

## RESEARCH FACILITY HOST COMMUNITY AGREEMENT

This Host Community Agreement (the "HCA") is entered into this \_\_\_ day of May, 2021, by and under the laws of the Town of Plainville (the "TOWN"), a municipal corporation duly organized under the laws of the Commonwealth, acting through its Board of Selectmen and Chrysanthos, LLC, a Massachusetts Limited Liability Company ("LICENSEE").

### RECITALS

WHEREAS, the LICENSEE wishes to locate an establishment, inclusive of office area, vaults, warehouse space, and laboratory space for the business of conducting research of medical and/or adult-use marijuana and marijuana products (the "FACILITY") on a parcel of land located at 119 Washington Street, Plainville, MA 02762, shown as Assessor's Map 7, Lot 64 or such other location located in the Town as notified by the LICENSEE to the Town (the "PROPERTY"), in accordance with and pursuant to applicable state laws and regulations, including, but not limited to G.L. c.94G, G.L. c.94I, 935 CMR 500.00, 935 CMR 501.00 and such approvals as may be issued by the TOWN in accordance with its General and Zoning Bylaws and other applicable local regulations, as may be amended (the "REGULATIONS"); and

WHEREAS, the LICENSEE intends to provide certain benefits to the TOWN in the event that it receives the requisite license from the Cannabis Control Commission (the "CCC") or such other state licensing or monitoring authority, as the case may be, to operate the Establishment and receives all required local permits and approvals from the TOWN; and

WHEREAS, G.L. Chapter 94G, Section 3, and the regulations issued thereunder, require that TOWN and LICENSEE execute an agreement setting forth the conditions to have the FACILITY within it that must include, but not be limited to, all stipulations of responsibilities between the host community and the marijuana establishment; and

WHEREAS, the PARTIES agree and acknowledge that the TOWN has identified certain concerns with respect to the impact of the FACILITY, which the PARTIES hereby stipulate are likely to cause the TOWN to incur particular additional expenses and impact; and

WHEREAS, LICENSEE and the TOWN have a mutual interest in the long-term sustainable development of both the LICENSEE'S FACILITY and the economic growth of the TOWN; and

WHEREAS, the PARTIES stipulate that the Community Impact Payments set forth in this Agreement address direct and secondary impacts of the LICENSEE's operations within the TOWN pursuant to applicable Massachusetts law and Regulations, including but not limited to 935 CMR 500 and G.L. c.94G, § 3(d), and are reasonably related to said direct and secondary impacts; and

WHEREAS, the PARTIES intend to enter this HCA as a means of memorializing their obligations with respect to mitigation of the impacts of the FACILITY, as well as their intention to collaborate to the fullest extent possible to ensure the proposed improvements and operations occur efficiently and in a manner that will benefit the TOWN, and to recognize the TOWN's commitment to, and compliance with the applicable Regulations, to promote and recognize participants in the Social Equity and Economic Empowerment program established by the CCC, including but not limited to with respect to the LICENSEE.

NOW, THEREFORE, in consideration of the mutual promises of the PARTIES contained herein and other good and valuable consideration, the receipt of which is hereby acknowledged, the PARTIES hereby agree as set forth herein.

1. The PARTIES respectively represent and warrant that:
  - a. Each is duly organized and existing and in good standing, has the full power, authority, and legal right to enter into and perform this HCA, and the execution, delivery and performance hereof and thereof (i) will not violate any judgment, order, state law, bylaw, or regulation, and (ii) do not conflict with, or constitute a default under, any agreement or instrument to which either is a party or by which either party may be bound or affected; and
  - b. This HCA has been duly authorized, executed and delivered and constitutes legal, valid and binding obligations of each party, enforceable in accordance with its terms, and there is no action, suit, or proceeding pending, or, to the knowledge of either party, threatened against or affecting wither wherein an unfavorable decision, ruling or finding would materially adversely affect the performance of any obligations hereunder, except as otherwise specifically noted in this HCA.
2. LICENSEE agrees that it is required to obtain all local permits required pursuant to Massachusetts Law and the TOWN'S Bylaws and the REGULATIONS. LICENSEE shall be required to pay the reasonable costs of the employment by TOWN boards and/or officials of outside consultants, including without limitation, engineers, architects, scientists and attorneys required to review the application for such local permits required to operate the FACILITY.
3. To the extent such practice and its implementation are consistent with federal, state, and municipal laws and regulations, LICENSEE shall make commercially reasonable efforts in a legal and non-discriminatory manner to give priority to TOWN businesses, suppliers, contractors, builders and vendors located in the TOWN in the provision of goods and services called for in the construction, maintenance and continued operation of the FACILITY and to hire TOWN

residents for jobs in and related to the FACILITY. Such efforts shall include actively soliciting bids from TOWN vendors through local advertisements and direct contact, advertising any job expansion or hiring of new employees first to TOWN residents a minimum of two (2) weeks before advertising through all typical regional employment advertising outlets, coordination with the United Regional Chamber of Commerce and such other reasonable measures as the TOWN may from time to time reasonably request. The LICENSEE also agrees to make best efforts to utilize women-owned and minority-owned vendors within the TOWN and the region.

4. LICENSEE is deeply committed to creating a non-discriminatory workplace and a welcoming work environment. Within those structures, LICENSEE is also deeply committed to being a Good Neighbor to the TOWN. Therefore, where allowed by federal, state and municipal laws and the REGULATIONS, a "Local Labor Hiring Preference" shall exist for all residents of the TOWN applying for employment by LICENSEE at the FACILITY. Within the confines of the law, and all other factors being equal, LICENSEE shall reasonably seek to employ qualified employees before considering other candidates for open positions at the FACILITY.
5. LICENSEE, its assignee, nominee, or successor thereof, shall remit to the TOWN the full mill rate of its assessed property value in accordance with the standard property taxation schedule of the TOWN.
6. LICENSEE shall register all vehicles used in connection with the FACILITY (if any) in Plainville and pay motor vehicle excise taxes on such vehicles to the TOWN.
7. LICENSEE shall remit to the TOWN a community impact payment totaling three percent (3%) of the gross revenues of the FACILITY, exclusive of any government funded grants that may be received. Such payments shall be delivered to the TOWN on a quarterly basis. With each payment, the LICENSEE shall include an accounting of the LICENSEE's total sales. The first such payment shall be due twenty (20) days after the close of the first full calendar quarter following Commencement of Operations, and each subsequent payment shall be due twenty (20) days after the close of each calendar quarter thereafter. As used herein, "Commencement of Operations" shall mean the date on which an authorization to commence operations or other comparable, requisite approval is issued by the CCC to the LICENSEE, authorizing the LICENSEE to conduct research of marijuana or marijuana-infused products under the Regulations. Implementation of the three (3%) community impact payment on non-governmental grants shall be deferred until six months after the commencement date of operations.

8. All payments required hereunder shall remain in effect for the full duration of LICENSEE'S use of the FACILITY for the purposes stated herein. In the event such term is deemed to be contrary to law, the payments shall remain in effect for the longer of five (5) years or the maximum period allowed by law, and this HCA together with such payments shall automatically renew for successive terms of the longer of five (5) years or the maximum period allowed by law. Upon voluntary or involuntary permanent termination of the use, and upon delivery to the TOWN of written notice of such termination, payments or benefits shall immediately cease; provided, however, that LICENSEE shall, within seven (7) days of such notice, pay to the TOWN the payments required hereunder.
  
9. In the event the TOWN enters into a Host Community Agreement for an adult-use, retail marijuana establishment with another Marijuana Research Facility Licensee (as defined in the REGULATIONS) located in the Town that contains financial or other terms more favorable to such other Marijuana Establishment than the terms set forth herein, including without limitation, financial terms resulting in payments of a Community Impact Fee or other payments totaling a lower percentage of gross sales for the same or similar type of establishment or does not require the payment of any of the additional costs, payments and reimbursements provided herein, then the TOWN agrees that the Parties shall reopen this HCA and negotiate an amendment resulting in financial benefits to the LICENSEE equivalent or superior to those provided to the other Marijuana Establishment by the TOWN.
  
10. This HCA may only be modified by the express written consent of both PARTIES. Any and all notices, consents, demands, requests, approvals or other communications required or permitted under this HCA, 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, and will be effective upon receipt for hand or said delivery and three days after mailing, to the other Party at the following addresses:

To TOWN:

Town Administrator  
Plainville Town Hall  
190 South Street  
Plainville, MA 02762

Copy to:

KP Law, PC  
101 Arch Street  
12<sup>th</sup> Floor  
Boston, MA 02110

To LICENSEE:

Mathew Medeiros, Managing Member

Chrysanthos, LLC  
By e-mail: mathewmedeiros99@gmail.com

Copy to:

Burns & Levinson LLP  
125 High Street  
Boston, MA 02110  
Attention: Scott H. Moskol, Esq.  
Email: smoskol@burnslev.com

Each of the PARTIES shall have the right by notice to the other to designate additional persons to whom copies of notices must be sent, and to designate changes in address.

11. If and to the extent that either party is prevented from performing its obligations hereunder by an event of *force majeure*, such party shall be excused from performing hereunder and shall not be liable in damages or otherwise, and the PARTIES shall instead negotiate in good faith with respect to appropriate modifications of the terms hereof. For purposes of this HCA, the term *force majeure* shall mean the supervening causes described here, each of which is beyond the reasonable control of the affected party: acts of God, fire, earthquakes, floods, explosion, actions of the elements, war, terrorism, riots, mob violence, pandemics or general public health emergencies, a general shortage of labor, equipment, facilities, materials, or supplies in the open market, failure of transportation, strikes, lockouts, actions of labor unions, condemnation, laws or orders of any governmental or military authorities, or any other cause similar to the foregoing, not within the control of such party obligated to perform such obligation.
12. This HCA shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts.
13. The failure of any party to strictly enforce the provisions hereof shall not be construed as a waiver of any obligation hereunder.
14. LICENSEE shall reimburse the TOWN for reasonable attorney fees incurred by the TOWN in conjunction with the FACILITY including in connection with the negotiation of this HCA and any related matters. Such reimbursement shall be made within fourteen (14) days after written request by the TOWN.
15. The LICENSEE shall indemnify, defend, and hold the TOWN harmless from and against any and all claims, demands, liabilities, actions, causes of actions, defenses, proceedings and/or costs and expenses, including attorney's fees

(collectively, the "Claims"), if brought against the TOWN, its agents, departments, officials, employees, insurers and/or successors, by any third party, except as a result of the TOWN's gross negligence, bad faith or malice, arising from or relating to this Agreement and/or the FACILITY. Such indemnification shall include, but shall not be limited to, all reasonable fees and reasonable costs of attorneys and consultants of the TOWN's choosing incurred in defending such claims, actions, proceedings or demands. The LICENSEE agrees, within thirty (30) days of written notice by the TOWN, to reimburse the TOWN for any and all costs and fees incurred in defending itself with respect to any such claim, action, proceeding or demand. To the extent that any of the TOWN'S insurance policies provide coverage for any Claim to which indemnity is being sought hereunder, the TOWN shall be requested to first submit the Claim to its insurance carrier before seeking indemnity from the LICENSEE, and LICENSEE shall only be required to indemnify the TOWN to the extent there is no coverage.

16. The LICENSEE agrees it will not challenge, in any jurisdiction, the enforceability of any provision included in this HCA; and to the extent the validity of this HCA is challenged by LICENSEE, LICENSEE shall pay for all reasonable fees and costs incurred by the TOWN in defending such challenge. Furthermore, the LICENSEE shall pay for all reasonable fees and costs incurred by the TOWN in enforcing this HCA if the TOWN prevails.
17. LICENSEE acknowledges that time is of the essence with respect to performance of its obligations hereunder and that late payments shall be subject to interest at the rates prescribed by G.L. c. 59, §57. These payments or benefits shall be made payable to the TOWN at the direction of the Town Administrator.
18. If any term or condition of the HCA or any application thereof shall to any extent be held invalid, illegal or unenforceable by the court of competent jurisdiction or regulatory authority, the validity, legality, and enforceability of the remaining terms and conditions of this HCA shall not be deemed affected thereby unless one or both PARTIES would be substantially or materially prejudiced. The PARTIES recognize and agree that any reduction in payments to the TOWN as provided herein would constitute material prejudice to the TOWN.
19. The TOWN shall support the LICENSEE's application as a Marijuana Establishment (as that term is defined in 935 CMR 500.002) with the CCC and shall promptly respond to reasonable requests with respect to licensing or approval activities for LICENSEE to secure a Marijuana Establishment license.
20. This HCA may be executed in multiple counterparts, each of which when executed and delivered shall constitute a duplicate original, but all counterparts together shall constitute a single document.

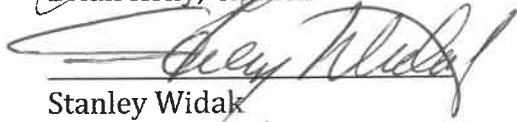
Executed under seal.

TOWN OF PLAINVILLE:

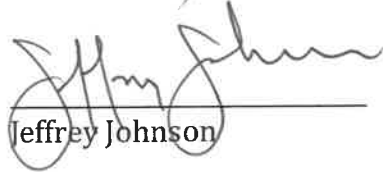
Board of Selectmen



Brian Kelly, Chairman



Stanley Widak



Jeffrey Johnson

Chrysanthos, LLC



By: Mathew Medeiros, Managing Member  
Duly Authorized

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