaid time off to participate in a rehabilitation or treatment program. Leave may be granted if the employee agrees to abstain from use of the problem substance; abides by all NSHWC policies, rules, and prohibitions relating to conduct in the workplace; and if granting the leave will not cause NSHWC any undue hardship.

Employees with questions on this policy or issues related to drug or alcohol use in the workplace should raise their concerns with the President at 203-241-6464 without fear of reprisal.

## **703 Sexual and Other Unlawful Harassment**

NSHWC are committed to providing a work environment that is free from all forms of discrimination and conduct that can be considered harassing, coercive, or disruptive, including sexual harassment. Actions, words, jokes, or comments based on an individual's sex, race, color, national origin, age, religion, disability, sexual orientation, or any other legally protected characteristic will not be tolerated. NSHWC provides sexual harassment training to ensure you the opportunity to work in an environment free of sexual and other unlawful harassment.

Sexual harassment is defined as unwanted sexual advances, or visual, verbal, or physical conduct of a sexual nature. This definition includes many forms of offensive behavior and includes gender-based harassment of a person of the same sex as the harasser. The following is a partial list of sexual harassment examples:

- Unwanted sexual advances.
- Offering employment benefits in exchange for sexual favors.
- Making or threatening reprisals after a negative response to sexual advances.

- Visual conduct that includes leering, making sexual gestures, or displaying of sexually suggestive objects or pictures, cartoons or posters.
- Verbal conduct that includes making or using derogatory comments, epithets, slurs, or jokes.
- Verbal sexual advances or propositions.
- Verbal abuse of a sexual nature, graphic verbal commentaries about an individual's body, sexually degrading words used to describe an individual, or suggestive or obscene letters, notes, or invitations.
- Physical conduct that includes touching, assaulting, or impeding or blocking movements.

Unwelcome sexual advances (either verbal or physical), requests for sexual favors, and other verbal or physical conduct of a sexual nature constitute sexual harassment when: (1) submission to such conduct is made either explicitly or implicitly a term or condition of employment; (2) submission or rejection of the conduct is used as a basis for making employment decisions; or, (3) the conduct has the purpose or effect of interfering with work performance or creating an intimidating, hostile, or offensive work environment.

If you experience or witness sexual or other unlawful harassment in the workplace, report it immediately to CEO or President at 203-241-6464. You can raise concerns and make reports without fear of reprisal or retaliation.

All allegations of sexual harassment will be quickly and discreetly investigated. To the extent possible, your confidentiality and that of any witnesses and the alleged harasser will be protected against unnecessary disclosure. Communications will be made to others only on a limited "need to know" basis. If you make a complaint under this policy and have not received a satisfactory response, you should contact the CEO or President at 203-241-6464. When the investigation is completed, you will be informed of the outcome of the investigation.

Any supervisor or manager who becomes aware of possible sexual or other unlawful harassment must immediately advise President or any member of management so it can be investigated in a timely and confidential manner. Upon completion of the investigation, if necessary, corrective measures will be taken. These measures may include, but are not limited to: training, counseling, warning, suspension, or immediate dismissal. Anyone, regardless of position or title, found through investigation to have engaged in improper harassment will be subject to discipline up to and including discharge. If the investigation is inconclusive, NSHWC may still provide counseling or take other appropriate steps.

NSHWC prohibit any form of discipline or retaliation for reporting in good faith the incidents of harassment in violation of this policy, pursuing any such claim or cooperating in the investigation of such reports.

#### **704 Attendance and Punctuality**

To maintain a safe and productive work environment, NSHWC expects employees to be reliable and to be punctual in reporting for scheduled work. You are also expected to take your lunch/ meal times within reasonable timeframes. Absenteeism and tardiness place a burden on other employees and on NSHWC. In the rare instances when employees cannot avoid being late to work or are unable to work as scheduled, they should notify their supervisor as soon as possible in advance of the anticipated tardiness or absence. If you are going to miss work because you are going to be late or you or a family member is sick, you must notify your supervisor before the time you are to report for work. Your supervisor will advise you of an alternative person to contact if he or she is unavailable.

If you do not inform either your supervisor or the alternative, your tardiness or absence will be considered an unapproved, unscheduled absence. If you fail to notify your supervisor after three (3) business days of consecutive absences, you will be considered to have abandoned your job. These rules will be enforced uniformly on a non-discriminatory basis.

Poor attendance and excessive tardiness are disruptive. Either may lead to disciplinary action, up to and including termination of employment.

## **705 Personal Appearance**

Dress, grooming, and personal cleanliness standards contribute to the morale of all employees and affect the business image NSHWC presents to customers and visitors.

During business hours or when representing NSHWC, you are expected to present a clean, neat, and tasteful appearance. You should dress and groom yourself according to the requirements of your position and accepted social standards. This is particularly true if your job involves dealing with constituents or visitors in person.

If your supervisor feels your personal appearance is inappropriate, you may be asked to leave the workplace until you are properly dressed or groomed. Under such circumstance, you will not be compensated for the time away from work. Consult your supervisor if you have questions as to what constitutes appropriate appearance. Where necessary, reasonable accommodation may be made to a person with a disability.

Without unduly restricting individual tastes, the following personal appearance guidelines should be followed:

- Tank tops, tube or halter tops, or shorts may not be worn.
- Mustaches and beards must be clean, well trimmed, and neat.
- Hairstyles are expected to be in good taste.
- Facial jewelry, such as eyebrow rings, nose rings, lip rings, and tongue studs, is not professionally appropriate and must not be worn during business hours and at business events.
- Visible excessive tattoos and similar body art must be covered during business hours and at business events.

## **706 Resignation**

Resignation is a voluntary act initiated by the employee to terminate employment with NSHWC. Although advance notice is not required, NSHWC requests at least 32 weeks' written resignation notice from all employees.

Prior to an employee's departure, an exit interview may be scheduled to discuss the reasons for resignation and the effect of the resignation on benefits.

## **707 Security Inspections**

NSHWC wishes to maintain a work environment that is free of illegal drugs, alcohol, firearms, explosives, or other improper materials. To this end, NSHWC prohibits the possession, transfer, sale, or use of such materials on its premises. NSHWC requires the cooperation of all employees in administering this policy.

While NSHWC's premises, employees have no expectation of privacy in their belongings or in workplace areas which include, but are not limited to, offices, cubicles, work locations, Company provided or designated parking areas, desks, computers, rest or eating areas, or vehicles engaged in Company operations, and any personal belongings on or in any of the above.

Desks and other storage devices may be provided for the convenience of employees but remain the sole property of NSHWC. Accordingly, they, as well as any articles found within them, can be inspected by any agent or representative of NSHWC at any time, either with or without prior notice.

NSHWC likewise wishes to discourage theft or unauthorized possession of the property of employees, NSHWC, visitors, and customers. To facilitate enforcement of this policy, NSHWC or its representative may inspect not only desks, but also persons entering and/or leaving the premises and any packages or other belongings. Any employee

who wishes to avoid inspection of any articles or materials should not bring such items onto NSHWC's premises.

### **708 Solicitation**

In an effort to ensure a productive and harmonious work environment, persons not employed by NSHWC may not solicit or distribute literature in the workplace at any time for any purpose, without express permission from the President.

NSHWC recognizes that employees may have interests in events and organizations outside the workplace. However, employees may not solicit or distribute literature concerning these activities during working time.

Examples of impermissible forms of solicitation include:

- The Collection of Money, Goods, or Gifts for Community Groups
- The Collection of Money, Goods, or Gifts for Religious Groups
- The Collection of Money, Goods, or Gifts for Political Groups
- The Collection of Money, Goods, or Gifts for Charitable Groups
- The Sale of Goods, Services, or Subscriptions Outside the Scope of Official Organization Business
- The Circulation of Petitions
- The Distribution of Literature Not Approved by the Employer
- The Solicitation of Memberships, Fees, or Dues

In addition, the posting of written solicitations on company bulletin boards is restricted. These bulletin boards display important information, and employees should consult them frequently for:

- Postings Required by Law

If employees have a message of interest to the workplace, they may submit it to the President for approval. All approved messages will be posted by the President.

### **709 Employee Discipline**

This section is to help you understand what is expected of you with regard to proper behavior, performance, and personal conduct. The purpose of this policy is to state NSHWC's position on administering equitable and consistent discipline for unsatisfactory conduct in the workplace. By complying with these standards you will help to maintain a positive, safe work environment for you and your colleagues.

To address those times when you have not lived up to positive standards, we may provide you with counseling, institute progressive discipline, or terminate your employment if your conduct warrants it. We have the discretion to decide whether counseling, progressive discipline or immediate termination is appropriate. The best disciplinary measure is the one that does not have to be enforced and comes from good leadership and fair supervision at all employment levels.

NSHWC's own best interest lies in ensuring fair treatment of all employees and in making certain that disciplinary actions are prompt, uniform, and impartial. The major purpose of any disciplinary action is to correct the problem, prevent recurrence, and prepare the employee for satisfactory service in the future.

Although employment with NSHWC is based on mutual consent and both the employee and NSHWC have the right to terminate employment at will, with or without cause or advance notice, NSHWC may use progressive discipline at its discretion.

Disciplinary action may call for any of four steps -- verbal warning, written warning, suspension with or without pay, or termination of employment -- depending on the severity of the problem and the number of occurrences. There may be circumstances when one or more steps are bypassed.

Progressive discipline will be used when your supervisor NSHWC feels it is appropriate. The system of progressive discipline gives you notice of deficiencies in performance and an opportunity to improve. When misconduct occurs, progressive disciplinary action may include but is not limited to the following: counseling and/or verbal warning, written warning, suspension with or without pay, and/or termination.

Depending on the nature and severity of the misconduct as well as whether it has previously occurred, your supervisor and/or the President may investigate your actions. An investigation is designed to obtain all pertinent facts and may include interviewing you and other witnesses, reviewing documents, etc. Your friends, relatives, attorneys or other third parties are not allowed to participate in internal investigations. Failure to cooperate with an internal investigation is grounds for disciplinary action up to and including discharge.

When the investigation is complete, your supervisor and/or the President will review the facts and the policies. At that point, your supervisor and/or the President will determine whether you should be disciplined up to and including termination.

NSHWC recognizes that there are certain types of employee problems that are serious enough to justify either a suspension, or, in extreme situations, termination of employment, without going through the usual progressive discipline steps.

By using employee discipline, we hope that most employee problems can be corrected at an early stage, benefiting both the employee and NSHWC.

### **710 Problem Resolution**

NSHWC is committed to all employees. Part of this commitment is encouraging an open and frank atmosphere in which any problem, complaint, suggestion, or question receives a timely response from the company's supervisors and management.

NSHWC strives to ensure fair treatment of all employees. Supervisors, managers, and employees are expected to treat each other with mutual respect. Employees are encouraged to offer positive and constructive criticism.

If employees disagree with established rules of conduct, policies, or practices, they can express their concern through the problem resolution procedure. No employee will be penalized, formally or informally, for voicing a complaint with the company in a reasonable, business-like manner, or for using the problem resolution procedure.

If a situation occurs when employees believe that a condition of employment or a decision affecting them is unjust or inequitable, they are encouraged to bring those issues to management's attention using the same procedure described in the Harassment policy.

- Employee presents problem to immediate supervisor at NSHWC after incident occurs. If supervisor is unavailable or employee believes it would be inappropriate to contact that person, employee may present problem to the President.
- Supervisor at NSHWC responds to problem during discussion or after consulting with appropriate management, when necessary. Supervisor documents discussion.
- Employee contacts the CEO or President at 203-241-6464 if the problem is unresolved.
- The CEO or President counsels and advises employee.
- CEO or President reviews and considers problem. CEO or President informs employee of decision and forwards copy of written response to employee's file.

Not every problem can be resolved to everyone's total satisfaction, but only through understanding and discussion of mutual problems can employees and management develop confidence in each other. This confidence is

important to the operation of an efficient and harmonious work environment.

## **MISCELLANEOUS**

### **801 Life-Threatening Illnesses in the Workplace**

Employees with life-threatening illnesses, such as cancer, heart disease, and AIDS, often wish to continue their normal pursuits, including work, to the extent allowed by their condition. NSHWC supports these endeavors as long as employees are able to meet acceptable performance standards.

Medical information on individual employees is treated confidentially. NSHWC will take reasonable precautions to protect such information from inappropriate disclosure. Managers and other employees have a responsibility to respect and maintain the confidentiality of employee medical information. Anyone inappropriately disclosing such information is subject to disciplinary action, up to and including termination of employment.

### **802 Recycling**

NSHWC supports environmental awareness by encouraging recycling and waste management in its business practices and operating procedures. This support includes a commitment to the purchase, use, and disposal of products and materials in a manner that will best utilize natural resources and minimize any negative impact on the earth's environment.

Special recycling receptacles have been set up to promote the separation and collection of the following recyclable materials at NSHWC:

- Computer Paper
- White High Grade or Bond Paper
- Ledger Paper
- Mixed or Colored Paper
- Newspaper
- Corrugated Cardboard
- Brown Paper Bags
- Aluminum
- Plastics
- Printer Cartridges

The simple act of placing a piece of paper, can, or bottle in a recycling container is the first step in reducing demand on the earth's limited resources. Success of this program depends on active participation by all of us. Employees are encouraged to make a commitment to recycle and be a part of this solution.

NSHWC encourages reducing and, when possible, eliminating the use of disposable products. Source reduction decreases the consumption of valuable resources through such workplace practices as:

- Two-Sided Photocopying
- Minimum Packaging
- Reusing Paper Clips, Folders, and Binders
- Reusing Packaging Material
- Turning Off Lights When Not in Use

Whenever possible, employees of NSHWC are encouraged to purchase products for the workplace that contain recycled or easily recyclable materials. Buying recycled products supports recycling and increases the markets for recyclable materials.

### **803 NSHWC Interpretation**

The President is responsible for the official interpretation of these policies. Questions regarding the application to this practice should be directed to the President. The NSHWC reserves the right to revise this policy at any time with or without prior notice to employees.



**NSHWC EMPLOYEE HANDBOOK  
ACKNOWLEDGEMENT OF RECEIPT**

The employee handbook describes important information about my employment with NSHWC and I understand that I should consult with the President at 203-241-6464 regarding any questions not answered in these policies. I have entered into my employment relationship with NSHWC voluntarily and acknowledge that there is no specified length of employment. Accordingly, either NSHWC or I can terminate the relationship at will, with or without cause, at any time, so long as there is no violation of applicable federal or state law.

Since the information, policies, and benefits described here, or on the Intranet, are subject to change, I acknowledge that revisions to the handbook may occur, except to the policy of employment at will. All such changes will be communicated through official notices, and I understand that revised information may supersede, modify, or eliminate existing policies.

Only NSHWC has the ability to adopt any revisions to the policies in this handbook.

Furthermore, I acknowledge that this handbook is neither a contract of employment nor a legal document. I have received the handbook, and I understand that it is my responsibility to read and comply with the policies contained in this handbook and any revisions made to it.

Employee name (please print): \_\_\_\_\_

Employee Signature: \_\_\_\_\_

Date: \_\_\_\_\_

STATE OF CONNECTICUT ♦ DEPARTMENT OF CONSUMER PROTECTION

Be it known that

**KENNETH V KANDRYSAWITZ**  
15 SHANNON DRIVE  
BARKHAMSTED, CT 06059

has been certified by the Department of Consumer Protection as a licensed



**PHARMACIST**

License # **PC.T.0005229**

Effective: 02/01/2012

Expiration: 01/31/2014

  
William M. Rubenstein, Commissioner



**OAKSTERDAM UNIVERSITY CLASS X**

**May 18, 2013**



**Kenneth Kandrysawtz, RPh**  
**15 Shannon Drive**  
**Barkhamsted, CT 06063**  
**(406) 640-0603**

**CT Pharmacist License #0005229**

**EXPERIENCE:**

**Dave's Tile & Stone, Canton, CT** **2009 - Present**  
**Subcontractor**

- Designed and built luxury mountain home in Cameron, MT.
- Designer and on-site supervisor/contractor.

**Shop Rite Pharmacy, Bristol, CT** **2006 – 2009**  
**Staff Pharmacist**

- Supervise pharmacy technician.
- Responsible for inventory control.
- Properly dispense prescriptions to customers.
- Provide confidential consultation to patients.

Reason for leaving – personal decision to move temporarily to Montana.  
Allegations of violations of law – None.

**NeighborCare Long-Term Care Pharmacy, Windsor, CT** **1998 – 2006**  
**Staff Pharmacist**

- Supervise pharmacy technician.
- Properly dispense prescriptions and ship to network of long-term care facilities.
- Maintain relationships with doctors and nurses.

Reason for leaving – NeighborCare was acquired by OmniCare.  
Allegations of violations of law – None.

**Burnside Drug / Arthurs Drug, East Hartford, CT** **1985 – 1998**  
**Staff Pharmacist**

- Supervise pharmacy technician.
- Responsible for inventory control.
- Properly dispense prescriptions to customers.
- Provide confidential consultation to patients.

Reason for leaving – New pharmacist position opportunity.  
Allegations of violations of law – None.

**East Hartford Pharmacy, East Hartford, CT** **1983 – 1984**  
**Owner / Pharmacist**

- Oversee Pharmacy business operations.
- Oversee pharmacy technician.
- Responsible for inventory control.
- Properly dispense prescriptions to customers.
- Provide confidential consultation to patients.

Reason for leaving – Sold business due to personal reasons (divorce).  
Allegations of violations of law – None.

**Leone Pharmacy, East Hartford, CT**

**1977 – 1983**

**Staff Pharmacist / Manager**

- Two other locations under same ownership. Rotating schedule between the three pharmacies:
  - Boulevard Apothecary, East Hartford, CT
  - Sebastian Pharmacy, Vernon, CT
- Oversee pharmacy technician.
- Responsible for inventory control.
- Properly dispense prescriptions to customers.
- Provide confidential consultation to patients.

Reason for leaving – Opportunity to open my own pharmacy.

Allegations of violations of law – Owner was investigated by insurance company and State of Connecticut for financial discrepancies. I was not involved and have no further details.

**Hartford Hospital Pharmacy**

**1975 – 1976**

**College Intern**

**EDUCATION:**

**University of Connecticut School of Pharmacy, B.S.**

# Jennifer Kokalari, MHS, PA-C

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- Objective** Use my nine years of experience as a medical and cardiology physician assistant to contribute to an organization that acts as an adjunct to standardized medicine
- Education** *Quinnipiac University*, Hamden, CT; May 2001 - October 2003  
**Master of Health Science**
- AMA - approved fully accredited Physician Assistant Program
- Siena College*, Loudonville, NY; 1995 - 1999  
**Bachelor of Science in Biology**
- Work Experience**
- Yale Hospital**, New Haven, CT; January 2013 – Present
- Medical Cardiology Full Time Physician Assistant
  - Daily rounding, admissions, coordinating care, and discharges of cardiology service patients
  - Work directly with university and private cardiologists
  - EPIC EMR
  - Daily multidisciplinary rounds
- Saint Francis Hospital**, Hartford, CT; January 2004 – December 2012
- Medical Cardiology Full Time Physician Assistant
  - Cardiology and Internal Medicine admissions, formulating diagnostic and therapeutic strategies with attending physicians
  - Respond to cardiac emergencies including chest pain, symptomatic post cardiac catheterization patients, arrhythmia management, and acute pulmonary edema
  - Respond to medical emergencies including altered mental status, stroke, and diabetic emergencies
  - Part of hospital wide rapid response team
  - Helped facilitate the integration of new hospitalist/cardiology service
  - Assist in interview process of potential new employees/ train new employees
- Gaylord Hospital**, Wallingford, CT; November 2007 - June 2010
- Internal Medicine Per Diem Physician Assistant
  - Part of team managing medically complex patients with respiratory, cardiac, and neurological conditions in a long term acute care hospital
  - Daily rounds, documenting in EMR, medication maintenance, responding to emergencies
- Related Experience**
- Mohawk Ambulance**, Schenectady, NY; June 1999 - May 2001  
Emergency Medical Technician - Critical Care.  
Worked in rural and urban setting. BLS and ACLS to medical and trauma patients.
- Colonie Emergency Medical Service**, Colonie, NY; January 1996 - March 2001  
Emergency Medical Technician - Critical Care.  
Responsibilities as above.

**Licensure and  
Certifications**

National Commission on Certification of Physician Assistants - Current  
State of Connecticut Physician Assistant License - Current  
Drug Enforcement Administration - Current  
Connecticut Department of Consumer Protection - Current  
Advanced Cardiovascular Life Support – Current  
Level II Reiki Certification

**References**

Available upon request

## GERALD L. ANDREES, MBA



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### SENIOR FINANCIAL MANAGEMENT: Controller • Assistant Controller

Well rounded, results-oriented financial professional with a proven record of controlling costs and guiding companies through substantial change. Financial reporting and executing financial management's objectives while overseeing and streamlining accounting processes and procedures are among the many strengths.

Specific Areas of expertise:

- Financial Analysis • Interface with DCAA & Public auditors • Cost Reduction • Revenue Improvement • Forecasting • Strategic Planning • All Accounting Functions • ERP Software Upgrades & Implementations • Procedure Improvement • Budgets • Problem Solving – Kaizen Team – Lean Manufacturing • Revenue Recognition • Financial Reporting • Sarbanes Oxley & GAAP
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### PROFESSIONAL EXPERIENCE

#### **Advanced Reconnaissance Corp • Fishkill, New York • 2012-Oct 2013**

Engineering company of advanced scientific sensor systems for intelligence, surveillance and commercial applications with annual revenue of \$5+ million.

**Accounting Manager:** Responsible for all accounting, purchasing and financial reporting of the company with two locations.

- Support the CFO with accounting procedures and financial reporting.
- Support the Director of Accounting with accounting practices and procedures
- Improved purchase requisition to purchase order process.
- Proposed changes in accounting procedures when implementing new chart of accounts.
- Audit liaison for year end audit

#### **Ashcroft Inc. • Stratford, Connecticut • 2010-2012**

Manufacturer of electronic and mechanical instruments with annual revenue of \$125+ million.

**Manager, Cost Accounting:** Provide financial support to the Director of Manufacturing and coordinate the monthly cost accounting closing, reporting of Factory actual results, variances, annual budget and quarterly forecasts.

- Improving the annual Factory budget process by co-coordinating the Factory budget with the income statement resulted by identifying \$1.5m disconnect.
- Creating and improving the Factory reporting of expenses, efficiencies, and inventory reporting.
- Improving the quarterly Factory forecast by estimating expenses, earned labor and overhead, and efficiencies in detail rather than summarizing.

#### **ZYGO CORPORATION • Connecticut • 2004-2009**

Manufacturer of metrology and optical systems with up to \$200 million in annual revenue.

**Product Line/Metrology Division Controller:** Spearhead financial reporting and processes for a \$120 million division. Responsible for all financial reporting of the division. Collaborate with Senior Management to develop strategic plans, annual budgets, monthly forecasts and analyzing monthly results and variances.

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- Analyze monthly P&L results including manufacturing variances for labor & overhead efficiency, purchase price, material usage and quality variances, along with R&D spending and Operating Expenses for two major business units and discussing explanations with business unit VPs to improve efficiencies that improved profitability.
  - Prepared and analyzed monthly P&L forecast and reviewed with business unit VPs for presentation to senior management at monthly Operations Review meetings.
  - Provide quarterly audit documentation to public auditors for GAAP and SOX compliance.
  - Member of several Kaizen teams to study the manufacturing process to remove non-value added steps to reduce cost, to lower raw material inventory and to shorten the lead time from receiving a customer order and fulfilling shipment.
  - Saved \$75K by eliminating wall-to-wall year-end warehouse physical inventory by improving the inventory cycle count program.
  - Established division procedures for reducing excess & obsolete inventory and reserves and standard cost issues, preventing several potential deficiencies under Sarbanes Oxley.
  - Provide financial support to Business Unit Director in negotiations of government contract with Lawrence Livermore Laboratory (LLL), calculate indirect rates and negotiate with LLL auditors.

**JDS UNIPHASE • Horsham, Pennsylvania •****1997-****2003**

Developer of fiber optic transmitters and receivers for the CATV and telecommunications industries.

**Division Controller (2002-2003):** Directed accounting and financial planning function for \$ 400M annual revenue Transmission Systems Division and led financial reporting and monthly forecasting. Supervised a 5-person staff of financial analysts and accountants while interfacing with division and corporate management.

- Saved \$2 million in salaries and benefits by analyzing Manufacturing's annual budget hiring plans to forecasted headcount based on sales forecast and product routings.
- Coordinate quarterly and annual audits providing documentation to public auditors for GAAP compliance
- Justified an inventory cycle count program to auditors, eliminating year-end physical inventories for warehouses with 97% accuracy saving time and money.

**Product Line Controller (2000-2002):** Managed financials for the CATV product line director and his staff, leading division accounting and financial reporting functions. Compiled and analyzed annual budgets and monthly forecasts, matching financial and manufacturing plans and ensuring compatibility. Supervised a 5-person staff and reported to the Division Controller.

- During a Corporate "Best Practice" teleconference call, I proposed a fixed asset transfer program between divisions. When implemented it saved the company between \$ 1 to \$3 million.
- Led a legal claim against a customer, communicating with lawyers and gathering technical information for the case.

**Accounting Manager (1997-2000):** Oversaw division financial reporting, focusing on improving accounting processes and establishing monthly forecasts. Managed 2 senior accountants and interfaced with all levels of corporate management to achieve goals.

- Spearheaded cost accounting and general ledger module for Oracle 11.3 implementation, partnering with outside consultants.
- Improved revenue by \$375,000 or 10% in 1997's fourth quarter by reconciling accounts receivable and re-invoicing clients when necessary.
- Directed the calculation of indirect rates and negotiated rates and contracts with DCAA auditors.

**FRAMATOME CONNECTORS USA (FCUSA) • Norwalk, Connecticut •****1994-1997**

A \$500 million subsidiary of Framatome Connectors supplying connectors, consumer electronics, data storage, networks and telecom infrastructures, and medical and instrumentation applications.

**Manager, Corporate Accounting:** Consolidated financial data from 11 global manufacturing and sales locations, providing analysis in local currencies and USD. Examined actual, budgeted and forecasted finances from five Pacific Rim and six Western Hemisphere locations while pinpointing areas of auditing concern in manufacturing locations.

- Selected for a special assignment and challenged with increasing efforts to collect aged accounts receivable and improving corporate and division reporting.
- Implemented Hyperion Software at the U.S. location after training at Paris, France Headquarter.

**ANDREES CONSULTING • Danbury, Connecticut • 1992-1994**

Provided financial services to various size companies while looking for a new corporate position. Two Long-term assignments were Electro-Energy Inc. (EEI), Danbury, CT and Swales & Associates (S&W) in Beltsville, MD.

- Interfaced with the Founder/President to develop EEI's first Strategic Business Plan that resulted with the President presentation of Plan to banks for financial funding and in proposals to customers such as The National Institute of Health. Provided interface between EEI and auditors for indirect rate submissions.
- Audited and reconciled S&W's government contract cost in Peach Tree accounting system and transferred contract cost to new Deltek accounting system. Provided CFO with audit report and documented support that allowed an additional \$100K revenue and profit.

**NORDEN SYSTEM, INC • Norwalk, Connecticut • 1990-1992**

A \$500 million government contracting subsidiary of United Technologies.

**Manager, Standard Cost:**

Reported to Assistant Controller of Treasury Services.

- Co-directed the successful completion of the Company's Cost Management System incorporating both standard cost and actual job order-costing techniques to be interfaced with the manufacturing MRP II System

**PERKIN-ELMER CORPORATION, INC • Optical Group, Danbury, Connecticut • 1973-1990**

Government contracting Division, now a Division of Goodrich, Corp. Held DoD Secret clearance

**Manager, Optical Group Accounting Operations and various other positions:**

Reported to Optical Group Director of Accounting and Division Controller: Responsible for all aspects of accounting and Group consolidations.

- Responsible for all Government contract reporting including, in direct rate submission, division rate disclosure statements, DCAA audits, indirect rate negotiations and contract closeouts.

**EDUCATION**

**Master of Business Administration in Finance • University of Bridgeport • Bridgeport, Connecticut**  
**Bachelor of Science in Accounting • Central Connecticut State College • New Britain, Connecticut**

**PROFESSIONAL DEVELOPMENT**

Oracle Financial Module Training • Hyperion Business Planning Software Seminar  
Government Contracting Seminar • CMA Study Courses • AMA Financial Analysis Courses  
• Investool Seminar

**Sandra M. Wear**



## **Professional Experience**

Desire To Retire, LLC

**Feb 07 – present**

### **CEO and Co-Founder**

Responsible for setting the vision and tone of the company via:

- Development of the organization in accordance with its evolving business plan
- Collaboration with industry professionals to ensure offerings to partners are both substantial and beneficial
- Hiring talent through outsourcing to meet business goals and timelines

Multiple Myeloma Research Consortium (non-profit), Norwalk, CT

**Apr 07- June 12**

### **Associate Director, Consortium Operations** reporting directly to the Chief Medical Officer

Provided strategic operational leadership focused on execution of MMRC Phase 1 and 2 clinical trials within the field of multiple myeloma:

- Developed the MMRC PM (Project Management) infrastructure with associated processes and technologies to meet corporate mission of rapid execution of MMRC's Phase 1 and 2 trials.
- Developed contingency plans to mitigate risks to approved clinical trials (plans, timelines and budgets); reported project progress to Executive Management.
- Implemented EDC system designed to capture, analyze and report performance metrics across the membership of academic centers.
- Managed MMRC operational budget forecasts and spend; recommended adjustments to PM strategies/operational plans to optimize corporate objectives.

Endpoint Research, Mississauga, Canada

### **Vice President, Regional Monitoring Operations**

**2006-2007**

Served in leadership role accountable for:

- Development of CRA management infrastructure / monitoring division.
- Contract profitability and delivery of quality monitoring services to industry clients.
- Setting of department goals in alignment with corporate objectives.

MannKind Corporation, Danbury, CT

### **Sr. Manager Clinical Process and Training & Clinical Trial Manager**

**2004-2006**

Managed scientific and operational aspects of clinical projects (CROs, contractors, budgets, timelines, finances, and resources). Supervised staff through career development and annual appraisals and contributed to the overall development of the clinical department including:

- Development of job descriptions for clinical operations personnel and clinical SOPs.
- Establishment of an electronic Global Library comprised of SOPs, template forms and trial conduct documents streamlining the process of training new / CRO staff.

Purdue Pharma - Stamford, CT

### **Asst. Director, Clinical Operations, Monitoring**

**2002-2004**

Assembled and managed a new regionally-based monitoring division within the Clinical Operations division of the Medical Research department. Highlights include:

- Hired and trained CRA Managers and expanded the department by forty regionally-based, contracted CRAs.
- Developed CRA Management Guidelines and CRA metrics reporting systems.
- Developed processes and procedures for a newly established PRC (Protocol Review Committee) with a view to reduce protocol amendments after release to investigators/Central IRBs.

Quintiles Transnational - Mountain View, CA

**1997- 2002**

### **Project Manager** (2000 - 2002)

Accountable for cross-functional team management on Phase 2 programs in lung and colon cancer.

- Maintained communications and focused project activities to ensure timelines, revenues and customer satisfaction was achieved on all assigned projects.
- Developed comprehensive Safety Management Plan setting a new standard for Quintiles.

**Manager, Clinical Monitoring** (1997 – 2000)

Managed and supervised between 10 -14 CRAs (office based and regional)

- Achieved CRA utilization rates of between 90-100% with low employee turn-over rate
- Obtained certification as Quintiles Corporate University Instructor within 18 months of employment

Pharmacia & UpJohn Inc. - Don Mills, Ontario, Canada

**1989-1997**

**Clinical Research Manager** (1996 – 1997)

Supervised Canadian operations activities on pivotal Phase 3 International clinical study for prevention of DVT in hip replacement surgery

- Managed all trial aspects including contract agreements with investigators, CRO and independent contractors and executed payments as per schedule.
- Provided clinical trial leadership and monitoring guidance to field-based CRAs and investigator site personnel plus managed the process of endpoint adjudication for central X-rays (the key endpoint in this pivotal trial) across all sites in Canada and US.

**Clinical Research Associate/Sr. CRA** (1994 – 1996)

- Conducted all monitoring and management activities on assigned clinical trials at investigator sites

**Jr. Product Manager - Cardiovascular Devices** (1993 – 1994)

Developed, implemented and monitored a focused marketing launch plan for a new central IV line targeted for patients with breast cancer

- Trained 6 regional sales reps on device benefits and use. Worked directly with surgeons and radiologists in outpatient surgical suites to provide support during implantation procedures.

**Key Account Manager** (1989 – 1993)

Attained annual sales objectives while managing important key customer relationships including negotiating RFPs and resolving supplier and customer issues

Hospitals of Ontario - Hamilton and Mississauga, Ontario, Canada

**Registered Nurse**

**1980-1989**

Performed all aspects of nursing care including direct patient care and supervisory activities

- Areas of nursing expertise - gastrointestinal, cardiovascular and thoracic disease management including post operative rehabilitation; active oncology, hematology and palliative care.
- Experienced as Nursing Team Leader and Primary Care Nurse

**Education, Training**

Mohawk Nursing College, Nursing Graduate, Dean's Honors List - - Hamilton, Ontario Canada

Quintiles University Corporate Courses (1997-2002);

American Management Association: Leadership Conference (Aug 2000);

Leading for Success - Purdue Center for Continuous Learning February (2004)

**Professional Memberships**

American Society of Quality – member since 2006

American Society of Clinical Oncology – member since 2009

Nurse's College of Ontario – member since 1980

**Presentations:**

Nov 2009 - AACR Triple Meeting (Poster) – Decreasing the time to activate clinical trials – Initial data from the Multiple Myeloma Research Consortium (MMRC); Boston, MA;

Dec 2010 - American Society of Hematology (Poster) - The Multiple Myeloma Research Consortium (MMRC) Model: Reduced Time to Trial Activation and Improved Accrual Metrics; Orlando, FL

Dec 2011 - American Society of Hematology (Oral Presentation) – The Multiple Myeloma Research Consortium (MMRC) Model: Accelerated Start Up and Accrual Metrics Speeds Drug Development; San Diego, CA

**References:**

Will be provided upon request

# ROBERT ALESIO

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## SALES & MARKETING EXECUTIVE

Versatile leader with outstanding achievements in start-up, established, and fast-paced business environments. Repeatedly sought out to spearhead complex initiatives that demand measurable performance. Natural talent for strengthening teams, aligning resources, and working cross functionally to realize company-wide success. Management experience includes employer staffed teams, agencies/vendors, distributors, and business partners.

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## CAREER ACHIEVEMENTS

Advanced Micro Controls Inc, Terryville, CT | *Automation Software & Hardware*

### **DIRECTOR OF SALES & MARKETING** (04/2008 to Present)

Pioneered a new Sales culture that produced 3 years of double-digit growth and the company's highest revenue in a decade. Developed a strategic marketing program that harnessed advertising, web presence, and event support to drive qualified leads. Advanced the corporation's sales force, strategic partnerships, and distributor relations to achieve sustainable growth.

- **Sales Force Development:** Expanded the sales team to include field representation in 12 states; established processes that streamlined communication, increased conversions, and captured market data. Implemented Salesforce CRM software and drove company-wide adoption across Sales and Tech Support.  
*Increased annual sales revenue by 10-13% for three consecutive years*
- **Relationship Management:** Maximized a strategic alliance with North America's largest automation conglomerate to penetrate new markets and cultivate OEM sales. Strengthened distributor relationships via formal agreements that defined policies, outlined sales terms, and established territories. Launched a web-based training program to support distributors, accelerate company orientation, and enhance product updates.
- **Strategic Marketing:** Designed, staffed, and launched an integrated marketing program encompassing web, print, and event media. Originated strategy and developed tactical plans that delivered 1,400+ inbound leads in year one.  
*Boosted online lead generation by 43% via SEO/SEM & Email Mktg*
- **Exhibit Media:** Refreshed the company's trade show presence, including booth design, collateral, and product displays. Employed interactive product demonstrations that increased booth traffic and simplified technical presentations.
- **Process Improvement:** Revamped the Sales & Marketing processes from end-to-end; automated lead capture, lead notification, and ad reporting via web-based software. Established team standards for lead follow-up, quoting, and opportunity management. Year one generated 1,300+ customer profiles, 481 documented opportunities, and a 2,680+ contact database.  
*Reclaimed 10% profit margin from preferred distributor channel via CRM metrics analysis*

Hasbro Inc. (Games Group), East Longmeadow, MA | *Toys, Games, and Entertainment*

**INTERNET MARKETING MANAGER** (05/2006 - 04/2008)

Recruited to develop online marketing plans for Hasbro Games top-selling brands. Charged with the strategy, planning, and execution of all web-based activities for the Kid & Family collection of games.

- **Online Brand Development:** Oversaw the strategy, design, and development of all web properties within Hasbro’s flagship games portfolio; maximized \$2MM/year budget for 10 brands, averaging 20+ unique projects per year.
- **Integrated Strategy:** Amplified online advertising campaigns through partnership with the Promotions and Direct-to-Consumer teams. Launched integrated marketing programs that leveraged interactive demos, sweepstakes, and ecommerce rebates to increase game sales.
- **Marketing Analysis:** Leveraged web analytics to evaluate, plan, and improve Hasbro’s Internet investment in brand web sites, interactive product demos, advertising media, promotions/contests, and eCommerce sales.
- **Global Planning:** Managed the localization & deployment of Global Brand web sites, online product demos, and related eCommerce modules. Coordinated with regional brand teams around the world to fund, develop, and launch web initiatives within their local markets.

*Recipient of Hasbro’s 2008 Innovation Award For The Game of Life Web Site & Promotion*

*Managed Hasbro’s first multilingual site launch spanning 7 languages, in 8 different countries*

Affinion Group, Norwalk, CT | *Direct Marketer of Membership, Insurance, and Loyalty Programs*

**SENIOR MANAGER, Online Strategy** (02/2005 to 05/2006)

Established the strategic direction for Affinion Group’s Internet division with the persistent goal of maximizing profitability. Oversaw marketing strategy from idea generation through analysis, recommendations, and roll out. Tested creative positioning and premiums across 50+ clients and 21 different products.

*Streamlined the creative process for The Internet Group. Reduced the “go-to-market” cycle time by 34%*

Advanced Micro Controls Inc., Terryville, CT

**MARKETING MANAGER** (9/1999 – 02/2005)

GE Capital Corporation, Danbury, CT

**PROGRAM ADMINISTRATOR** (7/1998 – 9/1999)

**EDUCATION:**

Bryant University, Smithfield, RI  
B.S. in Business Administration; Minor: Psychology

BMGI, Parsippany, NJ  
Six Sigma Green Belt Certification

**TECHNICAL SKILLS & ABILITIES:**

HBX/Omniture	Web site Traffic Analysis
Google Analytics	Web Site Design
DreamWeaver MX	Web Site Usability
HTML Programming	SEO/PPC marketing
Adobe Creative Suite 4	Graphic Design/Photo Editing
Salesforce CRM	Copywriting

**EXPERIENCE**

**MULTIPLE MYELOMA RESEARCH FOUNDATION, INC., (MMRF) Norwalk, CT      February 2009 - Present**  
**In-House Counsel / Corporate Secretary**

Additional responsibilities with promotion include:

- As the senior attorney, work with executive management to develop business strategies, identify legal issues and propose solutions.
- Draft and negotiate vendor, consultant, and employee agreements and policies, including the employee handbook.
- Manage and ensure protection of company intellectual property.
- Draft HIPAA/HITECH Security Policies and oversee annual security audit of biorepository database.
- Work with Chief Operating Officer and Finance Department to manage business accreditations, state and federal tax-exempt filings, and monetary and non-monetary donations. Drafted Endowment Investment and Spending Policies.
- Attend Board of Director meetings, provide guidance on corporate compliance, manage Board member terms, annual conflict of interest disclosures, Board Conflict of Interest Committee, draft Bylaw and Code of Ethics revisions, resolutions, meeting minutes and other Board documents, and manage corporate records for both the MMRF and its wholly owned subsidiary, the Multiple Myeloma Research Consortium, Inc. (MMRC).
- Draft and manage documents between the MMRF and MMRC.
- Manage legal department staff, outside counsel, and legal department budget.

**Counsel, Contracts Administration**

**March 2007 - February 2009**

- Draft and negotiate venture capital model contracts with biotech companies, including equity, royalties, licenses, change of control and march-in rights.
- Draft and negotiate multi-party clinical trial and basic research agreements between leading academic cancer centers and pharmaceutical companies.
- Organize and lead annual legal roundtable attended by attorneys from pharmaceutical companies and cancer centers to create contract templates (clinical trial agreement, consortium member agreement, validation agreement, confidentiality agreement), which have significantly decreased negotiation time.

**UNITED STATES JUNIOR CHAMBER OF COMMERCE**

**May 2007 - December 2007**

**National Legal Counsel (*pro bono*)**

- Provided general legal advice and negotiated contracts.
- Annual review of Bylaws and Policies.

**SCIBELLI ENTERPRISE CENTER, Springfield, MA**

**January 2006 - April 2006**

**Law Student Intern**

- Prepared privacy policy, employee handbook, licensing agreement, and trademark application.
- Presented guidelines on company formation to local entrepreneurs at Small Business Association.

**LAW OFFICE OF ATTORNEY RAYMOND C. LUBUS, New Fairfield, CT**

**August 2002 - March 2006**

**Paralegal (part time 2003-2006 during law school)**

- Prepared court documents for business, criminal, probate, and civil litigation cases, including personal injury, property disputes, and family matters.
- Prepared business documents, including state business filings, start-up and dissolution documents, partnership agreements, bylaws, third-party business contracts, and liens and real estate closing documents.

**PRESENTATIONS**

Licensing Executives Society, Spring Meeting, panelist	2012
National Association of College and University Attorneys, panelist	2008
Massachusetts Small Business Association, Springfield Chapter, presenter	2006

**PROFESSIONAL MEMBERSHIPS**

American Bar Association	Junior Chamber International (Jaycees)
Connecticut Bar Association	United States Junior Chamber
Connecticut Bar Corporate Counsel Section Connect	icut Junior Chamber
Licensing Executives Society	Hartford Junior Chamber

**COMMUNITY SERVICE AND AWARDS**

DANBURY JUNIOR CHAMBER (Executive VP, President, Chairman of Board)	2002 - 2010
ANCELL SCHOOL OF BUSINESS CITIZENSHIP AWARD 2000	
BOY SCOUT EXPLORER GOLD AWARD (Eagle Scout Equivalent)	1999

**EDUCATION**

<b>WESTERN NEW ENGLAND UNIVERSITY SCHOOL OF LAW, Springfield, MA</b> <b>Doctor of Jurisprudence</b> Top 1/3 of class Competitively Selected for National Environmental Moot Court Student Bar Association Representative Best 1L Oral Advocate - Section 2A Ski Club, Vice-President	<b>May 2006</b>
<b>WESTERN NEW ENGLAND UNIVERSITY SCHOOL OF BUSINESS, Springfield, MA</b> <b>Master of Business Administration</b> GPA 3.76/4.00	<b>June 2006</b>
<b>WESTERN CONNECTICUT STATE UNIVERSITY, Danbury, CT</b> <b>Bachelor of Science</b> GPA 3.47/4.0 Major in Justice and Law Administration, Paralegal Concentration Minor in Business Administration Student Government, Sr. Senator 1999 - 2000 Justice and Law Honor Society, President 1999 - 2000 Justice and Law Club 1998 - 2000	<b>May 2000</b>

# Certificate of Completion



This certificate is presented to

**Karen Dietz**

for completion of training regarding new HIPAA Rules and Responsibilities.

**Completion Date: March 26, 2013**

# Medical Marijuana In the State of Connecticut Patient Information Booklet



Nutmeg State Health and Wellness Center  
19 Hearthstone Dr.  
Barkhamsted, CT 06063  
[www.nshwc.com](http://www.nshwc.com)

Nutmeg State Health and Wellness Center



Nutmeg State Health and Wellness Center © 2013

\*This information is intended for adults 18 years and older only.

## Nutmeg State Health and Wellness Center



### MISSION

Nutmeg State Health and Wellness Center is an experienced group of medical marijuana professionals dedicated to providing the highest quality medicine, service, and experience to registered Connecticut medical marijuana patients. We are passionate specialists that strive to enhance the lives of our patients while changing the perception of marijuana as a viable and safe medicine for many debilitating conditions. Nutmeg State Health and Wellness Center is a grassroots, community-based, Litchfield County dispensary that offers support and alternative health resources to patients facing health challenges.



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Physician Registration	7

## Medical Marijuana

Marijuana (scientifically known as cannabis) contains two species which produce useful amounts of psychoactive cannabinoids.

1. Cannabis Indica
2. Cannabis Sativa

### Cannabis Sativa

Medical use of sativa is associated with a cerebral high and many patients experience stimulating effects. For this reason, sativa is often used for daytime treatment. It may cause more of a euphoric sensation and tends to stimulate hunger, making it potentially useful to patients with eating disorders or anorexia. Sativa also exhibits a higher tendency to induce anxiety and paranoia, so patients prone to these effects may limit treatment with pure sativa, or choose hybrid strains.

### Cannabis Indica

Cannabis indica is associated with sedative effects and is often preferred for night time use, including for treatment of insomnia. Indica is also associated with a more "stoned" or meditative sensation than the euphoric, stimulating effects of sativa, possibly because of a higher CBD-to-THC ratio. Many strains of cannabis are currently cultivated for medical use, including strains of both species in varying potencies, as well as hybrid strains designed to incorporate the benefits of both species.

### Hybrids

Hybrids commonly available can be heavily dominated by either Cannabis sativa or Cannabis indica, or relatively balanced, such as so-called "50/50" strains.

## Qualified Conditions in the State of Connecticut

(as of November 1, 2013)

A patient may only register for a medical marijuana certificate if the patient is a Connecticut resident being treated for a debilitating medical condition by a Connecticut-licensed physician.

### Debilitating Medical Conditions include:

- Cancer
- Glaucoma
- Positive Status for Human Immunodeficiency Virus (HIV) or Acquired Immune Deficiency Syndrome (AIDS)
- Parkinson's Disease
- Multiple Sclerosis
- Damage to the Nervous Tissue of the Spinal Cord with Objective Neurological Indication of Intractable Spasticity
- Epilepsy
- Cachexia
- Wasting Syndrome
- Crohn's Disease
- Post-Traumatic Stress Disorder

### Qualifications for a Registration Certificate:

- Connecticut resident.
- At least eighteen (18) years of age or older.
- Cannot be an inmate confined in a correctional institution or facility under the supervision of the Connecticut Department of Corrections.

## Patient Registration Process

Physicians may certify qualified patients for the palliative use of marijuana through an online registration system that the Department of Consumer Protection has developed.

### 1. Make an Appointment with Your Physician:

- Only your physician can initiate your application by certifying for the State of Connecticut that you have a medical condition that qualifies you for a medical marijuana registration certificate.
- You must have a
  - Valid e-mail address
  - Primary telephone number
- Create a State of Connecticut Department of Administrative Services Business Network Account by going to:  
<https://www.biznet.ct.gov/AccountMaint/Login.aspx>.
  - You will need to provide the following:
    - Proof of Identity
    - Proof of Connecticut residency
    - Current passport size photograph
    - \$100.00 registration fee
      - checks/money orders should be made payable to "Treasurer, State of CT"

You will be able to upload these documents and pay the fee when you submit your registration application online or you can mail them to the Department.

### 2. Register Your Primary Caregiver, if Applicable

If your physician certification indicates a need for you to have a primary caregiver, you must register a qualified caregiver before the State of Connecticut will issue you a registration certificate. The State of Connecticut will not register a patient who needs a primary caregiver until the caregiver's application is completed and approved.

- A primary caregiver applicant will only be able to access the online registration system if:
  - The patient's physician indicates a need for a primary caregiver; and
  - The patient identifies the applicant as the person who will serve as their primary caregiver and provide the following caregiver information:
    - Valid e-mail address
    - Primary telephone number
- The Caregiver must create a State of Connecticut Department of Administrative Services Business Network Account by going to:  
<https://www.biznet.ct.gov/AccountMaint/Login.aspx>.
  - Caregiver will need to provide the following:
    - Proof of Identity
    - Proof of Connecticut residency
    - Current passport size photograph
    - \$25.00 registration fee
      - checks/money orders should be made payable to "Treasurer, State of CT"

## Physician Eligibility

Physicians who wish to certify a patient for medical marijuana must:

- Possess an active Connecticut medical license issued by the Connecticut Department of Public Health.
- Practice within the State of Connecticut.
- Possess an active controlled substance registration issued by the Connecticut Department of Consumer Protection that is not subject to limitation.
- Possess an active Drug Enforcement Administration (DEA) controlled substance registration that is not subject to limitation.
- Be registered with, and able to access, the Connecticut Prescription Monitoring Program.



The physician should be reasonably available to provide follow-up care and treatment for the patient, including any examinations necessary to determine the efficacy of marijuana for treating the patient's debilitating medical condition, or a symptom thereof.

Physicians must also have a bona fide relationship with the patient in order to register them with the program. A bona fide physician-patient relationship means a relationship in which the physician has ongoing responsibility for the assessment, care and treatment of a patient's debilitating medical condition or a symptom of the patient's debilitating medical condition whereby the physician has:

- Completed a medically reasonable assessment of the patient's medical history and current medical condition;
- Diagnosed the patient as having a debilitating medical condition;
- Prescribed, or determined it is not in the best interest to prescribe, prescription drugs to address the symptoms or effects for which the certification is being issued;
- Concluded that, in the physician's medical opinion, the potential benefits of the palliative use of marijuana would likely outweigh the health risks to the patient; and
- Explained the potential risks and benefits of the palliative use of marijuana to the patient or, where the patient lacks legal capacity, to the parent, guardian or other person having legal custody of the patient.

*N&HWC*

**Hours**

Monday	11pm	–	7pm
Tuesday	11pm	–	7pm
Wednesday	11pm	–	7pm
Thursday	11pm	–	7pm
Friday	11pm	–	7pm
Saturday	10am	–	2pm
Sunday	Closed		

# Liquid Web HIPAA Compliant Hosting



## Protect Your Users With Liquid Web's Paramount Peace of Mind

As Liquid Web has grown, we've come to host many enterprises that utilize and/or transfer highly confidential information. Often, the consequences of the loss or compromise of this data could cause irreparable damage to our clients' reputations, if not even more serious legal penalties. Considering this, we have crafted the ideal plan to ensure that your data is secured by HIPAA compliance standards.

### Liquid Web Features:

- HIPAA Compliant Network Solutions
- A Multitude of Physical Security Measures Beyond Those Required
- Extensive Data Security Measures
- High Availability Infrastructure
- A 24/7/365 ON-SITE HIPAA Trained Staff

When choosing a host, it is important to consider the physical data center(s) where your information will be stored. If that data includes sensitive and/or confidential information, the importance of this decision is magnified considerably. All Liquid Web Data Centers are designed to provide you with the tools to ensure compliance physically, environmentally and across the entire network infrastructure in addition to around the clock HIPAA-trained Heroic Support® engineers available, on-site, whenever you need them.

Compliance with HIPAA requires organizations to implement safeguards and security standards when electronically storing and transmitting personal health information. HIPAA mandates standardized formats for all patient health, administrative and financial data. While Liquid Web does not offer full HIPAA compliance certification, we do offer separate services to ensure that technical controls and physical security policies are in place to ensure your server is HIPAA compliant. It is recommended that Liquid Web customers consult with a certified Auditor in order to ensure their application will be compliant. A Business Associate Agreement (BAA) is available upon request, which will require the acquisition of server configurations that meet minimum security requirements shown below:

## SINGLE SERVER CONFIGURATION

### RECOMMENDED FOR HIPAA COMPLIANT HOSTING

- Single Dedicated Server for Web & Database Use
- Guardian Continuous Backup Protection
- Cisco Firewall
- Hardware Disk Raid Configurations
- Hot Swappable Disk Chassis
- Physically Locked Cabinets

- Fully Managed with Heroic Support®

## MULTIPLE SERVER CONFIGURATION

### RECOMMENDED FOR HIPAA COMPLIANT HOSTING

- Web Server with Separate Database Server
- Guardian Continuous Backup Protection
- Cisco Firewall
- Hardware Disk Raid Configurations
- Hot Swappable Disk Chassis
- Physically Locked Cabinets
- Fully Managed with Heroic Support®

## HIPAA Compliance Features:

---

### Data Center Physical System Security

- Minimize Risk of Loss and Theft
  - 24x7x365 manned facility
  - Multiple closed circuit tv security cameras, covering all entrances and datacenter space. Such system is operated 24/7/365 by a third party Security Company.
  - Site entrance controlled by electronic perimeter access card system
- Minimize Risk of Damage
  - Liquid Web Data Centers are high security facilities.
  - Liquid Web Owns and Operates private Data Centers, which allows us to design, build and maintain ideal server environment.
  - Our Data Centers have been designed using reinforced poured concrete, which provides high strength, high tensile strain, good bond with thermal compatibility which results in durability in the concrete within the external walls.
  - We are located in premium geographic locations, neutral to natural phenomena such as earthquakes or hurricanes.
- Fire Prevention
  - Dry Pipe Preaction, Double Interlock System.
  - Resistant to high and low external ambient temperatures, preventing damage to the fire suppression system.
  - Compliant with NFPA 13 regulation and divided into regions for effective use.
  - Effective in ensuring server protection in case of accidental physical damage to the sprinkler system.
  - Requires that both a “preceding” fire detection event, typically the activation of a heat or smoke detector, and an automatic sprinkler operation take place prior to the “Action” of water introduction into the system piping.

- Entry Security - Access Controls
  - All exterior entrances secured by mantraps with interlocking doors.
  - Access to the Data Center space requires proximity badge with names and employee pictures printed on them.
  - Visitors are required to provide a valid official government issued identification or driver's license and sign in prior entering facilities. All visitors are escorted by designated employees at all times. Visitors are required to wear a visible VISITOR's badge at all times. These badges DO NOT have access to any electronic doors.
  - Only authorized personnel can access Data Center where servers are physically located.
- Uninterruptible Power Supplies (UPS)
  - Multiple N+1 MPS Generators.
  - Multiple fuel contracts around the State that ensure fuel availability for generators.
  - Multiple N+1 UPS Systems with 30 minute minimum runtime.
  - Server Chassis with redundant power supplies in combination with A+B power configurations available (Different UPS and Generator circuit paths).
  - Redundant ASCO Closed Transition Bypass Isolation Transfer Switches.
  - Capability to provide Tier-4 Power
  - Four 10 megawatt feeds available
  - Diverse paths from substation
  - 2N power available
- SSAE-16 (formerly SAS70) & Safe Harbor Compliant.

## Security Zones

- Office space is separated from Data Center Space. Proximity badges are required to access Data Center space.
- All Employees are screened upon employment.
- Physical server rack enclosures are available that guarantee private server space. These racks are equipped with key locks to prevent unauthorized access.
- Component level redundancy available for hard drives including hot and cold spare onsite servers.

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## Technical Security

### Network Configuration and Security



- Network Device Management

- Hardware Cisco Firewall Devices available with full management by qualified Engineers available 24/7/365. Our Engineers are able to provide best practice recommendations for Network Device Passwords (Customer's responsibility). In addition, we are able to provide assistance with logging for Network devices, Application Servers and Critical Devices. Liquid Web can provide assistance with best practice recommendations, customers are responsible for implementing, maintaining and reviewing log information via a set policy including retention.
  - Our Engineers can provide assistance with Hardware firewall configuration in an effort to implement outbound and inbound traffic filtering (Leased managed Cisco device required).
  - Intrusion Detection/Intrusion Prevention Modules available.
  - Network redundancy options available to ensure failover.
  - Diverse connectivity fiber paths into building
  - Dedicated meet-me room
  - Bandwidth co-op solutions
  - Carrier neutral
  - On-net transport to most major global cities
- Remote VPN
    - We offer remote secure VPN implementations and management with our leased Cisco devices which assist with:
      - Encryption (Triple DES or AES)
      - Authentication (Site-to-Site VPN Tunnels) with strong passwords, pre-shared key and certificate
      - DMZ Implementations
      - Assistance with log management and monitoring.

## Backup Management

Liquid Web Guardian is a fully managed robust backup solution that provides continuous data protection and **off-site disaster recovery** for Linux and Windows Dedicated Servers. Liquid Web Guardian uses replication and synchronization, with point-in-time snap shots, to provide up to the minute data protection of your complete server configuration. In the case of a catastrophic event, our Sonar® Monitoring Team recovers your exact server configuration to what it was several minutes before the event occurred. In other words, Liquid Web Guardian is a **Backup solution that continuously captures your entire system configuration to an off-site facility which allows for up to the minute recovery of your information.**

### Features

- **Continuous Backups** During normal host operation, the Liquid Web Guardian agent keeps a journal of disk changes. Incremental backups know what sectors on the disk have changed before the backup operation even starts. Guardian's method is less resource intensive than traditional *file-by-file* or *block-by-block* backup methods.
- **Incremental Snapshots** Our technology provides consistent point-in-time system-wide backup images.
- **Bare-Metal Disaster Recovery** Restore servers directly from disk-based backup. Unlike traditional backup software, there is NO need to first partition your drive and install the operating system. Bare-Metal-Recovery greatly increases the speed of complete system recovery from a catastrophic failure.
- **High Performance, Low System Impact** Sector based backups increase throughput and reduce overhead. Servers can be fully operational with minimal performance impact during backups. Backups can usually be performed at anytime, even on busy servers.

- **cPanel Administration Plug-in** Our Managed Dedicated Server customers who are running Linux can take advantage of the Liquid Web Guardian cPanel Plug-in, accessible directly from your cPanel interface for easy management of your backups.
- **MySQL Database Backup Plug-in** Continuous table level backup of MySQL databases is available as an optional plugin.
- **Disk Safe Data Encryption available** The Disk Safe feature allows us to safely store your backup data by encrypting it on our nodes. This feature can't be disabled later, it has to be configured with a fresh backup snapshot. Disk Safe currently supports encryption using 128-bit RSA Keys and the Blowfish Cipher for symmetric encryption.

---

## Security Services



- **Server Secure Plus** - We have innovated on top of our exclusive ServerSecure™ installation service. A setup option available for our dedicated servers, ServerSecure™ ensures optimal compatibility, paramount integrity and the most efficient usage of your server/servers. We have upgraded this service to iron-clad standards by adding daily CSX scans and a multitude of server hardening features available exclusively to those opting for ServerSecurePLUS™. What would have taken hours of installation work and the help of an outside system administrator, is now at your fingertips with the help of ServerSecure™ and ServerSecurePLUS™.
  - Brute Force Detection and Evasion
  - Apache DOS Prevention/Protection
  - E-Mail Virus Filtering

### Exclusive to ServerSecurePLUS™

- Daily CSX Scan
- SSH/cPanel/FTP Hardening
- WebServer & PHP Hardening
- Monthly Nessus® vulnerability scans
- DDoS Attack Protection/Mitigation
  - Detect and block emerging application-layer
  - DDoS attacks
  - Deploy a turnkey solution to stop threats
  - Accelerate responses to DDoS attacks to prevent legitimate services from going down
  - Prevent illegitimate botnet communications by leveraging real-time security intelligence
  - Mitigate volumetric attacks
  - Block illegitimate traffic from costing you money in bandwidth charges



liquidweb

**INDEPENDENT PRACTITIONER'S TRUST SERVICES REPORT**

**Liquid Web, Inc.**

**Web Hosting Services**

**Trust Services Report on Management's Assertion (SOC 3)**

**As Of**

**June 30, 2013**

**UHY** **LLP**  
Certified Public Accountants

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# LIQUID WEB, INC.

## Trust Services Report on Management's Assertion (SOC 3)

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## I. INDEPENDENT PRACTITIONER'S TRUST SERVICES REPORT

To the Management of Liquid Web, Inc.:

### Scope

We have examined Management's assertion that as of June 30, 2013, Liquid Web, Inc. (Liquid Web) maintained effective controls over the web hosting services and supporting systems based on the AICPA and CICA trust services availability and security criteria to provide reasonable assurance that:

- The systems were available for operation and use, as committed or agreed;
- The systems were protected against unauthorized access (both physical and logical)

Liquid Web's management is responsible for this assertion. Our responsibility is to express an opinion based on our examination. Management's description of the aspects of the hosting services and supporting systems covered by its assertion is attached. We did not examine this description, and accordingly, we do not express an opinion on it.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and included (1) obtaining an understanding of Liquid Web's relevant controls over the availability and security of the web hosting services and supporting systems; (2) testing and evaluating the operating effectiveness of the controls; and (3) performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

### Inherent limitations

Because of their nature and inherent limitations of controls, Liquid Web's ability to meet the aforementioned criteria may be affected. For example, controls may not prevent, or detect and correct error or fraud, unauthorized access to systems and information, or failure to comply with internal and external policies or requirements. The projection of any conclusions based on our findings to future periods is subject to the risk that changes may alter the validity of such conclusions.

### Opinion

In our opinion, management's assertion referred to above is fairly stated, in all material respects, based on the AICPA and CICA trust services security and availability criteria.

*UHY* LLP

Farmington Hills, Michigan  
August 23, 2013

## II. MANAGEMENT'S ASSERTION

### *Liquid Web's Assertion:*



As of June 30, 2013, Liquid Web, in all material respects maintained effective controls over the web hosting services based on the AICPA and CICA trust services criteria for security and system availability set forth in TSP section 100, *Trust Services Principles, Criteria, and Illustrations for Security, Availability, Processing Integrity, Confidentiality, and Privacy (AICPA, Technical Practice Aids)*. We confirm, to the best of our knowledge and belief, that:

- The system was protected against unauthorized access (both physical and logical)
- The system was available for operation and use, as committed or agreed

Further, Liquid Web confirms that to the best of our knowledge and belief, that

The controls related to the trust services criteria were suitably designed and operated effectively as of June 30, 2013 to achieve those control objectives. The criteria we used in making this assertion were that

- i. The risks that threaten the achievement of the controls related to the trust services criteria have been identified by Liquid Web.
- ii. The controls related to the trust services criteria would, if operating as described, provide reasonable assurance that those risks would not prevent the control objectives stated in the trust services criteria from being achieved.

### III. DESCRIPTION OF THE LIQUID WEB SYSTEM USED TO MANAGE AND CONTROL WEB HOSTING SERVICES

#### Liquid Web Inc. Overview

Liquid Web Inc. is a privately held managed web hosting company founded in 1997, with four data center facilities located in Lansing, Michigan and Phoenix, Arizona. Liquid Web is a leader in the professional web hosting market with an unwavering dedication to providing the best hosting products available. Liquid Web has over 20,000 clients served in over 120 countries. Liquid Web received the INC.5000 Fastest Growing Companies award in 2007, 2008, 2009, 2010, 2011, and 2012.

#### Description of Relevant Transactions Processed

Liquid Web provides limited transaction processing. Transactions are focused on providing web-hosting services. Transactions include:

- Help Desk tickets and other technical support requests
- Requests for changes to equipment configuration
- Requests for new or additional servers and/or services
- Requests for updates or modifications to existing servers and/or services

Transactions processed by Liquid Web on behalf of customers are initiated, authorized, recorded, processed, and reported via the Liquid Web website and the help desk system. Via the help desk system and the Liquid Web website clients may:

- Monitor hardware and services
- Generate and track support requests
- Monitor bandwidth usage and history
- Initiate online chat sessions with support personnel
- Upload and download documents
- View Invoices and Contracted Services
- Add or Remove Services via the website

Customer directed changes to hosted servers and services can also be performed via cPanel, a client control panel interface. cPanel automates and simplifies the administration of customer machines by supplying a client control panel to any domain names customers add to their server, which includes all of the features located under Liquid Web control. cPanel also supplies a webhost manager interface for customer usage to add accounts and perform many of the basic administrative tasks which would normally be very complex without the assistance of cPanel.

Liquid Web also receives transactions via email, online chat, and by phone.

Certain monitoring activities are automated and will generate alerts in various formats based on significant events and conditions. Refer to *Environmental Monitoring* and *Threat Management* on subsequent pages.

A variety of web based reporting tools are available to customers. Refer to "Liquid Web Heroic Support" on page 8. Clients have flexibility to customize reporting and alerts based on their preferences. Billing and other financial reports are standardized based on the client's Statement of Work and the services selected.

#### Control Environment Elements

Liquid Web's control environment reflects the position taken by management, its Board of Directors, and others concerning the importance of controls and the emphasis given to controls in its policies, procedures, methods, and organizational structure. The following is a description of the key elements of Liquid Web's web hosting services:

- Management Oversight
- Organizational Structure
- Personnel Policies and Procedures

## Management Oversight

The oversight of the day-to-day operations of the Company is under the direction of the President and the Executive Management Team consisting of the various heads of functional departments. The Management Team meets on a weekly basis to review the results of operations, discuss unusual activity or events, review key metrics and financial results, and discuss other matters important to the operation of the Company.

In addition, the Executive Management Team is responsible for:

- Reviewing the professional services to be provided by Liquid Web's independent auditors and the independence of such auditors;
- Reviewing the scope and results of all audits - internal and external; and
- Reviewing the system of internal accounting controls and other matters relating to Liquid Web's web hosting services.

## Organizational Structure

The Organization employs a staff of approximately 300 people. Liquid Web is divided into operating departments, which provide a framework for planning, directing, and controlling its operations. Personnel and business functions are segregated into distinct process units listed here:

- Sales and Marketing – Responsible for all new business development for the company as well as Account Management.
- Finance and Administration – Supports the company in all traditional Finance, Accounting and G&A functions including maintaining the General Ledger, Accounts Payable, Accounts Receivable, Fixed Assets, and Human Resources.
- Operations – Responsible for the data center, network infrastructure, client's deployments, and managed services. Supports all technologies, including, but not limited to: hardware, software programs, software development, networks, desktops, telecommunications, and security.

## Personnel Policies and Procedures

Liquid Web's controls cover all critical aspects of employment, including hiring, training and development, performance appraisals, and terminations. In addition, all employees have access to an employee handbook, policies, and procedures. Changes to these documents are communicated to existing personnel in writing. The sensitivity of the job determines the level of background checks performed on applicants before his/her employment.

The Human Resources Department is primarily responsible for recruiting and evaluating job applicants. Hiring practices are designed to ensure that new employees are qualified for their job responsibilities. The Human Resources Department and the management of the department hiring the employee must jointly approve each hiring of a new employee. Liquid Web has a structured interview process, which includes application screening, a screening interview, testing, and interviews.

Training of personnel is accomplished through supervised on-the-job training and in-house classes. Certain positions require the completion of special training. Department managers are also responsible for encouraging the training and development of employees so that all personnel continue to improve their skills applicable to their functional responsibilities.

## Risk Assessment Process

Liquid Web recognizes that risk management is a critical component of its operation that helps ensure that assets are properly managed and clients are properly served. Through regular and open communication among staff, management, and its client base, Liquid Web identifies risks that could negatively impact the security of the business. For any significant risks that are identified and communicated, the Executive Management Team is responsible for implementing appropriate measures to monitor and manage these risks. Appropriate measures may include the addition or revision of control procedures, conducting specific investigations, or any other means necessary to provide adequate control.

## **Monitoring**

Management and supervisory personnel are responsible for monitoring the quality of internal control performance as a routine part of their daily duties. To assist them, Liquid Web utilizes a series of management reports and other methods to monitor the business. Key reports are reviewed by management to help ensure appropriate action is taken as needed. If issues arise that cannot be readily resolved, issues are escalated to the Executive Management Team.

## **Liquid Web Data Centers**

Liquid Web's data center locations are staffed by highly skilled engineers around the clock. Liquid Web data centers are designed with redundancy installed at every level, ensuring that a failure at any level will not affect your server. Liquid Web data centers power is conditioned and reliable through the use of centralized UPS solutions backed by state-of-the-art generator technology. Liquid Web's network is robust and reliable. We exclusively utilize premium Tier-1 bandwidth providers, ensuring minimal latency and fast connections to all points of the global internet.

## **Security On-Site**

Datacenter access is strictly limited to technical staff. Electronic security systems control data center access and are accompanied by a full complement of motion detecting security cameras which monitor the entire facility. Our Datacenter facility external walls are reinforced poured concrete. We are a fully managed facility, which means we have level 3 technicians on site 24 hours per day, allowing incident response times to be kept to a minimum.

All Datacenter visitors are required to register and wear a visitor badge at all times. All visitors are escorted by a Liquid Web associate at all times while on site.

## **Power Systems**

Our power systems feature extensive fault tolerance and resilience at every layer. Incoming service is routed underground to a dedicated on-site transformer. This system routes to our automatic transfer switch that monitors power quality, and automatically transfers to our emergency generators in the event they are needed. Each facility is also protected by one or more uninterruptible Power Supplies (UPS), featuring redundant battery cabinets, and full maintenance bypass cabinets allowing for service and upgrades without interruption of power to our servers.

Power distribution units handle final power transformation and distribution to racks, ensuring clean consistent power to data center equipment.

Each facility has multiple emergency generators waiting on standby, featuring over 24 hours of autonomous runtime before requiring refueling. Each generator is test run at least once a week to ensure they are ready in the event they are needed. Generator fuel is maintained in sub-base storage tanks that are locked.

Liebert Precision power distribution units handle final power transformation and distribution to racks, ensuring clean consistent power to data center equipment.

Generator power is activated automatically in the event of a utility failure by the transfer switch. The data center load is maintained by the UPS units with at least 15 minutes of capacity, however this is not necessary as the generator is active and up to speed within 10 seconds of a power failure.

## **Cooling**

Environmental processing systems include redundant Liebert Precision 22 ton up flow air conditioning units. Temperature and humidity are precisely monitored and regulated year round to ensure optimal equipment reliability. Alerts are sent to Operations personnel any time temperature or humidity is outside an established range. Each unit contains independent compressors and cooling loops to further enhance fault tolerance and reliability. Air filtration systems actively remove foreign particulates from circulation and cycle the entire data center air supply in a matter of minutes.

## ***Fire and Smoke***

Each facility is monitored with state of the art smoke and fire detection systems. In the unlikely event of a fire, automated fire suppression systems are also in place.

## **The Liquid Web Network**

The Liquid Web network has been designed to accommodate clients demanding the highest quality network performance. There is a central focus on redundancy allowing our network to rapidly self-heal failures without interruptions to connectivity. Our redundancy is multi-tiered with N+1 internal device elements as well as entirely redundant chassis allowing any routing device to fail without interrupting client data connectivity. All core routing and switching equipment is state of the art Cisco.

## ***Engineered by Liquid Web™***

Unlike most providers, Liquid Web owns and operates its entire infrastructure. By engineering and controlling our infrastructure personally, from routers to servers, we are able to immediately respond to any issue directly. This means that the Liquid Web Engineers that you rely on will have direct physical access to the server.

## ***Tier-1 Premium Bandwidth Providers***

Providing the highest quality Internet connectivity and performance is our top priority. We have selected premium Tier-1 bandwidth providers, ensuring minimal latency and fast connections to all points of the global internet. Our aggregate connectivity reaches an astounding 8,500+ networks just a single network away from our uplinks.

Network architecture includes a dual feed network fiber ring connected at two diverse points at opposite ends of the physical building. These network feeds take diverse paths to separate telecommunications providers where separate colocation facilities house connections to multiple internet service providers.

Core network devices are maintained within a locked cage facility within the main data center. Only network administration personnel have access to the core network devices.

Network architecture includes four layers of full redundancy. The first three layers are controlled exclusively by network administrators, with the lowest level including limited access by the customer service group in order to facilitate customer access requests.

## ***Network Security***

The entire network is constantly monitored using a custom developed real time network monitoring and alerting system. Any unusual or suspicious network activity is highlighted and forwarded to network administrators for investigation and resolution.

## **Logical Security**

Liquid Web maintains a collection of more than 20 corporate policies dedicated to maintaining the security of the equipment and the data in their facilities. Security policies are regularly reviewed and updated to account for changes in risks and technologies. Security policies are available at all times via the corporate intranet. All employees are required to read and acknowledge their understanding of all security policies as part of their initial orientation. Employees are also required to sign a comprehensive non-disclosure agreement to ensure that client privacy and confidentiality is protected.

## **Logical Security (continued)**

Security Policies include but are not limited to the following topics:

- Acceptable Use Policy
- E-mail policy
- Password Policy
- Information Sensitivity Policy
- Personal Communication Device policy
- Remote Access Policy
- Malware Protection Policy
- VPN security policy
- Wireless Communication Policy

## **Liquid Web Heroic Support® Overview**

Liquid Web's Heroic Support® provides 24/7/365 access to level 3 engineers by phone or email, state of the art infrastructure engineered for complete reliability, software hardening to protect the integrity of your server, proactive monitoring and service restoration, complete user level tools for monitoring the health of your server, and if anything was to go wrong - a 100% up-time SLA.

Heroic Support® provides our clients confidence and peace of mind through complete reliability, engineer accessibility, and proactive service restoration.

Our average support request phone call is answered within 20 seconds, with an average electronic support response time of 30 minutes.

### ***Our Support Staff***

Liquid Web has established a world class Heroic Support team that is professionally educated and available on-site at each data center 24 hours per day. Liquid Web currently employs 320+ Heroic Support engineers with specialties in Technical Support, Server Setup, Networking, Security and more.

### ***Liquid Web Sonar Monitoring®***

Sonar Monitoring is a dedicated division of Liquid Web solely focused on providing service reliability and immediate incident resolution. The Sonar Monitoring team utilizes a robust set of proprietary system level health and service monitoring tools to constantly ensure your server's optimal performance through early detection of problems. In the event that an issue is identified, our Sonar Monitoring Team responds immediately, reducing downtime and repairing any issues proactively, in many cases before the client is even aware of the problem.

The Sonar Monitoring team focuses on prevention of, as well as immediate response to, service interruptions, whether they be software, hardware or network-related. With the bulk of service failures being prevented before occurrence, and nearly all remaining service failures being corrected within minutes, the team operates as a persistent proactive manager of client service consistency. The Liquid Web Sonar Monitoring Team has enabled us to provide the industry's leading 30-minute hardware replacement SLA.

### ***Comprehensive Statistics***

System statistics are presented to customers in an overview and drill down format, allowing clients to view all of their server statistics on a single page, including multiple server accounts. Drill down capabilities include the ability to view details on any individual metric and view the status graphically over a period of hours, days, or weeks.

Trending is both easy and convenient and offers peace of mind that would otherwise be impossible with random sampling. Without a tool such as Sonar, off-hour periods of service degradation are nearly impossible to identify.

## ***Sonar Improves Server Up-Time***

Without Liquid Web Sonar, failures of services or severe service degradations are more single hit scenarios where an incident occurs and a restore is initiated with no clear vector for repair of the base cause.

With Sonar in place, the failure of a service will be detected and restoration will be initiated by technical staff, however with Liquid Web Sonar both client and technician are able to evaluate the forensic data of all critical statistics leading to that failure and correct the root of the issue. This powerful tool allows Liquid Web to solve problems that could live for many months even with the most vigilant competing managed providers.

Escalation capabilities are built into the core of Sonar technology, ensuring that any complete system or service failures are instantly sent to the Liquid Web Service Restoration team for correction before clients even need be aware. Liquid Web's Service Restoration Team corrects a huge majority of failures long before the client is even aware. The Service Restoration Team is a highly trained division of Liquid Web specializing in restorations of all levels tasked solely with the purpose of keeping the servers of our clients responsive at all times.

## **Dedicated Server Service Level Agreement (SLA)**

### ***Hardware Replacement Service Level Agreement***

Liquid Web guarantees that in the event of a dedicated server hardware failure, the faulty hardware will be replaced within **30 Minutes** of identifying the problem. In the event that this guarantee is not met, Liquid Web will issue a credit for ten times the actual amount of additional downtime. The amount of compensation may not exceed the customer's monthly recurring charge. This guarantee does not include the time it requires to perform additional software related maintenance, including rebuilding web accounts from backups, cloning hard drives, reloading the operating system, reloading and configuring applications, or rebuilding raid arrays.

### ***Network Uptime Service Level Agreement***

Liquid Web guarantees network uptime to be **100%**. This guarantee assures that all major routing devices within our network are reachable from the global internet 100% of the time.

### ***Network SLA Exclusions***

Many possible situations are completely beyond the control of Liquid Web, and therefore are not in the scope of this SLA. These situations include:

- **Scheduled Network Maintenance** - occasionally network maintenance will be required. Liquid Web will do everything possible to minimize and avoid downtime during this maintenance. You will receive prior notification of upcoming maintenance at the email address we have on file. Scheduled maintenance periods are not eligible for SLA credits.
- **Hardware Maintenance** - on rare occasions, the hardware in your Dedicated Server may need maintenance or replacement. Liquid Web will do everything possible to minimize any downtime in these situations per our hardware replacement SLA. Any downtime incurred as a result of this maintenance will not be counted towards our network SLA.
- **Software Maintenance** - an important part of managing a dedicated server is keeping the software up to date. If you choose to have Liquid Web manage your server, occasional software updates will be required to address security or performance issues. Usually you will experience little or no downtime in these situations, but we cannot guarantee a specific amount of time in all situations.
- **Malicious Attacks** - if a third party not associated with Liquid Web initiates a "Denial of Service" or other form of disabling attack against your Dedicated Server or major portions of our network, Liquid Web will do everything in its power to stop the attack, but cannot guarantee a resolution time.
- **Legal Actions** - In the case that a legal action is taken against a customer of Liquid Web and Liquid Web is required to act in accordance with the order, Liquid Web shall not be responsible for any SLA damages.

### **Network SLA Exclusions (continued)**

- **cPanel Issues** - if you choose to run cPanel and Web Host Manager on your Dedicated Server, the default install will be configured for automatic updates of cPanel related software. On occasion, one of these automatic updates could adversely affect all or part of the cPanel related software on your server. Liquid Web will do whatever is necessary to fix any cPanel related problems, but cannot guarantee a resolution time.

### **Network SLA Remedy**

In the event that Liquid Web does not meet this SLA, Dedicated Hosting clients will become eligible to request compensation for downtime. If Liquid Web is or is not directly responsible for causing the downtime, the customer will receive a credit for **10 times (1,000%) the actual amount of downtime**. This means that if your server is unreachable for 1 hour (*beyond the 0.0% allowed*), you will receive 10 hours of credit.

All requests for compensation must be received within 5 business days of the incident in question. The amount of compensation may not exceed the customer's monthly recurring charge. This SLA does not apply for any month that the customer has been in breach of Liquid Web Terms of Service or if the account is in default of payment.

### **Response Time SLA**

Liquid Web's managed customers are covered by our thirty-minute initial response time guarantee. That means that when you submit a trouble ticket via our help desk system you are guaranteed a response from a Heroic Support® technician within thirty minutes. If Liquid Web fails to respond within thirty minutes, you will be credited 10 times the amount of time exceeding our SLA commitment. That means that if your ticket goes 1 hour past our stated initial response time guarantee, your account will receive a 10 hour hosting credit. All requests for compensation must be received within 5 business days of the incident in question. The amount of compensation may not exceed the customer's monthly recurring charge. This SLA does not apply for any month that the customer has been in breach of Liquid Web Terms of Service or if the account is in default of payment.

## User Control Considerations

Liquid Web controls are only a portion of the overall control of each client. Clients of Liquid Web also need to implement and maintain effective internal controls. This section highlights those controls that Liquid Web believes should be present for each client. Liquid Web has considered the following controls in developing the controls which are described in Section IV of this report. Each client must evaluate its own internal controls to determine if the following controls and procedures are in place.

Liquid Web's systems were designed with the assumption that certain controls would be implemented by user organizations. In certain situations, the application of specific controls at user organizations is necessary to achieve certain control objectives included in this report.

This section describes other internal control structure policies and procedures that should be in operation at user organizations to complement the control structure policies and procedures at Liquid Web. User auditors should consider whether the following policies and procedures have been placed in operation at user organizations:

- Each customer must acknowledge receipt and understanding of the Terms of Service and Service Level Agreement for the particular services they sign up for.
- For customers that select optional backup of their data, a monitoring and backup system ensures successful data backup. Verification of backup data and restoration of systems and data is solely the responsibility of the customer.
- Customer data backup is an optional service which is provided by maintaining backups of customer data. Procedures for maintaining customer data backups are available on the company intranet.
- Certain security functions may require additional authentication by customer service reps either online or by telephone.
- Liquid Web does not provide for data classification for customer data. Customers are responsible for classification of their own data.
- If Liquid Web's default backup schedule is not selected, client is responsible for determining the backup schedule that is appropriate for their business needs.
- Client is responsible for maintaining accurate contact information with Liquid Web personnel.
- Client is solely responsible for software and database maintenance.
- For all layers of technology that are not specified in a client contract as Liquid Web's responsibility (including, but not limited to, networking, operating system, database, and application layers), the client is responsible for properly administering and securing relevant layers of technology (e.g., determining appropriate access, segregation of duties, audit trails, etc.). Client is fully responsible for controlling access to supervisor id and passwords that would allow control over customer processing and data.
- Clients are responsible for the review of metrics and statistics and for communicating any issues with service levels to Liquid Web.
- Liquid Web Terms of Service specify prohibited content, prohibited services and processes. It is each client's responsibility to agree to and abide by the Terms of Service.

# QUIETSOURCE® SERIES 22-48 kW AUTOMATIC STANDBY GENERATORS



*The premium in home and  
business backup power protection*



#### **Smart, User Friendly Controls**

Control generator diagnostics and get information at a glance with Generac's user-friendly Nexus™ Controller—the most comprehensive available.



#### **Premium, Quiet Commercial Engines**

These engines run at 1800 rpm for ultra-quiet operation. They are built for the rigors of generator use, providing the reliability needed to power through even the most severe power outages.



#### **Remote Monitoring from the Comfort of Home**

Wireless remote monitors (sold separately) allow you to observe generator status, set operation parameters and more—all without leaving the comfort of your home.



#### **Premium Aluminum Enclosures with RhinoCoat Finish**

Aluminum provides the ultimate protection from the elements. Add our RhinoCoat™ finish system that evenly joins paint particles to the metal surface for consistent coverage and you have exceptional protection on both the generator enclosure and the base frame.

#### **Premium Features Paired with Extra Quiet Operation**

Premium features are standard on Generac's powerful QuietSource automatic standby generators. Ideal for larger homes and small to medium businesses, these commercial grade generators will keep your family, home and assets protected 24/7 from the potential dangers of a power outage. They start automatically in the event of a power outage and are fueled by the existing fuel supply.

# 22-48 KILOWATTS



**Ideal for homes requiring higher kW backup** for amenities such as additional living areas, garages and air conditioners, pools, greenhouses, guest houses, mother-in-law suites, medical needs and more. Businesses gain a competitive advantage from the backup power of a QuietSource generator—restaurants, gas stations and other small and medium sized businesses can remain open for business while competitors have to shut down.

- Powered by Generac's powerful, low-speed, liquid cooled engine, engineered to run at only 1800 rpm for a substantially quieter generator, consuming less fuel and giving both the engine and alternator a longer life
- Easily connects to existing LP or natural gas fuel supply; quickly convert in the field for up to 45kW
- Packs more power into a smaller footprint than competitive models
- Aluminum enclosure with RhinoCoat™ finish for superior weather protection
- UL 2200 listed, meets EPS regulations, CA/MA emission compliant

Rated Power (liquid propane/natural gas)	22/22 kW	27/25 kW	36/35 kW	48/48 kW	48/48kW
Generator Model#	QT02224ANAX	QT02724ANAX	QT03624ANAX	QT04854ANAX	QT04854ANAC
Voltage (Single Phase)	240V				
Amps @ 240V LPG	92	112	150	200	200
Amps @ 240V NG	92	104	146	200	200
Engine/Alternator RPM	1800/1800				
Engine	In-Line 4-Cylinder			V-8	
Fuel Consumption @ full load LPG cu. ft/hr (gal.hr)	125 (3.4)	143 (3.9)	200 (5.5)	302 (7.96)	302 (7.96)
Fuel Consumption @ full load NG cu. ft/hr (gal.hr)	316	359	503	756	756
Quiet-Test Mode	Yes				
db(A) at exercise	61	61	58	63	63
db(A) at normal operating load	70	70	64	68	68
Automatic Transfer Switch	Not included				
Enclosure	Aluminum				
Enclosure Color	Gray				
Warranty	2 Year Limited				
Dimensions (L" x W" x H")	62.2 x 29 x 33.5			77 x 33.5 x 45	
Weight (lbs.)	843	891	1271	1516	
SCAQMD Model	•	•	n/a	n/a	•

## Nationwide Dealer Service Network

Generac's commitment to service includes scheduled maintenance programs, warranty assistance and emergency service to ensure that Generac customers are never left powerless. The largest nationwide dealer network has factory trained technicians on staff and maintains large inventories of Generac parts, components and accessories. Find a dealer near you at [generac.com](http://generac.com).

**GENERAC**

Generac Power Systems, Inc.  
S45 W29290 Hwy. 59  
Waukesha, WI 53189



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Specifications are subject to change without notice

[generac.com](http://generac.com) 1-888-GENERAC (1-888-436-3722)



## Temporary Permit for Sales and Use Tax

Do **NOT** mail to the Department of Revenue Services

**This temporary permit must be displayed for customers to see and is not assignable or transferable.**

**Confirmation  
Number\*:** 13W9900840019

**Organization  
Name:** Nutmeg State Health and Wellness Center Inc

**Business Address:** 19 Hearthstone Drive  
Barkhamsted, CT 06063

**This temporary permit will expire on 12/04/2013.**

\* This number will act as your temporary tax registration number. It will be replaced when you receive your registration confirmation package in the mail.

Your registration package will include information on electronic options available in our Taxpayer Service Center (TSC). In a separate envelope, you will also be receiving a personal identification number (PIN) which will allow you access to the TSC. Once you receive your PIN, we encourage you to take advantage of our electronic services.

Please contact the DRS Registration Section at (860) 297-4885 if you do not receive your registration confirmation package by the 15th business day following completion of REG-1 OL.

Do NOT mail to the Department of Revenue Services.

Your Confirmation Number is: **13W9900840019**

## Reasons for Registering

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Opening a new business

## Business Profile

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### Business Information

Type of Organization: Corporation

### Nature of Business Activity

Retailer

### Major Business Activity

Medical Marijuana Dispensary upon License from the State of Connecticut

### Business Name & Address

Organization Name: Nutmeg State Health and Wellness Center Inc  
FEIN: [REDACTED]  
Business Trade Name:  
Address: 19 Hearthstone Drive  
Barkhamsted, CT 06063

### Mailing Address

Address: 19 Hearthstone Drive  
Barkhamsted, CT 06063

Business Telephone Number: 203-241-6464

Business Bank:

## Owner and Officer Information

This is the information you filled out on your application. If your organization type is taxed as a partnership such as a General Partnership, Limited Partnership, Limited Liability Partnership, or a Limited Liability Company, you must enter more than one member/partner name. If you need to make any change, select the EDIT button to make the appropriate additions.

**Dietz, Karen, A**

**Title:** Chief Executive Officer  
**Home Address:** 19 Hearthstone Drive  
Barkhamsted, CT 06063  
**SSN:** [REDACTED]  
**Date of Birth:** [REDACTED]  
**Home Telephone:** 860-866-8469  
**Bank Name:** Webster Bank

**Dietz, James, C**

**Title:** President  
**Home Address:** 19 Hearthstone Drive  
Barkhamsted, CT 06063  
**SSN:** [REDACTED]  
**Date of Birth:** [REDACTED]  
**Home Telephone:** 203-241-6464  
**Bank Name:** Webster Bank

**Wear, Sandra, M**

**Title:** Director  
**Home Address:** 12 Valley View Road  
Norwalk, CT 06851  
**SSN:** [REDACTED]  
**Date of Birth:** [REDACTED]  
**Home Telephone:** 203-849-7775  
**Bank Name:**

**Registered Tax Types**

---

<b>Tax Type</b>	<b>Tax Liability Start Date</b>
Income Tax Withholding	01/01/2014

1. Are you an employer that transacts business or maintains an office in Connecticut and intends to pay wages to resident employees or nonresident employees who work in Connecticut? 1. Yes  
If you have a Connecticut tax registration number for withholding for another location and intend to file withholding for this new location under that number, enter the Connecticut Tax Registration Number.  
Connecticut Tax Registration Number:
2. Are you an out-of-state company voluntarily registering to withhold Connecticut income tax for your Connecticut resident employees who work outside of 2. No

Connecticut? (By answering "Yes" to this question, you are indicating that this company does not have any tax liability in CT, and you will only be registering for Income Tax Withholding with this registration application.)

3. Do you intend to withhold Connecticut income tax from any of the following: pension plans; annuity plans; retirement distributions; or gambling distributions? 3. No
4. Do you pay nonresident athletes or entertainers for services they render in Connecticut? 4. No
5. Do you only have household employees and wish to withhold Connecticut income tax? 5. No
6. Do you only have agricultural employees and wish to withhold Connecticut income tax? 6. No

If you use a payroll service, enter name of payroll company:

Sales and Use Tax 04/01/2014

1. Do you sell, or will you be selling, goods in Connecticut (either wholesale or retail)? 1. Yes
2. Do you rent equipment or other tangible personal property to individuals or businesses in Connecticut? 2. No
3. Do you serve meals or beverages in Connecticut? 3. No
4. Do you provide a taxable service in Connecticut? (See the Informational Publication, Getting Started in Business, for a list of taxable services.) 4. No

The registration fee for Sales and Use Tax is \$100

Corporation Business Tax 10/31/2013

1. Are you a corporation or other association taxed as a corporation with nexus in Connecticut? 1. Yes
2. Do you have a federal corporate income tax exemption? 2. No

Enter state you are organized under: CT

Enter the month of your fiscal year end: December

## Registration Fees

Routing Transit Number

[REDACTED]

Account Type

Checking

Bank Account Number

[REDACTED]

Tax Type

Sales and Use Tax

Fee

\$100.00

Total:

\$100.00

**Signature**

---

FEIN/SSN:



**Contact Information**

---

Name:

James Dietz

Email:



Daytime Telephone Number:



SECRETARY OF THE STATE  
30 TRINITY STREET  
P.O. BOX 150470  
HARTFORD, CT 06115-0470

NOVEMBER 14, 2013

JAMES DIETZ  


RE: Request for Certificate or Copies

Business Name:  
NUTMEG STATE HEALTH AND WELLNESS CENTER, INC.

Work Order Number: 2013330604-001  
Type of Request: CERTIFIED COPY  
Work Order Payment Received: 210.00  
Payment Received: 105.00  
Credit on Account: .00  
Customer Id: 

Attached is the information you requested.

JOHN CALLAHAN  
Commercial Recording Division  
860-509-6032

REQUEST FOR COPIES LIST

TRANSACTION ID

2013330604-001

FILING NUMBER	NUMBER OF PAGES	TYPE	VOLUME	START PAGE
	0002	B	01864	3251

\*\* END OF REPORT \*\*



# SECRETARY OF THE STATE OF CONNECTICUT

MAILING ADDRESS: COMMERCIAL RECORDING DIVISION, CONNECTICUT SECRETARY OF THE STATE, P.O. BOX 150470, HARTFORD, CT 06115-0470

DELIVERY ADDRESS: COMMERCIAL RECORDING DIVISION, CONNECTICUT SECRETARY OF THE STATE, 30 TRINITY STREET, HARTFORD, CT 06106

PHONE: 860-509-6003

WEBSITE: [www.concord-sots.ct.gov](http://www.concord-sots.ct.gov)

## CERTIFICATE OF INCORPORATION STOCK CORPORATION

USE INK. COMPLETE ALL SECTIONS. PRINT OR TYPE. ATTACH 81,

FILING # [REDACTED] PG 01 OF 02 VOL B-01864  
FILED 10/31/2013 01:00 PM PAGE 03251  
SECRETARY OF THE STATE  
CONNECTICUT SECRETARY OF THE STATE

<b>FILING PARTY</b> (CONFIRMATION WILL BE SENT TO THIS ADDRESS)	
NAME: Karen A. Dietz	SHARES MAKE CHECKS PAYABLE TO "SECRETARY OF STATE"
ADDRESS: [REDACTED]	
CITY: [REDACTED]	
STATE: [REDACTED] ZIP: [REDACTED]	
<b>1. NAME OF CORPORATION:</b> Nutmeg State Health and Wellness Center, Inc.	
<b>2. TOTAL NUMBER OF AUTHORIZED SHARES:</b> 20,000	
IF THE CORPORATION HAS MORE THAN ONE CLASS OF SHARES, IT MUST DESIGNATE EACH CLASS AND THE NUMBER OF SHARES AUTHORIZED WITHIN EACH CLASS BELOW.	
<b>CLASS:</b>	<b>NUMBER OF SHARES PER CLASS:</b>
Class A Common Stock	20,000
<b>3. TERMS, LIMITATIONS, RELATIVE RIGHTS AND PREFERENCES OF EACH CLASS OF SHARES AND SERIES THEREOF PURSUANT TO CONN. GEN. STAT. SECTION 33-665:</b>	
<p>Authorized Shares. This Corporation is authorized to issue twenty thousand (20,000) shares of Class A Common Stock, par value \$0.001 per share (the "Class A Common Stock"). The number of authorized shares may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of at least a majority of the voting power of the issued shares of Common Stock of the Corporation.</p> <p>Common Stock. A statement of the designations of each class of Common Stock and the powers, preferences and rights and qualifications, limitations or restrictions thereof is as follows:</p> <p>(a) Voting. Each holder of shares of Class A Common Stock shall be entitled to one (1) vote for each share of Class A common Stock held as of the applicable date on any matter that is submitted to a vote or for the consent of the stockholders of the Corporation.</p> <p>(b) Liquidation. In the event of the voluntary or involuntary liquidation, dissolution, distribution of assets or winding down of the Corporation, the holders of Class A Common Stock shall be entitled to share equally, on a per share basis, all assets of the Corporation of whatever kind available for distribution to the holders of Common Stock.</p> <p>(c) Redemption. Shares are redeemable based on the value of the Corporation's net assets at the time of sale at the option of the Corporation.</p>	

**4. APPOINTMENT OF REGISTERED AGENT: (PLEASE SELECT)**

**A. INDIVIDUAL'S AGENT NAME:** James C. Dietz

<p><b>BUSINESS ADDRESS: (P.O. BOX UNACCEPTABLE)</b></p> <p>ADDRESS: 19 Hearthstone Drive</p> <p>CITY: Barkhamsted</p> <p>STATE: CT ZIP: 06063</p>	<p><b>RESIDENCE ADDRESS: (P.O. BOX UNACCEPTABLE)</b></p> <p>ADDRESS: [REDACTED]</p> <p>CITY: [REDACTED]</p> <p>STATE: [REDACTED] ZIP: [REDACTED]</p>
---	--

**B. BUSINESS ENTITY:**

**ADDRESS: (P.O. BOX UNACCEPTABLE)**

ADDRESS:

CITY:

STATE: ZIP:

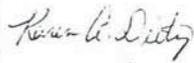
**ACCEPTANCE OF APPOINTMENT**



**5. OTHER PROVISIONS:** **SIGNATURE OF AGENT**

**6. EXECUTION: CERTIFICATE MUST BE SIGNED BY EACH INCORPORATOR**

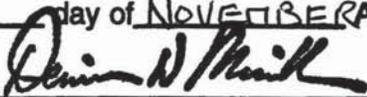
DATED THIS 31 DAY OF October, 20 13

NAME OF INCORPORATOR(S) (print or type)	ADDRESS	SIGNATURE(S)
Karen A. Dietz	ADDRESS: 19 Hearthstone Drive  CITY: Barkhamsted STATE: CT ZIP: 06063	
	ADDRESS:  CITY: STATE: ZIP:	
	ADDRESS:  CITY: STATE: ZIP:	

STATE OF CONNECTICUT }  
OFFICE OF THE SECRETARY OF THE STATE } SS. HARTFORD

I hereby certify that this is a true copy of record  
in this Office

In Testimony whereof, I have hereunto set my hand,  
and affixed the Seal of said State, at Hartford,  
this 14TH day of NOVEMBER A.D. 2013 *b*



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SECRETARY OF THE STATE

SECRETARY OF THE STATE  
30 TRINITY STREET  
P.O. BOX 150470  
HARTFORD, CT 06115-0470

NOVEMBER 14, 2013

JAMES DIETZ  
19 HEARTHSTONE DRIVE  
BARKHAMSTEAD, CT 06063

RE: Request for Certificate or Copies

Business Name:  
NUTMEG STATE HEALTH AND WELLNESS CENTER, INC.

Work Order Number: 2013330604-002  
Type of Request: CERTIFIED COPY  
Work Order Payment Received: 210.00  
Payment Received: 105.00  
Credit on Account: .00  
Customer Id: [REDACTED]

Attached is the information you requested.

JOHN CALLAHAN  
Commercial Recording Division  
860-509-6032

REQUEST FOR COPIES LIST

AT1413

TRANSACTION ID

2013330604-002

FILING NUMBER	NUMBER OF PAGES	TYPE	VOLUME	START PAGE
[REDACTED]	0003	B	01868	2125

\*\* END OF REPORT \*\*

**SECRETARY OF THE STATE**

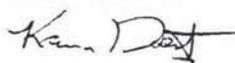
MAILING ADDRESS: COMMERCIAL RECORDING DIVISION, CONN  
 DELIVERY ADDRESS: COMMERCIAL RECORDING DIVISION, CONN  
 PHONE: 860-509-6003 WEBSITE: [www.concord-sots.ct.gov](http://www.concord-sots.ct.gov)

FILING # [REDACTED] G 01 OF 03 VOL B-01868  
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## ORGANIZATION AND FIRST REPORT STOCK OR NON-STOCK CORPORATIONS

USE INK. COMPLETE ALL SECTIONS. PRINT OR TYPE. ATTACH 8 1/2 X 11 SHEETS IF NECESSARY.

<b>FILING PARTY</b> (CONFIRMATION WILL BE SENT TO THIS ADDRESS):  NAME: James C. Dietz ADDRESS: 19 Hearthstone Drive  CITY: Barkhamsted STATE: CT ZIP: 06063	<b>FILING FEE: \$150</b>  <i>EXCEPTION: \$50.00 FILING FEE FOR NONSTOCK (NONPROFIT) CORPORATIONS. MAKE CHECKS PAYABLE TO "SECRETARY OF THE STATE"</i>										
<b>1. NAME OF CORPORATION:</b> Nutmeg State Health and Wellness Center, Inc.											
<b>2. DATE OF ORGANIZATION MEETING:</b> Nov 11, 2013											
<b>3. ADDRESS OF PRINCIPAL OFFICE:</b> (P.O. BOX UNACCEPTABLE) ADDRESS: 19 Hearthstone Drive  CITY: Barkhamsted STATE: CT ZIP: 06063											
<b>4. MAILING ADDRESS</b> (IF OTHER THAN PRINCIPAL OFFICE ADDRESS): ADDRESS: <del>SAME AS ABOVE</del> 19 Hearthstone Drive  CITY: Barkhamsted STATE: CT ZIP: 06063											
<b>5. OFFICERS:</b>											
<table style="width: 100%; border: none;"> <tr> <td style="width: 50%; border: none;"> <b>A. OFFICER'S NAME:</b> Karen A. Dietz             </td> <td style="width: 50%; border: none;"> <b>TITLE:</b> Chief Executive Officer / Corporate Secretary             </td> </tr> <tr> <td style="border: none;"> <b>RESIDENCE ADDRESS:</b> (P.O. BOX UNACCEPTABLE)             </td> <td style="border: none;"> <b>BUSINESS ADDRESS:</b> (P.O. BOX UNACCEPTABLE)             </td> </tr> <tr> <td style="border: none;">           ADDRESS: 19 Hearthstone Drive         </td> <td style="border: none;">           ADDRESS: 19 Hearthstone Drive         </td> </tr> <tr> <td style="border: none;">           CITY: Barkhamsted         </td> <td style="border: none;">           CITY: Barkhamsted         </td> </tr> <tr> <td style="border: none;">           STATE: CT ZIP: 06063         </td> <td style="border: none;">           STATE: CT ZIP: 06063         </td> </tr> </table>		<b>A. OFFICER'S NAME:</b> Karen A. Dietz	<b>TITLE:</b> Chief Executive Officer / Corporate Secretary	<b>RESIDENCE ADDRESS:</b> (P.O. BOX UNACCEPTABLE)	<b>BUSINESS ADDRESS:</b> (P.O. BOX UNACCEPTABLE)	ADDRESS: 19 Hearthstone Drive	ADDRESS: 19 Hearthstone Drive	CITY: Barkhamsted	CITY: Barkhamsted	STATE: CT ZIP: 06063	STATE: CT ZIP: 06063
<b>A. OFFICER'S NAME:</b> Karen A. Dietz	<b>TITLE:</b> Chief Executive Officer / Corporate Secretary										
<b>RESIDENCE ADDRESS:</b> (P.O. BOX UNACCEPTABLE)	<b>BUSINESS ADDRESS:</b> (P.O. BOX UNACCEPTABLE)										
ADDRESS: 19 Hearthstone Drive	ADDRESS: 19 Hearthstone Drive										
CITY: Barkhamsted	CITY: Barkhamsted										
STATE: CT ZIP: 06063	STATE: CT ZIP: 06063										

<b>B. OFFICER'S NAME:</b> James C. Dietz		<b>TITLE:</b> President / Treasurer	
<b>RESIDENCE ADDRESS:</b> (P.O.BOX UNACCEPTABLE)		<b>BUSINESS ADDRESS:</b> (P.O.BOX UNACCEPTABLE)	
ADDRESS: [REDACTED]		ADDRESS: 19 Hearthstone Drive	
CITY: [REDACTED]		CITY: Barkhamsted	
STATE: [REDACTED] ZIP: [REDACTED]		STATE: CT ZIP: 06063	
<b>C. OFFICER'S NAME:</b>		<b>TITLE:</b>	
<b>RESIDENCE ADDRESS:</b> (P.O.BOX UNACCEPTABLE)		<b>BUSINESS ADDRESS:</b> (P.O.BOX UNACCEPTABLE)	
ADDRESS:		ADDRESS:	
CITY:		CITY:	
STATE: ZIP:		STATE: ZIP:	
<b>6. DIRECTORS:</b>			
<b>A. DIRECTOR'S NAME:</b> <SEE ATTACHED>			
<b>RESIDENCE ADDRESS:</b> (P.O.BOX UNACCEPTABLE)		<b>BUSINESS ADDRESS:</b> (P.O.BOX UNACCEPTABLE)	
ADDRESS:		ADDRESS:	
CITY:		CITY:	
STATE: ZIP:		STATE: ZIP:	
<b>B. DIRECTOR'S NAME:</b>			
<b>RESIDENCE ADDRESS:</b> (P.O.BOX UNACCEPTABLE)		<b>BUSINESS ADDRESS:</b> (P.O.BOX UNACCEPTABLE)	
ADDRESS:		ADDRESS:	
CITY:		CITY:	
STATE: ZIP:		STATE: ZIP:	
<b>7. ELECTRONIC MAIL (EMAIL) ADDRESS:</b> info@nshwc.com			
<b>8. EXECUTION:</b>			
DATED THIS <u>12th</u>		DAY OF <u>November</u> , 20 <u>13</u>	
NAME OF SIGNATORY (print/type)	CAPACITY/TITLE OF SIGNATORY	SIGNATURE	
Karen A. Dietz	Chief Executive Officer		

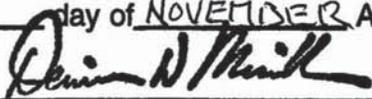
FILING [REDACTED] PG 03 OF 03 VOL B-01868  
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 SECRETARY OF THE STATE  
 CONNECTICUT SECRETARY OF THE STATE

<b>A. DIRECTORS NAME:</b>		Jennifer Kokalari, MHS, PA-C	
<b>RESIDENCE ADDRESS</b>		<b>BUSINESS ADDRESS</b>	
ADDRESS:	37 Short Rocks Road	ADDRESS:	NONE
CITY:	Branford	CITY:	
STATE:	CT	STATE:	
ZIP:	06405	ZIP:	
<b>B. DIRECTORS NAME:</b>		Sandra M. Wear, RN	
<b>RESIDENCE ADDRESS</b>		<b>BUSINESS ADDRESS</b>	
ADDRESS:	12 Valley View Road	ADDRESS:	NONE
CITY:	Norwalk	CITY:	
STATE:	CT	STATE:	
ZIP:	06851	ZIP:	
<b>C. DIRECTORS NAME:</b>		Robert J. Frumento, PhD	
<b>RESIDENCE ADDRESS</b>		<b>BUSINESS ADDRESS</b>	
ADDRESS:	23 Marshall Lane	ADDRESS:	NONE
CITY:	Derby	CITY:	
STATE:	CT	STATE:	
ZIP:	05418	ZIP:	
<b>D. DIRECTORS NAME:</b>		Karen A. Dietz, JD, MBA	
<b>RESIDENCE ADDRESS</b>		<b>BUSINESS ADDRESS</b>	
ADDRESS:	19 Hearthstone Drive	ADDRESS:	NONE
CITY:	Barkhamsted	CITY:	
STATE:	CT	STATE:	
ZIP:	06063	ZIP:	

STATE OF CONNECTICUT }  
OFFICE OF THE SECRETARY OF THE STATE } SS. HARTFORD

I hereby certify that this is a true copy of record  
in this Office

In Testimony whereof, I have hereunto set my hand,  
and affixed the Seal of said State, at Hartford,  
this 14<sup>TH</sup> day of NOVEMBER A.D. 2013



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SECRETARY OF THE STATE