

RETAIL HOST COMMUNITY AGREEMENT

This Host Community Agreement (the "HCA") is entered into this 17th day of December, 2018 ("Effective Date") by and under the laws of the Town of Plainville, Massachusetts (the "TOWN"), a municipal corporation duly organized under the laws of the Commonwealth, acting through its Board of Selectmen (the "SELECTMEN") and Apotho Therapeutics Plainville, LLC, a Massachusetts limited liability company, ("LICENSEE").

This HCA represents the understanding between the TOWN and LICENSEE (collectively, the "PARTIES") with respect to development of a tract of land with improvements located at 119 Washington Street, Plainville, MA 02762 (the "PROPERTY") shown as Assessor's Map 7, Lot 64 for use as a licensed adult-use, retail marijuana establishment ("RME") for the retail sale of adult-use marijuana and adult-use marijuana products, in accordance with applicable regulations issued the Cannabis Control Commission ("CCC") or such other state licensing or monitoring authority, as the case may be (each a "Licensing Authority," collectively, the "Licensing Authorities"). The development of the PROPERTY as an RME is also subject to a Retail Development and Remuneration Agreement (the "REMUNERATION AGREEMENT"), entered into contemporaneously with this HCA, intended to provide benefits to the TOWN in order to secure approval for LICENSEE to develop and utilize the PROPERTY.

RECITALS

WHEREAS, LICENSEE plans to commence a significant capital investment in the development of a site located on the PROPERTY, to prepare the site appropriately for the intended use, and to commence such intended use as a licensed RME for the retail sale of recreational, adult-use marijuana and adult-use marijuana products at the PROPERTY (the "FACILITY"); and

WHEREAS, the LICENSEE desires to provide community impact fee payment to the TOWN pursuant to G.L. c. 94G, § 3(d) and any successor statutes and regulations, in order to address any reasonable costs imposed upon the TOWN by LICENSEE'S operations in the TOWN, as provided in the REMUNERATION AGREEMENT; and

WHEREAS, the TOWN recognizes this development of the Property as an RME and FACILITY will benefit the TOWN and its citizens through increased economic development, additional employment opportunities for residents, the REMUNERATION AGREEMENT, and a strengthened local tax base; and

WHEREAS, the PARTIES agree and acknowledge that the TOWN has identified certain concerns with respect to the impact of the construction of the expanded and improved facilities on the PROPERTY, as well as its subsequent operation; and

WHEREAS, the PARTIES intend to enter this HCA as a means of memorializing their obligations with respect to mitigation of these impacts, as well as their intention to collaborate to the fullest extent possible to ensure the proposed improvements and operations occur efficiently:

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 General Laws and the TOWN'S Bylaws and regulations. In accordance with the procedures set forth in G.L. c.44, §53G, 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.
3. LICENSEE commits to the provision of educational materials related to health, safety and responsible use of the products offered at the proposed site. These materials shall be readily available at the point of purchase at the RME. Such materials shall be published and distributed by LICENSEE and made available to the residents of the TOWN. All educational materials shall be developed in consultation with the Massachusetts Department of Public Health, the TOWN's Board of Health, the TOWN's Police Department, and other reasonable, relevant private groups as identified by the named entities. LICENSEE shall be required to provide one age-appropriate system of drug awareness and/or drug abuse prevention-related educational programming materials or like event per academic year for each of the TOWN school levels,

e.g., Elementary, Intermediate, and Secondary. The aforesaid materials and/or event shall be developed in conjunction with the Chief of Police and the Superintendent of the TOWN'S schools.

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 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 TOWN vendors, suppliers, contractors, builders and employees before considering other candidates for open positions at the FACILITY.
5. To the extent such practice and its implementation are consistent with federal, state, and municipal laws and regulations, the LICENSEE shall use good faith efforts in a legal and non-discriminatory manner to give priority to qualified local businesses and vendors in the provision of goods and services called for in the construction, maintenance and continued operation of the FACILITY.
6. The LICENSEE shall, at least annually, provide the Municipality with copies of all reports submitted to the Licensing Authorities regarding LICENSEE'S operations at the FACILITY.
7. At all times during the Term of this Agreement, property, both real and personal, owned or operated by LICENSEE shall be treated as taxable, and all applicable real estate and personal property taxes for that property shall be paid either directly by LICENSEE or by its landlord, and neither LICENSEE nor its landlord shall object or otherwise challenge the taxability of such property.
8. LICENSEE commits to close, ready, and transparent cooperation with the TOWN's Police Department. LICENSEE therefore shall facilitate the reasonable provision of real-time access to the internal and external security camera footage feeds to the Chief of Police of the TOWN, or his/her designated agent within the Police Department. LICENSEE agrees that the TOWN's Board of Selectmen may require LICENSEE to provide police or other public safety details, at LICENSEE's expense, if it determines that such details are necessary or reasonable to protect public health, convenience or safety.
9. LICENSEE has committed to a Good Neighbor Policy regarding the TOWN. As an expression of this Policy, LICENSEE shall seek reasonable ways to contribute to the growth, development, and long-term success of the TOWN.

In addition to the aforementioned items, LICENSEE has agreed to the REMUNERATION AGREEMENT.

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: Jennifer Thompson, Town Administrator
142 South Street
Plainville, MA 02762

Copy to:

Jonathan M. Silverstein
KP Law, PC
101 Arch Street
12th Floor
Boston, MA 02110

To LICENSEE: Patrick Casey, Manager
Apotho Therapeutics Plainville, LLC
By e-mail: pjc3home@verizon.net

Copy to:

ATTN: Scott Moskel
Burns & Levinson, LLP
125 Summer Street
Boston, MA 02110

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, 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. Failure by LICENSEE to perform any term or provision of this HCA shall not constitute a default under this HCA unless LICENSEE fails to commence to cure, correct or remedy such failure within thirty (30) days of receipt of written notice of such failure from the TOWN and thereafter fails to complete such cure, correction or remedy within ninety (90) days of the receipt of such written notice, or, with respect to defaults which cannot be remedied within such ninety (90) day period, within such additional period of time as is required to reasonable remedy such default, if LICENSEE is exercising due diligence in the remedying of such default.
13. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts.
14. The failure of any party to strictly enforce the provisions hereof shall not be construed as a waiver of any obligation hereunder. This HCA can be modified only in a written instrument signed by the SELECTMEN and LICENSEE. This HCA shall be binding upon the PARTIES and their successors and assigns.
15. LICENSEE shall reimburse the TOWN for all reasonable attorney and consultant fees and other reasonable costs incurred by the TOWN in conjunction with the FACILITY, including in connection with the negotiation of this HCA and any related agreements. Such reimbursement shall be made within fourteen days after written request by the TOWN.
16. 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.

17. 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 Agreement is challenged, the 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.
18. If any provision of this Agreement relating to the amount or duration of any payments to the TOWN required hereunder, is adjudicated to be invalid or unenforceable by a court of competent jurisdiction, this Agreement shall be void of and of no effect unless, prior the expiration of thirty (30) days of any final judgment declaring such provision invalid, the TOWN's Board of Selectmen votes to ratify the Agreement notwithstanding such adjudication.
19. This Agreement supersedes all prior agreements, negotiations and representations, either written or oral, and it shall not be modified or amended except by written document executed by the PARTIES hereto.
20. This Agreement 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, this Agreement shall remain in effect for the longer of five years or the maximum period allowed by law, and this Agreement shall automatically renew for successive terms of the longer of five years or the maximum period allowed by law.
21. This Agreement shall terminate at the time that either of the following occur:
 - a. The TOWN notifies LICENSEE of the TOWN'S termination of this agreement "For Cause" as a result of the LICENSEE'S continuing failure to comply with applicable State Law after receiving ninety (90) days' notice of such non-compliance and an opportunity to cure any such issues or
 - b. If the LICENSEE ceases to operate, for any reason, an RME in the TOWN, then the Agreement shall no longer apply
22. This Agreement is binding upon the PARTIES, and their respective successors, assigns and legal representatives. The TOWN shall not assign or

transfer any interest or obligations in this Agreement without the prior written consent of the LICENSEE, which shall not be unreasonably delayed, conditioned, or withheld. The LICENSEE shall not assign or transfer any interest or obligation under this Agreement without the prior written consent of the TOWN, which shall not be unreasonably delayed, conditioned, or withheld.

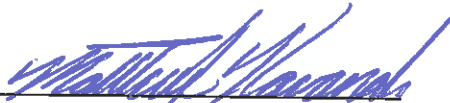
23. The LICENSEE may provide to the TOWN, certain financial information, investment materials, product, plans, documents, details of LICENSEE'S company history, know-how, trade secrets, and other nonpublic information related to LICENSEE, its affiliates and operations. TOWN shall not, at any time during the term of this Agreement or at any time thereafter, voluntarily disclose to any person or entity, any confidential information, except in response to a lawful public records request or as may be required by court order or law.
24. This Agreement may only be amended by written document duly executed by both of the PARTIES. 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 LICENSEE.

Executed under seal.


IN WITNESS WHEREOF, the PARTIES hereto have caused this RETAIL HOST COMMUNITY AGREEMENT to be duly executed as of the execution date set forth above.

TOWN OF PLAINVILLE, MA:

Board of Selectmen


Matthew Kavanah, Chairman


George Sutherland


Jeffrey Johnson

Apotho Therapeutics Plainville, LLC

By: 

Patrick Casey, Its Manager

Duly Authorized