

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(X) QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF
1934

For the Quarterly Period ended March 31, 2017

() TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF
1934

For the transition period from _____ to _____

Commission File number 0-54433

MARIMED INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction of Incorporation or Organization)

27-4672745

(I.R.S. Employer Identification No.)

26 Ossipee Rd, Suite 201

Newton, MA 02464

(Address of Principal Executive Offices)

617-795-5140

(Registrant's Telephone Number, Including Area Code)

Worlds Online Inc.

11 Royal Road

Brookline, MA 02445

617-909-4043

(Former Name, Former Address and Former Fiscal Year, if changed since last Report)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No []

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes [] No [X]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer", "accelerated filer", "smaller reporting company", and "emerging growth company" in Rule 12b-2 of the Exchange Act.

(Check One):

Large Accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes [] No [X]

As of March 31, 2017, 64,244,170 shares of the Issuer's Common Stock were outstanding.

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

MariMed Inc.

Table of Contents

	Page
Consolidated Balance Sheets as of March 31, 2017 (unaudited) and December 31, 2016 (audited)	3
Consolidated Statements of Operations for the three months ended March 31, 2017 and 2016 (unaudited)	4
Consolidated Statements of Cash Flows for the three months ended March 31, 2017 and 2016 (unaudited)	5
Notes to Unaudited Consolidated Condensed Financial Statements	6

[Table of Contents](#)

MariMed Inc. and its Subsidiaries
 Consolidated Balance Sheets
 As of March 31, 2017 and December 31, 2016

	Unaudited 31-Mar-17	Audited 31-Dec-16
Current Assets		
Cash	\$ 640,282	\$ 569,356
Account receivable	506,384	532,607
Deferred rent receivable	317,122	536,248
Due from third party	999,680	607,794
Due from - related party	158,880	136,394
Notes Receivables - Current	120,920	120,920
Other current asset	556,796	237,345
Total Current Assets	<u>3,300,064</u>	<u>2,740,664</u>
Long Term Assets		
Notes receivable - long term	533,807	543,377
Rental properties	6,930,582	5,195,818
Rental equipments	85,306	83,242
Total Long Term Assets	<u>7,549,695</u>	<u>5,822,437</u>
TOTAL ASSETS	<u>\$ 10,849,759</u>	<u>\$ 8,563,101</u>
Current Liabilities		
Account payable and accrued expenses	2,616,997	2,118,412
Due to related parties	148,963	148,337
Deferred revenue	226,950	226,950
Other payable	254,699	280,733
Mortgage payable	881,170	887,114
Notes payable	3,875,000	3,475,000
Total Current Liabilities	<u>8,003,779</u>	<u>7,136,546</u>
Mortgage payable	1,955,427	1,977,998
Total Liabilities	<u>\$ 9,959,206</u>	<u>\$ 9,114,544</u>
Stockholders' (Deficit)		
Series A preferred stock (Par value \$0.001 authorized 5,000,000 shares, no shares are issued and outstanding)	—	—
Series A preferred stock to be issued (500,000 and 0 shares as of March 31, 2017 and December 31, 2016, respectively)	500	300
Common stock (Par value \$0.001 authorized 100,000,000 shares, 64,244,170 and 64,074,683 common shares issued and outstanding as of March 31, 2017 and December 31, 2016 respectively)	\$ 64,244	\$ 64,075
Common stock subscribed but not yet issued (6,467,778 common shares as of March 31, 2017 and 400,000 as of December 31, 2016, respectively)	6,868	400
Subscription receivable	(25,000)	(25,000)
Common stock Warrants	1,172,028	1,172,028
Additional paid in Capital	9,750,939	8,457,407
Accumulated deficit	(10,777,657)	(10,777,657)
Noncontrolling interest	698,632	557,006
Total stockholders' deficit	<u>890,554</u>	<u>(551,442)</u>
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	<u>\$ 10,849,759</u>	<u>\$ 8,563,101</u>

See Notes to Condensed Financial Statements

[Table of Contents](#)

MariMed Inc. and its Subsidiaries
Consolidated Statements of Operations
Three Months Ended March 31, 2017 and 2016

	Three Months Ended Unaudited	
	31-Mar-17	31-Mar-16
Revenues		
Revenue	\$ 1,150,719	\$ 614,456
Total	1,150,719	614,456
Cost and Expenses		
Cost of revenue	401,241	351,669
Gross Income/(Loss)	749,478	262,787
Consulting expense	—	15,000
Promotion & Marketing	69,469	—
Selling, General & Admin.	302,890	112,709
Payroll and related taxes	167,862	120,531
Total expenses	540,221	248,240
Operating income/(loss)	209,257	14,547
Other Income (Expense):		
Interest expense	(102,182)	(92,712)
Interest income	20,660	20,855
Warrant expense	—	(5,154)
Loss on conversion of payable to common stock	(18,278)	—
Unrealized loss on trading securities	(71)	—
Unrealized Gain on trading securities	—	702
Total other income (expenses)	(99,871)	(76,309)
Net income/(loss)	\$ 109,386	\$ (61,761)
Less: Net income/(loss) attributable to noncontrolling interests	141,626	38,773
Net income/(loss) attributable to Worlds Online common shareholders	(32,240)	(100,535)
Weighted Average Loss per share (basic and fully diluted)	**	**
Weighted Average Common Shares Outstanding	64,208,389	31,976,154

** less than \$0.01 per share

See Notes to Condensed Financial Statements

[Table of Contents](#)

MariMed Inc. and its Subsidiaries
Consolidated Statements of Cash Flows
Three Months Ended March 31, 2017 and 2016

	Unaudited 3/31/2017	Unaudited 3/31/2016
Cash flows from operating activities:		
Net (loss)	\$ (32,240)	\$ (100,535)
Net Income (loss) attributable to noncontrolling interest	141,626	38,773
Adjustments to reconcile net (loss) to net cash (used in) operating activities		
Depreciation expense	69,827	35,439
Loss on conversion of payable to common stock	18,278	—
Unrealized loss on trading securities	71	—
Unrealized gain on trading securities	—	(702)
Changes in operating assets and liabilities		
Accounts receivable & Deferred rent receivable	245,349	(175,624)
Due from - related party	(22,486)	—
Other current asset	(319,451)	(702)
Due from third party	(391,886)	(174,500)
Prepaid expense	—	200
Due to related party	626	193,266
Accounts payable and accrued expenses	450,715	(55,913)
Mortgage payable	(28,515)	—
Other payable	(26,034)	(5,000)
Net cash (used in) operating activities:	<u>105,880</u>	<u>(245,298)</u>
Cash flows from investing activities:		
Cash used for trading securities		
Notes receivable issued to third party	9,570	7,048
Purchase of fixed assets	(1,806,655)	(990,504)
Net cash provided by investing activities:	<u>(1,797,085)</u>	<u>(983,456)</u>
Cash flows from financing activities:		
Proceeds from related party	—	(104,856)
Proceeds from notes payable	400,000	950,000
Distributions to investors	(87,868)	—
Proceeds from sales of common stock	1,300,000	—
Bank line of credit	—	823,897
Proceeds from Mari holdings MD Class A shares	150,000	—
Net cash provided by financing activities	<u>1,762,132</u>	<u>1,669,041</u>
Net increase/(decrease) in cash and cash equivalents	<u>70,927</u>	<u>440,287</u>
Cash and cash equivalents beginning of period	569,356	160,859
Cash and cash equivalents end of period	<u>\$ 640,282</u>	<u>\$ 601,145</u>
Non-cash financing activities:		
Common stock issued for accrued expense	\$ —	—
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Interest	\$ 71,853	\$ 62,046
Income taxes	\$ —	\$ —
Non cash Activities		
Issuance of common stock to repay accounts payable	\$ 38,965	\$ —

See Notes to Condensed Financial Statements

MariMed Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Three Months Ended March 31, 2017 and 2016
(Unaudited)

NOTE 1 – ORGANIZATION AND DESCRIPTION OF BUSINESS

MariMed Inc. (formerly known as Worlds Online Inc.) (the “Company”) currently operates two separate business segments—an online portal that offers virtual multi-user environments to visitors, and a management company in the medical cannabis industry. The Company stock is quoted on the OTC Bulletin Board.

The Company was formed on January 25, 2011 as a wholly-owned subsidiary of Worlds Inc. (formerly known as Worlds.com Inc.). Effective May 16, 2011, Worlds Inc. transferred to the Company the majority of its operations and related operational assets, consisting of World Inc.’s proprietary technology platform, a network of virtual 3D environments, a catalog of URLs, digital inventory of 3D objects, animation sequences, an avatar library, texture maps and virtual world architectures. This transfer excluded Worlds Inc.’s patent portfolio, however the Company received a perpetual world-wide license to such portfolio, including the right to issue unlimited sublicenses to the licensed technology, subject to Worlds Inc.’s reasonable consent.

In May, 2014, the Company entered into a transaction between MariMed Advisors Inc. (“MariMed Advisors”), its wholly-owned subsidiary at that time, Sigal Consulting LLC (“Sigal”), and the Members of Sigal (“Sellers”) whereby the Company, through MariMed Advisors acquired all of the assets and liabilities of Sigal, and the Sellers received (i) an aggregate amount of the Company’s common stock MRMD (formerly WORX) equal to 50% of the Company’s outstanding shares on the closing date, September 29, 2014; (ii) options to purchase three million shares of the Company’s common stock, exercisable over five years with exercise prices ranging from \$0.15 to \$0.35; and (iii) 49% of MariMed Advisor’s outstanding common stock. As a result, the Company’s ownership of MariMed Advisors was reduced from 100% to 51%.

This transaction was accounted for as a purchase acquisition/merger wherein the Company was both the accounting acquirer and legal acquirer. Accordingly, the Company recorded the assets purchased and liabilities assumed as part of the merger, and recorded as goodwill the value of the common stock and options issued in excess of the book value of Sigal. Subsequently, this goodwill was deemed impaired in full and written down.

In May, 2017, the Company changed its name from Worlds Online Inc. to MariMed Inc.

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”), which contemplates the continuation of the Company as a going concern. As further explained in Note 3, there is substantial doubt about the Company’s ability to continue as a going concern.

In accordance with GAAP, these interim statements do not contain all of the disclosures normally required in annual statements. Accordingly, these interim financial statements should be read in conjunction with the Company’s annual financial statements and related notes for the year ended December 31, 2016. The results of the operations for the three months ended March 31, 2017 are not necessarily indicative of the results of operations to be expected for the full year.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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 these estimates.

[Table of Contents](#)

Cash Equivalents

The Company considers all highly liquid investments purchased with an original maturity date of three months or less to be cash equivalents.

Revenue Recognition

The Company's source of revenue are comprised of (i) consulting, leasing and other revenues from MariMed Advisors, and (ii) subscription revenues from its online chat service. The Company recognizes revenue when all of the following criteria are met: evidence of an arrangement exists such as a signed contract, delivery has occurred, the price is fixed or determinable, and collectibility is reasonable assured. This will usually be in the form of a receipt of a customer's acceptance indicating the product has been completed to their satisfaction except for development work and service revenue which is recognized when the services have been performed. Deferred revenue represents cash payments received in advance to be recorded as revenue when earned. The corresponding cost associated with those contracts is also deferred as deferred costs until the revenue is ultimately recognized.

Research and Development Costs

Research and development costs will be charged to operations as incurred.

Property and Equipment

Property and equipment are stated at cost. Depreciation is provided on a straight line basis over the estimated useful lives of the assets. When assets are retired or disposed of, the cost and accumulated depreciation are removed from the accounts, and any resulting gains or losses are included in income. Maintenance and repairs are charged to expense in the period incurred.

Impairment of Long Lived Assets

The Company evaluates the recoverability of its fixed assets and other assets in accordance with section 360-10-15 of the FASB Accounting Standards Codification ("ASC") for disclosures about Impairment or Disposal of Long-Lived Assets. Disclosure requires recognition of impairment of long-lived assets in the event the net book value of such assets exceeds its expected cash flows. If so, it is considered to be impaired and is written down to fair value, which is determined based on either discounted future cash flows or appraised values.

Fair Value of Financial Instruments

The Company follows paragraph 825-10-50-10 of the FASB ASC for disclosures about fair value of its financial instruments and paragraph 820-10-35-37 of the FASB ASC ("Paragraph 820-10-35-37") to measure the fair value of its financial instruments. Paragraph 820-10-35-37 establishes a framework for measuring fair value in US GAAP, and expands disclosures about fair value measurements. To increase consistency and comparability in fair value measurements and related disclosures, Paragraph 820-10-35-37 establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three levels of fair value hierarchy defined by Paragraph 820-10-35-37 are described below:

- Level 1 Quoted market prices available in active markets for identical assets or liabilities as of the reporting date.
- Level 2 Pricing inputs other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date.
- Level 3 Pricing inputs that are generally observable inputs and not corroborated by market data.

The carrying amounts of the Company's financial assets and liabilities, such as cash and accounts payable approximate their fair values because of the short maturity of these instruments.

Accounts Payable Related Party

Accounts payable related party is comprised of cash payments made by Worlds Inc. on behalf of the Company for shared operating expenses.

Deferred Revenue

Deferred revenue represents advance payments for the license, the design and development of the software, content and related technology for the creation of an interactive, 3D entertainment portal on the internet.

Extinguishment of liabilities

The Company accounts for extinguishment of liabilities in accordance with the guidance set forth in section 405-20 of the FASB ASC 405-20. *Extinguishments of Liabilities* When the conditions are met for the extinguishment accounting, the liabilities are derecognized and the gain or loss on the extinguishment is recognized.

Stock-Based Compensation

The Company accounts for stock-based compensation using the fair value method following the guidance set forth in section 718-10 of the FASB ASC for disclosure about Stock-Based Compensation. This section requires a public entity to measure the cost of employee services received in exchange for an award of equity instruments based on the grant-date fair value of the award (with limited exceptions). That cost will be recognized over the period during which an employee is required to provide service in exchange for the award- the requisite service period (usually the vesting period). No compensation cost is recognized for equity instruments for which employees do not render the requisite service.

Income Taxes

The Company accounts for income taxes under Section 740-10-30 of the FASB ASC ("ASC 740"). Deferred income tax assets and liabilities are determined based upon differences between the financial reporting and tax basis of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance to the extent management concludes it is more likely than not that the assets will not be realized. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the consolidated statements of operations in the period that includes the enactment date.

ASC 740 prescribes a comprehensive model for how companies should recognize, measure, present, and disclose in their financial statements uncertain tax positions taken or expected to be taken on a tax return. Under ASC 740, tax positions must initially be recognized in the financial statements when it is more likely than not the position will be sustained upon examination by the tax authorities. Such tax positions must initially and subsequently be measured as the largest amount of tax benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the tax authority assuming full knowledge of the position and relevant facts.

[Table of Contents](#)

Related Party Transactions

The Company follows subtopic 850-10 of the FASB ASC for the identification of related parties and disclosure of related party transactions.

Pursuant to Section 850-10-20 the Related parties include a. affiliates of the Company; b. Entities for which investments in their equity securities would be required, absent the election of the fair value option under the Fair Value Option Subsection of Section 825-10-15, to be accounted for by the equity method by the investing entity; c. trusts for the benefit of employees, such as pension and profit-sharing trusts that are managed by or under the trusteeship of management; d. principal owners of the Company; e. management of the Company; f. other parties with which the Company may deal if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests; and g. Other parties that can significantly influence the management or operating policies of the transacting parties or that have an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

The financial statements shall include disclosures of material related party transactions, other than compensation arrangements, expense allowances, and other similar items in the ordinary course of business. However, disclosure of transactions that are eliminated in the preparation of financial statements is not required in those statements. The disclosures shall include: a. the nature of the relationship(s) involved; b. a description of the transactions, including transactions to which no amounts or nominal amounts were ascribed, for each of the periods for which income statements are presented, and such other information deemed necessary to an understanding of the effects of the transactions on the financial statements; c. the dollar amounts of transactions for each of the periods for which income statements are presented and the effects of any change in the method of establishing the terms from that used in the preceding period; and d. amounts due from or to related parties as of the date of each balance sheet presented and, if not otherwise apparent, the terms and manner of settlement.

Comprehensive Income (Loss)

The Company reports comprehensive income and its components following guidance set forth by section 220-10 of the FASB ASC which establishes standards for the reporting and display of comprehensive income and its components in the consolidated financial statements. There were no items of comprehensive income (loss) applicable to the Company during the period covered in the financial statements.

Loss Per Share

Net loss per common share is computed pursuant to section 260-10-45 of the FASB ASC. Basic net loss per share is computed by dividing net loss by the weighted average number of shares of common stock outstanding during the period. Diluted net loss per share is computed by dividing net loss by the weighted average number of shares of common stock and potentially outstanding shares of common stock during each period. As of March 31, 2017, there were 10,475,000 options and warrants whose effect is anti-dilutive and not included in diluted net loss per share at March 31, 2017. The options and warrants may dilute future earnings per share.

Commitments and Contingencies

The Company follows subtopic 450-20 of the FASB ASC to report accounting for contingencies. Certain conditions may exist as of the date the financial statements are issued, which may result in a loss to the Company but which will only be resolved when one or more future events occur or fail to occur. The Company assesses such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to legal proceedings that are pending against the Company or unasserted claims that may result in such proceedings, the Company evaluates the perceived merits of any legal proceedings or unasserted claims as well as the perceived merits of the amount of relief sought or expected to be sought therein.

If the assessment of a contingency indicates that it is probable that a material loss has been incurred and the amount of the liability can be estimated, then the estimated liability would be accrued in the Company's financial statements. If the assessment indicates that a potentially material loss contingency is not probable but is reasonably possible, or is probable but cannot be estimated, then the nature of the contingent liability, and an estimate of the range of possible losses, if determinable and material, would be disclosed.

Loss contingencies considered remote are generally not disclosed unless they involve guarantees, in which case the guarantees would be disclosed. Management does not believe, based upon information available at this time that these matters will have a material adverse effect on the Company's financial position, results of operations or cash flows. However, there is no assurance that such matters will not materially and adversely affect the Company's business, financial position, and results of operations or cash flows.

[Table of Contents](#)

[Risk and Uncertainties](#)

The Company is subject to risks common to companies in the technology industries, including, but not limited to, litigation, development of new technological innovations and dependence on key personnel. The Company is also subject to risks arising from its medical marijuana related business inasmuch as marijuana is still a federally prohibited substance.

[Off Balance Sheet Arrangements](#)

The Company does not have any off-balance sheet arrangements.

[Uncertain Tax Positions](#)

The Company did not take any uncertain tax positions and had no adjustments to unrecognized income tax liabilities or benefits pursuant to the provisions of Section 740-10-25 for the years ended December 31, 2016 or 2015.

[Acquisition](#)

On September 29, 2014 the Company's wholly-owned subsidiary, MariMed Advisors Inc. ("MariMed Advisors"), acquired all of the outstanding equity interests of Sigal Consulting LLC ("Sigal") from its members. The purchase price, which was distributed to the sellers of Sigal, consisted of 31,954,236 shares of the Company's common stock, 3 million five-year options to purchase additional shares of the registrant's common stock at prices ranging from \$0.15 - \$0.35 per share and which vest over two years and 49% of MariMed Advisor's outstanding equity. The fair value of the common stock issued was \$5,911,534 determined by the fair value of the Company's Common Stock on the closing date, at a price of approximately \$0.185 per share. The fair value of the stock options was \$569,682 measured using the Black-Scholes valuation model on the grant date, assuming approximately 1.56% risk-free interest, 0% dividend yield, 311% volatility, and expected life of five years. The fair value of common stock issued and options granted for acquisition over the book value of Sigal is recorded as goodwill, which was subsequently impaired in full. One of the owners of Sigal, Robert Fireman, was a director of the Company at the time of acquisition.

[Subsequent Events](#)

The Company evaluated for subsequent events through the issuance date of the Company's financial statements.

[Recent Accounting Pronouncements](#)

In May 2014, the FASB issued Accounting Standards Update No. 2014-09, "Revenue From Contracts With Customers." This amendment outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance, including industry-specific guidance. The core principle of the revenue model is that "an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services." The new guidance applies to all contracts with customers except those that are within the scope of other topics in GAAP. This amendment is effective for annual reporting periods, including interim reporting periods within those periods, beginning after December 15, 2016, and is not expected to have a material impact on the Company's unaudited interim Consolidated Financial Statements.

The Company has reviewed all recently issued, but not yet effective, accounting pronouncements up to ASU 2015-08, and does not believe the future adoption of any such pronouncements may be expected to cause a material impact on its financial condition or the results of its operations.

NOTE 3 - GOING CONCERN

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. MariMed Inc. has had only limited revenues from operations and has a negative working capital. There can be no assurance that the Company will be able to obtain the substantial additional capital resources necessary to fully implement its business plan or that any assumptions relating to its business plan will prove to be accurate. The Company is pursuing sources of additional financing and there can be no assurance that any such financing will be available to the Company on commercially reasonable terms, or at all. Any inability to obtain additional financing will likely have a material adverse effect on the Company, including possibly requiring the Company to reduce and/or cease operations.

These factors raise substantial doubt about the ability of the Company to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

NOTE 4 - USE OF EQUITY AS COMPENSATION

In the past the Company has issued shares of common stock as payment for services rendered. No shares were issued during the three months ended March 31, 2017 or 2016.

NOTE 5 – DEFERRED REVENUE

Deferred revenue represents advance payments for the license, the design and development of the software, content and related technology for the creation of an interactive, 3D entertainment portal on the internet. During the period herein, no services were provided. The deferred revenue balance is \$226,950.

NOTE 6 - PROPERTY AND EQUIPMENT

During the three months ended March 31, 2017 the Company invested \$1,806,655 in rental properties and rental equipment. All purchases were related to our MariMed Advisors subsidiary. During the three months ended March 31, 2016 the Company purchased \$653,699 in rental properties and rental equipment. All purchases were related to our MariMed Advisors subsidiary.

Depreciation expense for the three months ended March 31, 2017 was \$69,827. Depreciation expense for the three months ended March 31, 2016 was \$35,439.

NOTE 7 – STOCK OPTIONS

During the three months ended March 31, 2017, no stock options or warrants were exercised.

During the three months ended March 31, 2016, the Company issued 40,000 warrants and recorded a warrant expense of \$5,154 equal to the estimated fair value of the warrants at the date of grants. The fair market value was calculated using the Black-Scholes options pricing model, assuming approximately 1.24% risk-free interest, 0% dividend yield, 298% volatility, and expected life of 3 years. There were no stock options issued during the three months ended March 31, 2016.

Stock options outstanding and exercisable as of March 31, 2017 are as follows:

Exercise Price per Share	Shares Under Option	Remaining Life in Years
Outstanding		
\$ 0.08	450,000	1.75
\$ 0.025	200,000	0.75
\$ 0.025	500,000	0.72
\$ 0.01	4,500,000	0.42
\$ 0.13	600,000	3.25
\$ 0.15	1,000,000	2.14
\$ 0.25	1,000,000	2.14
\$ 0.35	1,000,000	2.14
	9,250,000	
Exercisable		
\$ 0.08	450,000	1.75
\$ 0.025	200,000	0.75
\$ 0.025	500,000	0.72
\$ 0.01	4,500,000	0.42
\$ 0.13	600,000	3.25
\$ 0.15	1,000,000	2.14
\$ 0.25	1,000,000	2.14
	8,250,000	

NOTE 8 - TRADING SECURITIES

Marketable equity securities	Cost	Market value	Unrealized Gain/(Loss)
Paid, Inc.	\$ 13,200	\$ 567	\$ (12,663)
Global Links Corp.	\$ 381	\$ 0	\$ (381)

Fair market measurement at March 31, 2017 was computed using quoted prices in an active market for identified assets, (level 1). The shares were obtained as compensation for performing consulting services. There was an unrealized loss of \$71 for the three months ended March 31, 2017. There was an unrealized gain of \$702 for the three months ended March 31, 2016.

NOTE 9 – RELATED PARTY TRANSACTIONS

The Company was formed on January 25, 2011 as a wholly-owned subsidiary of Worlds Inc. (formerly known as Worlds.com Inc.). On May 16, 2011 Worlds Inc. transferred to the Company the majority of its operations and related operational assets, except for its patent portfolio. Worlds Inc. has also given to the Company a perpetual world-wide license to its patented technology. Pursuant to the license, the Company has the right to issue unlimited sublicenses to the licensed technology, subject to World Inc.'s reasonable consent.

The assets transferred to the Company include: Worlds Inc.'s technology platform, Worlds Ultimate Chat, Aerosmith World, DMC Worlds, Cinema Virtual, Pearson contracts and related revenue, the following URLs: Worlds.com, Cybersexworld.com, Hang.com, and Worldsfunds.com, a digital inventory of over 10,000 3D objects, animation sequences, an extensive avatar library, texture maps and virtual world architectures. None of the transferred assets have any carrying value on the financial statements of the Company. Deferred revenue of \$226,950 at March 31, 2017 and December 31, 2016 was transferred from Worlds, Inc.

The due from related party balance at March 31, 2017 is \$158,880 and is comprised of cash payments made by us to subsidiaries and Sigal Holdings related to the transfer of all balances in the acquisition of Sigal Consulting LLC. The due from related party balance as of December 31, 2016 is \$136,394.

The due to related parties for 2017 is comprised of cash received from related parties to pay for operating expenses and include advances made by a Director. The balance at December 31, 2016 is \$148,963 and as of December 31, 2016 the balance was \$148,337.

NOTE 10 – COMMITMENTS AND CONTINGENCIES

The Company is committed to an employment agreement with its President and CEO, Thom Kidrin. The agreement, dated as of August 30, 2012, is for five years with a one-year renewal option held by Mr. Kidrin. The agreement provides for a base salary of \$175,000, which increases 10% on September 1 of each year; a monthly car allowance of \$500; an annual bonus equal to 2.5% of Pre-Tax Income (as defined in the agreement); an additional bonus as follows: \$75,000, if Pre-Tax Income for the year is between 150% and 200% of the prior fiscal year's Pre-Tax Income or (B) \$100,000, if Pre-Tax Income for the year is between 201% and 250% of the prior fiscal year's Pre-Tax Income or (C) \$200,000, if Pre-Tax Income for the year is 251% or greater than the prior fiscal year's Pre-Tax Income, but in no event shall this additional bonus exceed five (5%) percent of Pre-Tax Income for such year; payment of up to \$10,000 in life insurance premiums; options to purchase 4.5 million shares of the Company common stock at an exercise price of \$0.01 per share, of which one-third vested on August 30, 2012, one-third vest on August 30, 2013 and the balance vest on August 30, 2014; a death benefit of at least \$2 million dollars; and a payment equal to 2.99 times his base amount (as defined in the agreement) in the event of a Change of Control (as defined in the agreement). The agreement also provides that Mr. Kidrin can be terminated for cause (as defined in the agreement) and that he is subject to restrictive covenants for 12 months after termination. The balance due Mr. Kidrin at March 31, 2017 is \$904,009 and is included in accrued expenses. The balance due Mr. Kidrin at December 31, 2016 is \$657,497 and is included in accrued expenses.

NOTE 11 - NON-CONTROLLING INTEREST

Effective September 29, 2014, in connection with the acquisition of Sigal Consulting LLC., the Company's percentage of ownership in MariMed Advisors, Inc., its subsidiary, decreased from 100% to 51%. The acquisition resulted in an allocation of ownership interest valued at \$(41,159) to the noncontrolling shareholders.

During the three months ended March 31, 2017, \$141,626 net income attributed to noncontrolling interest. On March 31, 2017 the noncontrolling interest is \$698,632.

During the three months ended March 31, 2016, \$38,773 net income attributed to noncontrolling interest. On March 31, 2016 the noncontrolling interest is \$274,326.

NOTE 12 – SEGMENTS

The Company follows paragraph 280 of the FASB Accounting Standards Codification for disclosures about segment reporting. This Statement requires companies to report information about operating segments in interim and annual financial statements. It also requires segment disclosures about products and services, geographic areas, and major customers.

	Three Months Ended	
	March 31, 2017	March 31, 2016
Revenues:		
Worlds 3D	\$ 61	\$ 213
MariMed Advisors	1,150,658	614,243
Consolidated revenues	<u>\$ 1,150,719</u>	<u>\$ 614,456</u>
Depreciation and amortization:		
Worlds 3D	\$ —	\$ —
MariMed Advisors	69,827	35,439
Depreciation and amortization	<u>\$ 69,827</u>	<u>\$ 35,439</u>
Profit/(Loss) before taxes		
Worlds 3D	\$ (138,023)	\$ (132,521)
MariMed Advisors	247,409	70,759
Profit/(Loss) before taxes	<u>\$ 109,386</u>	<u>\$ (61,762)</u>
Capital Expenditures:		
Worlds 3D	\$ —	\$ —
MariMed Advisors	1,806,655	990,504
Combined capital expenditures	<u>\$ 1,806,655</u>	<u>\$ 990,504</u>
Assets:		
Worlds 3D	\$ 4,576	\$ 20,311
MariMed Advisors	10,845,183	5,368,004
Combined assets	<u>\$ 10,849,759</u>	<u>\$ 5,388,315</u>

NOTE 13 – MATERIAL TRANSACTION

Mia Development LLC (“Mia”) entered into a long term lease with First State Compassion Center. Mia purchased the building in 2016. The tenant secured the license in the State of Delaware and is paying rent as per lease agreement.

In January of 2015, First State Compassion Center Inc. issued a promissory note to Mia in the amount of \$1,100,000. The note carries a 12.5% interest rate and is due on December 31, 2019. During 2015, the note act as a revolving credit line. Whatever the outstanding balance is eight months from the date of execution shall be fixed as the amount due and payable of the note, not to exceed \$1,100,000. The balance of the note on March 31, 2017 is \$654,727.

During the year ended December 31, 2016 Mia issued shares of Class A units for \$206,157. During the year ended December 31, 2015 Mia issued shares of Class A units for \$1,500,469. As part of the operating agreement, the Class A members will receive seventy percent of the operating cash flow until they receive 100% of their investment back.

Mari Holdings IL LLC, (Mari”) a wholly owned subsidiary of Marimed has purchased land and developed buildings to lease to KPG of Anna LLC and KPG of Harrisburg LLC, two companies that have been awarded dispensary licenses for medical cannabis in the state of Illinois. Mari has entered into an operating agreement with KPG of Anna LLC and KPG Harrisburg LLC to manage and run the dispensaries.

NOTE 14 - SUBSEQUENT EVENTS

The Company raised \$300,000 in April by selling 1,511,110 shares of common stock to accredited investors at a price per share between \$0.18 per share and \$0.25 per share.

The Company amended its Certificate of Incorporation to change its name to MariMed Inc. and to increase its authorized capital to 500 million shares of common stock and 50 million shares of preferred stock.

The Company changed its ticker symbol to MRMD.

On May 11, 2017, the Company entered into a Membership Interest Purchase Agreements with Sigal Consulting, LLC and MariMed Advisors Inc. to purchase 49% of the MariMed Advisors Inc. from its owners, Robert Fireman, Gerald J. McGraw Jr., Jon R. Levine, James E Griffin Jr. and Timothy Shaw for an aggregate of 75 million shares of restricted stock all of which shares will be subject to 12 month lock up.

Item 2. Management's Discussions and Analysis of Financial Condition and Results of Operations

Forward Looking Statements

When used in this form 10-Q and in future filings by the Company with the Commission, the words or phrases such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "predict," "project," "will" or similar expressions are intended to identify "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Readers are cautioned not to place undue reliance on any such forward looking statements, each of which speak only as of the date made. Such statements are subject to certain risks and uncertainties that could cause actual results to differ materially from historical earnings and those presently anticipated or projected. The Company has no obligation to publicly release the result of any revisions which may be made to any forward-looking statements to reflect anticipated or unanticipated events or circumstances occurring after the date of such statements.

These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different. These factors include, but are not limited to, changes that may occur to general economic and business conditions; changes in current pricing levels that we can charge for our services or which we pay to our suppliers and business partners; changes in political, social and economic conditions in the jurisdictions in which we operate; changes to regulations that pertain to our operations; changes in technology that render our technology relatively inferior, obsolete or more expensive compared to others; foreign currency fluctuations; changes in the business prospects of our business partners and customers; increased competition, including from our business partners; delays in the delivery of broadband capacity to the homes and offices of persons who use our services; general disruptions to Internet service; and the loss of customer faith in the Internet as a means of commerce.

The following discussion should be read in conjunction with the unaudited financial statements and related notes which are included under Item 1.

We do not undertake to update our forward-looking statements or risk factors to reflect future events or circumstances.

Overview

General

We currently operate in two separate segments with one segment being a 3D entertainment portal which leverages its proprietary licensed technology to offer visitors a network of virtual, multi-user environments which we call "worlds" and the second segment being a management company in the medical cannabis industry operating through a subsidiary, MariMed Advisors.

We were formed on January 25, 2011 as a wholly-owned subsidiary of Worlds Inc. (formerly known as Worlds.com Inc.). Effective May 16, 2011 Worlds Inc. transferred to us the majority of its operations and related operational assets, except for its patent portfolio. Worlds Inc. has also given us a perpetual world-wide license to its patented technology. Pursuant to the license and we have the right to issue unlimited sublicenses to the licensed technology, subject to Worlds Inc.'s reasonable consent.

The assets transferred to us include: Worlds Inc.'s technology platform, Worlds Chat, Aerosmith World, DMC Worlds, Cinema Virtual, Pearson contracts and related revenue, the following URLs: Worlds.com, Cybersexworld.com, Hang.com, and Worldsfunds.com, a digital inventory of over 10,000 3D objects, animation sequences, an extensive avatar library, texture maps and virtual world architectures.

The transfer of assets occurred in the context of the spin-off by Worlds Inc. of its online and operational technologies businesses to us. The spin-off was effectuated by Worlds Inc. declaring a dividend of its shares of its then wholly-owned subsidiary, (then called Worlds Online, Inc.) with each share of Worlds Inc. to receive 1/3 of a share of the spin-off subsidiary with all fractional shares rounded up. Worlds Inc. did not want a trading market to develop for its shares until the SEC completed its review of its registration statement on Form 10. Accordingly, the actual distribution of the dividend did not occur until the payment date of March 12, 2012. Our stock is quoted on the OTC Bulletin Board. Approximately 23,859,248 shares were issued as part of the dividend distribution and immediately following the distribution Worlds Inc. continued to own approximately 19.6% of our outstanding shares. Worlds Inc. intends to dispose of its stock in an orderly fashion into the open market or in private sales, in either case in ways designed not to impact the market, but in any event within five years of the dividend payment debt if reasonably practical. While it holds any of our shares it will vote them in proportion to the votes by other stockholders.

On May 19, 2014, the Company entered into a Membership Interest Purchase Agreement (the "Agreement") between MariMed Advisors Inc. ("MariMed Advisors"), a wholly owned subsidiary of the Company, Sigal Consulting LLC ("Sigal"), a Massachusetts limited liability company, and the Members of Sigal ("Sellers"). The transaction closed on September 29, 2014. Pursuant to the Agreement, the Company, through MariMed Advisors, acquired all of the assets of Sigal and the Sellers received the aggregate amount of (i) the Company's common stock equal to 50% of the Company's outstanding common stock on the Closing Date; (ii) three million options to purchase shares of the Company's common stock which are exercisable over five years with various exercise prices ranging from \$0.15 to \$0.35 and (iii) 49% of MariMed Advisor's outstanding common stock. As a result, the Company's ownership of MariMed was reduced from 100% to 51%.

Revenues

Revenues are primarily generated by our cannabis consulting business with our 3D business contributing just a negligible amount.

With our acquisition of Sigal by our MariMed Advisors subsidiary, revenue was generated through sub leasing agreements with medical marijuana companies and consulting agreements with services being performed during the period. MariMed Advisors enters into consulting agreements to help entities attain medical marijuana licenses and provides services in the development and management of state licensed medical marijuana facilities. Our professional management team has developed best practices and standard operating procedures for cultivation and dispensing of medical cannabis. We also enter into rental agreements whereby we purchase or sublease space which we then rent to medical marijuana companies who would otherwise not have the resources to finance their operations.

Our 3D business receives revenues from VIP membership fees, typically \$2 - \$6 per month, charged to users for either an enhanced avatar with additional virtual clothes and virtual goods or access to VIP only areas of the virtual World. To illustrate, in Worlds Inc. creation of Aerosmith World, only VIP members have access to Steven Tyler's studio and his secret world, providing VIP members a greater opportunity to meet Mr. Tyler when he is online as well as mingle with other VIP guests and watch Aerosmith music videos in the VIP media lounge. Our 3D business can also potentially derive revenues from the entry into development agreement with clients in which a development, license and maintenance fee is paid for the creation and administration of a 3D virtual world to be offered to a select user base.

Our financial statements currently reflect an entry called "deferred revenue". This is specific to the conversion of a note Worlds Inc. issued to Pearson PLC in 1996 in the initial face amount of \$1,263,900. Pearson has agreed to forgive 50% of the note and convert the balance of the note into deferred revenue for products and services Worlds Inc. develops for Pearson in the form of virtual worlds for training and distant learning. Each product Worlds Inc. develops for Pearson has been reviewed and accepted by a senior Pearson executive as part of an ongoing internal sales and capabilities program between various divisions within Pearson. As part of the Spinoff we assumed this obligation and intend to continue to pay down the debt by providing additional products and services

.Expenses

We classify our expenses into two broad groups:

- cost of revenues; and
- selling, general and administration.

Liquidity and Capital Resources

We raised \$400,000 during the three months ended March 31, 2016 in order to fund MariMed Advisor's business operations. We expect to continue to pursue additional sources of capital though we have no current arrangements with respect to, or sources of, additional financing at this time and there can be no assurance that any such financing will become available.

RESULTS OF OPERATIONS

Our net revenues for each of the three months ended March 31, 2017 and 2016 were \$1,150,719 and \$614,456, respectively. The revenue is from sub leasing contracts with a medical marijuana companies, and consulting contracts through our subsidiary MariMed.

Three months ended March 31, 2017 compared to three months ended March 31, 2016

Revenue increased by \$536,263 to \$1,150,719 for the three months ended March 31, 2017 from \$614,456 in the prior year, an increase of 87%. The increase in revenue in 2017 is from the sub leasing and consulting contracts with medical marijuana companies in Delaware and Illinois through our MariMed subsidiary.

Cost of revenues for the three months ended March 31, 2017 increased by \$49,572 to \$401,241 from \$351,669 in the prior year, an increase of 14%. Cost of revenue includes costs related to the sub lease and consulting contracts signed by MariMed Advisors and includes depreciation expense. The increase is due to the increased activity in MariMed Advisor's business.

Selling general and administrative (SG&A) for the three months ended March 31, 2017 increased by \$190,181 or 168% to \$302,890 from \$112,709 in the prior year. Increase is due to the costs related to adding five additional contracts from the prior year. Consulting expense was \$15,000 for the three months ended March 31, 2016 and \$0 for the three months ended March 31, 2017.

Payroll and related taxes for the three months ended March 31, 2017 increased by \$47,331 to \$167,862 from \$120,531.

Depreciation expense for the three months ended March 31, 2017 was \$69,827 compared to \$35,439 for the three months ended March 31, 2016. Depreciation expense is included as a component of cost of revenues.

We had interest expense of \$102,182 for the three months ended March 31, 2017 compared to \$92,712 for the three months ended March 31, 2016. Interest expense is related to the convertible notes.

Other expenses include loss on conversion of payable to common stock of \$18,278 for the three months ended March 31, 2017. Other expenses for the three months ended March 31, 2016 include warrant expense of \$5,154.

We had an unrealized loss on trading securities of \$71 for the three months ended March 31, 2017. We had an unrealized gain on trading securities of \$702 for the three months ended March 31, 2016.

As a result of the foregoing, for the three months ended March 31, 2017, we realized net income of \$109,386 compared to a loss of \$61,761 for the three months ended March 31, 2016. Net income attributable to non controlling interests as of March 31, 2017 is \$141,626, compared to net income attributable to non controlling interests of \$38,773 for the three months ended March 31, 2016.

Liquidity and Capital Resources

Our unrestricted cash and cash equivalents was \$640,282 at March 31, 2017. We had capital expenditures of \$1,806,655 in the three months ending March 31, 2017 compared to \$990,504 for the period ended in 2016.

We were able to raise \$1,700,000 during the three months ended March 31, 2016. Additional funds will need to be raised in order for us to move forward with the MariMed Advisors business plans. No assurances can be given that we will be able to raise any additional funds.

Subsequent Events

Following the close of the first quarter the Company (i) changed its name to MariMed Inc. (ii) changed its ticker symbol to MRMD, (iii) increased its authorized capital to 500 million shares of common stock and 50 million shares preferred stock, and (iv) purchased 49% of MariMed Advisors from the former owners of Sigal Consulting LLC for 75 million shares of restricted common stock subject to a 12 month lock up.

Item 4. Controls And Procedures

As of March 31, 2017, we carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended). Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of March 31, 2017. The above statement notwithstanding, you are cautioned that no system is foolproof.

Changes in Internal Control Over Financial Reporting

During the quarter covered by this report there were no changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended) that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

This quarterly report does not include an attestation report of the Company's registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by the Company's registered public accounting firm pursuant to temporary rules of the Securities and Exchange Commission that permit the Company to provide only management's reports in this quarterly report.

PART II OTHER INFORMATION

Item 1. Legal Proceedings.

Item 1A. Risk Factors

We are not obligated to disclose our risk factors in this report, however, limited information regarding our risk factors appears in Part I, Item 2. “Management’s Discussion and Analysis of Financial Condition and Results of Operations” under the caption “Forward-Looking Statements” contained in this Quarterly Report on Form 10-Q, and in “Item 1A. RISK FACTORS” of our Annual Report on Form 10K. There have been no material changes from the risk factors previously disclosed in our Annual Report on Form 10K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosure

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

- | | |
|---------------|--|
| 10.1 | Membership Interest Purchase Agreement by and among Sigal Consulting, LLC, MariMed Inc., MariMed Advisors Inc., Robert Fireman, Gerald J. McGraw Jr., Jon R. Levine, James E. Griffin Jr. and Timothy Shaw |
| 31.1 | Certification of Chief Executive Officer |
| 31.2 | Certification of Chief Financial Officer |
| 32.1 | Statement required by 18 U.S.C. Section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002. |
| 32.2 | Statement required by 18 U.S.C. Section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002. |
| 101.INS* XBRL | Instance Document |
| 101.SCH* XBRL | Taxonomy Extension Schema |
| 101.CAL* XBRL | Taxonomy Extension Calculation Linkbase |
| 101.DEF* XBRL | Taxonomy Extension Definition Linkbase |
| 101.LAB* XBRL | Taxonomy Extension Label Linkbase |
| 101.PRE* XBRL | Taxonomy Extension Presentation Linkbase |

SIGNATURES

In accordance with the requirements of the Exchange Act, the Registrant caused this Report to be signed on its behalf by the undersigned thereto duly authorized.

Date: May 15, 2017

MARIMED INC.

By: /s/ Thomas Kidrin
Thomas Kidrin
President and CEO

By: /s/ Christopher Ryan
Christopher Ryan
Chief Financial Officer

INDEX TO EXHIBITS

Exhibit No.	Description
10.1	Membership Interest Purchase Agreement by and among Sigal Consulting, LLC, MariMed Inc., MariMed Advisors Inc., Robert Fireman, Gerald J. McGraw Jr., Jon R. Levine, James E. Griffin Jr. and Timothy Shaw
31.1	Certification of Chief Executive Officer
31.2	Certification of Chief Financial Officer
32.1	Statement required by 18 U.S.C. Section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Statement required by 18 U.S.C. Section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002.
101.INS* XBRL	Instance Document
101.SCH* XBRL	Taxonomy Extension Schema
101.CAL* XBRL	Taxonomy Extension Calculation Linkbase
101.DEF* XBRL	Taxonomy Extension Definition Linkbase
101.LAB* XBRL	Taxonomy Extension Label Linkbase
101.PRE* XBRL	Taxonomy Extension Presentation Linkbase

[Table of Contents](#)

EXHIBIT 31.1

Certifications

I, Thomas Kidrin, certify that:

1. I have reviewed this quarterly report on Form 10-Q of MariMed Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures, and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 15, 2017

/s/ Thomas Kidrin

Thomas Kidrin

Chief Executive Officer

EXHIBIT 31.2

Certifications

I, Christopher J. Ryan, certify that:

1. I have reviewed this quarterly report on Form 10-Q of MariMed Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures, and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 15, 2017

/s/ Christopher J. Ryan

Christopher J. Ryan

Chief Financial Officer

Exhibit 32.1

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of MariMed Inc. (the "Company") on Form 10-Q for the three months ended March 31, 2017 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Thomas Kidrin, Chief Executive Officer of the Company, certifies, pursuant to 18 U.S.C. 1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, based on my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, our financial condition and result of operations.

MARIMED INC.

(Registrant)

Date: May 15, 2017

By: /s/ Thomas Kidrin
Thomas Kidrin
Chief Executive Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of MariMed Inc. (the "Company") on Form 10-Q for the three months ended March 31, 2017 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Christopher J. Ryan, Chief Financial Officer of the Company, certifies, pursuant to 18 U.S.C. 1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, based on my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, our financial condition and result of operations.

MARIMED INC.

(Registrant)

Date: May 15, 2017

By: /s/ Christopher J. Ryan
Christopher J. Ryan
Chief Financial Officer

MEMBERSHIP INTEREST PURCHASE AGREEMENT

by and among

SIGAL CONSULTING, LLC,

a Massachusetts limited liability company,

MARIMED INC.,

a Delaware corporation

MARIMED ADVISORS INC.,

a Delaware corporation,

ROBERT FIREMAN,

GERALD J. MCGRAW JR.,

JON R. LEVINE,

JAMES E. GRIFFIN JR., and

TIMOTHY SHAW

May 10, 2017

This document has been prepared solely to facilitate discussions of a possible transaction among the parties identified herein. It is not intended, and will not be deemed, to constitute an offer or agreement, or to create legally binding or enforceable obligations, of any type or nature. No such offer, agreement or obligations shall be made or created among the parties identified herein except pursuant to a written agreement executed by such parties.

(1)

MEMBERSHIP INTEREST PURCHASE AGREEMENT

This Membership Interest Purchase Agreement (this "Agreement") is entered into on May 10, 2017, by and among Sigal Consulting LLC, a Massachusetts limited liability company (the "Company"), MariMed Inc. (formerly known as Worlds Online Inc.), a Delaware corporation ("MRMD"), MariMed Advisors Inc., a Delaware corporation ("Buyer"), and each of Robert Fireman, Gerald J. McGraw Jr., Jon R. Levine, James E. Griffin Jr. and Timothy Shaw (each a "Seller" and collectively, the "Sellers"). Buyer, the Company, MRMD and the Sellers are sometimes collectively referred to herein as the "Parties" and each individually as a "Party."

WHEREAS, as of the date hereof, the Sellers are the beneficial and record owners of 49% of the issued and outstanding membership interests (the "Interests") in the Company, with each Seller owning the percentage of such Interests (the "Percentage Interests") as set forth on Exhibit A attached hereto; and

WHEREAS, pursuant to a Membership Interest Purchase Agreement dated May 19, 2014 Buyer purchased 51% of the then outstanding membership interests of the Company (the "Prior Agreement"); and

WHEREAS, Buyer desires to acquire all of the Interests from the Sellers, and each Seller desires to sell his or its respective Interests to Buyer, in each case upon the terms, in the manner and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the premises, mutual covenants, representations, warranties and agreements contained herein and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Parties hereby agree as follows:

ARTICLE I

DEFINITIONS

The definitions contained in the Prior Agreement are incorporated herein and made a part hereof as if actually contained herein.

ARTICLE II

PURCHASE AND SALE

Section 2.01 Purchase and Sale of the Interests. On the terms and conditions set forth in this Agreement, at the Closing (as defined below) and upon payment of the Closing Consideration (as defined below) by Buyer in accordance with Section 2.02, Buyer shall purchase and accept from each Seller, and each Seller shall sell, transfer and assign to Buyer, all of the Interests held by such Seller.

Section 2.02 Payment of Closing Consideration. Each Seller shall sell to Buyer and Buyer shall purchase from each Seller, all of each Seller's Interests in consideration for an aggregate amount of 75 million shares of MRMD common stock (the "Closing Consideration"). The shares of MRMD common stock delivered as the Closing Consideration shall be allocated among the Sellers pursuant to the Percentage Interests listed on Exhibit A hereto. Each Seller agrees that the shares comprising the Closing Consideration shall be subject to a lock up for twelve (12) months following the Closing.

Section 2.03 The Closing. The closing of the transactions contemplated by this Agreement (the “Closing”) shall take place at the offices of Feder Kaszovitz LLP, 845 Third Avenue, New York, New York 10022, commencing at 10:00 a.m. local time on the second business day following the satisfaction or waiver of all conditions to the obligations of the Parties to consummate the transactions contemplated hereby (other than conditions with respect to actions the respective Parties will take at the Closing itself) or such other date as the Parties may mutually determine (the “Closing Date”). The Closing shall be effective as of 11:59 p.m., local time, on the Closing Date (the “Effective Time”).

Section 2.04 Deliveries at the Closing. At the Closing, the Parties shall deliver or file, or cause to be delivered or filed, each of the following:

(i) Buyer shall deliver to each Seller such Seller’s respective portion of the Closing Consideration in accordance with Section 2.02; and

(ii) Each Seller shall deliver to Buyer, duly endorsed for transfer or accompanied by a duly executed transfer power, and one or more certificates representing the Interests owned by such Seller.

ARTICLE III

REPRESENTATIONS AND WARRANTIES WITH RESPECT TO THE COMPANY

As a material inducement to Buyer and MRMD to enter into this Agreement, the Sellers and the Company jointly and severally represent and warrant to Buyer, as of the date hereof, that all of the representations and warranties contained in the Prior Agreement are true and correct as of the date hereof as if made on the date hereof and to the extent any such representation or warranty speaks as of an earlier date it shall be deemed to be speaking as of the date hereof.

ARTICLE IV

REPRESENTATION AND WARRANTIES WITH RESPECT TO THE SELLERS

As a material inducement to Buyer to enter into this Agreement, each Seller represents and warrants to Buyer, solely as to itself, as of the date hereof, as follows:

Section 4.01 Authorization of Transaction: Binding Effect.

(a) Such Seller has the power and authority to execute and deliver this Agreement and to perform his or its obligations hereunder.

(b) This Agreement has been duly executed and delivered by such Seller and constitutes the valid and legally binding obligation of such Seller, enforceable in accordance with its terms and conditions, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors’ rights generally and by general equitable principles (whether considered in a proceeding at law or in equity).

Section 4.02 Noncontravention. Neither the execution and the delivery of this Agreement, nor the consummation of the transactions contemplated hereby, will (i) violate any Law or other restriction of any Governmental Authority to which such Seller is subject or (ii) conflict with, result in a breach of, constitute a default under or result in the acceleration of, any material contract to which such Seller is a party. To the Knowledge of the Sellers, the execution and delivery of this Agreement by such Seller does not require any consent or approval of any Governmental Authority.

Section 4.03 Ownership of Interests. Such Seller is the record owner of the Percentage Interests set forth opposite such Seller's name on Exhibit A attached hereto. Such Seller has good and marketable title to such Interests free and clear of any and all Liens other than restrictions under securities Laws. Such Interests will be sold, transferred and conveyed to Buyer, subject to the terms of this Agreement and pursuant to the procedures set forth in this Agreement, free and clear of all Liens other than restrictions under securities Laws.

Section 4.04 Litigation. Such Seller is not a party to any legal action, nor to the Knowledge of such Seller, is any legal action threatened in writing against such Seller, before any court or judicial or administrative agency of any Governmental Authority.

Section 4.05 Broker's Fees. The Sellers do not have any liability or obligation to pay any fees or commissions to any broker, finder or agent with respect to the transactions contemplated by this Agreement for which Buyer could become liable or obligated.

Section 4.06 Investment Intent; Restricted Securities. Seller is acquiring the securities included in the Closing Considerations solely for its own account, for investment purposes only, and not with a view to, or any present intention of, reselling or otherwise distributing the stock and options or dividing its participation herein with others. Seller is either an "accredited investor" or either alone or with his Purchaser Representative" (as such terms are defined in Regulation D promulgated by the Securities and Exchange Commission under the Securities Act) has such knowledge and experience in financial and business matters that he is capable of evaluating the merit and risks of the purchasing the securities included in the Closing Consideration. Seller understands and acknowledges that (i) none of the securities included in the Closing Consideration have been registered under the Securities Act or any state or foreign securities Laws, in reliance upon specific exemptions thereunder for transactions not involving any public offering, and (ii) the securities included in the Closing Consideration may not be sold, transferred, offered for sale, pledged, hypothecated or otherwise disposed of unless such transfer, sale, assignment, pledge, hypothecation or other disposition is pursuant to the terms of an effective registration statement under the Securities Act and are registered under any applicable state or foreign securities Laws or pursuant to an exemption from registration under the Securities Act and any applicable state or foreign securities Laws. Seller will not transfer or otherwise dispose any of the securities included in the Closing Consideration acquired hereunder or any interest therein in any manner that may cause Seller or Buyer to be in violation of the Securities Act or any applicable state securities Laws.

Section 4.07 Inspection; No Other Representations

Section 4.08. Seller has undertaken such investigation and has been provided with and has evaluated such documents and information as it has deemed necessary to enable it to make an informed and intelligent decision with respect to the execution, delivery and performance of this Agreement and the transactions contemplated hereby. Seller acknowledges that MRMD has given Seller such access to the key employees, documents and facilities of MRMD as Seller, in its sole discretion, has determined to be necessary or desirable for purposes of Seller's evaluation, negotiation and implementation of the transactions contemplated hereby. MRMD has answered to Seller's satisfaction all inquiries that Seller or its representatives have made concerning the business of MRMD or otherwise relating to the transactions contemplated hereby.

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF BUYER

As a material inducement to the Sellers and the Company to enter into and perform their respective obligations under this Agreement, Buyer represents and warrants to the Sellers and the Company, as of the date hereof, that all of the representations and warranties contained in the Prior Agreement are true and correct as of the date hereof as if made on the date hereof and to the extent any such representation or warranty speaks as of an earlier date it shall be deemed to be speaking as of the date hereof.

ARTICLE VI

Intentionally Omitted.

ARTICLE VII

ADDITIONAL AGREEMENTS

Section 7.01 General. In case at any time after the Closing any further action is necessary to carry out the purposes of this Agreement, each of the Parties shall take such further action (including the execution and delivery of such further instruments and documents) as the other Party reasonably may request, at the sole cost and expense of the requesting Party.

Section 7.02 Transaction Expenses. The Sellers shall be solely responsible for the payment of any fees and expenses incurred by or on behalf of the Company or any of the Sellers in connection with the transactions contemplated hereby.

Section 7.03 Provision Respecting Representation of the Buyer and MRMD. Each of the Parties hereby agrees, on its own behalf and on behalf of its directors, members, managers, partners, stockholders, officers, employees and affiliates, that Feder Kaszovitz LLP is serving as counsel to the Buyer and MRMD, in connection with the negotiation, preparation, execution and delivery of this Agreement and the consummation of the transactions contemplated hereby, and that, following consummation of the transactions contemplated hereby, Feder Kaszovitz LLP (or any successor) will continue to serve as counsel to the Buyer and MRMD, including in connection with any litigation, claim or obligation arising out of or relating to this Agreement or the transactions contemplated by this Agreement notwithstanding such representation, and each of the Parties hereby consents thereto and waives any conflict of interest arising therefrom, and each of such Parties shall cause any affiliate thereof to consent to waive any conflict of interest arising from such representation.

Section 7.04 Transfer Taxes. All sales and transfer taxes, recording charges and similar taxes, fees or charges imposed as a result of the transactions contemplated by this Agreement (collectively, the "Transfer Taxes"), together with any interest, penalties or additions to such Transfer Taxes, shall be paid by the Sellers. The Sellers and Buyer shall cooperate in timely making all filings, returns, reports and forms as necessary or appropriate to comply with the provisions of all applicable Laws in connection with the payment of such Transfer Taxes, and shall cooperate in good faith to minimize, to the fullest extent possible under such Laws, the amount of any such Transfer Taxes payable in connection therewith.

ARTICLE VIII

CONDITIONS

Section 8.01 Conditions to Obligation of Buyer

. The obligation of Buyer to consummate the transactions to be performed by it in connection with the Closing is subject to satisfaction or waiver of the following conditions as of the Closing:

(a) Representations and Warranties. Each of the representations and warranties made by the Company or a Seller in this Agreement shall be true and correct at and as of the Closing as though such representation or warranty was made at and as of the Closing, except for representations and warranties made as of a specific date, which shall be true and correct as of such date, in each case except where the failure so to be true would not have, individually or in the aggregate, a material adverse effect on the Company's business operations or prospects, and Buyer shall have received a certificate from the Company certifying as to the foregoing.

(b) Performance of Covenants. The Company and the Sellers shall have performed and complied with in all material respects all of their respective covenants and agreements required to be performed or complied with by them under this Agreement prior to the Closing Date and Buyer shall have received a certificate from each of the Company and each Seller certifying as to the foregoing.

(c) Third Party Consents. All notices, reports, and other filings required to be made prior to Closing by the Sellers or the Company with, and all licenses, permits, consents, approvals, authorizations, qualifications or orders required to be obtained prior to Closing by the Sellers or the Company from, any Government Entity or from any other person or entity in connection with the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby shall have been made or obtained.

(d) No Material Adverse Change. There shall have been no material adverse effect on the Company's business operations or prospects since December 31, 2016.

(e) Deliveries. The Sellers shall have delivered or filed or caused to be delivered or filed each item required to be delivered by it pursuant to Section 2.04.

Buyer may waive any condition if it executes a writing so stating at or prior to the Closing. In addition, any condition that shall not have been satisfied or waived at or prior to the Closing shall be deemed to have been waived by Buyer if the Closing occurs notwithstanding the failure of such condition to have been satisfied or waived in writing.

Section 8.02 Conditions to Obligation of the Company and the Sellers. The obligation of the Company and the Sellers to consummate the transactions to be performed by them in connection with the Closing is subject to satisfaction of the following conditions as of the Closing:

(a) Representations and Warranties. Each of the representations and warranties made by Buyer in this Agreement shall be true and correct at and as of the Closing as though such representation or warranty was made at and as of the Closing, except for representations and warranties made as of a specific date, which shall be true and correct as of such date, in each case, except where the failure so to be true would not have, individually or in the aggregate, a material adverse effect on Buyer's ability to consummate the transactions contemplated by this Agreement, and the Sellers shall have received a certificate of Buyer certifying as to the foregoing.

(b) Performance of Covenants. Buyer shall have performed and complied with, or shall cause the performance of and compliance with, in all material respects all of its covenants and agreements required to be performed or complied with by it under this Agreement prior to the Closing Date and the Sellers shall have received a certificate of Buyer certifying as to the foregoing.

(c) Deliveries. Buyer shall have delivered or filed or caused to be delivered or filed each item required to be delivered by it pursuant to Section 2.04.

The Sellers may waive any condition if each of them executes a writing so stating at or prior to the Closing. In addition, any condition that shall not have been satisfied or waived at or prior to the Closing shall be deemed to have been waived by the Sellers if the Closing occurs notwithstanding the failure of such condition to have been satisfied or

waived in writing.

ARTICLE IX

Intentionally Omitted.

ARTICLE X

INDEMNIFICATION

The indemnification provisions contained in the prior agreement are incorporated herein and made a part hereof as if actually contained herein.

ARTICLE XI

MISCELLANEOUS

Section 11.01 Sellers' Representative.

(a) Each Seller, by virtue of his or her execution and delivery of this Agreement, hereby irrevocably nominates, constitutes and appoints Jon R. Levine as the agent, agent for service of process and true and lawful attorney-in-fact of the Sellers (the "Sellers' Representative"), with full power of substitution, to act in the name, place and stead of such Seller with respect to this Agreement and the taking by the Sellers' Representative of any and all actions and the making of any decisions required or permitted to be taken or made by the Sellers' Representative under this Agreement including the exercise of the power: (i) to execute, deliver, acknowledge, certify and file (in the name of any or all of the Sellers or otherwise) any and all documents and to take any and all actions that the Sellers' Representative may, in his sole discretion, determine to be necessary, desirable or appropriate in connection with any indemnification claim under Article X (including negotiating, entering into compromises or settlements of and demanding arbitration with respect to any indemnification claim); and (ii) to give and receive notices and communications under this Agreement. Carlton Calvin hereby accepts his appointment as the Sellers' Representative.

(b) The power of attorney granted in this Section 11.01: (i) is coupled with an interest and is irrevocable; (ii) may be delegated by the Sellers' Representative; and (iii) shall survive the death or incapacity of each of the Sellers.

(c) Notwithstanding anything to the contrary contained in this Agreement, each Buyer Indemnified Party shall be entitled to deal exclusively with the Sellers' Representative on all matters relating to Article X, and each of them shall be entitled to rely conclusively (without further evidence of any kind whatsoever) on any document executed or purported to be executed on behalf of any Seller by the Sellers' Representative, and on any other action taken or purported to be taken on behalf of any Seller by the Sellers' Representative, as fully binding upon such Seller.

(d) The Sellers' Representative may at any time designate a replacement Sellers' Representative and each Seller, by virtue of his or her execution and delivery of this Agreement, hereby consents to such replacement Sellers' Representative. If the Sellers' Representative shall die, become disabled or otherwise be unable to fulfill his responsibilities as representative of the Sellers, then the Sellers shall, by "majority vote" within 30 days after such death or disability, appoint a successor representative and, promptly thereafter, shall notify Buyer of the identity of such successor. Any such successor shall become the "Sellers' Representative" for purposes of this Agreement. If for any reason there is no Sellers' Representative at any time, all references herein to the Sellers' Representative shall be deemed to refer to the Sellers.

(e) No bond shall be required of the Sellers' Representative and the Sellers' Representative shall receive no compensation for his services. The Sellers' Representative shall not be liable to any Seller for any act done or omitted hereunder as Sellers' Representative while acting in good faith and in the exercise of his reasonable business judgment with respect to any matter arising out of or in connection with the acceptance or administration of his duties hereunder (it being understood that any act done or omitted pursuant to the advice of counsel shall be conclusive evidence of such good faith). The Sellers' Representative shall be entitled to be indemnified by the Sellers, in each case in accordance with such Seller's Pre-Closing Ownership Percentage, for any loss, liability or expense incurred without gross negligence or willful misconduct on the part of the Sellers' Representative with respect to any matter arising out of or in connection with the acceptance or administration of his duties hereunder. The Sellers' Representative shall be entitled to recover from the Sellers, in each case in accordance with such Seller's Pre-Closing Ownership Percentage,

any out-of-pocket costs and expenses reasonably incurred by the Sellers' Representative in good faith and in connection with actions taken by the Sellers' Representative pursuant to this Agreement (including the hiring of legal counsel and the incurring of legal fees and costs). The Sellers' Representative shall keep reasonably detailed records of the costs and expenses for which he seeks reimbursement as herein provided.

Section 11.02 No Third Party Beneficiaries. Except as set forth in Section 10.02 and Section 10.04 (each such Section as incorporated herein), each of which is expressly intended for the benefit of the Persons referenced therein, this Agreement is not intended to, and shall not, confer any rights or remedies upon any Person other than the Parties and their respective successors and permitted assigns.

Section 11.03 Equitable Remedies. Notwithstanding anything herein to the contrary, the Company and the Sellers, on the one hand, and Buyer, on the other hand, hereby agree that in the event any of the Company or the Sellers, on the one hand, or Buyer, on the other hand violate any provisions of this Agreement, the remedies at Law available to Buyer, on the one hand, and the Company and the Sellers, on the other hand, may be inadequate. In such event, the Company and the Sellers, on the one hand, and Buyer, on the other hand, shall have the right, in addition to all other rights and remedies they may have, to seek specific performance and/or injunctive or other equitable relief to enforce or prevent any violations by Buyer, on the one hand, or the Company or any of the Sellers, on the other hand.

Section 11.04 Entire Agreement. This Agreement, including the documents referred to herein, constitute the entire agreement among the Parties with respect to, and supersede any prior understandings, agreements or representations by or among the Parties, written or oral, that may have related in any way to, the subject matter hereof.

Section 11.05 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties named herein and their respective successors and permitted assigns. No Party may assign either this Agreement or any of its rights, interests or obligations hereunder without the prior written approval of each of the other Parties.

Section 11.06 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. This Agreement and any amendments hereto, to the extent signed and delivered by means of digital imaging and electronic mail or a facsimile machine, shall be treated in all manner and respects as an original contract and shall be considered to have the same binding legal effects as if it were the original signed version thereof delivered in person.

Section 11.07 Headings. The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

Section 11.08 Notices. All notices, requests and other communications hereunder must be in writing and will be deemed to have been duly given only if delivered personally against written receipt or by facsimile transmission against facsimile confirmation or mailed by prepaid first class certified mail, return receipt requested, or mailed by overnight courier (of national reputation) prepaid, to the Parties at the following addresses or facsimile numbers:

If to the Company or the Sellers :

Sigal Consulting LLC

26 Ossipee Road
Suite 201
Newton, Massachusetts 02464
Fax: 781-719-0633
Attention: Jon R. Levine

with a copy (which shall not constitute notice) to :

Fireman & Associates
26 Ossipee Rd, Suite 202
Newton, Massachusetts 02464
Fax: 781-559-8811
Attention: Robert Fireman

If to Buyer:

MariMed Advisors Inc.
c/o Worlds Online Inc.
11 Royal Road
Brookline, Massachusetts
Fax: (617) 975 3888
Attention: Mr. Thom Kidrin

with a copy (which shall not constitute notice) to:

Feder Kaszovitz LLP
845 Third Avenue
New York, New York 10022-6601
Fax: (212) 888-7776
Attention: Irving Rothstein, Esq.

All such notices, requests and other communications will (a) if delivered personally to the address as provided in this Section 11.08 or by facsimile transmission to the facsimile number as provided for in this Section 11.08, be deemed given on the day so delivered, or, if delivered after 5:00 p.m. local time or on a day other than a Business Day, then on the next proceeding Business Day, (b) if delivered by mail in the manner described above to the address as provided in this Section 11.08, be deemed given on the earlier of the third Business Day following mailing or upon receipt, and (c) if delivered by overnight courier to the address as provided for in this Section 11.08, be deemed given on the earlier of the first Business Day following the date sent by such overnight courier or upon receipt, in each case regardless of whether such notice, request or other communication is received by any other Person to whom a copy of such notice is to be delivered pursuant to this Section 11.08. Either Party from time to time may change its address, facsimile number or other information for the purpose of notices to that Party by giving notice (delivered in accordance with this Section) specifying such change to the other Party.

Section 11.09 Governing Law. This Agreement shall be governed by and construed in accordance with the domestic Laws of the State of Delaware without giving effect to any choice or conflict of Law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of the Laws of any jurisdiction other than the State of Delaware.

Section 11.10 Consent to Jurisdiction. Each Party irrevocably submits to the exclusive jurisdiction of the State and Federal courts located in New York County, New York, for the purposes of any suit, action or other proceeding arising out of this Agreement or the transactions contemplated hereby. Each Party further agrees that service of any process, summons, notice or document by U.S. registered mail to such Party's respective address set forth above shall be effective service of process for any action, suit or proceeding in Los Angeles, California with respect to any matters to which it has submitted to jurisdiction in this Section 11.10. Each Party irrevocably and unconditionally waives any

objection to the laying of venue of any action, suit or proceeding arising out of this Agreement or the transactions contemplated hereby in the State and Federal courts located in New York County, New York, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

Section 11.11 Amendments and Waivers. No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by Buyer and each Seller. No waiver by either Party of any default, misrepresentation or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty, covenant or agreement hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence. Except as otherwise provided in this Agreement, no failure or delay by any party in exercising any right, power or remedy with respect to any of the provisions of this Agreement will operate as a waiver of such provisions or any other provisions.

Section 11.12 Construction. Where specific language is used to clarify by example a general statement contained herein, such specific language shall not be deemed to modify, limit or restrict in any manner the construction of the general statement to which it relates. The language used in this Agreement shall be deemed to be the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party.

Section 11.13 Interpretation. Unless the context of this Agreement otherwise requires, (i) words of any gender include each other gender; (ii) words using the singular or plural number also include the plural or singular number, respectively; (iii) the terms “hereof,” “herein,” “hereby” and derivative or similar words refer to this entire Agreement; (iv) the terms “Article” or “Section” refer to the specified Article or Section of this Agreement and (v) the word “including” means “including without limitation.”

If any provision of this Agreement or the application of any such provision is held to be prohibited or unenforceable in any jurisdiction, such provision will, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability. The remaining provisions of this Agreement will remain in full force and effect, and any such prohibition or unenforceability in any jurisdiction will not invalidate or render unenforceable such provision in any other jurisdiction. The Parties will use their best efforts to replace the provision that is contrary to law with a legal one approximating to the extent possible the original intent of the Parties.

* * * * *

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

MARIMED ADVISORS INC.

By: /s/ Robert Fireman
Name: Robert Fireman
Title: CEO

MARIMED INC.

By: /s/ Thom Kidrin
Name: Thom Kidrin
Title: CEO

SIGAL CONSULTING LLC

By: /s/ Jon R. Levine
Name: Jon R. Levine
Title: Manager

/s/ Robert Fireman
Robert Fireman

/s/ Gerald J. McGraw Jr.
Gerald J. McGraw Jr.

/s/ Jon R. Levine
Jon R. Levine

/s/ James E. Griffin Jr.
James E. Griffin Jr.

/s/ Timothy Shaw
Timothy Shaw

Exhibit A

<u>Seller</u>	<u>Percentage Interests</u>
Robert Fireman	28.0%
Gerald J. McGraw Jr.	17.0%
Jon R. Levine	28.0%
James E. Griffin Jr.	17.0%
Timothy Shaw	10.0%

