

From: [Susan Zuscak](#)
To: [Forsberg, Kristen](#)
Subject: FW: Public Records Request - T&G reporter
Date: Thursday, March 7, 2019 2:33:43 PM
Attachments: [Cultivate Rec MJ Host Agreement SIGNED 4-2-18 .pdf](#)
[Host Community Agreement - East Coast Organics EXECUTED 5-15-18.pdf](#)
[Host Community Agreement - Cannassist EXECUTED 5-15-18.pdf](#)
[IGBR Host Community Agreement Signed.pdf](#)
[Noreaster Remedies host community agreement signed.pdf](#)
[Natural Healthcare Host Community Agreement EXECUTED 12-19-16.pdf](#)
[ChillyFarms presentation Leicester.pdf](#)
[Reliable Bud Presentation.pdf](#)
[Cultivate detail 022119.pdf](#)
Importance: High

From: Davis, Debbie <Davisd@leicesterma.org>
Sent: Thursday, March 07, 2019 1:17 PM
To: Susan Zuscak <Zuscaks@leicesterma.org>
Subject: FW: Public Records Request - T&G reporter
Importance: High

From: Genereux, David <genereuxd@leicesterma.org>
Sent: Thursday, February 21, 2019 4:47 PM
To: 'Petrishen, Brad' <brad.petrishen@telegram.com>
Cc: Davis, Debbie <Davisd@leicesterma.org>; Forsberg, Kristen <forsbergk@leicesterma.org>
Subject: RE: Public Records Request - T&G reporter
Importance: High

Dear Mr. Petrishen;

I am writing in response to your request under the Public Records law (§ 66-10 et seq.). Your request for records, and my response, are listed below. Please be advised that there are nine (9) attached files.

1. All signed host community agreements and/or development agreements between a marijuana operator (medicinal or adult-use) and your municipality.

The first six (6) attachments are Host Community Agreements (HCA's) Five (5) attachments are for adult use applications. The sixth (6th), and final host community agreement is for medicinal marijuana.

The companies with which the town has executed agreements are (In order of attachment):

Cultivate Holdings, LLC

East Coast Organics. LLC

Cannassist, LLC

Integrated Genetics and Biopharma Research, LLC

Nor'easter Remedies

Natural Healthcare, Inc.

2. All written proposals for a host community agreement and/or development agreement with a marijuana operator (medicinal or adult-use) that **have been submitted to and/or proffered by** your municipality.

The next two attachments are written proposals by companies that have not proceeded to the HCA phase

Chilly Farms, LLC

Reliable Bud

3. In accordance with MGL 94G Section 3(d), **for municipalities that have entered into host community agreements with marijuana establishments that are operating**, documentation of all costs “imposed by the operation of a marijuana establishment or medicinal marijuana treatment center,” which, the law says, shall be “documented and considered a public record.”

At this point, Cultivate is the only operating marijuana facility in the Town of Leicester; and it has only been operating for ninety days. The only costs that have been documented to this point is police detail, which is paid for by the company. That cost, \$54,512.50 is listed in the final attachment.

Be advised that there is no charge to provide this information. I consider this request to be satisfied, and the matter closed.
Please feel free to contact me with questions or concerns.

Regards,

David A. Genereux

David A. Genereux
Town Administrator
Town of Leicester
3 Washburn Square
Leicester, MA 01524
Telephone: (508) 892-7000
Fax: (508) 892-7070
Email: genereuxd@leicesterma.org

“Please remember that the Secretary of State has determined that email is a public record”

From: Petrishen, Brad [<mailto:brad.petrishen@telegram.com>]
Sent: Friday, February 08, 2019 5:00 PM
To: mjohnson@ashburnham-ma.gov; townclerk@townofathol.org; jjacobson@town.auburn.ma.us; clerk@townofbarre.com; selectmen@townofberlin.com; Dkeyes@townofblackstone.org; TownClerk@townofbolton.com; mmcnamara@boylston-ma.gov; mseery@brookfieldma.us; LaCroix, Karen <karen.lacroix@townofcharlton.net>; mward@clintonma.gov; cfurno@douglasma.org; administrator@dudleyma.gov; afarrell@fitchburgma.gov; aagnelli@gardner-ma.gov; klavallee@grafton-ma.gov; clerk@townofhardwick.com; mkenney@harvard.ma.us; dhickey@holdenma.gov; lpedroli@hopedale-ma.gov; admin@hubbardstonma.us; townclerk@lancasterma.net; Genereux, David <genereuxd@leicesterma.org>; hlemieux@lunenburgonline.com; cityclerk@marlborough-ma.gov; rvillani@townofmilford.com; dmarciello@townofmillbury.net; townadmin@millvillema.org; selectboard@newbraintree.org; townadmin@town.northborough.ma.us; clerk@northbrookfield.net; dcedrone@northbridgemass.org; christine.mardirosian@oakham-ma.gov; mnadeau@leominster-ma.gov; dmazzarella@leominster-ma.gov; bosadmin@mendonma.gov; manager@town.oxford.ma.us; criches@townofpaxton.net; petershamtownclerk@verizon.net; townclerk@phillipston-ma.gov; townclerk@town.princeton.ma.us; townclerk@royalston-ma.gov; anitacarlson@townofrutland.org; kmizikar@shrewsburyma.gov; Mark Purple <mpurple@southboroughma.com>; Rangelo@southbridgemass.org; Laura Torti <ltorti@spencerma.gov>; TownClerk@sterling-ma.gov; townclerk@town.sturbridge.ma.us; l.caruso@town.sutton.ma.us; townadministrator@templeton1.org; Dbrindisi@uptonma.gov; dgenereux@uxbridge-ma.gov; lowell@warren-ma.gov; town.administrator@webster-ma.gov; enovia@westboylston-ma.gov; tclerk@wbrookfield.com; jmalloy@town.westborough.ma.us; kmurphy@westminster-ma.gov; KHickey@townofwinchendon.com; publicrecords <publicrecords@worcesterma.gov>

Subject: Public Records Request - T&G reporter

Hello Record Access Officers from Worcester County,

My name is Brad Petrishen, I'm a reporter w/the T&G. I am sending out a record request (below) regarding community host agreements/development agreements with marijuana companies.

To save myself time (I'm told this is OK to do by SecState), I decided to email all the RAOs whose contact information is on file with the state at once with identical record requests. I really appreciate your time in retrieving the records I seek.

Attached to this email (and pasted below) is the request. Please give me a call with any questions, and thank you in advance,

Brad 508-793-9464

Feb. 8, 2019 (via email)

Dear Record Access Officer,

Under the Massachusetts Public Records statute (§ 66-10 et seq.), I am requesting access to the following public records:

1. All signed host community agreements and/or development agreements between a marijuana operator (medicinal or adult-use) and your municipality.
2. All written proposals for a host community agreement and/or development agreement with a marijuana operator (medicinal or adult-use) that **have been submitted to and/or proffered by** your municipality.
3. In accordance with MGL 94G Section 3(d), **for municipalities that have entered into host community agreements with marijuana establishments that are operating**, documentation of all costs “imposed by the operation of a marijuana establishment or medicinal marijuana treatment center,” which, the law says, shall be “documented and considered a public record.”

If you deny any or all of this request, please provide the specific exemption from the public records law you are using as grounds for such denial. Thank you.

Sincerely,

Brad Petrishen
Reporter, Worcester Telegram & Gazette
508-793-9464

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[Follow @BPetrishenTG](#)

Brad Petrishen
Reporter

O: 508-793-9464

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100 Front St., Worcester, MA 01608
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This message may contain confidential and/or privileged information. If you are not the intended recipient or authorized to receive this for the intended recipient, you must not use, copy, disclose or take any action based on this message or any information herein. If you have received this message in error, please advise the sender immediately by sending a reply e-mail and delete this message. Thank you for your cooperation.

**TOWN OF LEICESTER
AND
CULTIVATE HOLDINGS LLC**

**HOST COMMUNITY AGREEMENT
FOR THE SITING OF AN ADULT-USE MARIJUANA ESTABLISHMENT
IN THE TOWN OF LEICESTER**

This Host Community Agreement (“Agreement”) is entered into pursuant to M.G.L. 94G, § 3(5)(d) this 2nd day of April, 2018 by and between **Cultivate Holdings LLC (f/k/a Natural Healthcare, Inc.)** (the “Operator”) a Massachusetts limited liability company, currently located at 1764 Main Street Leicester, MA (the “Property”) and the **Town of Leicester**, a Massachusetts municipal corporation with a principal address of 3 Washburn Square, Leicester, MA 01524 (the “Town”).

WHEREAS, On November 8, 2016 Massachusetts voters approved the legal cultivation, processing, distribution, sale and use of marijuana for adult use through Chapter 334 of the Acts of 2016, an Act for The Regulation and Taxation of Marijuana; and

WHEREAS, On July 28, 2017, Governor Baker signed the General Court’s revised law on the subject, “An Act to Ensure Safe Access to Marijuana” adopted as Chapter 55 of the Acts of 2017 (the “Act”); and

WHEREAS, Massachusetts, acting through the Cannabis Control Commission (the “CCC”) implemented regulatory framework for the regulation of adult use of marijuana establishments through 935 CMR 500.000 *et. seq.* (the “CCC Regulations”); and

WHEREAS, A “Marijuana Establishment” as defined in the CCC Regulations, means a Marijuana Cultivator, Craft Marijuana Cooperative, Marijuana Product Manufacturer, Marijuana Retailer, Independent Testing Laboratory, Marijuana Research Facility, Marijuana Transporter, or any other type of licensed marijuana-related business, except a medical marijuana treatment center; and

WHEREAS, Operator wishes to locate and operate a “Marijuana Establishment”, meaning specifically, a Marijuana Retailer, Marijuana Product Manufacturer, and Marijuana Cultivator (collectively, the Marijuana Retailer, Marijuana Product Manufacturer and Marijuana Cultivator shall be hereinafter referred to as the “Facility”) at the Property in accordance with CCC Regulations and such approvals as may be issued by the Town in accordance with its Zoning Bylaw and other applicable regulations in effect at the time the Operator files its application with the CCC; and

WHEREAS, Operator currently operates a compliant Medical Marijuana Treatment Center at the Property pursuant to an approval from the Massachusetts Department of Public Health

("DPH") pursuant to 105 CMR 725.00, dated November 24, 2017 and in compliance with the Host Community Agreement for the Siting of A Medical Marijuana Treatment Center in the Town of Leicester, dated December 19, 2016, by and between Operator and Town; and

WHEREAS, Operator will satisfy the purpose and intent of the voters and the Act by providing marijuana for adult use, educational materials and related products to citizens of the Town and throughout the Commonwealth of Massachusetts; and

WHEREAS, Operator intends to provide certain benefits to the Town upon receipt of CCC licensure to operate a Facility in Town and all required local approvals to do so; and

WHEREAS, notwithstanding the anticipated benefits to certain members of the community, the Operator and the Town agree that the Facility will impact Town resources in ways unique to the business of the Facility and will draw upon Town resources such as Town's road system, law enforcement, fire protection services, inspectional and permitting services, public health services in a manner not shared by the general population and may cause additional unforeseen impacts upon the Town; and

WHEREAS, Massachusetts General Laws chapter 94G, § 5 (d) states "that a marijuana establishment or a medical marijuana treatment center seeking to operate or continue to operate in a municipality which permits such operation shall execute an agreement with the host community setting forth the conditions to have a marijuana establishment or medical marijuana treatment center located within the host community which shall include, but not be limited to all stipulations of responsibilities between the host community and the marijuana establishment or a medical marijuana treatment center. An agreement between a marijuana establishment or a medical marijuana treatment center and a host community may include a community impact fee for the host community; provided, said impact fee shall not amount to more than 3 per cent of the gross sales of the marijuana establishment or medical marijuana treatment center or be effective for longer than 5 years.

NOW, THEREFORE, in consideration of the above and the mutually agreed promises contained herein, the Operator and the Town agree as follows:

1. **Compliance:** Operator and Town shall comply with all applicable provisions of M.G.L. c. 94G, as affected by Chapter 55 of the Acts of 2017 and the CCC Regulations as the same may be amended from time to time; and the Leicester General Bylaws, Zoning Bylaws and all laws, rules, regulations and orders applicable to the operation of a Marijuana Establishment in the Town, such provisions being incorporated herein by reference, and Operator shall be responsible for obtaining all necessary licenses, permits, and approvals required for the operation of a Marijuana Establishment.
2. **Community Impact Fee:** Operator shall pay a community impact fee as required by M.G.L. c. 94G, § 5 (d) (the "Impact Fee") in the amounts and under the terms provided herein. The

Operator shall furnish the Town with annual Profit and Loss Statements, as soon as they become available, reflecting Gross Annual Revenues (as defined herein) figures for the adult use Marijuana Retailer portion of the Facility located within the Town. Additionally, the Operator shall provide the Town with copies of all of its periodic financial filings with agencies of the Commonwealth documenting Gross Annual Revenues.

3. Application of Impact Fee: The Operator acknowledges and agrees that the Town is under no obligation to use the Impact Fee payments made hereunder in any particular manner and that the payments are classified as General Fund under M.G.L. c. 44, § 53.
4. Calculation of Impact Fee Payments: Subject to adjustment or modification as set forth in this Agreement, Operator shall pay to the Town 3.00% of the Operator's Gross Annual Revenues as the Impact Fee; provided, that the total amount paid per year shall not be less than Seventy-Five Thousand and 00/100 Dollars (\$75,000.00)(the "**Minimum Annual Payment**"); and shall not exceed Two-Hundred and Fifty Thousand and 00/100 Dollars (\$250,000) (the "**Maximum Annual Payment**").
5. Dates of Payment: The Minimum Annual Payment for the first year shall be due and payable upon the first day of the third month following the commencement of adult use Marijuana Retail sales in the Town (the "**Sales Commencement Date**"). It shall be made in a separate payment to the Town and shall be used by the Town for economic development and recreational programs. Future payments of the minimum annual payment shall be made on the anniversary of the sales commencement date. Any payments due over the balances of the impact fee (if any) shall be made on the anniversary of the sales commencement date. The Balance of the first years Impact Fee (if any), and the entire Impact Fee in successive years shall be made once annually as of the last day of the month prior to the anniversary of the Sales Commencement date, and no later than thirty (30) days following the anniversary of the Sales Commencement Date, through the earlier of either the end of the fifth year of operation following the Sales Commencement Date; or the maximum time permitted under M.G.L. c. 94G, § 3(5)(d) (each an "**Annual Payment**" and collectively the "**Annual Payments**"). The Operator shall notify the Town in writing when the Operator commences sales within the Town.
6. Gross Annual Revenues: The term "**Gross Annual Revenues**" shall mean the grand total of all of the Operator's sales of marijuana for adult use at the Facility, less promotional discounts on products offered to customers, to the extent that such discounts or products are permitted by law or the CCC Regulations, but shall not include non-marijuana sales, sales of medical marijuana or medical marijuana products, or the sale of marijuana to other Marijuana Establishments or Registered Marijuana Dispensaries.
7. Amendment of Impact Fee Payment Date: At the option of the Operator, the payment date may be amended once, by written request, to align with the Operator's fiscal year or quarterly tax filing obligations for ease of administration, but such amendment shall not change the total amount due.

8. Annual Review of Impact Fee: Notwithstanding anything to the contrary herein, every year after the Sales Commencement Date the Town and Operator shall jointly review the Impact Fee and may increase or decrease the Annual Payment (as the case may be) but in no event shall the Annual Payment exceed three percent (3%) of the Operator's Gross Annual Revenues.
9. Monitoring of Community Impacts: The Operator shall evaluate and monitor crime statistics, fire protection services, public health statistics including but not limited to marijuana usage in the Leicester High School, inspectional services and permitting services in conjunction with and with the reasonable cooperation of the appropriate municipal office before and after the Sales Commencement Date and shall provide this information to the Town. The Operator and the Town agree that any increase or decrease in the Impact Fee shall be based on the escalation of the aforementioned services in the area immediately surrounding the Facility, at a rate in excess of Town-wide escalation, unless mutually agreed upon by the Operator and the Town.
10. Filings with the Commonwealth: The Operator shall furnish the Town with the annual reports of the Gross Annual Revenue as described in Section 6, as soon as they become available, reflecting Gross Annual Revenue figures for the Facility and shall provide the Town with all copies of its periodic financial filings to the CCC and/or to the Massachusetts Department of Revenue documenting the Operator's Gross Annual Revenues, and shall furnish copies of its filings to the Secretary of the Commonwealth's Corporations Division, and if any, to the Massachusetts Office of the Attorney General.
11. Term: The term of this Agreement is five years, terminating on the fifth anniversary of the Sales Commencement Date, unless sooner terminated by:
 - a. revocation of Operator's license by the CCC; or
 - b. Operator's voluntary or involuntary cessation of operations; or
 - c. the Town's termination of this Agreement for breach of the conditions contained herein that remain uncured sixty (60) days from the date of written notice of such breach.
12. Renegotiation/Applicability: To the extent permitted by law: (a) the terms of this Agreement shall be renegotiated by the Owner and the Town in good faith following five (5) years of continuous operation of the Facility; and (b) the terms of this Agreement shall continue in full force and effect unless the parties reach accord on a subsequent agreement provided, however, that in no event shall the Operator be permitted to continue to operate the Facility after termination as set forth in Paragraph 11 above.
13. Property Valuation/Taxation: Operator shall not object or otherwise challenge the taxability of such property and shall not seek a non-profit exemption from paying such taxes and that, notwithstanding the foregoing, if:

- a. any real or personal property owned or operated by OPERATOR is determined to be non-taxable or partially non-taxable, or
- b. the value of such property is abated with the effect of reducing or eliminating the tax which would otherwise be paid if assessed at full value, or
- c. OPERATOR is determined to be entitled or subject to exemption with the effect of reducing or eliminating the tax which would otherwise be due if not so exempted, then

OPERATOR shall pay to the TOWN an amount which when added to the taxes, if any, paid on such property, shall be equal to the taxes which would have been payable on such property at full assessed value and at the otherwise applicable tax rate, if there had been no abatement or exemption; this payment shall be in addition to the Impact Fee made by OPERATOR under this Agreement. The Operator shall not request any tax credits or subsidy from the Town for the Facility including, but not limited to, any request for a tax exemption or abatement as a non-profit entity and shall not object or otherwise challenge the taxability of its entity and shall not object or otherwise challenge the taxability of the Facility.

14. Impact Fee as Compensatory: The Impact Fee referenced herein shall be compensatory to the Town for all impacts of the Operator's operation of the Facility in the Town, including all reasonable indirect costs. Nothing herein shall be construed to exempt the Facility from payment of local, state and federal taxes.
15. Local Hiring: To the extent permissible by law, Operator will make jobs available to local, qualified residents; and such residency will be a positive factor in hiring decisions, but this does not prevent Operator from hiring the most qualified candidates and complying with all employment laws and other legal requirements. In addition to the direct hiring, Operator will work in a good faith, legal and non-discriminatory manner to similarly consider local status of vendors, suppliers, contractors and builders from the Town area to be a positive factor in retaining such vendors.
16. Approval of On-Site Manager: If requested by the Town, Operator shall provide to the Town, for review and approval, the information set forth in 935 CMR 500.101(1)(b), of the person proposed to act as on-site manager of the Facility, which submittal shall include authorization to perform a criminal history (CORI) check. Within thirty (30) days of its receipt of the information set forth in 935 CMR.500.101(1)(b), the Town shall, in consultation with the Police Chief determine whether the person proposed is of suitable character to act as on-site manager. Such approval shall not be unreasonably denied, conditioned or delayed. Said approval shall be considered unreasonably denied if the Town denies such approval and the CCC has approved said on-site manager pursuant to the Regulations. Notwithstanding the foregoing, if Town does not provide confirmation or rejection of the proposed on-site manager within thirty (30) days, that on-site manager of the Facility shall be deemed approved by Town. This approval process shall also apply to any change of on-site manager. The current on-site manager is Samuel Barber, and he shall be approved as part of this Agreement.

17. Prevention of Diversion: To the extent requested by the Town's Police Department, and consistent with the Regulations, Operator shall work with the Town's Police Department to implement a comprehensive diversion prevention plan to prevent diversion, such plan to be in place prior to the Sales Commencement Date. Such plan will include, but is not limited to, (i) training Facility employees to be aware of, observe, and report any unusual behavior in customers or Facility employees that may indicate the potential for diversion; (ii) strictly adhering to CCC Regulations as to certification amounts and time periods; (iii) rigorous customer identification and verification procedures required by the CCC; (iv) utilizing seed-to-sale tracking software to closely track all inventory at the Facility; and (v) refusing to complete a transaction if the patient or caregiver appears to be under the influence of drugs or alcohol.
18. Security: To the extent requested by the Town's Police Department and Fire Department, and consistent with the Regulations, Operator shall work with the Town's Police Department and the Town's Fire Department to determine the placement of interior and exterior security cameras, so that at least two cameras are located to provide an unobstructed view in each direction of the public way(s) on which the Facility is located. Operator will maintain a cooperative relationship with the Police Department and the Fire Department, including but not limited to periodic meetings to review operational concerns, cooperation in investigations, and communication to Police Department of any suspicious activities on or in the immediate vicinity of the site. Such camera(s) may be altered by the CCC during their security and architectural review process.
19. Attendants: If the Leicester Police Chief deems it necessary, Operator shall employ: (i) a parking lot attendant during the Police Chief's prescribed hours to ensure safe traffic flow to and from the Premises until the Police Chief deems such attention is not needed; and (ii) a police detail to ensure safe traffic flow to and from the Premises during the Police Chief's prescribed hours, until the Police Chief deems such attention is not needed.
20. Registration and Approvals Required: The obligations of Operator and the Town recited herein are specifically contingent upon the obtaining of a Certificate of Registration for the operation of an adult use Marijuana Establishment from the CCC to operate in Town, and contingent upon all necessary local permits and approvals required, which are consistent with M.G. L. c. 94G, Section 5 and in effect as of the date specifically required by said section.
21. On-Site Consumption: The on-site consumption of marijuana products shall be prohibited.
22. Cooperation: Operator shall work cooperatively and in good faith with the Town in securing the prompt and efficient siting, planning, permitting and preparation for opening of the Facility. Furthermore, Town shall recognize Operator's Existing RMD License Priority Applicant status under 935 CMR 500.101 (2). This Agreement does not affect, limit, or control the authority of Town boards, commissions and departments to carry out their respective powers and duties to decide upon and to issue, or deny, applicable permits and other approvals under the statutes and regulations of the Commonwealth, the General and Zoning Bylaws of the Town, or

applicable regulations of those boards, commissions, and departments, or to enforce said statutes, Bylaws, and regulations. The Town, by entering into this Agreement, is not thereby required or obligated to issue such permits and approvals as may be necessary for the Facility to operate in the Town, or to refrain from enforcement action against the Operator and/or its Facility for violation of the terms of said permits and approvals or said statutes, Bylaws and regulations.

23. Modification of Payments: Both the Operator and the Town understand and agree that a Marijuana Cultivator, Marijuana Retailer and Marijuana Product Manufacturer together have a distinct and separate impact on a municipality and justify a difference in Host Community Agreement terms. Should Operator enter into an agreement with any other municipality for the siting of a combined Marijuana Cultivator, Marijuana Retailer and Marijuana Product Manufacturer at terms materially more favorable to that municipality than the terms of this Agreement are to Town, this Agreement shall be modified to reflect those terms. Notwithstanding the foregoing, should Operator enter into an agreement with any other municipality for the purpose of operating one or more Marijuana Establishments that do not combine a Marijuana Cultivator, Marijuana Retailer and Marijuana Product Manufacturer this Agreement shall not be modified.
24. Location; Additional Operations: This Agreement applies to the proposed Marijuana Cultivator, Marijuana Retailer and Marijuana Product Manufacturer to be located at 1764 Main Street, Leicester. This agreement will remain in force should the Operator chose to move or transfer operations to a different location within the Town. Should the Operator and the Town agree to allow the Operator to site another facility within the Town, the Operator and the Town shall agree to negotiate an additional agreement.
25. Assignment: Neither the Town nor the Operator shall assign, sublet or otherwise transfer its rights nor delegate its obligations under this Agreement, in whole or in part, without the prior written consent of the other party, which consent shall not be unreasonably withheld; provided however such consent shall not be required in the event such transfer or assignment is between the Operator and another entity which is authorized by the CCC to operate the Facility pursuant to a Certificate of Registration granted by it, or if such assignment or transfer is the result of a merger or consolidation with the Operator.
26. Agreement as to Agricultural Exemption: Operator agrees to comply with all laws, rules, regulations and orders applicable to the Facility, such provisions being incorporated herein by reference, and shall be responsible for obtaining all necessary licenses, permits and approvals required for the operation of an Facility. The Operator agrees not to assert or seek exemption as an agricultural use under the provisions of from the requirements of the Town's Zoning Bylaws pursuant to M.G. L. c. 40A, § 3.
27. Retention of Regulatory Authority: By entering into this Agreement, Town does not waive any enforcement rights or regulatory authority it currently holds over any business in Town.

28. Notices: Any and all notices, or other communications required or permitted under this Agreement, shall be in writing and delivered by hand or mailed postage prepaid, return receipt requested, by registered or certified mail or by other reputable delivery service, to the parties at the addresses set forth on Page 1 of this Agreement or furnished from time to time in writing hereafter by one party to the other party. Any such notice or correspondence shall be deemed given when so delivered by hand, if so mailed, when deposited with the U.S. Postal Service or, if sent by private overnight or other delivery service, when deposited with such delivery service.
29. Severability: If any term or condition of this Agreement or any application thereof shall to any extent be held invalid, illegal or unenforceable by the court of competent jurisdiction, the validity, legality, and enforceability of the remaining terms and conditions of this Agreement shall not be deemed affected thereby unless one or both parties would be substantially or materially prejudiced.
30. Governing Law: This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Massachusetts and the parties hereto submit to the jurisdiction of any of its appropriate courts for the adjudication of disputes arising out of this Agreement.
31. Entire Agreement: This Agreement, including all documents incorporated herein by reference, constitutes the entire integrated agreement between the parties with respect to the matters described. This Agreement supersedes all prior agreements, negotiations and representations, either written or oral, and it shall not be modified or amended except by a written document executed by the parties hereto.
32. Confidentiality: Operator may provide to the Town certain financial information, investment materials, products, plans, documents, details of company history, know-how, trade secrets, and other nonpublic information related to Operator, its affiliates and operations (collectively, the "**Confidential Information**"). Town (inclusive of its employees, agents, representatives or any other of its affiliated persons) shall not, at any time during the term of this Agreement or thereafter, disclose any Confidential Information to any person or entity, except as may be required by court order or law (pursuant to M.G.L. c. 66 § 10), provided in all events, prior to such disclosure, the Town will notify Operator in writing of its intent to make such disclosure at least three (3) days in advance of any disclosure.
33. Waiver: The obligations and conditions set forth in this Agreement may be waived only by a writing signed by the party waiving such obligation or condition. Forbearance or indulgence by a party shall not be construed as a waiver, nor limit the remedies that would otherwise be available to that party under this Agreement or applicable law. No waiver of any breach or default shall constitute or be deemed evidence of a waiver of any subsequent breach or default.

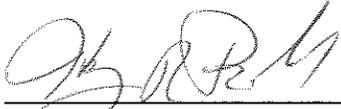
34. Third Parties: Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either Town or the Operator.
35. Amendment: This Agreement may only be amended by a written document duly executed by both of the parties hereto. No modification or waiver of any provision of this Agreement shall be valid unless duly authorized as an amendment hereof and duly executed by the Town and the Operator.
36. Modifications: Modifications to this Agreement may only be effective if made in writing and signed by both of the parties hereto.
37. Headings: The article, section, and paragraph headings in this Agreement are for convenience only, are no part of this Agreement and shall not affect the interpretation of this Agreement.
38. Counterparts: This Agreement may be signed in any number of counterparts all of which taken together, shall constitute one and the same instrument, and any party hereto may execute this Agreement by signing one or more counterparts.
39. Signatures: Facsimile signatures affixed to this Agreement shall have the same weight and authority as an original signature.

[SIGNATURES TO FOLLOW]

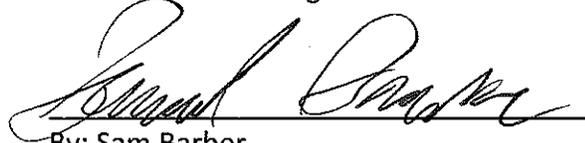
The following signature indicate that the parties hereby agree to the terms set forth in this Agreement as per the date set forth on page 1 of this Agreement.

For the Town of Leicester, Massachusetts:

For Cultivate Holdings LLC:



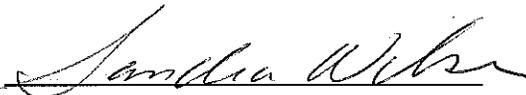
Harry Brooks
Chair



By: Sam Barber,
Its: Manager



Dianna Provencher
Vice Chair



Sandra Wilson
Second Vice Chair



Douglas Belanger
Member



Brian Green
Member

Approved as to Form:

Christopher J. Petrini, Town Counsel

2018.03.22 DRAFT Proposed Leicester and Cultivate Host Community Agreement (ADULT USE) TC comments-CLEAN (1206-01)

**HOST COMMUNITY AGREEMENT FOR MARIJUANA ESTABLISHMENTS
BETWEEN CANNASSIST, LLC AND
THE TOWN OF LEICESTER, MASSACHUSETTS**

This HOST COMMUNITY AGREEMENT FOR MARIJUANA ESTABLISHMENTS (“Agreement”) is entered into pursuant to M.G.L. c. 94G, §3(d) on this 15th day of May, 2018 by and between **CANNASSIST, LLC**, a Massachusetts limited liability corporation with a principal office address of 2131 Washington Street Boston, MA 02119 (“OPERATOR”) and the **TOWN OF LEICESTER**, a Massachusetts town with a principal address of 3 Washburn Sq. Leicester, MA 01524, by and through its Town Administrator (“TOWN”).

WHEREAS, On November 8, 2016 Massachusetts voters approved the legal cultivation, processing, distribution, sale and use of marijuana for adult use through Chapter 334 of the Acts of 2016, an Act for The Regulation and Taxation of Marijuana; and

WHEREAS, On July 28, 2017, Governor Baker signed the General Court’s revised law on the subject, “An Act to Ensure Safe Access to Marijuana” adopted as Chapter 55 of the Acts of 2017 (the “Act”); and

WHEREAS, Massachusetts, acting through the Cannabis Control Commission (the “CCC”) implemented regulatory framework for the regulation of the adult use of marijuana establishments through 935 CMR 500.000 et. seq. on March 23, 2018 (the “CCC Regulations”); and

WHEREAS, A “marijuana establishment” as defined in the CCC Regulations and the Town of Leicester Zoning Bylaw, means a Marijuana Cultivator, Craft Marijuana Cooperative, Marijuana Product Manufacturer, Marijuana Retailer, Independent Testing Laboratory, Marijuana Research Facility, Marijuana Transporter, or any other type of licensed marijuana-related business, except a medical marijuana treatment center; and

WHEREAS, OPERATOR seeks licensure as a Marijuana Cultivator and Marijuana Products Manufacturer to locate marijuana and operate two marijuana establishments in the TOWN at 88 Huntoon Memorial Highway Leicester, MA 01524, in accordance with applicable CCC regulations and such approvals as may be issued by the TOWN in accordance with its Zoning Bylaw and other applicable regulations in effect at the time that the CCC deems that the OPERATOR’s application is complete; and

WHEREAS, OPERATOR intends to provide certain benefits to the TOWN upon receipt of CCC licensure to operate its Marijuana Cultivator and Marijuana Products Manufacturer businesses in the TOWN and upon receipt of all required local approvals to do so; and

WHEREAS, OPERATOR and TOWN agree that the OPERATOR's Marijuana Cultivator and Marijuana Products Manufacturer businesses will impact TOWN resources in ways unique to such businesses and will draw upon TOWN resources such as TOWN's road system, law enforcement, fire protection services, inspectional and permitting services, public health services in a manner not shared by the general population and shall cause additional unforeseen impacts upon the TOWN; and

WHEREAS, M.G.L. c. 94G, §3 (d) requires "that a marijuana establishment or a medical marijuana treatment center seeking to operate or continue to operate in a municipality which permits such operation shall execute an agreement with the host community setting forth the conditions to have a marijuana establishment or medical marijuana treatment center located within the host community which shall include, but not be limited to all stipulations of responsibilities between the host community and the marijuana establishment or a medical marijuana treatment center"

NOW, THEREFORE, in consideration of the above and the mutually agreed promises contained herein, the OPERATOR and the TOWN agree as follows:

1. **Licensure:** All rights and obligations under this Agreement are expressly conditioned upon the OPERATOR's receipt of licenses from the CCC allowing the operation of its marijuana establishments within TOWN and upon OPERATOR's obtaining all local approvals for the same. If OPERATOR fails to secure licensure from the CCC or any required local approvals, this Agreement shall be null and void.
2. **Compliance and Cooperation:** OPERATOR shall comply with all state laws, regulations and orders applicable to marijuana establishments, and all municipal laws, bylaws, regulations and orders applicable to the operation of marijuana establishments in TOWN, such provisions being incorporated herein by reference.
 - a. OPERATOR shall be responsible for obtaining all necessary licenses, permits, and approvals required for the operation of its marijuana establishments and shall work cooperatively and in good faith with the TOWN in securing the prompt and efficient siting, planning, permitting and preparation for opening of its marijuana establishments.
 - b. OPERATOR agrees and understands that the TOWN'S execution of this Agreement shall not: (i) require or obligate the TOWN or its departments or boards to issue such permits and approvals as may be necessary for the OPERATOR to operate its marijuana establishments in the TOWN; (ii) affect, limit, or control the authority of TOWN boards, commissions, councils, and departments from carrying out their respective powers and duties to decide upon

and to issue, deny, or otherwise act on applicable permits and other approvals under the laws and regulations of the Commonwealth, or the TOWN's bylaws and regulations; or (iii) cause the TOWN to refrain from enforcement action against the OPERATOR for violations of the terms and conditions of such permits and approvals, or such laws, regulations and/or bylaws.

3. **Community Impact Fee:** For each license issued to it by the CCC, i.e., one license as a Marijuana Cultivator and one license as Marijuana Products Manufacturer, the OPERATOR shall pay a community impact fee as allowed by M.G.L. c. 94G, § 5 (d) ("Impact Fee") in the amounts and under the terms provided herein. OPERATOR shall pay the sum of Seventy-Five Thousand and 00/100 (\$75,000.00) Dollars, due as follows:
 - a. For the first year of this Agreement, upon receipt of Licensure as set forth in Paragraph 1 above, and prior to commencing operations, OPERATOR shall pay to the TOWN the sum of \$20,000 and shall pay the balance of \$55,000 no later than 90 days after OPERATOR's full fiscal year end, which is December 31 for the calendar year 2018.
 - b. For the second through fifth years of this Agreement, OPERATOR shall pay to the TOWN the sum of \$75,000 no later than 90 days after OPERATOR's full fiscal year end.

As the OPERATOR is seeking two (2) licenses, the total annual Community Impact Fee shall be One Hundred Fifty Thousand and 00/100 Dollars (\$150,000).

4. **Application of Impact Fee:** OPERATOR expressly acknowledges and agrees that the TOWN is under no obligation to use the payments made hereunder in any particular manner and that the payments are classified as General Fund under M.G.L. c. c. 44, § 53.
5. **Payment as Condition of Operation, Default and Remedy.** Payment as set forth above is necessary for OPERATOR's continued operation in the TOWN. Failure to make the required payments as scheduled and a failure to cure the failure to pay within 10 days of the due date, shall constitute breach of this Agreement and may serve as cause for TOWN's immediate review, upon 10 business days' notice to OPERATOR by the Select Board. OPERATOR shall be in default of this Agreement if any of the following occur:
 - a. OPERATOR fails to make the required payments pursuant to Paragraph 3 above, and such failure is not cured within ten (10) business days of written notification from TOWN; or
 - b. OPERATOR breaches any other provision of this Agreement, and such failure is not cured within thirty (30) days of written notification from TOWN

As remedy for any such breach, the TOWN may, among other remedies, revoke or limit the permission of the OPERATOR to operate in the TOWN and to issue an order to cease and desist with all operations upon such written notice from the TOWN. Payment means any payment paid from the OPERATOR to the TOWN pursuant to the terms of this Agreement.

6. **Reporting:** OPERATOR shall provide the TOWN with all copies of its publicly available filings to the Cannabis Control Commission, Secretary of the Commonwealth's Corporations Division, and the Massachusetts Department of Revenue, as requested.
7. **Confidentiality:** To the extent permitted by M.G.L. c. 66, § 10, (the "Public Records Law") OPERATOR may provide to the TOWN certain financial information, investment materials, products, plans, documents, details of company history, know-how, trade secrets, and other nonpublic information related to OPERATOR, its affiliates and operations (collectively, the "Confidential Information"). TOWN (inclusive of its employees, agents, representatives or any other of its affiliated persons) shall not, at any time during the term of this Agreement or thereafter, disclose any Confidential Information to any person or entity, except as may be required by court order or law. Further, the address of a marijuana establishment's cultivation or production facilities and any documents describing, depicting or otherwise outlining a licensee's security schematics or global positioning system coordinates, physical layout, as well as policies, procedures, practices, and plans pertaining to security are exempt from M.G.L. c. 66.
8. **Term:** The term of this Agreement is five years, terminating on May 15, 2023, unless sooner terminated by:
 - a. revocation of OPERATOR's license by the CCC; or
 - b. OPERATOR's voluntary or involuntary cessation of operations; or
 - c. the TOWN's termination of this Agreement for breach of the conditions contained herein that remain uncured 60 days from the date of notice of such breach.
9. **Renegotiation/Applicability:** The terms of this Agreement shall continue in full force and effect unless the parties reach accord on a subsequent agreement, provided, however, that in no event shall OPERATOR be permitted to continue to operate its marijuana establishments after termination as set forth in paragraph 8a., 8b. or 8c., above.
10. **Security and Public Safety:** The OPERATOR shall work with the TOWN's Police Department and the TOWN's Fire Department to determine the placement of interior and exterior security cameras, so that at least two cameras are located to provide an

unobstructed view in each direction of the public way(s) on which the Facility is located. OPERATOR will maintain a cooperative relationship with the Police Department and the Fire Department, including but not limited to meetings no less than every 4 months to review operational concerns, cooperation in investigations, and communication to Police Department of any suspicious activities on or in the immediate vicinity of the site. Such camera(s) may be altered by the CCC during their security and architectural review process.

11. **Approval of On-Site Manager:** The OPERATOR shall provide to the TOWN, for review and approval, the information set forth in 935 CMR 500.101(1)(b), of the person proposed to act as on-site manager of the OPERATOR's marijuana establishments which submittal shall include authorization to perform a criminal history (CORI) check. Within thirty (30) days of its receipt of the information set forth in 935 CMR.500.101(1)(b), the TOWN shall, in consultation with the Police Chief determine whether the person proposed is of suitable character to act as on-site manager. Such approval shall not be unreasonably denied, conditioned or delayed. Said approval shall be considered unreasonably denied if the TOWN denies such approval and the CCC has approved said on-site manager pursuant to the Regulations. Notwithstanding the foregoing, if TOWN does not provide confirmation or rejection of the proposed on-site manager within thirty (30) days, the on-site manager of the OPERATOR's marijuana establishments shall be deemed approved by TOWN. This approval process shall also apply to any change of on-site manager.
12. **Prevention of Diversion:** The, OPERATOR shall work with the TOWN's Police Department to implement a comprehensive diversion prevention plan to prevent diversion, such plan to be in place prior to the sales commencement date. Such plan will include, but is not limited to, (i) training employees to be aware of, observe, and report any unusual behavior in customers or OPERATOR's marijuana establishment employees that may indicate the potential for diversion; (ii) strictly adhering to CCC Regulations as to certification amounts and time periods; (iii) rigorous customer identification and verification procedures required by the CCC; and (iv) utilizing seed-to-sale tracking software to closely track all inventory.
13. **Emergency Response Information:** OPERATOR shall within 90 days of the date of full execution of this Agreement, file a satisfactory security and traffic management plans and emergency response plan with the TOWN's Police Chief and Fire Chief which includes:
 - (i) A description of the location and operation of the security system, including the location of the central control on the premises; (ii) a schematic of security zones; (iii) the name of the security alarm company and monitoring company, if any; (iv) a floor plan or layout of the facility identifying all areas within the facility and grounds, including support systems and the internal and external access routes; (v) the location and inventory

of emergency response equipment and the contact information of the emergency response coordinator for the marijuana establishment; (vi) the location of any hazardous substances and a description of any public health or safety hazards present on site; (vii) a description of any special equipment needed to respond to an emergency at the cannabis establishment; (viii) an evacuation plan; (ix) any other information relating to emergency response as requested by the Leicester Fire Department or the Leicester Police Department; and (x) the location of security cameras within and outside of the marijuana establishments.

14. **Hours of Operation:** OPERATOR's days and hours of operation shall be: Monday through Sunday operating 24 hours a day. OPERATOR will minimize traffic between the hours of 11pm and 7am.
15. **Local Hiring:** To the extent that such a practice and its implementation are consistent with federal and state laws and regulations, OPERATOR will work in a good faith, legal and nondiscriminatory manner to give reasonable preference in the hiring of employees for its marijuana establishment to qualified Leicester residents. OPERATOR will endeavor to hire local, qualified employees to the extent consistent with law and with the demands of OPERATOR's business. OPERATOR will endeavor in a good faith, legal and non-discriminatory manner to use local vendors and suppliers where possible.
16. **Monitoring of Community Impacts:** The OPERATOR shall evaluate and monitor, as it relates to the OPERATOR, at its location; crime statistics, fire protection services, public health statistics, inspectional services and permitting services in conjunction with and with the reasonable cooperation of the appropriate municipal office before and after the sales commencement date and shall provide this information to the TOWN.
17. **Assignment:** OPERATOR shall not assign or transfer this Agreement, in whole or in part, or grant any license, concession or permission therein without 30 days' prior written notice of its intent to do so, nor until the TOWN has provided written consent to such assignment. If this Agreement shall be so assigned or transferred, TOWN shall be entitled to receive payments from such assignee or transferee. No such assignment or transfer shall be deemed a waiver or release of the assignee or transferee from full performance hereunder, and the Agreement shall be binding upon any such assignee or transferee. This Agreement is binding upon the parties hereto, their successors, assigns and legal representatives.
18. **Property Valuation and Taxation:** OPERATOR shall not object or otherwise challenge the taxability of such property, as long as the valuation is fair and reasonable and consistent with other commercial properties within the TOWN and shall not seek a non-profit exemption from paying such taxes and that, notwithstanding the foregoing, in the event the OPERATOR files as a non-profit:

- a. any real or personal property owned or operated by OPERATOR is determined to be non-taxable or partially non-taxable, or
- b. the value of such property is abated with the effect of reducing or eliminating the tax which would otherwise be paid if assessed at full value, or
- c. OPERATOR is determined to be entitled or subject to exemption with the effect of reducing or eliminating the tax which would otherwise be due if not so exempted, then

OPERATOR shall pay to the TOWN an amount which when added to the taxes, if any, paid on such property, shall be equal to the taxes which would have been payable on such property at full assessed value and at the otherwise applicable tax rate, if there had been no abatement or exemption; this payment shall be in addition to the Impact Fee made by OPERATOR under this Agreement. The OPERATOR shall not request any tax credits or subsidy from the TOWN for the Facility including, but not limited to, any request for a tax exemption or abatement as a non-profit entity and shall not object or otherwise challenge the taxability of its entity and shall not object or otherwise challenge the taxability of the Facility.

19. Agreement as to Agricultural Exemption: OPERATOR agrees to comply with all laws, rules, regulations and orders applicable to the facility, such provisions being incorporated herein by reference, and shall be responsible for obtaining all necessary licenses, permits and approvals required for the performance of such work. The OPERATOR agrees not to assert or seek exemption as an agricultural use under the provisions of from the requirements of the TOWN's Zoning Bylaws pursuant to M.G. L. c. 40A, § 3.

20. Notice: Any and all notices or other communications required or permitted under this Agreement, shall be in writing and delivered by hand or mailed postage prepaid, return receipt requested, by registered or certified mail, or delivered by other reputable delivery service, to the parties as set forth below or furnished from time to time in writing hereafter by one party to the other party. Any such notice or correspondence shall be deemed given when so delivered by hand; if so mailed, when deposited with the U.S. Postal Service; or if sent by private overnight or other delivery service, when deposited with such delivery service.

If to TOWN:	If to OPERATOR:
David Genereux, Town Administrator Town of Leicester 3 Washburn Square	Jonathan Napoli, Manager CannAssist, LLC 2131 Washington Street

Leicester, MA 01524 Telephone: (508) 892-7000 Fax: (508) 892-7070 Email: genereuxd@leicesterma.org	Boston, MA 02119 Telephone: Facsimile: Email:
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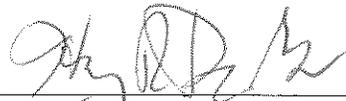
21. **Governing Law:** This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Massachusetts and the parties hereto submit to the jurisdiction of any of its appropriate courts for the adjudication of disputes arising out of this Agreement.
22. **Integration of writings.** This Agreement, including all documents incorporated herein by reference, constitutes the entire integrated agreement between the parties with respect to the matters described. This Agreement supersedes all prior agreements, negotiations and representations, either written or oral, and it shall not be modified or amended except by a written document executed by the parties hereto.
23. **Third Parties:** Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either TOWN or the OPERATOR.
24. **Waiver:** The obligations and conditions set forth in this Agreement may be waived only by a writing signed by the party waiving such obligation or condition. Forbearance or indulgence by a party shall not be construed as a waiver, nor limit the remedies that would otherwise be available to that party under this Agreement or applicable law. No waiver of any breach or default shall constitute or be deemed evidence of a waiver of any subsequent breach or default. The failure of either Party to enforce any provision of this Agreement shall not be construed as a waiver or limitation of that Party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.
25. **Retention of Regulatory Authority:** By entering into this Agreement, TOWN does not waive any enforcement rights or regulatory authority it currently holds over any business in TOWN.
26. **Severability:** If any term or condition of this Agreement or any application thereof shall to any extent be held invalid, illegal or unenforceable by the court of competent jurisdiction, the validity, legality, and enforceability of the remaining terms and conditions of this Agreement shall not be deemed affected thereby unless one or both parties would be substantially or materially prejudiced.

27. **Entire Agreement:** This Agreement, including all documents incorporated herein by reference, constitutes the entire integrated agreement between the parties with respect to the matters described. This Agreement supersedes all prior agreements, negotiations and representations, either written or oral, and it shall not be modified or amended except by a written document executed by the parties hereto.
28. **Amendment:** This Agreement may only be amended by a written document duly executed by the parties hereto. No modification or waiver of any provision of this Agreement shall be valid unless duly authorized as an amendment hereof and duly executed by the TOWN and the OPERATOR.
29. **Modifications:** Modifications to this Agreement may only be effective if made in writing and signed by both parties hereto.
30. **Headings:** The article, section, and paragraph headings in this Agreement are for convenience only, are no part of this Agreement and shall not affect the interpretation of this Agreement.
31. **Counterparts:** This Agreement may be signed in any number of counterparts all of which taken together, shall constitute one and the same instrument, and any party hereto may execute this Agreement by signing one or more counterparts.
32. **Signatures:** Facsimile signatures affixed to this Agreement shall have the same weight and authority as an original signature.

IN WITNESS WHEREOF, this Agreement has been executed on the date below, as a sealed instrument by OPERATOR's duly authorized officer, and by the TOWN of Leicester.

[SIGNATURE ON FOLLOWING PAGE]

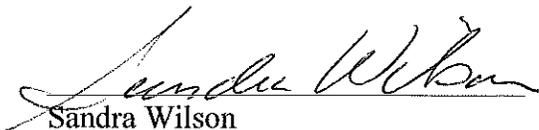
Town of Leicester, Massachusetts by its
Select Board



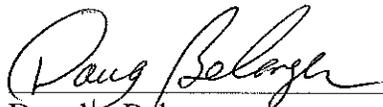
Harry Brooks
Chair



Dianna Provencher
Vice Chair



Sandra Wilson
Second Vice Chair



Douglas Belanger
Member

Brian Green
Member

Approved as to Form:

Christopher J. Petrini, Town Counsel

CannAssist, LLC:



By: Jonathan Napoli, Manager

**HOST COMMUNITY AGREEMENT FOR MARIJUANA ESTABLISHMENTS
BETWEEN EAST COAST ORGANICS, LLC AND
THE TOWN OF LEICESTER, MASSACHUSETTS**

This HOST COMMUNITY AGREEMENT FOR MARIJUANA ESTABLISHMENTS (“Agreement”) is entered into pursuant to M.G.L. c. 94G, §3(d) on this 15th day of May, 2018 by and between **EAST COAST ORGANICS, LLC**, a Massachusetts limited liability corporation with a principal office address of 238 Shrewsbury Street, Worcester, MA 01604 (“OPERATOR”) and the **TOWN OF LEICESTER**, a Massachusetts town with a principal address of 3 Washburn Sq. Leicester, MA 01524, by and through its Town Administrator (“TOWN”).

WHEREAS, On November 8, 2016 Massachusetts voters approved the legal cultivation, processing, distribution, sale and use of marijuana for adult use through Chapter 334 of the Acts of 2016, an Act for The Regulation and Taxation of Marijuana; and

WHEREAS, On July 28, 2017, Governor Baker signed the General Court’s revised law on the subject, “An Act to Ensure Safe Access to Marijuana” adopted as Chapter 55 of the Acts of 2017 (the “Act”); and

WHEREAS, Massachusetts, acting through the Cannabis Control Commission (the “CCC”) implemented regulatory framework for the regulation of the adult use of marijuana establishments through 935 CMR 500.000 et. seq. on March 23, 2018 (the “CCC Regulations”); and

WHEREAS, A “marijuana establishment” as defined in the CCC Regulations and the Town of Leicester Zoning Bylaw, means a Marijuana Cultivator, Craft Marijuana Cooperative, Marijuana Product Manufacturer, Marijuana Retailer, Independent Testing Laboratory, Marijuana Research Facility, Marijuana Transporter, or any other type of licensed marijuana-related business, except a medical marijuana treatment center; and

WHEREAS, OPERATOR seeks licensure as a Marijuana Cultivator and Marijuana Products Manufacturer to locate marijuana and operate two marijuana establishments in the TOWN at 88 Huntoon Memorial Highway Leicester, MA 01524, in accordance with applicable CCC regulations and such approvals as may be issued by the TOWN in accordance with its Zoning Bylaw and other applicable regulations in effect at the time that the CCC deems that the OPERATOR’s application is complete; and

WHEREAS, OPERATOR intends to provide certain benefits to the TOWN upon receipt of CCC licensure to operate its Marijuana Cultivator and Marijuana Products Manufacturer businesses in the TOWN and upon receipt of all required local approvals to do so; and

WHEREAS, OPERATOR and TOWN agree that the OPERATOR's Marijuana Cultivator and Marijuana Products Manufacturer businesses will impact TOWN resources in ways unique to such businesses and will draw upon TOWN resources such as TOWN's road system, law enforcement, fire protection services, inspectional and permitting services, public health services in a manner not shared by the general population and shall cause additional unforeseen impacts upon the TOWN; and

WHEREAS, M.G.L. c. 94G, §3 (d) requires "that a marijuana establishment or a medical marijuana treatment center seeking to operate or continue to operate in a municipality which permits such operation shall execute an agreement with the host community setting forth the conditions to have a marijuana establishment or medical marijuana treatment center located within the host community which shall include, but not be limited to all stipulations of responsibilities between the host community and the marijuana establishment or a medical marijuana treatment center"

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2. **Compliance and Cooperation:** OPERATOR shall comply with all state laws, regulations and orders applicable to marijuana establishments, and all municipal laws, bylaws, regulations and orders applicable to the operation of marijuana establishments in TOWN, such provisions being incorporated herein by reference.
 - a. OPERATOR shall be responsible for obtaining all necessary licenses, permits, and approvals required for the operation of its marijuana establishments and shall work cooperatively and in good faith with the TOWN in securing the prompt and efficient siting, planning, permitting and preparation for opening of its marijuana establishments.
 - b. OPERATOR agrees and understands that the TOWN'S execution of this Agreement shall not: (i) require or obligate the TOWN or its departments or boards to issue such permits and approvals as may be necessary for the OPERATOR to operate its marijuana establishments in the TOWN; (ii) affect, limit, or control the authority of TOWN boards, commissions, councils, and departments from carrying out their respective powers and duties to decide upon

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As the OPERATOR is seeking two (2) licenses, the total annual Community Impact Fee shall be One Hundred Fifty Thousand and 00/100 Dollars (\$150,000).

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 - a. revocation of OPERATOR's license by the CCC; or
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OPERATOR will maintain a cooperative relationship with the Police Department and the Fire Department, including but not limited to meetings no less than every 4 months to review operational concerns, cooperation in investigations, and communication to Police Department of any suspicious activities on or in the immediate vicinity of the site. Such camera(s) may be altered by the CCC during their security and architectural review process.

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 - (ii) a schematic of security zones;
 - (iii) the name of the security alarm company and monitoring company, if any;
 - (iv) a floor plan or layout of the facility identifying all areas within the facility and grounds, including support systems and the internal and external access routes;
 - (v) the location and inventory of emergency response equipment and the contact information of the emergency response

coordinator for the marijuana establishment; (vi) the location of any hazardous substances and a description of any public health or safety hazards present on site; (vii) a description of any special equipment needed to respond to an emergency at the cannabis establishment; (viii) an evacuation plan; (ix) any other information relating to emergency response as requested by the Leicester Fire Department or the Leicester Police Department; and (x) the location of security cameras within and outside of the marijuana establishments.

14. **Hours of Operation:** OPERATOR's days and hours of operation shall be: Monday through Sunday operating 24 hours a day. OPERATOR will minimize traffic between the hours of 11pm and 7am.
15. **Local Hiring:** To the extent that such a practice and its implementation are consistent with federal and state laws and regulations, OPERATOR will work in a good faith, legal and nondiscriminatory manner to give reasonable preference in the hiring of employees for its marijuana establishment to qualified Leicester residents. OPERATOR will endeavor to hire local, qualified employees to the extent consistent with law and with the demands of OPERATOR's business. OPERATOR will endeavor in a good faith, legal and non-discriminatory manner to use local vendors and suppliers where possible.
16. **Monitoring of Community Impacts:** The OPERATOR shall evaluate and monitor, as it relates to the OPERATOR, at its location; crime statistics, fire protection services, public health statistics, inspectional services and permitting services in conjunction with and with the reasonable cooperation of the appropriate municipal office before and after the sales commencement date and shall provide this information to the TOWN.
17. **Assignment:** OPERATOR shall not assign or transfer this Agreement, in whole or in part, or grant any license, concession or permission therein without 30 days' prior written notice of its intent to do so, nor until the TOWN has provided written consent to such assignment. If this Agreement shall be so assigned or transferred, TOWN shall be entitled to receive payments from such assignee or transferee. No such assignment or transfer shall be deemed a waiver or release of the assignee or transferee from full performance hereunder, and the Agreement shall be binding upon any such assignee or transferee. This Agreement is binding upon the parties hereto, their successors, assigns and legal representatives.
18. **Property Valuation and Taxation:** OPERATOR shall not object or otherwise challenge the taxability of such property, as long as the valuation is fair and reasonable and consistent with other commercial properties within the TOWN and shall not seek a non-profit exemption from paying such taxes and that, notwithstanding the foregoing, in the event the OPERATOR files as a non-profit:

- a. any real or personal property owned or operated by OPERATOR is determined to be non-taxable or partially non-taxable, or
- b. the value of such property is abated with the effect of reducing or eliminating the tax which would otherwise be paid if assessed at full value, or
- c. OPERATOR is determined to be entitled or subject to exemption with the effect of reducing or eliminating the tax which would otherwise be due if not so exempted, then

OPERATOR shall pay to the TOWN an amount which when added to the taxes, if any, paid on such property, shall be equal to the taxes which would have been payable on such property at full assessed value and at the otherwise applicable tax rate, if there had been no abatement or exemption; this payment shall be in addition to the Impact Fee made by OPERATOR under this Agreement. The OPERATOR shall not request any tax credits or subsidy from the TOWN for the Facility including, but not limited to, any request for a tax exemption or abatement as a non-profit entity and shall not object or otherwise challenge the taxability of its entity and shall not object or otherwise challenge the taxability of the Facility.

19. Agreement as to Agricultural Exemption: OPERATOR agrees to comply with all laws, rules, regulations and orders applicable to the facility, such provisions being incorporated herein by reference, and shall be responsible for obtaining all necessary licenses, permits and approvals required for the performance of such work. The OPERATOR agrees not to assert or seek exemption as an agricultural use under the provisions of from the requirements of the TOWN's Zoning Bylaws pursuant to M.G. L. c. 40A, § 3.

20. Notice: Any and all notices or other communications required or permitted under this Agreement, shall be in writing and delivered by hand or mailed postage prepaid, return receipt requested, by registered or certified mail, or delivered by other reputable delivery service, to the parties as set forth below or furnished from time to time in writing hereafter by one party to the other party. Any such notice or correspondence shall be deemed given when so delivered by hand; if so mailed, when deposited with the U.S. Postal Service; or if sent by private overnight or other delivery service, when deposited with such delivery service.

If to TOWN:	If to OPERATOR:
David Genereux, Town Administrator Town of Leicester 3 Washburn Square Leicester, MA 01524 Telephone: (508) 892-7000 Fax: (508) 892-7070 Email: genereuxd@leicesterma.org	Jane Eden, Manager East Coast Organics, LLC 238 Shrewsbury Street, Worcester, MA 01604 Telephone: Facsimile: Email:

21. **Governing Law:** This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Massachusetts and the parties hereto submit to the jurisdiction of any of its appropriate courts for the adjudication of disputes arising out of this Agreement.
22. **Integration of writings.** This Agreement, including all documents incorporated herein by reference, constitutes the entire integrated agreement between the parties with respect to the matters described. This Agreement supersedes all prior agreements, negotiations and representations, either written or oral, and it shall not be modified or amended except by a written document executed by the parties hereto.
23. **Third Parties:** Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either TOWN or the OPERATOR.
24. **Waiver:** The obligations and conditions set forth in this Agreement may be waived only by a writing signed by the party waiving such obligation or condition. Forbearance or indulgence by a party shall not be construed as a waiver, nor limit the remedies that would otherwise be available to that party under this Agreement or applicable law. No waiver of any breach or default shall constitute or be deemed evidence of a waiver of any subsequent breach or default. The failure of either Party to enforce any provision of this Agreement shall not be construed as a waiver or limitation of that Party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.
25. **Retention of Regulatory Authority:** By entering into this Agreement, TOWN does not waive any enforcement rights or regulatory authority it currently holds over any business in TOWN.
26. **Severability:** If any term or condition of this Agreement or any application thereof shall to any extent be held invalid, illegal or unenforceable by the court of competent jurisdiction, the validity, legality, and enforceability of the remaining terms and conditions of this Agreement shall not be deemed affected thereby unless one or both parties would be substantially or materially prejudiced.
27. **Entire Agreement:** This Agreement, including all documents incorporated herein by reference, constitutes the entire integrated agreement between the parties with respect to the matters described. This Agreement supersedes all prior agreements, negotiations and representations, either written or oral, and it shall not be modified or amended except by a written document executed by the parties hereto.

28. **Amendment:** This Agreement may only be amended by a written document duly executed by the parties hereto. No modification or waiver of any provision of this Agreement shall be valid unless duly authorized as an amendment hereof and duly executed by the TOWN and the OPERATOR.
29. **Modifications:** Modifications to this Agreement may only be effective if made in writing and signed by both parties hereto.
30. **Headings:** The article, section, and paragraph headings in this Agreement are for convenience only, are no part of this Agreement and shall not affect the interpretation of this Agreement.
31. **Counterparts:** This Agreement may be signed in any number of counterparts all of which taken together, shall constitute one and the same instrument, and any party hereto may execute this Agreement by signing one or more counterparts.
32. **Signatures:** Facsimile signatures affixed to this Agreement shall have the same weight and authority as an original signature.

IN WITNESS WHEREOF, this Agreement has been executed on the date below, as a sealed instrument by OPERATOR's duly authorized officer, and by the TOWN of Leicester.

[SIGNATURE ON FOLLOWING PAGE]

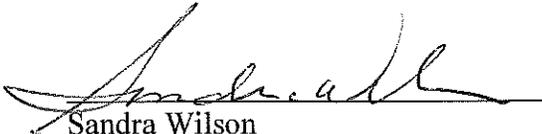
Town of Leicester, Massachusetts by its
Select Board



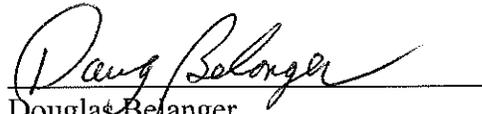
Harry Brooks
Chair



Dianna Provencher
Vice Chair



Sandra Wilson
Second Vice Chair



Douglas Belanger
Member

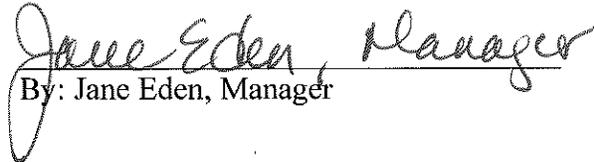
Brian Green
Member

Approved as to Form:

Christopher J. Petrini, Town Counsel

2018.05.04 East Coast Organics, LLC Host Community Agreement Town Counsel comments (1206-00)

East Coast Organics, LLC:



By: Jane Eden, Manager

**TOWN OF LEICESTER
AND
INTEGRATED GENETICS AND BIOPHARMA RESEARCH LLC**

**HOST COMMUNITY AGREEMENT
FOR THE SITING OF AN ADULT-USE MARIJUANA ESTABLISHMENT
IN THE TOWN OF LEICESTER**

This Host Community Agreement (“Agreement”) is entered into pursuant to M.G.L. 94G, § 3(5)(d) this 5th day of November, 2018 by and between **INTEGREGATED GENETICS AND BIOPHARMA RESEARCH, LLC (IGBR)** (the “Operator”) a Massachusetts limited liability company, currently located at 1764 Main Street Leicester, MA (the “Property”) and the **Town of Leicester** a Massachusetts municipal corporation with a principal address of 3 Washburn Square, Leicester, MA 01524 (the “Town”).

WHEREAS, On November 8, 2016 Massachusetts voters approved the legal cultivation, processing, distribution, sale and use of marijuana for adult use through Chapter 334 of the Acts of 2016, an Act for The Regulation and Taxation of Marijuana; and

WHEREAS, On July 28, 2017, Governor Baker signed the General Court’s revised law on the subject, “An Act to Ensure Safe Access to Marijuana” adopted as Chapter 55 of the Acts of 2017 (the “Act”); and

WHEREAS, Massachusetts, acting through the Cannabis Control Commission (the “CCC”) implemented regulatory framework for the regulation of adult use of marijuana establishments through 935 CMR 500.000 *et. seq.* (the “CCC Regulations”); and

WHEREAS, A “Marijuana Establishment” as defined in the CCC Regulations, means a Marijuana Cultivator, Craft Marijuana Cooperative, Marijuana Product Manufacturer, Marijuana Retailer, Independent Testing Laboratory, Marijuana Research Facility, Marijuana Transporter, or any other type of licensed marijuana-related business, except a medical marijuana treatment center; and

WHEREAS, Operator wishes to locate and operate a “Marijuana Establishment”, meaning specifically, a Marijuana Research Facility, (hereinafter referred to as the “Facility”) at the Property in accordance with CCC Regulations and such approvals as may be issued by the Town in accordance with its Zoning Bylaw and other applicable regulations in effect at the time the Operator files its application with the CCC; and

WHEREAS, Operator will satisfy the purpose and intent of the voters and the Act by providing marijuana for adult use, educational materials and related products to citizens of the Town and throughout the Commonwealth of Massachusetts; and

WHEREAS, Operator intends to provide certain benefits to the Town upon receipt of CCC licensure to operate a Facility in Town and all required local approvals to do so; and

WHEREAS, notwithstanding the anticipated benefits to certain members of the community, the Operator and the Town agree that the Facility will impact Town resources in ways unique to the business of the Facility and will draw upon Town resources such as Town's road system, law enforcement, fire protection services, inspectional and permitting services, public health services in a manner not shared by the general population and may cause additional unforeseen impacts upon the Town; and

WHEREAS, Massachusetts General Laws chapter 94G, § 5 (d) states "that a marijuana establishment or a medical marijuana treatment center seeking to operate or continue to operate in a municipality which permits such operation shall execute an agreement with the host community setting forth the conditions to have a marijuana establishment or medical marijuana treatment center located within the host community which shall include, but not be limited to all stipulations of responsibilities between the host community and the marijuana establishment or a medical marijuana treatment center. An agreement between a marijuana establishment or a medical marijuana treatment center and a host community may include a community impact fee for the host community; provided, said impact fee shall not amount to more than 3 per cent of the gross sales of the marijuana establishment or medical marijuana treatment center or be effective for longer than 5 years.

NOW, THEREFORE, in consideration of the above and the mutually agreed promises contained herein, the Operator and the Town agree as follows:

1. **Compliance:** Operator and Town shall comply with all applicable provisions of M.G.L. c. 94G, as affected by Chapter 55 of the Acts of 2017 and the CCC Regulations as the same may be amended from time to time; and the Leicester General Bylaws, Zoning Bylaws and all laws, rules, regulations and orders applicable to the operation of a Marijuana Establishment in the Town, such provisions being incorporated herein by reference, and Operator shall be responsible for obtaining all necessary licenses, permits, and approvals required for the operation of a Marijuana Establishment.
2. **Community Impact Fee:** Operator shall pay a community impact fee as required by M.G.L. c. 94G, § 5 (d) (the "Impact Fee") in the amounts and under the terms provided herein. The Operator shall furnish the Town with annual Profit and Loss Statements, as soon as they become available, reflecting Gross Annual Revenues (as defined herein) of the Facility located within the Town. Additionally, the Operator shall provide the Town with copies of all of its periodic financial filings with agencies of the Commonwealth documenting Gross Annual Revenues.

3. Application of Impact Fee: The Operator acknowledges and agrees that the Town is under no obligation to use the Impact Fee payments made hereunder in any particular manner and that the payments are classified as General Fund under M.G.L. c. 44, § 53.
4. Calculation of Impact Fee Payments: Subject to adjustment or modification as set forth in this Agreement, Operator shall pay to the Town 1.50% of the Operator's Gross Annual Revenues as the Impact Fee for gross annual revenues between \$1.00 and \$1,000,000. If the Gross Annual revenue of the Operator exceeds \$1,000,000 annually in any given year, the Impact Fee shall be 3% of the Operator's Total Gross Annual Revenues.
5. Commencement Date of Agreement: For the purposes of calculation of the Impact Fee paid to the Town, this agreement is effective as of the commencement of operations at the Facility location ("**The Operations Commencement Date**") by the Operator.
6. Dates of Payment: Following the Operations Commencement Date, payment on sales for the first calendar year of operations, which is anticipated to be calendar year 2019 of shall be due and payable upon by May 15th of the following year. Payments made in successive years shall be made once annually, on May 15th of each consecutive year, through the earlier of either the end of the fifth year of operation following the Operation Commencement Date; or the maximum time permitted under M.G.L. c. 94G, § 3(5)(d) (each an "**Annual Payment**" and collectively the "**Annual Payments**"). The Operator shall notify the Town in writing when the Operator commences sales within the Town.
7. Gross Annual Revenues: The term "**Gross Annual Revenues**" shall mean the grand total of all of the Operator's revenue associated with the operations of the Facility.
8. Amendment of Impact Fee Payment Date: At the option of the Operator, the payment date may be amended once, by written request, to align with the Operator's fiscal year or quarterly tax filing obligations for ease of administration, but such amendment shall not change the total amount due.
9. Annual Review of Impact Fee: Notwithstanding anything to the contrary herein, every year after the Operation Commencement Date the Town and Operator shall jointly review the Impact Fee and may increase or decrease the Annual Payment (as the case may be) but in no event shall the Annual Payment exceed three percent (3%) of the Operator's Gross Annual Revenues.
10. Monitoring of Community Impacts: The Operator shall evaluate and monitor crime statistics, fire protection services, public health statistics including but not limited to marijuana usage in the Leicester High School, inspectional services and permitting services in conjunction with and with the reasonable cooperation of the appropriate municipal office before and after the Sales Commencement Date and shall provide this information to the Town. The Operator and the Town agree that any increase or decrease in the Impact Fee shall be based on the escalation of

the aforementioned services in the area immediately surrounding the Facility, at a rate in excess of Town-wide escalation, unless mutually agreed upon by the Operator and the Town.

11. Filings with the Commonwealth: The Operator shall furnish the Town with the annual reports of the Gross Annual Revenue as described in Section 6, as soon as they become available, reflecting Gross Annual Revenue figures for the Facility and shall provide the Town with all copies of its periodic financial filings to the CCC and/or to the Massachusetts Department of Revenue documenting the Operator's Gross Annual Revenues, and shall furnish copies of its filings to the Secretary of the Commonwealth's Corporations Division, and if any, to the Massachusetts Office of the Attorney General.

12. Term: The term of this Agreement is five years, terminating on the fifth anniversary of the Sales Commencement Date, unless sooner terminated by:
 - a. revocation of Operator's license by the CCC; or
 - b. Operator's voluntary or involuntary cessation of operations; or
 - c. the Town's termination of this Agreement for breach of the conditions contained herein that remain uncured sixty (60) days from the date of written notice of such breach.

13. Renegotiation/Applicability: To the extent permitted by law: (a) the terms of this Agreement shall be renegotiated by the Owner and the Town in good faith following five (5) years of continuous operation of the Facility; and (b) the terms of this Agreement shall continue in full force and effect unless the parties reach accord on a subsequent agreement provided, however, that in no event shall the Operator be permitted to continue to operate the Facility after termination as set forth in Paragraph 11 above.

14. Property Valuation/Taxation: Operator shall not object or otherwise challenge the taxability of such property and shall not seek a non-profit exemption from paying such taxes and that, notwithstanding the foregoing, if:
 - a. any real or personal property owned or operated by OPERATOR is determined to be non-taxable or partially non-taxable, or
 - b. the value of such property is abated with the effect of reducing or eliminating the tax which would otherwise be paid if assessed at full value, or
 - c. OPERATOR is determined to be entitled or subject to exemption with the effect of reducing or eliminating the tax which would otherwise be due if not so exempted, then

OPERATOR shall pay to the TOWN an amount which when added to the taxes, if any, paid on such property, shall be equal to the taxes which would have been payable on such property at full assessed value and at the otherwise applicable tax rate, if there had been no abatement or exemption; this payment shall be in addition to the Impact Fee made by OPERATOR under this Agreement. The Operator shall not request any tax credits or subsidy from the Town for the Facility including, but not limited to, any request for a tax exemption or abatement as a non-profit entity and

shall not object or otherwise challenge the taxability of its entity and shall not object or otherwise challenge the taxability of the Facility.

15. Impact Fee as Compensatory: The Impact Fee referenced herein shall be compensatory to the Town for all impacts of the Operator's operation of the Facility in the Town, including all reasonable indirect costs. Nothing herein shall be construed to exempt the Facility from payment of local, state and federal taxes.
16. Local Hiring: To the extent permissible by law, Operator will make jobs available to local, qualified residents; and such residency will be a positive factor in hiring decisions, but this does not prevent Operator from hiring the most qualified candidates and complying with all employment laws and other legal requirements. In addition to the direct hiring, Operator will work in a good faith, legal and non-discriminatory manner to similarly consider local status of vendors, suppliers, contractors and builders from the Town area to be a positive factor in retaining such vendors.
17. Approval of On-Site Manager: If requested by the Town, Operator shall provide to the Town, for review and approval, the information set forth in 935 CMR 500.101(1)(b), of the person proposed to act as on-site manager of the Facility, which submittal shall include authorization to perform a criminal history (CORI) check. Within thirty (30) days of its receipt of the information set forth in 935 CMR.500.101(1)(b), the Town shall, in consultation with the Police Chief determine whether the person proposed is of suitable character to act as on-site manager. Such approval shall not be unreasonably denied, conditioned or delayed. Said approval shall be considered unreasonably denied if the Town denies such approval and the CCC has approved said on-site manager pursuant to the Regulations. Notwithstanding the foregoing, if Town does not provide confirmation or rejection of the proposed on-site manager within thirty (30) days, that on-site manager of the Facility shall be deemed approved by Town. This approval process shall also apply to any change of on-site manager. The current on-site manager is Nick O'Hara, and he shall be approved as part of this Agreement.
18. Prevention of Diversion: To the extent requested by the Town's Police Department, and consistent with the Regulations, Operator shall work with the Town's Police Department to implement a comprehensive diversion prevention plan to prevent diversion, such plan to be in place prior to the Operation Commencement Date. Such plan will include, but is not limited to, (i) training Facility employees to be aware of, observe, and report any unusual behavior in Facility employees that may indicate the potential for diversion; (ii) strictly adhering to CCC Regulations as to certification amounts and time periods; (iii) utilizing seed-to-sale tracking software to closely track all inventory at the Facility.
19. Security: To the extent requested by the Town's Police Department and Fire Department, and consistent with the Regulations, Operator shall work with the Town's Police Department and the Town's Fire Department to determine the placement of interior and exterior security cameras, so that at least two cameras are located to provide an unobstructed view in each

direction of the public way(s) on which the Facility is located. Operator will maintain a cooperative relationship with the Police Department and the Fire Department, including but not limited to periodic meetings to review operational concerns, cooperation in investigations, and communication to Police Department of any suspicious activities on or in the immediate vicinity of the site. Such camera(s) may be altered by the CCC during their security and architectural review process.

20. Registration and Approvals Required: The obligations of Operator and the Town recited herein are specifically contingent upon the obtaining of a Certificate of Registration for the operation of a Marijuana Research Establishment from the CCC to operate in Town, and contingent upon all necessary local permits and approvals required, which are consistent with M.G. L. c. 94G, Section 5 and in effect as of the date specifically required by said section.
21. On-Site Consumption: The on-site consumption of marijuana products shall be prohibited.
22. Cooperation: Operator shall work cooperatively and in good faith with the Town in securing the prompt and efficient siting, planning, permitting and preparation for opening of the Facility. Furthermore, Town shall recognize Operator's Existing RMD License Priority Applicant status under 935 CMR 500.101 (2). This Agreement does not affect, limit, or control the authority of Town boards, commissions and departments to carry out their respective powers and duties to decide upon and to issue, or deny, applicable permits and other approvals under the statutes and regulations of the Commonwealth, the General and Zoning Bylaws of the Town, or applicable regulations of those boards, commissions, and departments, or to enforce said statutes, Bylaws, and regulations. The Town, by entering into this Agreement, is not thereby required or obligated to issue such permits and approvals as may be necessary for the Facility to operate in the Town, or to refrain from enforcement action against the Operator and/or its Facility for violation of the terms of said permits and approvals or said statutes, Bylaws and regulations.
23. Modification of Payments: Both the Operator and the Town understand and agree that a Marijuana Research Facility have a distinct and separate impact on a municipality and justify a difference in Host Community Agreement terms. Should Operator enter into an agreement with any other municipality for the siting of a combined Marijuana Cultivator, Marijuana Retailer and Marijuana Product Manufacturer at terms materially more favorable to that municipality than the terms of this Agreement are to Town, this Agreement shall be modified to reflect those terms. Notwithstanding the foregoing, should Operator enter into an agreement with any other municipality for the purpose of operating one or more Marijuana Establishments that do not combine a Marijuana Cultivator, Marijuana Retailer and Marijuana Product Manufacturer this Agreement shall not be modified.
24. Location; Additional Operations: This Agreement applies to the proposed Marijuana Research Facility to be located at Stafford Street, Leicester. This agreement will remain in force should the Operator chose to move or transfer operations to a different location within the Town.

Should the Operator and the Town agree to allow the Operator to site another facility within the Town, the Operator and the Town shall agree to negotiate an additional agreement.

25. Assignment: Neither the Town nor the Operator shall assign, sublet or otherwise transfer its rights nor delegate its obligations under this Agreement, in whole or in part, without the prior written consent of the other party, which consent shall not be unreasonably withheld; provided however such consent shall not be required in the event such transfer or assignment is between the Operator and another entity which is authorized by the CCC to operate the Facility pursuant to a Certificate of Registration granted by it, or if such assignment or transfer is the result of a merger or consolidation with the Operator.
26. Agreement as to Agricultural Exemption: Operator agrees to comply with all laws, rules, regulations and orders applicable to the Facility, such provisions being incorporated herein by reference, and shall be responsible for obtaining all necessary licenses, permits and approvals required for the operation of an Facility. The Operator agrees not to assert or seek exemption as an agricultural use under the provisions of from the requirements of the Town's Zoning Bylaws pursuant to M.G. L. c. 40A, § 3.
27. Retention of Regulatory Authority: By entering into this Agreement, Town does not waive any enforcement rights or regulatory authority it currently holds over any business in Town.
28. Notices: Any and all notices, or other communications required or permitted under this Agreement, shall be in writing and delivered by hand or mailed postage prepaid, return receipt requested, by registered or certified mail or by other reputable delivery service, to the parties at the addresses set forth on Page 1 of this Agreement or furnished from time to time in writing hereafter by one party to the other party. Any such notice or correspondence shall be deemed given when so delivered by hand, if so mailed, when deposited with the U.S. Postal Service or, if sent by private overnight or other delivery service, when deposited with such delivery service.
29. Severability: If any term or condition of this Agreement or any application thereof shall to any extent be held invalid, illegal or unenforceable by the court of competent jurisdiction, the validity, legality, and enforceability of the remaining terms and conditions of this Agreement shall not be deemed affected thereby unless one or both parties would be substantially or materially prejudiced.
30. Governing Law: This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Massachusetts and the parties hereto submit to the jurisdiction of any of its appropriate courts for the adjudication of disputes arising out of this Agreement.
31. Entire Agreement: This Agreement, including all documents incorporated herein by reference, constitutes the entire integrated agreement between the parties with respect to the matters described. This Agreement supersedes all prior agreements, negotiations and representations,

either written or oral, and it shall not be modified or amended except by a written document executed by the parties hereto.

32. Confidentiality: Operator may provide to the Town certain financial information, investment materials, products, plans, documents, details of company history, know-how, trade secrets, and other nonpublic information related to Operator, its affiliates and operations (collectively, the "**Confidential Information**"). Town (inclusive of its employees, agents, representatives or any other of its affiliated persons) shall not, at any time during the term of this Agreement or thereafter, disclose any Confidential Information to any person or entity, except as may be required by court order or law (pursuant to M.G.L. c. 66 § 10), provided in all events, prior to such disclosure, the Town will notify Operator in writing of its intent to make such disclosure at least three (3) days in advance of any disclosure.
33. Waiver: The obligations and conditions set forth in this Agreement may be waived only by a writing signed by the party waiving such obligation or condition. Forbearance or indulgence by a party shall not be construed as a waiver, nor limit the remedies that would otherwise be available to that party under this Agreement or applicable law. No waiver of any breach or default shall constitute or be deemed evidence of a waiver of any subsequent breach or default.
34. Third Parties: Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either Town or the Operator.
35. Amendment: This Agreement may only be amended by a written document duly executed by both of the parties hereto. No modification or waiver of any provision of this Agreement shall be valid unless duly authorized as an amendment hereof and duly executed by the Town and the Operator.
36. Modifications: Modifications to this Agreement may only be effective if made in writing and signed by both of the parties hereto.
37. Headings: The article, section, and paragraph headings in this Agreement are for convenience only, are no part of this Agreement and shall not affect the interpretation of this Agreement.
38. Counterparts: This Agreement may be signed in any number of counterparts all of which taken together, shall constitute one and the same instrument, and any party hereto may execute this Agreement by signing one or more counterparts.
39. Signatures: Facsimile signatures affixed to this Agreement shall have the same weight and authority as an original signature.

[SIGNATURES TO FOLLOW]

The following signature indicate that the parties hereby agree to the terms set forth in this Agreement as per the date set forth on page 1 of this Agreement.

For the Town of Leicester, Massachusetts:

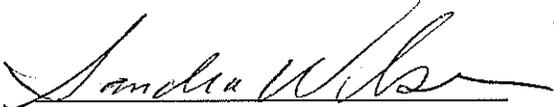


Dianna Provencher
Chair

For IGBR, LLC:



By: Nick O'Hara
Its: Manager



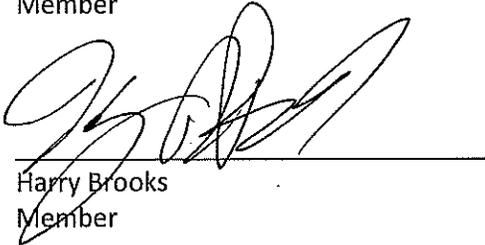
Sandra Wilson
Vice Chair



Brian Green
Second Vice Chair



Rick Antanavica
Member



Harry Brooks
Member

Approved as to Form:

Christopher J. Petrini, Town Counsel

2018.03.22 DRAFT Proposed Leicester and Cultivate Host Community Agreement (ADULT USE) TC comments-CLEAN (1206-01)

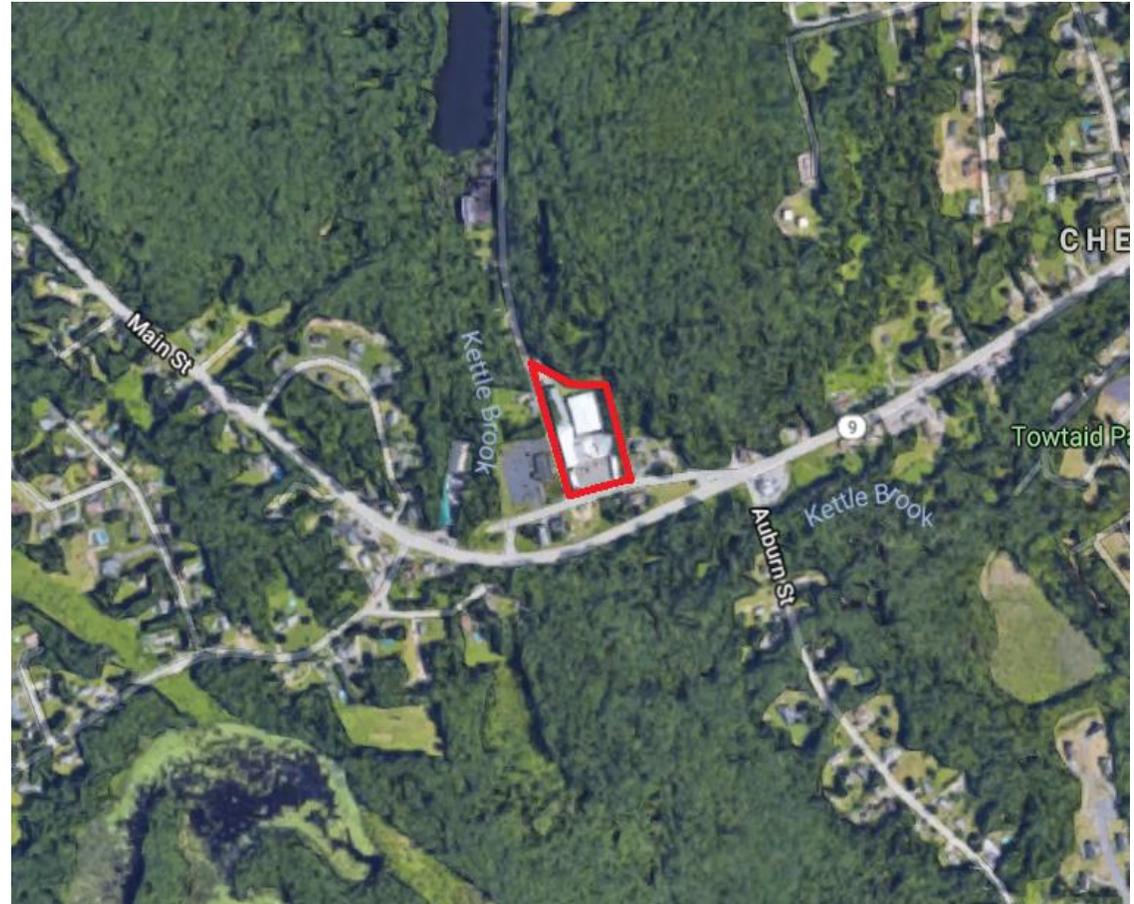


ChillyFarms

LEICESTER BOARD OF SELECTMEN MEETING FOR A
PROPOSED ADULT-USE MARIJUANA ESTABLISHMENT
JUNE 11TH, 2018

Today's Goals

1. Who we are
2. CCC Adult-Use Application Process
3. The Marijuana Establishment Facility
4. Compliance with Zoning and Setback Provisions
5. Compliance with Local Permitting
6. Cultivation
7. Product Manufacturing
8. Retail Sales
9. Security
10. Preventing Diversion
11. Preventing Diversion to Minors
12. Plan to Avoid Creating a Nuisance to the Community
13. Benefits to the town of Leicester
14. Economic Impact to the Town of Leicester
15. Marijuana Studies and Research
16. Host Community Agreement
17. Community Outreach Meeting and Next Steps
18. Q&A Period



Who We Are



ChillyFarms is committed to cultivating and dispensing consistent, high-quality, independently-tested, adult-use marijuana and marijuana products in the Commonwealth of Massachusetts.

ChillyFarms will cultivate, manufacture, process, package and dispense a variety of marijuana strains and products either through wholesale or retail in accordance with M.G.L. Ch. 94G and the Cannabis Control Commission's (CCC) Regulations at 935 CMR 500.000 *et seq.*

ChillyFarms has assembled an experienced team of professionals with a diverse set of talents to operate a successful cultivation, manufacturing and retail operation. The team's combined experience includes:

- Head grower with 10 years of prior cultivation experience and research of medicinal marijuana.
- Biotech trained automated systems expert.
- Business owner and manager with 30 years of retail management on a national level.
- Master cultivator with 15 years experience.
- Former DEA agent with 30 years in the field.
- Financial cannabis consulting expert with operations throughout the country.
- The leading marijuana specialty law firm in the country.
- CPA cannabis accounting firm.
- Financial analyst for a major audit and assurance, tax and consulting firm.
- Medical professional and real estate investor.

Andy Coleman

Founder, Head Cultivator

While becoming a medical marijuana caregiver in California in 2014, I have received hands on experience working on and launching a vertically integrated cannabis operation. After years of working within the cannabis industry, I have learned the specifics in cultivating boutique cannabis. From seed, to sale, I have researched every aspect of cultivation to further refine my skills in this industry. I am able to work independently and collaboratively to accomplish any challenges ahead of me. I have expert skills problem solving, germinating seeds, cloning, the vegetative process, the flowering process, harvesting, drying and curing, as well as pest and mold/mildew prevention. My primary focus is on genetics, primarily phenotype selection, which sets my product apart from my competitors.

Education:

Housatonic College – AAS, Business Administration (2008-2010)

Experience:

Medical Marijuana Caregiver – Founder: Hayward, CA (2014–2018)

Strengths and areas of expertise include:

- 10+ years researching cannabis cultivation techniques.
- Researching and purchasing production equipment and supplies.
- Planning and setting up equipment to maximize yield.
- Researching/purchasing rare cannabis genetics.
- Germination from seed and cloning techniques.
- Running a vertically integrated cultivation facility.
- Canopy management – Training, topping, pruning techniques.
- Nutrient management – Base, micro-nutrients, Inoculants, Enzymes, additives - PH, EC management.
- Environmental control following strict VPD guidelines.
- Pest, mold and mildew prevention/extermination.
- Harvesting – Optimal trimming, drying and curing techniques.
- Responsible for P&L.

Benjamin England

Managing Partner, Automated systems expert

Ever since a young age I have taken an interest in mechanical engineering and mechanics in general. For the past three years I have been working as a lab technician at Genzyme, a well known Massachusetts biotech manufacturing company. I started in the purification department where I learned how to batch and transfer a variety of buffers in large pressurized vessels, from there I learned how to run large scale resin chromatography skids. After two years of purification under my belt I transferred to the media department where I learned the inoculation phase through the microfiltration stage of the process.

I have been cultivating recreational cannabis for the past 14 months in Massachusetts, learning the fundamentals of how the growing cycle works. I am able to maintain and manage an automated feeding system, as well as a climate control system to fully dial in any cultivation operation. Along with my growing experience, having worked with large equipment run by manufacturing execution systems I have gained lots of insight and knowledge that will be very applicable cultivating cannabis and producing extracts.

Strengths and areas of expertise:

- Data collection and analysis.
- Pressurized systems.
- Problem solving/trouble shooting skills.
- Extraction and purification/degassing skills.
- Regulation and protocol compliance.
- Full scale automation of the entire cultivation facility.
- Automated system maintenance.
- Irrigation system.
- Nutrient management.
- Environmental controls.
- Grow data collection and analyzation.
- Seed-sale tracking.
- Troubleshooting mechanical equipment.
- Day to day cultivation tasks.
- Employee management.
- Scheduling, hiring, oversight.

Barry Coleman

Chief Executive Officer (CEO)

With 35 years of retail experience in multi-site retail locations with an emphasis on operations, finance and unparalleled customer service. A verifiable track record of success in managing businesses. Experience in starting up new business ventures with excellent management skills. Responsible for new store opening including fixture set up and merchandising. Supervising up to 200 associates. Responsibility includes hiring and training of staff, maintaining merchandising and maintenance standards, freight flow, and driving sales through efficient store operations.

Experience:

Weed and Duryea - Store Director: New Canaan, CT (2007–2018)

Kohl's Department Stores - Store Manager: Trumbull, CT (1999–2007)

Caldor - Store Manager: Trumbull, CT (1995-1999)

Body Accents - President/Owner: W. Hartford, CT (1982-1995)

Park Lane Hosiery - District Manager: New York, NY (1979–1982) *Leipzig*

& Starr, CPA - Accountant/Auditor: Great Neck, NY (1977–1979)

Strengths and areas of expertise include:

- Record of accomplishment in producing sales growth.
- Full understanding of P&L responsibilities.
- Negotiation skills in leasing and purchasing.
- Accounting and financial knowledge.
- Supervising 200+ employees for national corporations.
- Experience in customer satisfaction.
- Responsibilities include:
 - Guiding this new business venture.
 - Finding a suitable location.
 - Business negotiations.
 - Employee selection.
 - Overseeing the financials.
 - Overseeing regulations, policies and procedures.
 - Assist in day to day operations.

James Sipe

Chief Operational Officer (COO), Master Cultivator

Large scale cultivation design and management at all stages of development. Began in the marijuana industry in 2002 in Oakland, CA with Compassionate Caregivers which operated three cultivation facilities and multiple dispensaries throughout the state. Specialize in facility design and facility operation. Currently operate 2 projects in Massachusetts with oversight over 100,000 sq. ft. of cultivation space.

Education:

University of San Francisco, B.S Environmental Science (2010)

University of Delaware, A.S Landscape Horticulture (1999)

Experience:

Commcan Inc. - Director of Cultivation: Medway, MA (2016-Present)

Ermont Inc. - Director of Cultivation: Quincy, MA (2014-2016)

W.N.W Foundation - Director of Cultivation: Dennis, MA (2014-2016)

Mary Costello Horticulture - Estate Gardener: Phila., PA (2013-2014)

R.S. McDannell Design - Project Manager: S.F., CA (2011-2012)

Nativescapes - Owner/Designer: S.F., CA (2005-2011)

Compassionate Caregivers - Director of Horticulture: Oakland, CA (2002-2005)

Strengths and areas of expertise:

- 10+ years of researching cannabis cultivation techniques.
- Project Management.
- Quality Control.
- Compliance.
- Energy Management.
- Wastewater engineering.
- Automation.
- Integrated Pest Management.

Certifications

- California Pesticide Applicator's License
- OSHA 40 Hour HAZWOPER
- In the process of obtaining LEED Green Associate credentials

Joe Desmond

Director of Security

Conceived and promoted national program models for Operation Safe Home and the Integrated Drug Enforcement Assistance Program. Attained a 100% conviction rate resulting in the federal imprisonment of over one hundred defendants for murder, extortion, drug trafficking, bank robbery and racketeering. Recognized for investigative achievements by the DEA Administrator, Massachusetts State Police Superintendent, the United States Attorney and the New England Narcotics Officers Association. Competed in the Boston Marathon and Golden Gloves Boxing.

Education:

Northeastern University, Boston, MA. B.S. Criminal Justice, 3.6 GPA.

US Government training:

- Air Marshal Tactical Operations
- Financial Investigations
- Terrorism & Explosives
- Intellectual Property
- Jungle Operations & Survival
- Executive Protection

Experience:

Boston Private Investigation, LLC - Licensed Private Investigator/Government Contractor: Boston, MA (2010-Present)
DEA - Special Agent/Supervisory Special Agent: Greater Boston, MA Washington, DC (1983-2010)

Strengths and areas of expertise:

- DEA Financial Investigation Team to conduct international financial and money laundering investigations which resulted in the seizure and forfeiture of millions of dollars in drug trafficking proceeds.
- Worked closely with banking industry to develop actionable intelligence.
- Conduct Private Investigations for law firms and individuals
- Conducted and directed the investigation of international drug trafficking organizations.
- Maintained Top Secret security clearance.
- Certified as expert witness in US District Court.
- Protected the life of the DEA Administrator.
- Deployed with coalition of US Army Special Forces and Bolivian National Police in cocaine production suppression operation in the Andes Region of Bolivia, South America.
- Appointed representative to the Joint Terrorist Task Force (JTTF).
- Olympic Games security deployment.

Anthony Lieber

Chief Financial Officer (CFO)

With extensive CFO experience, Tony has demonstrated financial and strategic leadership in his previous roles in the engineering, financial and cannabis industry. Mr. Lieber spent the early stages of his career as a structural engineer, responsible for the structural design and integrity of entire industrial and commercial buildings. Later in his career Tony entered investment banking, performing successful equity transactions, including initial public offerings, mergers and acquisitions, portfolio acquisitions and other financial advisory assignments. He was responsible for managing liquidity, balance sheet risk, and capital market transactions to ensure his firm remained well positioned to capitalize on future growth opportunities. Tony has advised numerous private and public companies, and high-net worth investors in Canada, the US and Israel regarding financing, mergers and real estate acquisitions.

Education:

Rutgers University – BA – Economics, Finance & Accounting (1986)

Rutgers University – College of Engineering – Industrial Engineering (1979)

Experience:

PRO.Consult LLC – Entrepreneur: Plainsboro, NJ (1992-Present)

Strengths and areas of expertise:

- Strategic Planning.
- Project Management.
- Start-up Ventures.
- Start-up Consulting.
- Start-ups Management.
- New Business Development.
- Business Strategy.
- Sales Management.
- Business Development.
- Sales Operations.
- Sales Process.
- Customer Relations.
- Customer Retention.
- Quality Assurance.
- Marketing Strategy.
- Market Development.

Vicente Sederberg

Legal Representation and Cannabis Consultants

Our clients are trailblazers, building a new and vibrant industry from scratch. Each and every one of them has made a conscious decision to assume a certain level of risk in order to change the course of history. As trailblazers ourselves, we take pride in being with them every step along the way, helping them navigate and overcome unique legal and regulatory challenges. We understand every aspect of the marijuana industry — even aspects that are not yet fully developed. Advising clients on how to run compliant marijuana businesses since the beginning of marijuana regulation in Colorado. Our extensive involvement with the development of cannabis law and regulations across the country allows us to successfully advise hundreds of clients to comply with the complex web of evolving regulations governing the marijuana industry in Colorado and throughout the U.S.

Team:

Valerio Romano – Partner

David Ullian – Associate Attorney

Alex Lamphier – Associate Attorney

Tim Callahan – Senior Paralegal

Strengths and areas of expertise:

- Identifying new opportunities in marijuana industry.
- State applications for marijuana business licenses.
- Local government licenses and permits.
- License revocation hearings.
- Corporate formation and restructuring.
- Employment contracts, trainings, and policies.
- Acquisitions, mergers, and joint ventures.
- Due diligence support.
- Commercial real estate.
- General business contracts.
- Dispute resolution.
- Criminal, civil and administrative representation.
- Intellectual property.
- Hemp, CBD.
- Fund formation, debt financing, equity financings.
- Executive employment arrangements.
- Incentive equity plans.
- Trademark.

Mitzi S. Hollenbeck

CPA, CFE Accountant

Mitzi Hollenbeck is a partner at Citrin Cooperman with over 15 years of experience providing accounting and audit services, tax planning, business consulting, and technical accounting research services. Mitzi focuses on the accounting needs of closely held businesses from consulting to audit, mainly in the manufacturing, distribution, and employee benefit plan arenas. She also provides expert witness, litigation support, and internal fraud investigation services to clients in a variety of industries. She has a unique perspective on the cannabis business, being an elected official in Lakeville, Massachusetts, where she is able to understand the local regulatory challenges facing this industry. She is one of the lead partners for the firm's cannabis advisory services practice.

Education:

University of Massachusetts - Bachelor of Science in Accounting

The University of Connecticut - Master's in Accounting

Licenses:

Certified Public Accountant in the Commonwealth of Massachusetts

Certified Fraud Examiner

Experience:

Citrin Cooperman - Partner: Braintree, MA (2012-Present)

Strengths and areas of expertise:

- Specialists to assist with tax planning and compliance.
- Preparation of tax returns.
- Structural review with consideration related to 280E and income streams.
- Accounting system set-up and consulting regarding 280E bookkeeping needs.
- State and local tax consulting, including sales/use tax.
- Tax structure and planning.
- Well-versed in the regulatory environment.
- Strong relationships with important industry contacts.
- Setting up internal controls, and preparing for audits.
- Specialized knowledge to help companies thrive in the production, distribution, and investment in cannabis.
- Monthly, semi-monthly, quarterly, and yearly bookkeeping.
- Financial projections and cash flow.
- Cost allocation assistance.
- Inventory costing.

Justin Coleman

Financial Advisor

Education:

University Of Connecticut Storrs, Connecticut (2008-2012)

Bachelor of Science in Finance awarded May 2012

Major: Finance GPA: 3.591

Experience:

Sikorsky Aircraft (January 2013 to October 2013)

- Business Analyst
- Projecting financial reports

General Electric/General Electric Capital Corporation (GE) (2013-2017)

- Tax - Transfer Pricing Analyst/Senior Analyst
- Valuation of intercompany businesses, performing the following methodologies:
- Pricing of intercompany loans, notes, subordinated loans, preferred shares, and secured loans for GE Industrial and GE Capital businesses
- Performing credit analysis for borrowers across the world (over 200+ entities credit scored)
- Working with local tax authorities

- Evaluate companies financial health based on their financial statements including assessing balance sheet/income statement/cash flow
- Experience with S&P, Moody's, Fitch for credit scoring purposes
- Working with federal tax authorities (IRS, HMRC, FTA, ATO, etc.)
- Dealing with advanced pricing agreements (APAs)
- Financial Guarantees
- Intercompany tangible goods pricing

PricewaterhouseCoopers (PwC) (April 2017 – Current)

- Tax - Transfer Pricing Senior Analyst
- Clients: General Electric, Berkshire Hathaway and subsidiaries (Lubrizol, MiTek, CBT), Gates Industrial Company
- Performing similar services previously listed for GE
- Creating Transfer Pricing documentation following 482 and OECD regulations

Roger England

Real Estate and Business advisor

Having been in the dental field for over 30 years, I have gained substantial knowledge and experience in both general dentistry, as well as business management. Studying dentistry at Creighton University is where I learned basic dental skills and the management tools I needed to further my career. From dental school, I joined the United States Army Dental Core where I spent 6 years gaining surgical experience and building strong team leadership skills. After Leaving the army I began Advanced Family Dentistry, which grew into a well-known dental practice in the southern New Hampshire area. Having spent 20 years running a successful dental practice has given me superior business management skills as well as a strong understanding of the importance of building a good patient rapport. Having Recently retired from Advanced Family Dentistry, I currently run a real estate brokerage.

Strengths and areas of expertise:

- Operations Management
- Marketing & Strategic Planning
- Cash Management & Investments
- Real estate acquisition
- Property valuation
- Strong interpersonal skills
- Desire to learn
- Strong problem-solving skills

Operations Management skills:

- Responding to individual patients needs and concerns.
- Resolve patient issues in accordance with company policies and procedures, healthcare regulations.
- Coordinate with dental insurance companies to ensure claims are paid.
- Recruit and select office staff to meet operational requirements.
- Train, develop and manage staff to meet performance standards.
- Monitor and maintain the office budget.
- Complete administrative functions including bank deposits, revenue posting, staff payroll and invoice Processing.
- Run and analyze management reports.
- Maintain patient data according to regulations and company policies.
- Ensure that records are stored securely and in compliance with privacy and security regulations.
- Maintain facilities and equipment in accordance with hygiene and safety regulations including OSHA.

Cannabis Control Commission (CCC)

Adult-Use Marijuana Establishment Application Process

On April 17, 2018, the CCC will begin accepting applications for all adult-use marijuana establishment license types from certified Registered Marijuana Dispensary (RMD) Priority Applicants or Economic Empowerment Priority Applicants.

On May 1, 2018, the CCC will begin accepting applications for adult-use cultivation, microbusiness, craft cooperative, and independent testing laboratory licenses from non-priority applicants.

On June 1, 2018, the CCC will begin accepting applications for adult-use retail, product manufacturer, and transport licenses from non-priority applicants.

All applicants must submit to the CCC a complete application, which consists of: (1) an Application of Intent packet; (2) a Background Check packet; and (3) a Management and Operations Profile packet.



Cannabis Control Commission (CCC)

Adult-Use Marijuana Establishment Application Process

(Cont.)

As part of the Application of Intent submission, applicants are required to conduct a community outreach meeting within the 6 month period prior to filing the Application of Intent packet.

Once the CCC notifies an applicant that the submitted application is considered complete, the CCC will grant or deny a provisional license within 90 days.

The provisional licensee's architectural plans must then be approved by the CCC to enable the applicant to begin construction or renovation of the facility.

The CCC will then conduct a series of on-site inspections before issuing the applicant a final license to operate.



The Marijuana Establishment Facility

ChillyFarms proposes to renovate the existing building located at 424 Main St in the town of Leicester, MA.

ChillyFarms's facility will only distribute marijuana and marijuana products to other licensed Marijuana Establishments in the Commonwealth of Massachusetts. No retail sales will occur at ChillyFarms's Cultivation Facility in the town of Leicester.

Building Style: Warehouse

Est. Sqft: 15,000

Acreage: 3

Prior Uses: Storage

Year Built: 2000

Foundation Type: Masonry

Frame Type: Metal

Roof Cover: Metal



The Marijuana Establishment Facility (Cont.)

Phase 1: Wholesale + Manufacturing

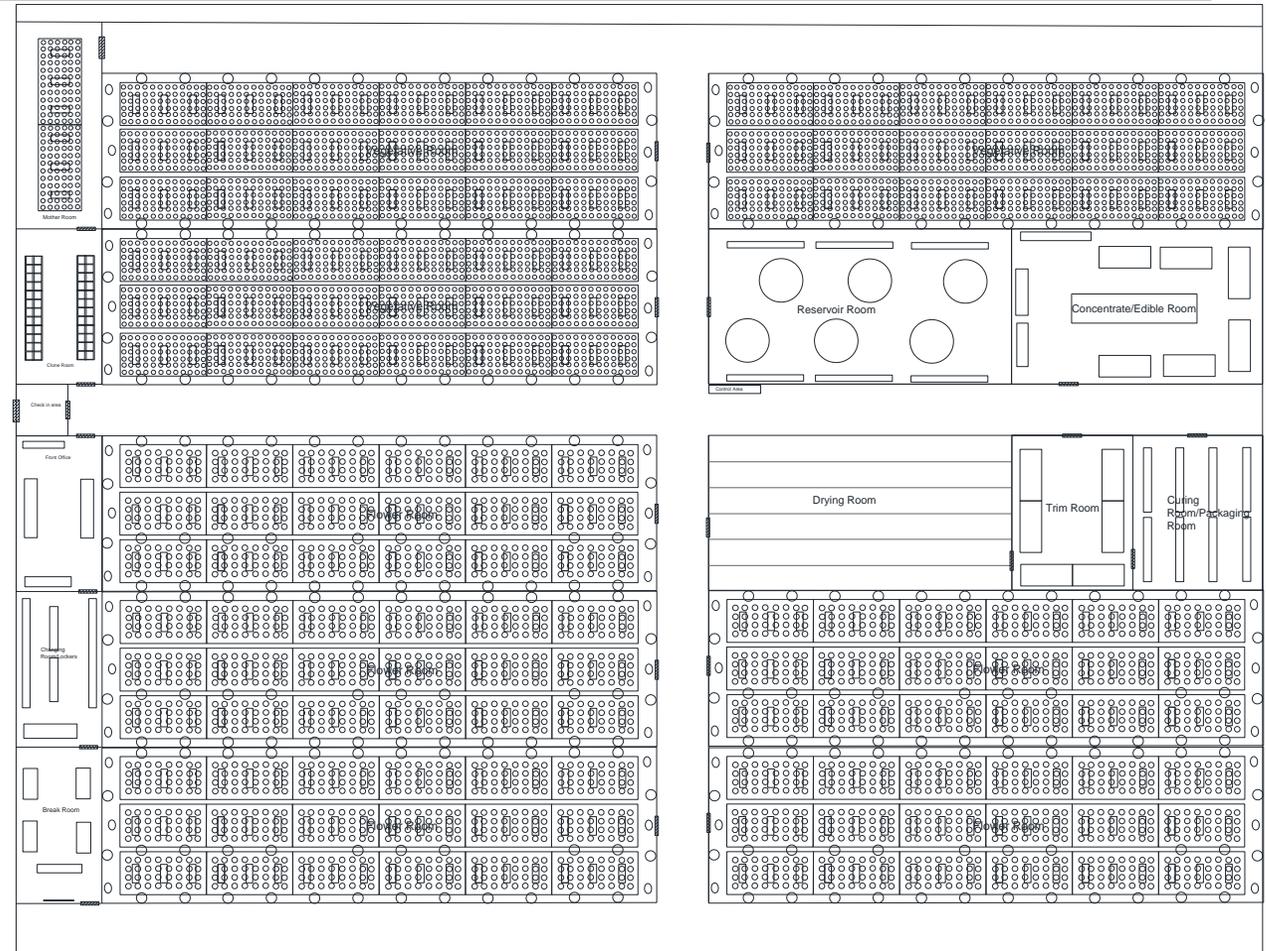
2 Flower rooms	576 plants per room
1 Vegetative room	1,152 plants per room
900 ft ² canopy per room	2,900 ft ² canopy total
54,000 Watts per room	108,000 Watts total
1 gram per watt yield	6 harvests per year

241lbs flower + 43lbs trim (3.9lbs bho) per harvest
Total = 1,446lbs flower + 23.4lbs extracts per year

Phase 2: Wholesale + Manufacturing

5 Flower rooms	576 plants per room
2.5 Vegetative rooms	1,152 plants per room
900 ft ² canopy per room	7,200 ft ² canopy total
54,000 Watts per room	270,000 Watts total
1 gram per watt yield	6 harvests per year

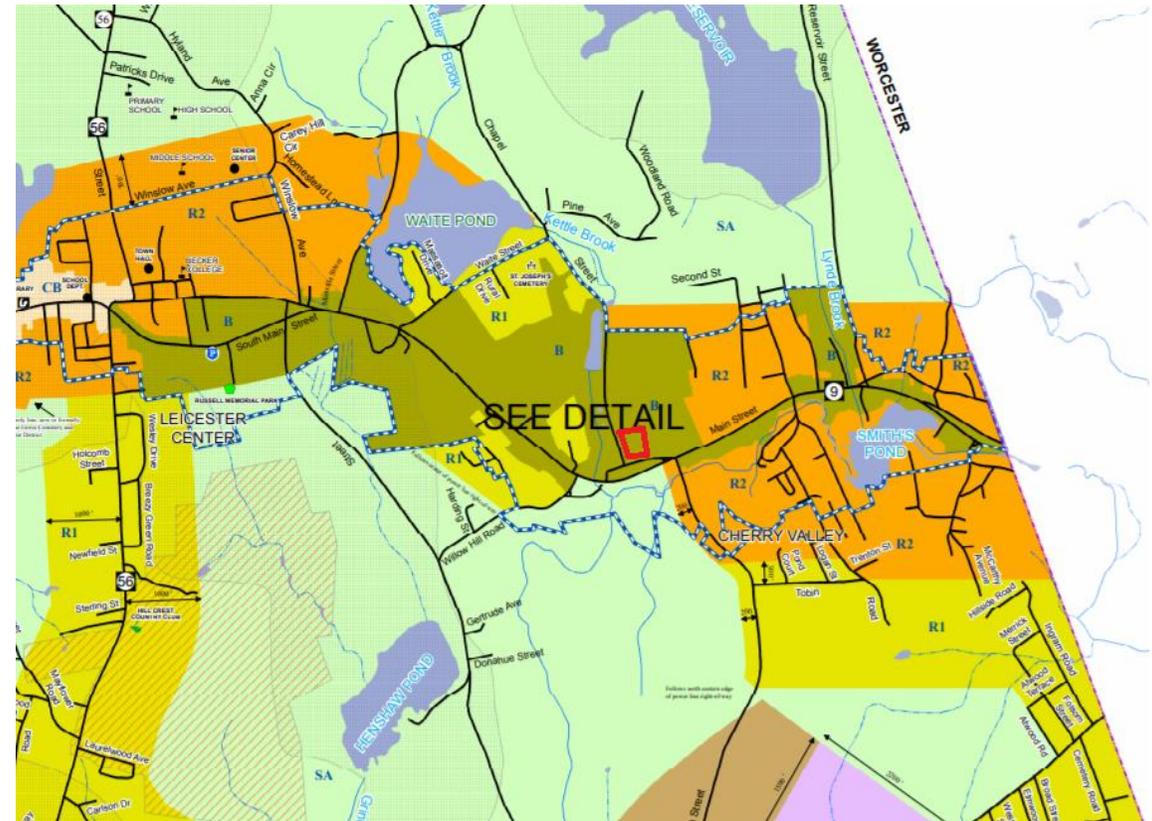
602lbs flower + 108lbs trim (9.7lbs bho) per harvest
Total = 3,612lbs flower + 58.2lbs extracts per year



Compliance with Zoning and Setback Provisions

In compliance with town of Leicester Zoning Ordinance, ChillyFarms proposed Marijuana Establishment is located in the industrial district. Further zoning information is needed from the town to confirm proper zoning district is designated for marijuana businesses.

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



Compliance with Local Permitting



In compliance with Leicester’s zoning ordinance, ChillyFarms will apply for a Special Permit and Site Plan Approval, as applicable, from the Special Permit Granting Authority.

ChillyFarms will also apply for any other local permits required to operate a cultivation facility at the proposed location (i.e. local Board of Health permits, local Dispensary Agent permits, etc.).

ChillyFarms will also work cooperatively with various municipal departments to ensure that the proposed facility complies with all state and local laws, regulations, rules and codes with respect to construction, design, operation and security.

Cultivation



ChillyFarms will acquire a 15,000 sq. ft. facility to grow indoors. We will apply for a tier 1 license during phase one to allow for a 5,000 sq. ft. canopy limit. Expanding as we grow.

Boutique cannabis features prominent cannabinoid and terpene profiles, pronounced trichomes, complex aromas, distinguished flavors and attention to detail in every aspect from cultivation, to curing, to trimming.

Artisanal growers use house-crafted compost teas, living soil, organic nutrients, and zero chemicals. We will employ techniques like glass-curing and hand-trimming with an emphasis on quality over quantity.

Hand-trimmed flowers will showcase an intact structure and geometry, showing that the handlers have exercised extreme care manicuring the buds. Attention to detail and careful trimming ensures you will receive a product with as many intact trichomes as possible.

Premium cannabis fetches the highest price in the market. A variation of top shelf genetics will ensure brand loyalty from our consumers.



Cultivation (Cont.)



ChillyFarms marijuana and marijuana products will be tested by a licensed Independent Testing Laboratory for cannabinoid content and biological and chemical contaminants prior to sale.

The environmental media (soils, solid growing media and water) used for cultivation will also be tested for contaminants by an Independent Testing Laboratory.

ChillyFarms will also satisfy the minimum energy efficiency and equipment standards established by the CCC to reduce energy and water usage and mitigate environmental impacts.

All marijuana flower, concentrates, extracts, and edible products will be packaged and labeled in compliance with the CCC's strict regulations.



Product Manufacturing



ChillyFarm's edible marijuana products will be prepared, handled, and stored in accordance with the sanitation requirements in 105 CMR 500.000: *Good Manufacturing Practices for Food*, and with the requirements for food handlers specified in 105 CMR 300.000: *Reportable Diseases, Surveillance, and Isolation and Quarantine Requirements*.

All marijuana flower, concentrates, extracts, and edible products will be packaged and labeled in compliance with the CCC's strict regulations.

Closed loop systems will be used to process concentrates using a natural gas such as Co2. This type of system has already been in use for decades in scientific labs and by the various industries that need essential oils for things like perfume, beauty products and food additives.



Security



ChillyFarms will contract with a professional security and alarm company to design, implement, and monitor a comprehensive security plan to ensure that the facility is a safe and secure environment for employees and the local community and compliant with the CCC's strict security requirements set forth in 935 CMR 500.110 .

ChillyFarms state-of-the-art security system will consist of a perimeter alarm on all exit and entry points and perimeter windows, as well as duress, panic, or hold-up alarms connected to local law enforcement for efficient notification and response in the event of a security threat.

The system will also include a failure notification system that will immediately alert the executive management team if a system failure occurs.

A back-up alarm system or alternate safeguards will be installed to ensure continuous operation of the security system.

Interior and exterior HD video surveillance in all areas that contain marijuana, entrances, exits, and parking lots will be operational 24/7 and available to the Leicester Police Department. These surveillance cameras will remain operational even in the event of a power outage.

The exterior of the facility and the surrounding area will be sufficiently lit, and foliage will be minimized to ensure clear visibility of the area at all times.

Only ChillyFarms's registered agents and other lawful visitors (e.g. contractors, vendors) will be authorized to access to the facility, and a visitor log will be maintained in perpetuity.

Security (Cont.)



All agents and visitors will be required to visibly display an ID badge, and ChillyFarms will maintain a current list of individuals with access.

ChillyFarms will have security personnel on-site during business hours.

ChillyFarms will store and secure all finished marijuana products in locked safes or a vault.

Secure rooms locked and protected from entry to keep all safes, vaults, and any other equipment or areas used for the production, cultivation, harvesting, processing or storage of marijuana products secure.

ChillyFarms will have a strict no loitering policy which we will enforce with onsite security personnel.

On-site consumption of marijuana will be prohibited.

All marijuana and marijuana waste will be securely disposed of following state and local disposal regulations.

All marijuana products will be kept out of sight from public view.

Emergency policies and procedures for securing all products in the event of theft or diversion. Security plans and procedures will be shared with law enforcement officials and fire services.

Only authorized personnel will have access to our security measures to further prevent theft.

ChillyFarms will employ a director of security to oversee our security measures on a daily basis.

Preventing Diversion



ChillyFarms will implement a seed-to-sale electronic tracking system: Each seed or clone is given an ID that is tracked through the entire chain-of-custody during the cultivation process to the wholesale or sale at a retail establishment.

There will be limited access areas only accessible to authorized individuals who are deemed necessary to complete the task.

All internal doors will have locks which allow only authorized personnel access to the different areas of the facility. All external doors will be locked, allowing access to the facility from authorized individuals only.

A 24-Hour high definition video surveillance system will be able to take high definition face capture and video surveillance of all entrances and exits both inside and outside of the facility.

All products will remain in locked vaults or safes to securely store freshly harvested and finished marijuana products. Marijuana waste will be kept in locked disposal areas, only to be taken out for the time necessary to handle or move waste products.

There will be security access at entrances and exits requiring all visitors and staff to wear ID badges. All access ID's will be scanned and filed, including time, date, duration and purpose.

Preventing Diversion to Minors



ChillyFarms trained dispensary agents will ensure that only consumers 21 years of age or older with a verified and valid, government-issued photo ID will be permitted to enter the dispensary and purchase adult-use marijuana.

In the event ChillyFarms discovers any of its agents intentionally or negligently sold marijuana to an individual under the age of 21, the agent will be immediately terminated and the CCC will be promptly notified.

ChillyFarms will not engage in any marketing, advertising, or branding practices that are targeted to, deemed to appeal to, or portray minors under 21 years of age.

All packaging will be child proof and tamper resistant, including warning statements.

ChillyFarms will not manufacture or sell any edible products that resemble a realistic or fictional human, animal, or fruit, including artistic, caricature, or cartoon renderings.

Any marketing, advertising, and branding materials for public viewing will include a warning stating, **“For use only by adults 21 years of age or older. Keep out of the reach of children.”**

ChillyFarms website will require all online visitors to verify they are 21 years of age or older prior to accessing the website.

ChillyFarms will not hire any individuals who are under the age of 21 or who have been convicted of distribution of controlled substances to minors.

Plan to Avoid Creating a Nuisance to the Community



All litter and waste will be properly disposed of to minimize the development of odor and the potential for attracting pests.

ChillyFarms will not use radios or loud speaker equipment for the advertising of marijuana.

ChillyFarms will not engage in any advertising or marketing practices using public or private vehicles or public transportation venues.

ChillyFarms will comply with all reasonable special permit conditions required by the town of Leicester and will work diligently and in good faith to address any reasonable nuisance concerns brought to its attention by members of the community.

No marijuana or marijuana products will be clearly visible to a person from the exterior of ChillyFarms's facility or delivery vehicles.

ChillyFarms will not install any neon or illuminated signage that does not comply with local ordinances or is illuminated more than 30 minutes before sundown until closing.

No consumption of marijuana or marijuana products will occur on ChillyFarms's premises by customers, patients, employees, or visitors.

To the extent practicable, ChillyFarms will pre-package its wholesale products and use odor elimination techniques or other air ventilation procedures to minimize potential odors.

Plan to Avoid Creating a Nuisance to the Community (Cont.)



ChillyFarms will construct hermetically sealed rooms to contain odor and prevent seepage of undesirable odor particulates into the surrounding atmosphere.

When exhausting out of the facility a high-efficiency particulate air filter with activated carbon will achieve 99.996 percent removal of particulates. Combined with ozone generators placed on all exhaust feeds it will eliminate odors entirely.

ChillyFarms will also utilize a high plume technique coming off the exhaust fan. We discharge the air high into the atmosphere, 10 and 20 feet above the nozzle. Escaping air at the nozzle moves at about 3,000 feet per minute — nearly 34 miles per hour which allows the wind current to take it away.

ChillyFarms will have 5-10 Cars per day coming in and out of the cultivation facility. For a retail location the foot traffic will consist of 30-50 customers per day.

All equipment will be contained in limited access areas. ChillyFarms will isolate noisy procedures and include sound dampening barriers to eliminate noise.

All windows will be tinted and walls and fencing will obstruct lines of site to the facility.

Municipal participation will ensure any and all possible nuisances will be addressed by ChillyFarms in a timely manner.

ChillyFarms will hold educational community outreach meetings to be programmed and scheduled in consultation with the town (3-5 per year).

Benefits to the Town of Leicester



ChillyFarms looks forward to working cooperatively with the town of Leicester which approved 2016 Ballot Question 4 legalizing adult use marijuana with 53% of the vote to ensure that ChillyFarms operates as a responsible, contributing member of the local community. ChillyFarms intends to positively impact the community in several ways, including but not limited to the following:

JOBS. A cultivation facility will add 6-10 full-time jobs, in addition to hiring qualified, local contractors and vendors.

HOST COMMUNITY AGREEMENT. A Host Community Agreement with significant monetary payments would provide the town with an additional financial benefit which goes beyond local property taxes to address any impacts on the community and support local programs, services, or organizations.

ACCESS TO QUALITY, LEGAL PRODUCT FOR QUALIFIED CONSUMERS. ChillyFarms will ensure only qualified consumers ages 21 and over are able to purchase consistent, high-quality marijuana and marijuana products that are regulated and tested for cannabinoid content and contaminants. This will help to eliminate the current black market, in which consumers are not required to verify their age and marijuana products are not tested.

LOCAL SALES TAX REVENUE. Leicester of Berkshire County can receive additional tax revenue through the adoption of a local sales tax of up to 3% on the wholesale to dispensaries and each retail sale to consumers.

CONTROL. In addition to the CCC, the Leicester Police Department and other municipal departments will have oversight over ChillyFarms's security systems and processes.

RESPONSIBILITY. ChillyFarms is comprised of experienced professionals who will be thoroughly background checked and scrutinized by the CCC.

ECONOMIC DEVELOPMENT. ChillyFarms's renovation of 401 Curran Highway will revitalize the area and contribute to the overall economic development of the local community. A new study reports the legalization of cannabis in Colorado produced, on average, a 6 percent increase (\$15,600 per property) in [housing values](#). Local tourism from neighboring states and towns will benefit other businesses.

Economic Impact to the Town of Leicester



Massachusetts Tax Implications

Adult Use Marijuana:

- 6.25% MA State Sales Tax
- 10.75% MA Marijuana Excise Tax
- **3% Community Impact Fee**
- 20% Total tax to Consumer

Medical Marijuana:

NO Sales Tax or Excise Tax

- ChillyFarms can produce 3,600 pounds or 57,600 ounces of Marijuana flower plus 60 pounds or 960 ounces of concentrates, annually for wholesale.
- 3,600 pounds @ \$3,000 per pound plus 60 pounds @ \$9,000 per pound WHOLESale (sold to retail Adult Use / Recreational) = \$10,800,000 + \$540,000 X **3% Host Community Agreement** (Leicester HCA covers Wholesale Sales) = **\$340,200**
- Projected Annual Revenue for the Town of Leicester **\$340,200 – 3% HCA (Rec)**

Marijuana Studies and Research



In January 2017, the Colorado Department of Public Health and Environment released a comprehensive report on marijuana use patterns that found that **past-month marijuana use by adolescents in Colorado has not changed since adult-use marijuana legalization** either in terms of the number of adolescents using or frequency of use among and that **past-month use among Colorado adolescents is nearly identical to the national average.**¹

According to U.S. Department of Health and Human Services' 2016 National Survey on Drug Use and Health, **the percentage of adolescent marijuana users decreased after states like Colorado and Washington began to legalize adult-use marijuana in 2014.**²

According to a report on marijuana legalization published by the Colorado Department of Public Safety in March 2016, **property and violent crime rates were lower in 2014 compared to years prior to adult use marijuana legalization.**³

A study published in the *American Journal of Public Health* in August 2017 found that, three years after adult-use marijuana legalization, **motor vehicular crash fatality rates for Washington and Colorado did not increase compared to states without adult-use marijuana legalization.**⁴

According to a study published in *Real Estate Economics* in September 2017, after Colorado legalized adult-use marijuana sales in 2014, **single family residences in the town of Denver that are close to an adult-use marijuana establishment increased in value by approximately 8% compared to houses that are located slightly farther away.**⁵

¹ *Monitoring Health Concerns Related to Marijuana in Colorado: 2016*, COLORADO DEPARTMENT OF PUBLIC HEALTH & ENVIRONMENT (January 2017), <https://www.colorado.gov/cdphe/marijuana-health-report>.

² *Key Substance Abuse and Mental Health Indicators in the United States: Results from the 2016 National Survey on Drug Use and Health*, SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (September 2017), <https://www.samhsa.gov/data/sites/default/files/NSDUH-FFR1-2016/NSDUH-FFR1-2016.htm#illicit2>.

³ *Marijuana Legalization in Colorado: Early Findings*, COLORADO DEPARTMENT OF PUBLIC SAFETY (March 2016), <http://cdpsdocs.state.co.us/ors/docs/reports/2016-SB13-283-Rpt.pdf>.

⁴ Jayson D. Aydelotte et al., *Crash Fatality Rates After Recreational Marijuana Legalization in Washington and Colorado*, AMERICAN JOURNAL OF PUBLIC HEALTH (August 2017), <http://ajph.aphapublications.org/doi/abs/10.2105/AJPH.2017.303848>.

⁵ James Conklin, *Contact High: The External Effects of Retail Marijuana Establishments on House Prices*, REAL ESTATE ECONOMICS (September 2017), https://www.researchgate.net/publication/319492738_Contact_High_The_External_Effects_of_Retail_Marijuana_Establishments_on_House_Prices.

Youth Use



Four major studies all conducted within the last six years by respected academic and professional journals or state founded government entities have concluded that states with adult-use marijuana show no increase in youth use:

In September 2014, the Center on Juvenile and Criminal Justice (CJCJ) compared effects of two kinds of marijuana reforms in five states (CA, CT, MA, CO, WA). **Unexpectedly, they did not find increased harms to California youth in the two years following the downcharging of marijuana possession to an infraction.**¹

We used **24 years of national data** from the USA to **examine the relationship between state medical marijuana laws and adolescent use of marijuana.** Our findings, consistent with previous evidence, **suggest that passage of state medical marijuana laws does not increase adolescent use of marijuana.**²

According to a study presented at the Pediatric Academic Societies in 2016, **there was virtually no change in the proportion of teens who reported it was "easy" to access marijuana** in 2010 (55 percent), compared to 2014 (54 percent) after the new law was enacted.³

According to a study conducted by the Institute for the Study of Labor, legalization is associated with a **2.7 percentage point decrease in the probability of having been offered, sold, or given an illegal drug at school** in the past year. **Our results provide little evidence that the legalization of medical marijuana leads to increased use of alcohol or harder drugs.**⁴

¹ Peter Banys, MD, MSc (2015): "Mitigation of Legal Harms to Youth" <https://www.safeandsmartpolicy.org/wp-content/uploads/2015/06/Mitigation-of-Legal-Harms-authored-and-submitted-by-Peter-Banys-MD-MSc-i....pdf>

² The Lancet Psychiatry (2015): "Medical marijuana laws and adolescent marijuana use in the USA from 1991-2014. Results from annual repeated cross sectional surveys" [https://www.thelancet.com/journals/lanpsy/article/PIIS2215-0366\(15\)00217-5/fulltext](https://www.thelancet.com/journals/lanpsy/article/PIIS2215-0366(15)00217-5/fulltext)

³ American Academy of Pediatrics (2016): "Adolescents ease of access to marijuana before and after legalization of marijuana in Washington State" <https://www.aap.org/en-us/about-the-aap/aap-press-room/pages/Legalization-Marijuana-Washington-State-Shown-to-Have-Had-No-Effect-on-Teens-Access-to-Drug.aspx>

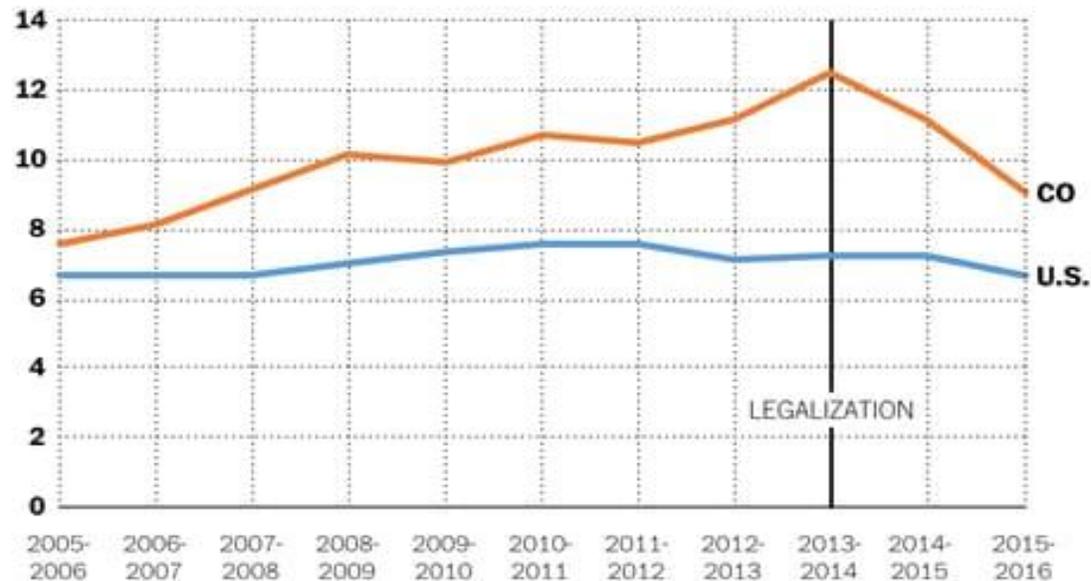
⁴ CO, WA 2012 Study (2012): "Medical marijuana laws and teen marijuana use" <http://ftp.iza.org/dp6592.pdf>

Youth Use (Cont.)



Teen pot use drops sharply in Colorado

% of 12-to-17 year olds using marijuana in the past month



WAPO.ST/WONKBLOG

Source: National Survey on Drug Use and Health

Following legalization, the rate of adolescent marijuana use in Colorado has fallen to its lowest level in nearly a decade, according to [new federal survey data](#).²

State-level numbers from the National Survey on Drug Use and Health show that a little more than **9 percent of Colorado teens age 12 to 17 used marijuana monthly in 2015 and 2016, a statistically significant drop from the prior period.** That's the lowest rate of monthly marijuana use in the state since 2007 and 2008. And it's not just marijuana: **Rates of teen alcohol, tobacco and heroin use are down sharply in the state, as well.**

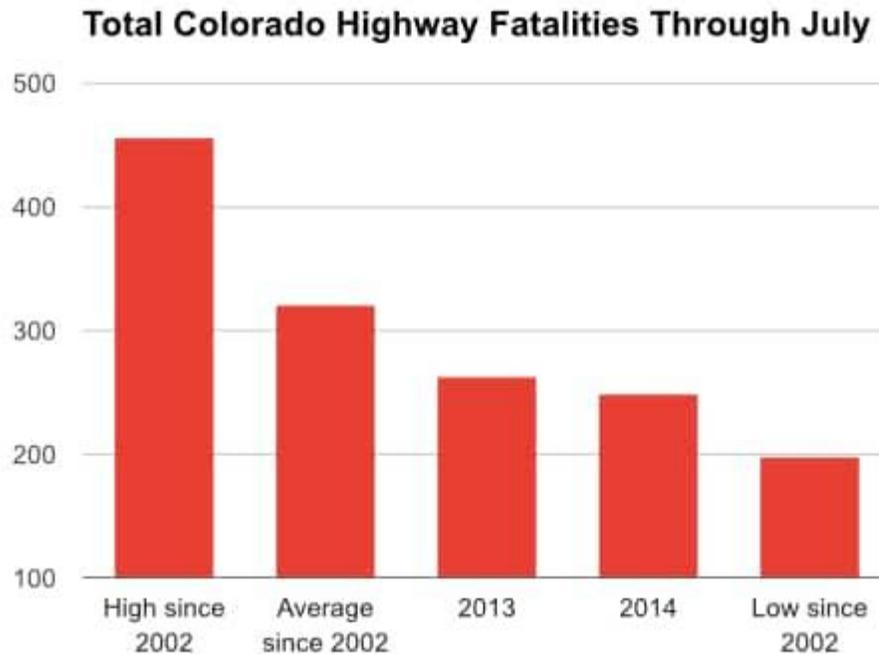
¹National Survey On Drug Use and Health, https://www.washingtonpost.com/news/wonk/wp/2017/12/11/following-marijuana-legalization-teen-drug-use-is-down-in-colorado/?noredirect=on&utm_term=.018f1fec6282

²National Survey on Drug Use and Health: Comparison of 2014-2015 and 2015-2016, <https://www.samhsa.gov/data/sites/default/files/NSDUHsaeShortTermCHG2016/NSDUHsaeShortTermCHG2016.htm>

Traffic Fatalities



Studies conclude no increase in traffic mortalities post adult-use implementation:



According to a study done by the American Journal of Public Health in 2017, three years after recreational marijuana legalization, **changes in motor vehicle crash fatality rates for Washington and Colorado were not statistically different from those in similar states without recreational marijuana legalization.**²

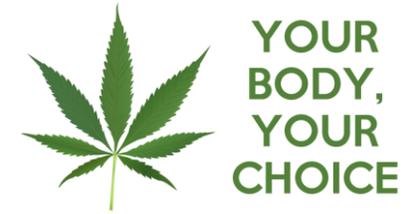
Medical marijuana laws were associated with immediate reductions in traffic fatalities. Both MMLs and dispensaries were associated with reductions in traffic fatalities, **especially among those aged 25 to 44 years.**³

¹ Raw data from the Colorado Dept. of Transportation, https://www.washingtonpost.com/news/the-watch/wp/2014/08/05/since-marijuana-legalization-highway-fatalities-in-colorado-are-at-near-historic-lows/?utm_term=.f63b729fced

² American Journal of Public Health (2017): "Crash Fatality Rates After Recreational Marijuana Legalization in Washington and Colorado", <https://ajph.aphapublications.org/doi/abs/10.2105/AJPH.2017.303848>

³ American Journal of Public Health (2017): "US Traffic Fatalities, 1985–2014 and their relationship to medical marijuana laws", <https://ajph.aphapublications.org/doi/10.2105/AJPH.2016.303577>

Cannabis Safety



D. Mark Anderson, Department of Agricultural Economics and Economics, “We find that the legalization of medical marijuana is associated with reduced alcohol consumption, especially among young adults. Evidence from simulator and driving course studies provides a potential explanation for why substituting marijuana for alcohol could lead to fewer traffic fatalities”¹

Dr. Richard Besser, former director of the CDC, “It’s just not rational that adults don’t have the choice of using marijuana, but they do for alcohol. Marijuana is less likely to be addictive, it’s less likely to cause car accidents and birth defects, it’s less likely to cause domestic violence. So how do you rationally say that it’s OK to drink alcohol with that profile but it’s not OK to occasionally use marijuana?”²

Professor Les Iversen, chairman, British Advisory Council on the Misuse of Drugs, “Cannabis is a safer drug than aspirin and can be used long-term without serious side effects. It is never possible for a scientist to say that anything is totally safe. But, at the end of the day, scaremongering does science, and the public, a great disservice. Cannabis is simply not as dangerous as it is being made out to be.”³

Former U.S. Surgeon General Joycelyn Elders, “I think we consume far more dangerous drugs that are legal: cigarette smoking, nicotine and alcohol, I feel they cause much more devastating effects physically. We need to lift the prohibition on marijuana.”⁴

¹ D. Mark Anderson, Department of Agricultural Economics and Economics, Medical Marijuana Laws, Traffic Fatalities, and Alcohol Consumption 2012, http://pages.uoregon.edu/bchansen/MML_Alcohol_Consumption.pdf
² Dr. Richard Besser, former director of the CDC, ABC's Chief Health and Medical Editor, <https://www.marijuana.com/community/threads/abc-news-chief-health-and-medical-editor-dr-besser-supports-marijuana-legalization-video.308884/>
³ Professor Les Iversen, chairman, British Advisory Council on the Misuse of Drugs, 2003, <https://www.independent.co.uk/life-style/health-and-families/health-news/cannabis-less-harmful-than-aspirin-says-scientist-634183.html>
⁴ Former U.S. Surgeon General Joycelyn Elders, <https://blog.sfgate.com/smellthetruth/2016/01/12/legendary-u-s-surgeon-general-joycelyn-elders-talks-pot-in-sf/>

Host Community Agreement



As required by M.G.L. Ch. 94G, § 3 ChillyFarms will execute a Host Community Agreement (HCA) with the town of Leicester that sets forth conditions for the siting of the Marijuana Establishment and stipulates the responsibilities of the parties.

The HCA may include a community impact fee for the host community as long as the fee: (1) is reasonably related to the costs imposed upon the host community by the operation of the Marijuana Establishment; (2) does not exceed 3% of 's gross sales.

Any costs to the host community imposed by the Marijuana Establishment's operations must be documented and considered a public record.

The HCA also cannot not be effective for longer than 5 years.

Community Outreach Meeting and Next Steps



Conducting a Community Outreach Meeting is one of the first steps of the approval process with the town of Leicester and just one step of the Marijuana Establishment Application process with the CCC.

At the CCC level, ChillyFarms must still:

- Submit a complete application
- Obtain a provisional license
- Submit architectural plans for CCC approval
- Build out location and pass several CCC inspections
- Obtain final license
- Undergo regular surprise and scheduled inspections by the CCC

At the town of Leicester level:

- Host Community Agreement (CONTRACTING AUTHORITY)
- Special Permit and/or Site Plan Approval, as applicable, (SPECIAL PERMIT GRANTING AUTHORITY)
- OTHER LOCAL PERMITS REQUIRED, i.e. Board of Health
- Ongoing coordination and oversight from various municipal departments (Police, Fire, Building, etc.)



Question and Answer Period

WE ENCOURAGE MEMBERS OF THE BOARD ASK QUESTIONS AND RECEIVE ANSWERS FROM CHILLYFARMS'S REPRESENTATIVES.



ChillyFarms

THANK YOU FOR YOUR TIME AND CONSIDERATION.
WE LOOK FORWARD TO WORKING WITH THE LEICESTER COMMUNITY.

BARRY COLEMAN – ANDY COLEMAN – BENJAMIN ENGLAND
203.520.4625 – 203.751.3715 – 603.913.4014
BARRY.COLEMAN@CHILLYFARMS.COM
ANDY.COLEMAN@CHILLYFARMS.COM
BENJAMIN.ENGLAND@CHILLYFARMS.COM

Invoice Status Report
From: 11/01/2018 Thru: 02/09/2019
Sorted By: Detail Account #

<u>Invoice Number</u>	<u>Billing Date</u>	<u>Admin Fee</u>	<u>Other Fee</u>	<u>Total Billed</u>	<u>P></u>
CULT01	CULTIVATE HOLDINGS, INC.				
18-283-DV	12/01/2018	2267.50	0.00	27142.50	
18-305-DV	12/15/2018	1790.00	0.00	21640.00	
18-308-DV	12/29/2018	480.00	0.00	5730.00	
19-9-DV	01/12/2019	160.00	0.00	1860.00	
19-14-DV	01/26/2019	60.00	0.00	710.00	
19-23-DV	02/09/2019	60.00	0.00	660.00	
Totals:		\$4,817.50	\$0.00	\$57,742.50	

 Total Bad Debts: \$0.00
 Total Adjustments: \$0.00
 Total Paid: \$54,512.50

**TOWN OF LEICESTER
AND
NATURAL HEALTHCARE INC.**

**HOST COMMUNITY AGREEMENT
FOR THE SITING OF A
REGISTERED MARIJUANA DISPENSARY
IN THE TOWN OF LEICESTER**

This Host Community Agreement (“Agreement”) is entered into pursuant to M.G.L. 44, §53A this 19th day of ~~November~~ October, 2016 by and between Natural Healthcare, Inc. a Massachusetts not-for-profit corporation with a principal office address of 1764 Main Street Leicester, MA (the “Operator”) and the Town of Leicester, a Massachusetts municipal corporation with a principal address of 3 Washburn Square, Leicester, MA 01524 (the “Town”).

WHEREAS, Massachusetts voters approved the legal cultivation, processing, distribution, sale and use of marijuana for medical purposes through Chapter 369 of the Acts of 2012, An Act for Humanitarian Medical Use of Marijuana; and

WHEREAS, Massachusetts, acting through the Commonwealth of Massachusetts Department of Public Health (the “DPH”) implemented regulatory framework for the regulation of the use of marijuana for medical purposes through 105 CMR 725.000 *et. seq.* (the “Regulations”); and

WHEREAS, Operator wishes to locate and operate a Medical Marijuana Treatment Center (the “Facility”) at 1764 Main Street, Leicester, MA 01524 (the “Property”) in accordance with the Regulations; and

WHEREAS, A Medical Marijuana Treatment Center is defined by the DPH as a not-for-profit entity registered under 105 CMR 725.100, to be known as a registered marijuana dispensary (RMD), that acquires, cultivates, possesses, processes (including development of related products such as edible MIPs, tinctures, aerosols, oils, or ointments), transfers, transports, sells, distributes, dispenses, or administers marijuana, products containing marijuana, related supplies, or educational materials to registered qualifying patients or their personal caregivers. Unless otherwise specified, RMD refers to the site(s) of dispensing, cultivation, and preparation of marijuana; and

WHEREAS, Operator will serve its non-profit purpose of providing marijuana for medical use, educational materials, and related products, to medical use of marijuana patients in Town and throughout the Commonwealth of Massachusetts;

WHEREAS, The Town enacted Article 23, an ordinance amending the Town of Leicester Zoning Bylaw (the “Bylaw”) to allow RMD’s as of right in the Highway Business-Industrial 1 (HB-1) Zoning District;

WHEREAS, The Facility is an as-of-right use at the Property and complies with the buffer requirements set forth in Section 5.15 of the Bylaw; and

WHEREAS, Operator intends to provide certain benefits to the Town in the event that it obtains a Certificate of Registration to operate an RMD in Town and has received all required local approvals.

Whereas, notwithstanding the anticipated benefits to certain members of the community, the facility will impact town resources in ways unique to the business of the facility and draw upon town resources in a manner not shared by the general population;

NOW, THEREFORE, in consideration of the above, the Operator and the Town agree as follows:

1. **Community Impact Fee**: the parties anticipate that the Town will incur extended expenses and draws upon the town's road system, law enforcement, fire protection services, inspectional services and permitting services and additional unforeseen impacts upon the town. Accordingly, in order to mitigate the financial impact upon the town and use of town resources, the Operator will pay to the Town a community impact fee (the "**Community Impact Fee**") in the amounts and payable at such times as described in section 2 hereof:
2. **Payments**: Subject to adjustment or modification as set forth in the fourth paragraph of this section, Operator shall pay to the Town an annual total of Fifty Thousand Dollars and 00/100 (\$50,000.00) in the aggregate, beginning on the first day of the thirteenth month following the date of commencement of sales in the Town (the "**Sales Commencement Date**") and through the end of the fifteenth (15th) year following the Sales Commencement Date (each an "**Annual Payment**" and collectively the "**Annual Payments**").

On the last day of the fifteenth (15th) year following the Sales Commencement Date, Operator shall make an additional one-time cash payment of Fifty Thousand Dollars and 00/100 (\$50,000.00) to the Town (it being understood that such one-time cash payment is in recognition of the fact that the Operator is not obligated to make an initial Annual payment during the first thirteen (13) months after the Sales Commencement Date).

Payments under this Section shall be made twice annually, no later than thirty (30) days following December 31st and June 30th of each year. Operator shall notify the Town when Operator commences sales within the Town. Operator will provide the Town with copies of its periodic financial filings to the DPH documenting gross revenues, and also a copy of its annual filing as a non-profit, if any, to the Massachusetts Office of Attorney General. The Town may notify Operator to delay the initial payment hereunder, in which case the initial payment shall be made as specified by the Town; however, the timing of subsequent payments shall be made as if the initial payment had been made as described above.

Notwithstanding anything to the contrary herein, every three (3) years after the Sales Commencement Date the Town and Operator shall jointly review the Community Impact Fee and increase or decrease the Annual Payment (as the case may be) based on the overall impact of the Facility on the Town. Any increase or decrease in the Annual Payment shall be proportional to the identified impact, but in no event shall the Annual Payment increase or decrease by more than ten percent (10%) in any year. The Operator shall evaluate and monitor crime statistics, fire protection services, inspectional services and permitting services in conjunction with and with the reasonable cooperation of the appropriate municipal office before and after the Sales Commencement Date. The Operator shall provide this information to the Town and any increase or decrease in the Community Impact Fee shall be based on the escalation of the aforementioned services in the area immediately surrounding the Facility, at a rate in excess of town-wide escalation, unless mutually agreed upon by the Operator and the Town.

3. Taxes: The operator will pay all local, state and federal taxes as required by applicable law, as now existing or is hereafter may from time to time be enacted, repealed or modified.
4. Community Impact Fee as compensatory: The community impact fee referenced herein shall be compensatory to the town of all impacts of the facility's operation in the town including all reasonable indirect cost. Nothing, herein, shall be construed to exempt the facility from payment of local state and federal taxes.
5. Local Hiring: To the extent permissible by law, Operator will make jobs available to local, qualified residents; and such residency will be a positive factor in hiring decisions. In addition to the direct hiring, Operator will work in a good faith, legal and non-discriminatory manner to similarly consider local status of vendors, suppliers, contractors and builders from the Town area to be a positive factor in retaining such vendors.
6. Approval of Manager: If requested by the Town, Operator shall provide to the Town, for review and approval, the name and relevant information, including but not limited to the information set forth in 105 CMR 725.030, of the person proposed to act as on-site manager of the RMD. The submittal shall include authorization to perform a criminal history (CORI) check. Town shall consider such request for approval within thirty (30) days following submittal to determine, in consultation with the Police Chief, if the person proposed is of suitable character to act as on-site manager. Such approval shall not be unreasonably denied, conditioned or delayed. Said approval shall be considered unreasonably denied, conditioned or delayed if the Town denies such approval and the DPH has approved said manager pursuant to the Regulations. Notwithstanding the foregoing, in the event that Town does not provide confirmation or rejection of the proposed on-site manager within thirty (30) days, that manager shall be deemed

approved by Town. This approval process shall also apply to any change of on-site manager.

7. Prevention of Diversion: To the extent requested by the Town's Police Department, and consistent with the Regulations, Operator shall work with the Town's Police Department to implement a comprehensive diversion prevention plan to prevent diversion, such plan to be in place prior to the Sales Commencement Date. Such plan will include, but is not limited to, (i) training RMD employees to be aware of, observe, and report any unusual behavior in patients, caregivers, authorized visitors or other RMD employees that may indicate the potential for diversion; (ii) strictly adhering to certification amounts and time periods (per DPH guidelines); (iii) rigorous patient identification and verification procedures through the DPH Online System; (iv) utilizing seed-to-sale tracking software to closely track all inventory at the RMD; and (v) refusing to complete a transaction if the patient or caregiver appears to be under the influence of drugs or alcohol.
8. Security: To the extent requested by the Town's Police Department, and consistent with the Regulations, Operator shall work with the Town's Police Department in determining the placement of exterior security cameras, so that at least two cameras are located to provide an unobstructed view in each direction of the public way(s) on which the RMD is located. Operator will maintain a cooperative relationship with the Police Department, including but not limited to periodic meetings to review operational concerns, cooperation in investigations, and communication to Police Department of any suspicious activities on the site. Such camera may be altered by the DPH during their security and architectural review process.
9. Registration and Approvals Required: The obligations of Operator and the Town recited herein are specifically contingent upon the obtaining of a Certificate of Registration for the operation of a RMD from the DPH to operate in Town, and all necessary local permits and approvals.
10. Cooperation: Town shall work cooperatively and in good faith with Operator in securing the prompt and efficient siting, planning, permitting and preparation for opening of the RMD, provided that nothing herein shall require Town to waive any review and approval rights set forth in applicable statutes or regulations and provided further that Town shall retain the right to provide comments and recommendations regarding design and security.
11. Support for Registration: Town shall support Operator's application for registration of its RMD by the DPH, and work with Operator to assist in securing such registration.
12. Modification of Payments: Should Operator enter into an agreement with any other municipality for siting a RMD at material terms more favorable to that municipality than the terms of this Agreement are to Town, this Agreement shall be modified to reflect

those terms. Notwithstanding the foregoing, should Operator enter into an agreement with any other municipality solely for the purpose of establishing an RMD that is located off-site from the cultivation and processing facility but which serves only to dispense the processed marijuana, related supplies and educational materials than this Agreement shall not be modified. Both the Operator and the Town understand and agree that a cultivation facility and dispensary facility will have distinct and separate impacts on a municipality and justify a difference in Host Community Agreement terms.

13. **Assignment:** Operator shall not assign, sublet or otherwise transfer this Agreement, in whole or in part, without the prior written consent of the Town, which consent shall not be unreasonably withheld; provided however in the event such transfer or assignment is between the Operator and another affiliated entity which will utilize the Facility for the cultivation of marijuana and which is duly authorized by the DPH or other authorizing entity, or if such assignment or transfer is the result of a merger or consolidation with the Operator.
14. **Compliance:** Operator shall comply with all laws, rules, regulations and orders applicable to the operation of an RMD, such provisions being incorporated herein by reference, and shall be responsible for obtaining all necessary licenses, permits, and approvals required for the operation of an RMD.
15. **Retention of Regulatory Authority:** By entering into this Agreement, Town does not waive any enforcement rights or regulatory authority it currently holds over any business in Town.
16. **Notices:** Any and all notices, or other communications required or permitted under this Agreement, shall be in writing and delivered by hand or mailed postage prepaid, return receipt requested, by registered or certified mail or by other reputable delivery service, to the parties at the addresses set forth on Page 1 of this Agreement or furnished from time to time in writing hereafter by one party to the other party. Any such notice or correspondence shall be deemed given when so delivered by hand, if so mailed, when deposited with the U.S. Postal Service or, if sent by private overnight or other delivery service, when deposited with such delivery service.
17. **Severability:** If any term or condition of this Agreement or any application thereof shall to any extent be held invalid, illegal or unenforceable by the court of competent jurisdiction, the validity, legality, and enforceability of the remaining terms and conditions of this Agreement shall not be deemed affected thereby unless one or both parties would be substantially or materially prejudiced.
18. **Governing Law:** This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Massachusetts and the parties hereto submit to the jurisdiction of any of its appropriate courts for the adjudication of disputes arising out of this Agreement.

19. Entire Agreement: This Agreement, including all documents incorporated herein by reference, constitutes the entire integrated agreement between the parties with respect to the matters described. This Agreement supersedes all prior agreements, negotiations and representations, either written or oral, and it shall not be modified or amended except by a written document executed by the parties hereto.

20. Termination: This Agreement shall terminate at the time that either of the following occur:

- a. The Town notifies Operator of the Town's termination of this Agreement; or
- b. Operator ceases to operate a RMD in the Town.

This agreement shall have no further force and effect and neither of the parties shall have any further rights, obligations or liabilities to the other party, provided that Section 23 hereof shall remain in full force and effect.

21. Term: This agreement shall have a term of fifteen (15) years (the "Term") at which point the parties may renegotiate the terms of this Agreement. Operator shall not be required to cease operations at the termination of this Agreement.

22. Appropriation. The purpose of this Agreement is to assist the Town in addressing any public safety and health effects the RMD may have on the Town, as deemed appropriate by the Board of Selectmen. The Town shall determine use of all Annual Payments consistent with the purposes of this Agreement.

23. Confidentiality: Operator may provide to the Town certain financial information, investment materials, products, plans, documents, details of company history, know-how, trade secrets, and other nonpublic information related to Operator, its affiliates and operations (collectively, the "Confidential Information"). Town (inclusive of its employees, agents, representatives or any other of its affiliated persons) shall not, at any time during the term of this Agreement or at any time thereafter, disclose to any person or entity, any Confidential Information, except as may be required by court order or law.

24. Waiver: The obligations and conditions set forth in this Agreement may be waived only by a writing signed by the party waiving such obligation or condition. Forbearance or indulgence by a party shall not be construed as a waiver, nor limit the remedies that would otherwise be available to that party under this Agreement or applicable law. No waiver of any breach or default shall constitute or be deemed evidence of a waiver of any subsequent breach or default.

25. Amendment: This Agreement may only be amended by a written document duly executed by both of the parties hereto. No modification or waiver of any provision of

this Agreement shall be valid unless duly authorized as an amendment hereof and duly executed by the Town and the Operator.

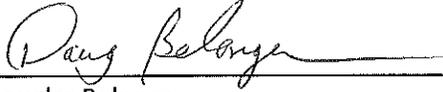
26. Modifications. Modifications to this Agreement may only be effective if made in writing and signed by both of the parties hereto.
27. Headings: The article, section, and paragraph headings in this Agreement are for convenience only, are no part of this Agreement and shall not affect the interpretation of this Agreement.
28. Counterparts: This Agreement may be signed in any number of counterparts all of which taken together, shall constitute one and the same instrument, and any party hereto may execute this Agreement by signing one or more counterparts.
29. Signatures. Facsimile signatures affixed to this Agreement shall have the same weight and authority as an original signature.

[SIGNATURES TO FOLLOW]

The following signature indicate that the parties hereby agree to the terms set forth in this Agreement as per the date set forth on page 1 of this Agreement.

For the Town of Leicester, Massachusetts:

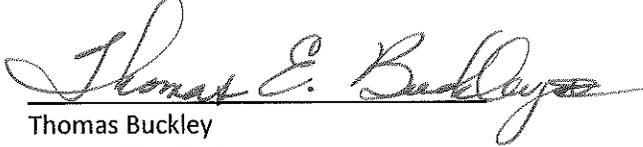
For Natural Healthcare, Inc:



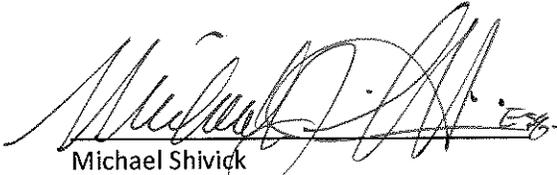
Douglas Belanger
Chairman



By: Stephen A. Barber,
Title: CEO, Natural Healthcare Inc.


Harry Brooks
Vice Chairman

Thomas Buckley
Second Vice Chairman


Dianna Provencher
Member
Michael Shivick
Member

**TOWN OF LEICESTER
AND
NOR'EASTER REMEDIES**

HOST COMMUNITY AGREEMENT
FOR THE SITING OF AN ADULT-USE MARIJUANA ESTABLISHMENT
IN THE TOWN OF LEICESTER

This Host Community Agreement ("Agreement") is entered into pursuant to M.G.L. 94G, § 3(5)(d) this 17th day of December, 2018 by and between **Nor'easter Remedies (N'R)** (the "**Operator**") a Massachusetts limited liability company, currently located at 424 Main Street, Cherry Valley, MA (the "**Property**") and the **Town of Leicester** a Massachusetts municipal corporation with a principal address of 3 Washburn Square, Leicester, MA 01524 (the "**Town**").

WHEREAS, On November 8, 2016 Massachusetts voters approved the legal cultivation, processing, distribution, sale and use of marijuana for adult use through Chapter 334 of the Acts of 2016, an Act for The Regulation and Taxation of Marijuana; and

WHEREAS, On July 28, 2017, Governor Baker signed the General Court's revised law on the subject, "An Act to Ensure Safe Access to Marijuana" adopted as Chapter 55 of the Acts of 2017 (the "**Act**"); and

WHEREAS, Massachusetts, acting through the Cannabis Control Commission (the "**CCC**") implemented regulatory framework for the regulation of adult use of marijuana establishments through 935 CMR 500.000 *et. seq.* (the "**CCC Regulations**"); and

WHEREAS, A "Marijuana Establishment" as defined in the CCC Regulations, means a Marijuana Cultivator, Craft Marijuana Cooperative, Marijuana Product Manufacturer, Marijuana Retailer, Independent Testing Laboratory, Marijuana Research Facility, Marijuana Transporter, or any other type of licensed marijuana-related business, except a medical marijuana treatment center; and

WHEREAS, Operator wishes to locate and operate a "Marijuana Establishment", meaning specifically, a Marijuana Cultivator, (hereinafter referred to as the "**Facility**") at the Property in accordance with CCC Regulations and such approvals as may be issued by the Town in accordance with its Zoning Bylaw and other applicable regulations in effect at the time the Operator files its application with the CCC; and

WHEREAS, Operator will satisfy the purpose and intent of the voters and the Act by providing marijuana for adult use, educational materials and related products to citizens of the Town and throughout the Commonwealth of Massachusetts; and

WHEREAS, Operator intends to provide certain benefits to the Town upon receipt of CCC licensure to operate a Facility in Town and all required local approvals to do so; and

WHEREAS, notwithstanding the anticipated benefits to certain members of the community, the Operator and the Town agree that the Facility will impact Town resources in ways unique to the business of the Facility and will draw upon Town resources such as Town's road system, law enforcement, fire protection services, inspectional and permitting services, public health services in a manner not shared by the general population and may cause additional unforeseen impacts upon the Town; and

WHEREAS, Massachusetts General Laws chapter 94G, § 5 (d) states "that a marijuana establishment or a medical marijuana treatment center seeking to operate or continue to operate in a municipality which permits such operation shall execute an agreement with the host community setting forth the conditions to have a marijuana establishment or medical marijuana treatment center located within the host community which shall include, but not be limited to all stipulations of responsibilities between the host community and the marijuana establishment or a medical marijuana treatment center. An agreement between a marijuana establishment or a medical marijuana treatment center and a host community may include a community impact fee for the host community; provided, said impact fee shall not amount to more than 3 per cent of the gross sales of the marijuana establishment or medical marijuana treatment center or be effective for longer than 5 years.

NOW, THEREFORE, in consideration of the above and the mutually agreed promises contained herein, the Operator and the Town agree as follows:

1. **Compliance:** Operator and Town shall comply with all applicable provisions of M.G.L. c. 94G, as affected by Chapter 55 of the Acts of 2017 and the CCC Regulations as the same may be amended from time to time; and the Leicester General Bylaws, Zoning Bylaws and all laws, rules, regulations and orders applicable to the operation of a Marijuana Establishment in the Town, such provisions being incorporated herein by reference, and Operator shall be responsible for obtaining all necessary licenses, permits, and approvals required for the operation of a Marijuana Establishment.
2. **Community Impact Fee:** Operator shall pay a community impact fee as required by M.G.L. c. 94G, § 5 (d) (the "Impact Fee") in the amounts and under the terms provided herein. The Operator shall furnish the Town with annual Profit and Loss Statements, as soon as they become available, reflecting Gross Annual Revenues (as defined herein) of the Facility located within the Town. Additionally, the Operator shall provide the Town with copies of all of its periodic financial filings with agencies of the Commonwealth documenting Gross Annual Revenues.

3. Application of Impact Fee: The Operator acknowledges and agrees that the Town is under no obligation to use the Impact Fee payments made hereunder in any particular manner and that the payments are classified as General Fund under M.G.L. c. 44, § 53.
4. Calculation of Impact Fee Payments: Subject to adjustment or modification as set forth in this Agreement, Operator shall pay to the Town 1.50% of the Operator's Gross Annual Revenues as the Impact Fee for gross annual revenues between \$1.00 and \$1,000,000. If the Gross Annual revenue of the Operator exceeds \$1,000,000 annually in any given year, the Impact Fee shall be 3% of the Operator's Total Gross Annual Revenues.
5. Commencement Date of Agreement: For the purposes of calculation of the Impact Fee paid to the Town, this agreement is effective as of the commencement of sales at the Facility location ("**The Sales Commencement Date**") by the Operator.
6. Dates of Payment: Following the Operations Commencement Date, payment on sales for the first calendar year of operations, which is anticipated to be calendar year 2019 of shall be due and payable upon by May 15th of the following year. Payments made in successive years shall be made once annually, on May 15th of each consecutive year, through the earlier of either the end of the fifth year of operation following the Operation Commencement Date; or the maximum time permitted under M.G.L. c. 94G, § 3(5)(d) (each an "**Annual Payment**" and collectively the "**Annual Payments**"). The Operator shall notify the Town in writing when the Operator commences sales within the Town.
7. Gross Annual Revenues: The term "**Gross Annual Revenues**" shall mean the grand total of all of the Operator's revenue associated with the operations of the Facility.
8. Amendment of Impact Fee Payment Date: At the option of the Operator, the payment date may be amended once, by written request, to align with the Operator's fiscal year or quarterly tax filing obligations for ease of administration, but such amendment shall not change the total amount due.
9. Annual Review of Impact Fee: Notwithstanding anything to the contrary herein, every year after the Operation Commencement Date the Town and Operator shall jointly review the Impact Fee and may increase or decrease the Annual Payment (as the case may be) but in no event shall the Annual Payment exceed three percent (3%) of the Operator's Gross Annual Revenues.
10. Monitoring of Community Impacts: The Operator shall evaluate and monitor crime statistics, fire protection services, public health statistics including but not limited to marijuana usage in the Leicester High School, inspectional services and permitting services in conjunction with and with the reasonable cooperation of the appropriate municipal office before and after the Sales Commencement Date and shall provide this information to the Town. The Operator and the Town agree that any increase or decrease in the Impact Fee shall be based on the escalation of

the aforementioned services in the area immediately surrounding the Facility, at a rate in excess of Town-wide escalation, unless mutually agreed upon by the Operator and the Town.

11. Filings with the Commonwealth: The Operator shall furnish the Town with the annual reports of the Gross Annual Revenue as described in Section 6, as soon as they become available, reflecting Gross Annual Revenue figures for the Facility and shall provide the Town with all copies of its periodic financial filings to the CCC and/or to the Massachusetts Department of Revenue documenting the Operator's Gross Annual Revenues, and shall furnish copies of its filings to the Secretary of the Commonwealth's Corporations Division, and if any, to the Massachusetts Office of the Attorney General.

12. Term: The term of this Agreement is five years, terminating on the fifth anniversary of the Sales Commencement Date, unless sooner terminated by:
 - a. revocation of Operator's license by the CCC; or
 - b. Operator's voluntary or involuntary cessation of operations; or
 - c. the Town's termination of this Agreement for breach of the conditions contained herein that remain uncured sixty (60) days from the date of written notice of such breach.

13. Renegotiation/Applicability: To the extent permitted by law: (a) the terms of this Agreement shall be renegotiated by the Owner and the Town in good faith following five (5) years of continuous operation of the Facility; and (b) the terms of this Agreement shall continue in full force and effect unless the parties reach accord on a subsequent agreement provided, however, that in no event shall the Operator be permitted to continue to operate the Facility after termination as set forth in Paragraph 12 above.

14. Property Valuation/Taxation: Operator shall not object or otherwise challenge the taxability of such property and shall not seek a non-profit exemption from paying such taxes and that, notwithstanding the foregoing, if:
 - a. any real or personal property owned or operated by OPERATOR is determined to be non-taxable or partially non-taxable, or
 - b. the value of such property is abated with the effect of reducing or eliminating the tax which would otherwise be paid if assessed at full value, or
 - c. OPERATOR is determined to be entitled or subject to exemption with the effect of reducing or eliminating the tax which would otherwise be due if not so exempted, then

OPERATOR shall pay to the TOWN an amount which when added to the taxes, if any, paid on such property, shall be equal to the taxes which would have been payable on such property at full assessed value and at the otherwise applicable tax rate, if there had been no abatement or exemption; this payment shall be in addition to the Impact Fee made by OPERATOR under this Agreement. The Operator shall not request any tax credits or subsidy from the Town for the Facility including, but not limited to, any request for a tax exemption or abatement as a non-profit entity and

shall not object or otherwise challenge the taxability of its entity and shall not object or otherwise challenge the taxability of the Facility.

15. Impact Fee as Compensatory: The Impact Fee referenced herein shall be compensatory to the Town for all impacts of the Operator's operation of the Facility in the Town, including all reasonable indirect costs. Nothing herein shall be construed to exempt the Facility from payment of local, state and federal taxes.
16. Local Hiring: To the extent permissible by law, Operator will make jobs available to local, qualified residents; and such residency will be a positive factor in hiring decisions, but this does not prevent Operator from hiring the most qualified candidates and complying with all employment laws and other legal requirements. In addition to the direct hiring, Operator will work in a good faith, legal and non-discriminatory manner to similarly consider local status of vendors, suppliers, contractors and builders from the Town area to be a positive factor in retaining such vendors.
17. Approval of On-Site Manager: If requested by the Town, Operator shall provide to the Town, for review and approval, the information set forth in 935 CMR 500.101(1)(b), of the person proposed to act as on-site manager of the Facility, which submittal shall include authorization to perform a criminal history (CORI) check. Within thirty (30) days of its receipt of the information set forth in 935 CMR.500.101(1)(b), the Town shall, in consultation with the Police Chief determine whether the person proposed is of suitable character to act as on-site manager. Such approval shall not be unreasonably denied, conditioned or delayed. Said approval shall be considered unreasonably denied if the Town denies such approval and the CCC has approved said on-site manager pursuant to the Regulations. Notwithstanding the foregoing, if Town does not provide confirmation or rejection of the proposed on-site manager within thirty (30) days, that on-site manager of the Facility shall be deemed approved by Town. This approval process shall also apply to any change of on-site manager. The current on-site manager is Connor McTaggart, and he shall be approved as part of this Agreement.
18. Prevention of Diversion: To the extent requested by the Town's Police Department, and consistent with the Regulations, Operator shall work with the Town's Police Department to implement a comprehensive diversion prevention plan to prevent diversion, such plan to be in place prior to the Operation Commencement Date. Such plan will include, but is not limited to, (i) training Facility employees to be aware of, observe, and report any unusual behavior in Facility employees that may indicate the potential for diversion; (ii) strictly adhering to CCC Regulations as to certification amounts and time periods; (iii) utilizing seed-to-sale tracking software to closely track all inventory at the Facility.
19. Security: To the extent requested by the Town's Police Department and Fire Department, and consistent with the Regulations, Operator shall work with the Town's Police Department and the Town's Fire Department to determine the placement of interior and exterior security cameras, so that at least two cameras are located to provide an unobstructed view in each

direction of the public way(s) on which the Facility is located. Operator will maintain a cooperative relationship with the Police Department and the Fire Department, including but not limited to periodic meetings to review operational concerns, cooperation in investigations, and communication to Police Department of any suspicious activities on or in the immediate vicinity of the site. Such camera(s) may be altered by the CCC during their security and architectural review process.

20. Registration and Approvals Required: The obligations of Operator and the Town recited herein are specifically contingent upon the obtaining of a Certificate of Registration for the operation of a Marijuana Establishment from the CCC to operate in Town, and contingent upon all necessary local permits and approvals required, which are consistent with M.G. L. c. 94G, Section 5 and in effect as of the date specifically required by said section.
21. On-Site Consumption: The on-site consumption of marijuana products shall be prohibited.
22. Cooperation: Operator shall work cooperatively and in good faith with the Town in securing the prompt and efficient siting, planning, permitting and preparation for opening of the Facility. This Agreement does not affect, limit, or control the authority of Town boards, commissions and departments to carry out their respective powers and duties to decide upon and to issue, or deny, applicable permits and other approvals under the statutes and regulations of the Commonwealth, the General and Zoning Bylaws of the Town, or applicable regulations of those boards, commissions, and departments, or to enforce said statutes, Bylaws, and regulations. The Town, by entering into this Agreement, is not thereby required or obligated to issue such permits and approvals as may be necessary for the Facility to operate in the Town, or to refrain from enforcement action against the Operator and/or its Facility for violation of the terms of said permits and approvals or said statutes, Bylaws and regulations.
23. Modification of Payments: Both the Operator and the Town understand and agree that a Marijuana Cultivator has a distinct and separate impact on a municipality and justify a difference in Host Community Agreement terms. Should Operator enter into an agreement with any other municipality for the siting of a facility with a Marijuana Cultivator license, at terms materially more favorable to that municipality than the terms of this Agreement are to Town, this Agreement shall be modified to reflect those terms. Notwithstanding the foregoing, should Operator enter into an agreement with any other municipality for the purpose of operating a Marijuana Retail Establishment, this Agreement shall be modified.
24. Location; Additional Operations: This Agreement applies to the proposed Marijuana Research Facility to be located at 424 Main Street, Cherry Valley, MA. This agreement will remain in force should the Operator chose to move or transfer operations to a different location within the Town. Should the Operator and the Town agree to allow the Operator to site another facility within the Town, the Operator and the Town shall agree to negotiate an additional agreement.

25. Assignment: Neither the Town nor the Operator shall assign, sublet or otherwise transfer its rights nor delegate its obligations under this Agreement, in whole or in part, without the prior written consent of the other party, which consent shall not be unreasonably withheld; provided however such consent shall not be required in the event such transfer or assignment is between the Operator and another entity which is authorized by the CCC to operate the Facility pursuant to a Certificate of Registration granted by it, or if such assignment or transfer is the result of a merger or consolidation with the Operator.
26. Agreement as to Agricultural Exemption: Operator agrees to comply with all laws, rules, regulations and orders applicable to the Facility, such provisions being incorporated herein by reference, and shall be responsible for obtaining all necessary licenses, permits and approvals required for the operation of an Facility. The Operator agrees not to assert or seek exemption as an agricultural use under the provisions of from the requirements of the Town's Zoning Bylaws pursuant to M.G. L. c. 40A, § 3.
27. Retention of Regulatory Authority: By entering into this Agreement, Town does not waive any enforcement rights or regulatory authority it currently holds over any business in Town.
28. Notices: Any and all notices, or other communications required or permitted under this Agreement, shall be in writing and delivered by hand or mailed postage prepaid, return receipt requested, by registered or certified mail or by other reputable delivery service, to the parties at the addresses set forth on Page 1 of this Agreement or furnished from time to time in writing hereafter by one party to the other party. Any such notice or correspondence shall be deemed given when so delivered by hand, if so mailed, when deposited with the U.S. Postal Service or, if sent by private overnight or other delivery service, when deposited with such delivery service.
29. Severability: If any term or condition of this Agreement or any application thereof shall to any extent be held invalid, illegal or unenforceable by the court of competent jurisdiction, the validity, legality, and enforceability of the remaining terms and conditions of this Agreement shall not be deemed affected thereby unless one or both parties would be substantially or materially prejudiced.
30. Governing Law: This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Massachusetts and the parties hereto submit to the jurisdiction of any of its appropriate courts for the adjudication of disputes arising out of this Agreement.
31. Entire Agreement: This Agreement, including all documents incorporated herein by reference, constitutes the entire integrated agreement between the parties with respect to the matters described. This Agreement supersedes all prior agreements, negotiations and representations, either written or oral, and it shall not be modified or amended except by a written document executed by the parties hereto.

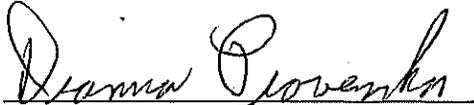
32. Confidentiality: Operator may provide to the Town certain financial information, investment materials, products, plans, documents, details of company history, know-how, trade secrets, and other nonpublic information related to Operator, its affiliates and operations (collectively, the "**Confidential Information**"). Town (inclusive of its employees, agents, representatives or any other of its affiliated persons) shall not, at any time during the term of this Agreement or thereafter, disclose any Confidential Information to any person or entity, except as may be required by court order or law (pursuant to M.G.L. c. 66 § 10), provided in all events, prior to such disclosure, the Town will notify Operator in writing of its intent to make such disclosure at least three (3) days in advance of any disclosure.
33. Waiver: The obligations and conditions set forth in this Agreement may be waived only by a writing signed by the party waiving such obligation or condition. Forbearance or indulgence by a party shall not be construed as a waiver, nor limit the remedies that would otherwise be available to that party under this Agreement or applicable law. No waiver of any breach or default shall constitute or be deemed evidence of a waiver of any subsequent breach or default.
34. Third Parties: Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either Town or the Operator.
35. Amendment: This Agreement may only be amended by a written document duly executed by both of the parties hereto. No modification or waiver of any provision of this Agreement shall be valid unless duly authorized as an amendment hereof and duly executed by the Town and the Operator.
36. Modifications: Modifications to this Agreement may only be effective if made in writing and signed by both of the parties hereto.
37. Headings: The article, section, and paragraph headings in this Agreement are for convenience only, are no part of this Agreement and shall not affect the interpretation of this Agreement.
38. Counterparts: This Agreement may be signed in any number of counterparts all of which taken together, shall constitute one and the same instrument, and any party hereto may execute this Agreement by signing one or more counterparts.
39. Signatures: Facsimile signatures affixed to this Agreement shall have the same weight and authority as an original signature.

[SIGNATURES TO FOLLOW]

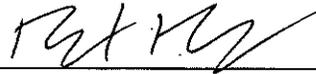
The following signature indicate that the parties hereby agree to the terms set forth in this Agreement as per the date set forth on page 1 of this Agreement.

For the Town of Leicester, Massachusetts:

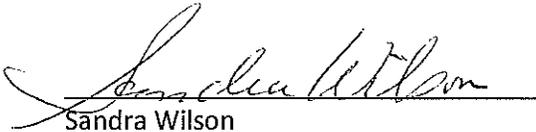
For Nor'easter Remedies:



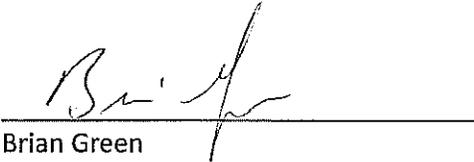
Dianna Provencher
Chair



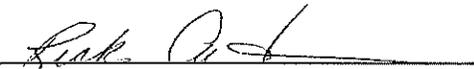
By: Robert Harder
Its: Managing Partner



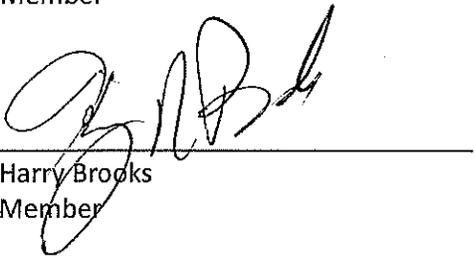
Sandra Wilson
Vice Chair



Brian Green
Second Vice Chair



Rick Antanavica
Member



Harry Brooks
Member

Approved as to Form:

Christopher J. Petrini, Town Counsel



Reliable Bud

Est 2017

Overview

Reliable Bud was founded locally in Central Massachusetts by a knowledgeable, innovative and diverse team. With common goals of educating on safe/responsible cannabis use, creating networking opportunities, furthering the industry by technological advancements as well as supporting the local community by donating to charitable organizations. Reliable Bud has been leading the charge to permanently change the stigma surrounding cannabis in our local communities and continues to do so by creating Gold Standards for the industry.

RB BYOC Events

Reliable Bud hosts a variety of themed networking events in the cannabis industry which celebrate the many forms and benefits of cannabis. We feature local community partners and home growers, music, games with THC prizes, raffles and giveaways, delicious food hosted by local food trucks and much more! We also continue to add more to our event to include education to the masses about what's changing, special speakers, and advocacy to promote learning.

Our team and community aim to give back to the local areas that we are welcomed into through the fundraising efforts at our events. We seek the guidance of local officials and the community to learn which local charities, nonprofits, and other community funded efforts need the most assistance. Reliable Bud not only raises funds for these efforts, but contribute with donations ourselves!

ReliableBud App

The Reliable Bud app is an inclusive platform for all enthusiasts, canna-craftsmen and service providers. We have created a safe and risk-free space to showcase cannabis products as well as buy / sell cannabis related goods and services. RB app features things such as a peer-based review system, secure messaging, and a location-based system for discovering local products. The ReliableBud App aims to be your go to place for safe and trusted reviews, products, services and events!

Reliable Bud Leadership Team

Deneb Dollinger CEO (Chief Executive Officer) deneb@reliablebud.com

Rhiannon Snyder DOO (Director of Operations) rhiannon@reliablebud.com

Christopher Pagel CVO (Chief Visionary Officer) pagel@reliablebud.com

Stephen Dollinger CTO (Chief Technical Officer) stephen@reliablebud.com

Eddie Deluna CFO (Chief Financial Officer) eddie@reliablebud.com

Patrick Mosher CCO (Chief Communications Officer) patrick@reliablebud.com

RB Flower Power 70's Style BYOC ~ Event Feedback

What did you like about the RB BYOC event??

Selected: 15

All people from all walks of life go and have a good time. The idea is the freedom to do what we want as it is legal in MA. Going there (husband and I have been twice) there is a feeling you cannot describe. We work hard to make sure we are "safe" while we partake in areas that may not be as freeing as MA, but when RB came to town everything changed. We will always make the extra effort to go!

I've been coming to these events since March and I love everything about it. Great time.

I feel a genuine closeness or similar vibe that RB has to the Massachusetts cannexperience (yes I just did that)

Everyone attending and everything about these RB BYOC events are amazing. Going to these events makes me feel like we are finally getting somewhere with the cannabis culture! I love the idea of like minded individuals gathering in one place to share their passions without the negative stigma.

So chill, everyone was so friendly. Loved the variety of people

The family feel vibe and so/on