

CMR 105.500

Documentation of a bond or other resources held in an escrow account in an amount sufficient to adequately support the dismantling and winding down of the Marijuana Establishment

(16) Bond.

(a) Prior to commencing operations, a Marijuana Establishment shall provide proof of having obtained a **surety bond in an amount equal to its licensure fee payable to the Marijuana Regulation Fund** to ensure payment of the cost incurred for the destruction of cannabis goods necessitated by a violation of St. 2016, c. 334, as amended by St. 2017, c. 55 or 935 CMR 500.000 or the cessation of operation of the Marijuana Establishment.

(b) All bonds required under 935 CMR 500.000 must be issued by a corporate surety licensed to transact surety business in the Commonwealth.

(c) If the Marijuana Establishment is unable to secure a surety bond, as required by 935 CMR 500.105(16) it may place in escrow a sum of no less than \$5,000 or such other amount approved by the Commission, to be expended for coverage of liabilities.

d) The escrow account required pursuant to 935 CMR 500.105(16)(c) must be replenished within ten business days of any expenditure required under 935 CMR 500.105 except if the Marijuana Establishment has ceased operations. Documentation of the replenishment must be promptly sent to the Commission.

Additional Information...

Licensure Fee Schedule to Determine the Bond amount:

As of 5/18/2018 there are 9 classes of licenses:

- Marijuana Cultivator (Grower) - \$625 - \$25,000 depending upon size & type
- Independent Testing Laboratory - \$5,000
- Marijuana Retailer - \$5,000
- Marijuana Product Manufacturer - \$5,000
- Marijuana Transporter - \$5,000
- Third Party Transporter - \$5,000
- Marijuana Research Facility - \$1,000
- Marijuana Microbusiness – 50% of the fee for the license sought
- Craft Marijuana Cooperative – Varies based on number of locations

Each location needs a separate license and a separate Bond to go with that license