

**TOWN OF NORTHBRIDGE
BOARD OF SELECTMEN'S MEETING
NORTHBRIDGE TOWN HALL
7 MAIN STREET - WHITINSVILLE, MA 01588
December 3, 2018 at 7:00 PM**

PRESENTATION TO OFFICER KRISTINA WESTBURY FOR 25 YEARS OF SERVICE

PLEDGE OF ALLEGIANCE

I. APPROVAL OF MINUTES

II. PUBLIC HEARING

III. RESIGNATIONS: A. Eileen Harris, Disability Commission

IV. CITIZENS' COMMENTS/INPUT: Local Business Spotlight: The Green Plate, LLC, 167 Church Street, Whitinsville, MA 01588/**Present:** Danielle Desrosiers

V. DECISIONS:

B. Bring Your Own Bottle Policy/Vote to adopt revised BYOB Policy

C. Hazard Mitigation Plan/Vote to adopt [**Present:** Trish Settles and Peter Peloquin, CMRPC, James Shuris, Department of Public Works Director, Gary Bechtholdt, Town Planner, David White, Fire Chief]

VI. DISCUSSIONS:

D. Open Space & Recreation Plan Update Committee/Vacancies

E. True Nature Wellness, Inc./Marijuana Retailer Establishment Presentation [**Present:** Steve Croteau, True Nature Wellness, Inc. and Phillip Silverman, Vicente Sederberg, LLC

VII. TOWN MANAGER'S REPORT

VIII. SELECTMEN'S CONCERNS

IX. ITEMS FOR FUTURE AGENDA:

*2019 License Renewals

*Complete Streets Policy

X. CORRESPONDENCE

XI. EXECUTIVE SESSION

Town Clerk: 2 Hard copies	<input type="checkbox"/>
Web: Post time-stamped copy	<input type="checkbox"/>

Doreen A. Cedrone, Town Clerk
Town of Northbridge
7 Main Street
Whitinsville, MA 01588

A

18 NOV 15 AM 10:21

NORTHBRIDGE TOWN CLERK
DORÉEN CEDRONE

November 7, 2018

Dear Ms. Cedrone,

I regretfully resign from my position as a regular member of the Disability Commission due to work schedule conflicts effective immediately. Please inform the Board of Selectman.

Thank you for the opportunity to serve the town of Northbridge. It has been a pleasure.

Respectfully,

Eileen M. Harris

Eileen M. Harris
41 Spruce St.
Northbridge, MA. 01534

TOWN OF NORTHBRIDGE
Policy for Service of Alcoholic Beverages by Restaurants on a
“Bring Your Own Bottle” Basis

The Board of Selectmen, as the local licensing authority, hereby adopts this policy for approval of “Bring Your Own Bottle” alcohol service by restaurant establishments not holding an alcoholic beverages license under Chapter 138 of the General Laws. For purposes of this policy, an “establishment” shall mean a full-service commercial enterprise holding a common victualler’s license for the sale of food to the public. “Full service” shall mean having a full wait staff and sit down and eat-in dining services for the vast majority of patrons.

General Requirements: An establishment requesting approval to serve alcohol under this Bring Your Own Bottle - “BYOB” - policy agrees to abide by all legal standards to ensure safe and proper service to patrons in accordance with all requirements and restrictions of the Massachusetts General Laws, the Alcoholic Beverages Control Commission (ABCC), and the rules and regulations of the Town of Northbridge. Any BYOB approval shall be evidenced by a permit and shall be subject to the following standard conditions. In addition, the Board of Selectmen may impose such additional conditions as it determines are necessary or appropriate. BYOB approval is at the sole discretion of the Board of Selectmen. There is no entitlement to approval.

The Town of Northbridge requires ~~a permit fee of \$200.00 with an annual~~ BYOB permit. The permit is subject to annual renewal every December 31.

- 1: ~~The establishment is responsible for training employees in the correct procedures pertaining to this policy and all restaurant staff must obtain alcohol service training, e.g. TIPS. Copies of certificates must be provided to the Town Manager’s Office with permit application and permit renewal.~~
- 2: Alcoholic beverages which may be brought into the establishment are limited to beer and wine. No BYOB alcohol may be consumed by a patron who has not purchased a food item from the restaurant menu.
- 3: Alcoholic beverages are to be consumed inside the establishment’s premises only. The establishment shall provide glasses for consumption.
- 4: No alcoholic beverages are to be consumed by any person under the age of 21, as sale or delivery to such a person is a violation of MA General Laws, Chapter 138, Section 34. It is the responsibility of the establishment to ensure that patrons who consume alcoholic beverages on the premises are at least 21 years of age.
- 5: Alcoholic beverages are not to be consumed on the premises by an intoxicated person.
- 6: The establishment cannot charge the consumer, either directly or indirectly, for consuming alcoholic beverages on the premises, whether by a service fee, glass fee, table fee, corking fee, or otherwise.

- 7: No alcoholic beverages may be served or handled by the employees of the establishment. This includes storing, refrigerating, or pouring alcoholic beverages.
- 8: No alcoholic beverages may be purchased or provided from within the premises. BYOB approval applies only to beverages brought to the premises by patrons.
- 9: Patrons cannot leave the premises with an open container of alcohol except in compliance with the requirements of ABCC regulation 204 C.M.R. 2.18. A patron who wishes to remove their unfinished bottle of wine from the premises must have the establishment ensure that the bottle is securely resealed and placed in a one-time, tamper proof transparent bag as provided for in 204 C.M.R. 2.18. No partially consumed container of beer may be taken from the premises by a patron. Remaining unused wine and beer not removed by a patron must be disposed of by the establishment in an acceptable manner that meets all applicable laws and regulations. No unused wine or beer may be consumed by any other party, including establishment staff.
- 10: All alcoholic beverages and containers must be removed from the premises by the person who carried them in. Staff under the age of 18 may not clear from the tables any containers from which wine or beer was poured or consumed.
- 11: Any establishment which, in the conduct of its business either directly or through its agent causes or permits any violations of state or local statutes or regulations under this “Bring Your Own Bottle” Policy or permits any other illegalities on its premises shall be subject to a disciplinary hearing by the Board of Selectmen for modification, suspension or revocation of its Common Victualler license.
- 12: The establishment must provide proof of alcohol liability insurance for no less than the amount of \$500,000. Insurance coverage must remain current as a condition of licensure.
- 13: The establishment must post a BYOB sign at the entry area indicating that it is a “Bring Your Own Bottle” establishment and is subject to all applicable Town and State laws and regulations.
- 14: A BYOB permit may not be issued to any establishment that has had a Chapter 138 alcohol license suspended or revoked, or to any person or entity affiliated with such license, either directly or indirectly, through an agent, employee, stockholder, officer, or other person.
- 15: The establishment shall immediately report to the Northbridge Police Department any situation in which patrons consuming alcohol appear to present a danger to themselves or others, either on the premises or elsewhere, by virtue of such consumption.

Adopted by the Northbridge Board of Selectmen

, 2018

TIPS CERTIFICATION
(**T**raining for **I**ntervention **P**rocedure**S**)

→\$35 - \$40 for training [online or in person]

→Certification is good for three (3) years

→TIPS Certification / Serve Safe [if serving food] is required by all insurance companies in order to obtain Liquor Liability Insurance

LIQUOR LIABILITY INSURANCE

Per Robert A. Parker Insurance Company, the cost to obtain Liquor Liability depends on the type of establishment and gross sales of liquor.

Per Kim Sylvestre of Bright Insurance Agency, the cost for BYOB liquor liability depends on the type of establishment, classification of risk, policy term and number of annual adult attendees.

Sullivan, Garrity, and Donnelly – no response yet.



Town of Northbridge, Natural Hazard Mitigation Plan

Public Presentation: December 3, 2018

What is hazard mitigation? What's a mitigation plan?

- Hazard mitigation is the effort to reduce loss of life and property by lessening the impact of natural disasters
- Mitigation is not disaster response; its goal is to reduce hazard impacts before a disaster occurs
- A mitigation plan identifies natural hazards and the risks they pose to residents, infrastructure, property, and natural resources, and it prioritizes projects, policies, education and procedures for reducing these risks, now and in the future
- Mitigation helps break the cycle of disaster damage, reconstruction, and repeated damage

Why should Northbridge complete and adopt this kind of plan?

- Planning establishes a road map for achievable actions that can substantially reduce risks
- Adoption of a plan approved by the Federal Emergency Management Agency (FEMA) allows the town to receive non-emergency federal disaster assistance and mitigation funding as mandated under the Disaster Mitigation Act of 2000
- The plan is primarily funded by a grant from FEMA through MEMA (with a local in-kind match)

What natural hazards pose the greatest risks to Northbridge?

- Largest risks: flooding, severe thunderstorms/wind, winter storms
- Moderate risks: hurricanes/tropical storms
- Lower risks: tornados, dam failures, extreme temperatures, droughts, earthquakes, landslides, wildfires

Local partners

Local knowledge is essential to the mitigation planning process. Partners in Northbridge have included:

David White, Fire Chief/EMD	Mark Kuros, DPW
Jeanne Friadek, Board of Health	R. Gary Bechtholdt Jr., Town Planner
Walter Warchol, Police Chief	Adam Gaudette, Town Manager
Melissa Walker School Dept.	Gary Nestor, Former Fire Chief
Bruce Frieswick, Disability Commission	Ted Kozak, Former Town Manager
James Shuris, DPW Director	Randy Savigor, Whitinsville Water
James Sheehan, Code Enforcement	James Luchini, Hwy Super.

Planning timeline

- | | |
|--|------------------------|
| • Information gathering via mapping, research, and local input | May 2017 to Dec.2018 |
| • Draft plan development | Sept. 2017 to Aug 2018 |
| • Public Survey | Fall / Winter 2017 |
| • Public event #1 | July 2018 |
| • Municipal Vulnerability Preparedness Planning | Spring 2018 |
| • MEMA review | August 2018 |
| • FEMA approval | October 2018 |
| • Public event #2 and local adoption | December 2018 |
| • 5-year update | 2023 |



1 Mercantile Street – Suite 520
Worcester, MA 01608
P: 508.756.7717 F: 508.792.6818
www.cmrpc.org

Mitigation strategies identified in plan

A. Structure and Infrastructure Projects

- Stabilize Blackstone River bank in the Rockdale neighborhood and construct a flood control structure in this area in order to mitigate flooding which occurs in this area.
- Rebuild, replace, upgrade fault or deteriorating bridges i.e. Sutton St. Bridge, Linwood Bridge, Church St. Bridge; Capitol planning and pursue state funding;
- Properly clean (at least annually, or more often as may be required) all stormwater structures and basins, repair culverts as needed on an annual basis.
- Upgrade Whitinsville storm drains to mitigate flood damage in the Church St. and Linwood Ave. section.

B. Preparedness, Coordination & Response Action Strategies

- Provide information to residents and businesses on water conservation through low-impact landscaping and other measures (to conserve water for firefighting)
- Educate all segments of the community in order to combat complacency and foster individual responsibility for mitigating hazards by creating and maintaining brochures, websites and social media.
- Promote use of full range of federal and state resources related to hazard mitigation such as educational materials, training and National Weather Service forecasts.
- Develop a means for sharing information on a regional basis about successful hazard mitigation planning and programs. Create a feedback loop to improve hazard mitigation planning by establishing a formal post disaster process.

C. Local Plans & Regulations

- Incorporate hazard mitigation actions into appropriate local and regional plans – Master Plans, land use, transportation, open space, and capital programming.
- Review and update local plans and development review processes (planning, zoning, stormwater management, conservation, etc.) to ensure new construction will not be affected by hazards.
- Integrate disaster mitigation concerns into transportation projects (e.g. drainage improvements, underground utilities, etc.
- Update your Hazard Mitigation Plan every five years, and monitor implementation

The full plan is available online at <http://cmrpc.org/hazard-mitigation-planning>

Questions should be directed to Peter Peloquin (ppeloquin@cmrpc.org)

Trish Settles (tsettles@cmrpc.org) at CMRPC

This natural hazard mitigation planning activity is funded by an FY 2016 Hazard Mitigation Grant Program (HMGP) from the Federal Emergency Management Agency (FEMA) through the Mass. Emergency Management Agency (MEMA)



**TOWN OF NORTHBRIDGE
OFFICE OF THE TOWN MANAGER
NORTHBRIDGE TOWN HALL
7 MAIN STREET
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Phone- (508) 234-2095 Fax- (508) 234-7640
www.northbridgemass.org**

**Adam D. Gaudette
Town Manager**

**CERTIFICATE OF ADOPTION
Town of Northbridge, Massachusetts
Board of Selectmen
A RESOLUTION ADOPTING THE
NORTHBRIDGE NATURAL HAZARD MITIGATION PLAN**

WHEREAS, the Town of Northbridge established a Committee to prepare the Hazard Mitigation plan; and

WHEREAS, the Town of Northbridge participated in the development of the ***NATURAL HAZARD MITIGATION PLAN***;

and WHEREAS, the ***NATURAL HAZARD MITIGATION PLAN*** contains several potential future projects to mitigate potential impacts from natural hazards in the Town of Northbridge and

WHEREAS, a duly-noticed public meeting was held by the **BOARD OF SELECTMEN** on December 3, 2018 for the public and municipality to review prior to consideration of this resolution; and

WHEREAS, the Town of Northbridge authorizes responsible departments and/or agencies to execute their responsibilities demonstrated in the plan, and

NOW, THEREFORE BE IT RESOLVED that the Town of Northbridge BOARD OF SELECTMEN, formally approves and adopts the ***NATURAL HAZARD MITIGATION PLAN***, in accordance with M.G.L. c. 40.

ADOPTED AND SIGNED this 3rd Day of December, 2018

Selectmen's Name Printed

Selectmen's Signatures

Thomas J. Melia
Chairperson

Charles Ampagoomian

James J. Athanas

Alicia Cannon

Daniel Nolan

E.



True Nature's Wellness, Inc.

Presentation to the Board of Selectmen for a
Marijuana Retailer Establishment
in the Town of Northbridge

December 3, 2018



Executive Management Team

Jusmin Patel, *Director, President and Chief Executive Officer*

Jusmin Patel is the President and Chief Executive Officer of True Nature's Wellness and will serve as a Director on the Board of Directors. Mr. Patel is a Board Member of Nature's Medicines Dispensaries, LLC, a Partner and Board Member of Amma Investment Group, and the Owner and CFO of Synergy Biofuels. Between 2010 and 2017 he also co-owned Pro Pharmacy, an independent pharmacy in Texas, where he developed a corporate structure to provide community-based health care services, including services for nursing homes and hospitals. At Nature's Medicines Dispensaries, Mr. Patel led the construction and management of a 14,000 square foot cultivation establishment collocated with a dispensary. He redesigned a dispensary to enhance the professional atmosphere and patient experience and instituted industry-leading policy to increase hours of operation, becoming the first dispensary in Arizona to stay open later to accommodate patient needs. At Amma Investment Group, Mr. Patel oversees a portfolio of holdings in the cannabis industry in Arizona, including three dispensaries and Amado Management LLC, which runs the largest cultivation greenhouse structure in Amado, AZ.



Executive Management Team

Steven Croteau, *Director, Treasurer, Clerk and Chief Financial Officer*

Steve Croteau will serve as True Nature's Wellness' Chief Financial Officer, Treasurer and Clerk and will serve as a Director on the Board of Directors. Mr. Croteau is an accomplished financial professional, with over 12 years of experience in accounting and finance, and earned a MBA with a concentration in accounting and a BA in accounting and business consulting. For the past three years, he managed the books for Xiphias Wellness, Inc., a provisionally-approved Massachusetts medical marijuana dispensary. As CFO for Xiphias, Mr. Croteau regularly produced accounting and compliance reports for investors and state regulators alike. Mr. Croteau also successfully found banking solutions for the dispensary and will assist True Nature's Wellness in doing the same.



Executive Management Team

Jose Calderon, *Director and Chief Operating Officer*

Jose Calderon will serve as True Nature's Wellness' Chief Operating Officer and will serve as a Director on the Board of Directors. Mr. Calderon holds a BS in Horticultural Engineering and currently serves as the Master Grower and Director of Operations at Amado Management, LLC, a medical marijuana company based out of Arizona, where he oversees the cultivation of over 105 strains of medicinal cannabis. In his capacity as Director of Operations, Mr. Calderon oversees the growing department, nursery and flowering zones in a 180,000 square foot cultivation facility, as well as hiring and training key management staff to support growers through labor planning and coordinating critical business functions such as labor and facility management, safety programs and licensing compliance. Mr. Calderon leads and mentors a team of 6 managers and over 80 associate staff and consults on licensed indoor and outdoor cannabis cultivation operations in California.



Executive Management Team

Peter Silva, *Director and Director of Security*

Peter Silva will serve as True Nature's Wellness' Director of Security, ensuring the safety of our facility, products and customers, and will serve as a Director on the Board of Directors. Mr. Silva has 32 years of law enforcement experience and retired at the rank of Sergeant. Most recently, Mr. Silva has served as a Security Director for Xiphias Wellness, Inc., a provisionally-approved medical marijuana dispensary in Massachusetts. Mr. Silva is keenly aware of and experienced in the nuances of medical marijuana safety and Massachusetts regulations regarding the security of marijuana businesses and will lead our orchestrated defense capabilities. Mr. Silva is also a passionate advocate for his community. He serves as Treasurer for his local National Association for the Advancement of Colored People (NAACP) chapter, where he helps communities that have been disproportionately affected by the war on drugs. Mr. Silva also served for eight years as a Chairman for Bristol Community College.



Executive Management Team

Vicente Sederberg LLC, *Legal and Compliance Counsel*

Vicente Sederberg LLC is a full-service, national law firm specializing in the marijuana industry. Headquartered in Denver, Colorado, Vicente Sederberg also has offices in Boston, Jacksonville and Los Angeles. Vicente Sederberg's attorneys have more than three decades of combined experience representing clients in the marijuana industry and working on marijuana policy reform, including helping to write Amendment 64 which established the legal market in Colorado and Question 4 that legalized adult-use marijuana in Massachusetts.

In Massachusetts, Vicente Sederberg represents companies like True Nature's Wellness that are applying for Marijuana Establishment licenses and routinely advises clients on licensing and regulatory issues.



The Proposed Facility in Northbridge

True Nature's Wellness is proposing to locate a Marijuana Retailer Establishment at 1096-1110 Main Street in Northbridge for the retail sale of adult-use marijuana and marijuana products to eligible consumers 21 years of age and older. No marijuana cultivation, product manufacturing or on-site consumption will occur at the proposed facility.

The proposed location consists of approximately 1.92 acres of land, and True Nature's Wellness intends to renovate the existing building structure located on the parcel for use as a retail dispensary.

The property is accessible via Main Street and Route 146 and has ample parking available. True Nature's Wellness does not anticipate its parking needs or impact on traffic at peak hours will exceed those of other nearby commercial uses.





The Proposed Facility in Northbridge

In accordance with the Northbridge Zoning Bylaw, the proposed facility is located in the Business Three (B-3) zoning district, and True Nature's Wellness will apply for a Special Permit from the Planning Board.

In compliance with state regulations and the Zoning By-Law, the proposed facility is not located within 500 feet of a school, child care facility, public library, playground, ballfield or youth center.

True Nature's Wellness' facility will comply at all times with all laws, regulations and rules set forth by the Cannabis Control Commission and the Town of Northbridge.



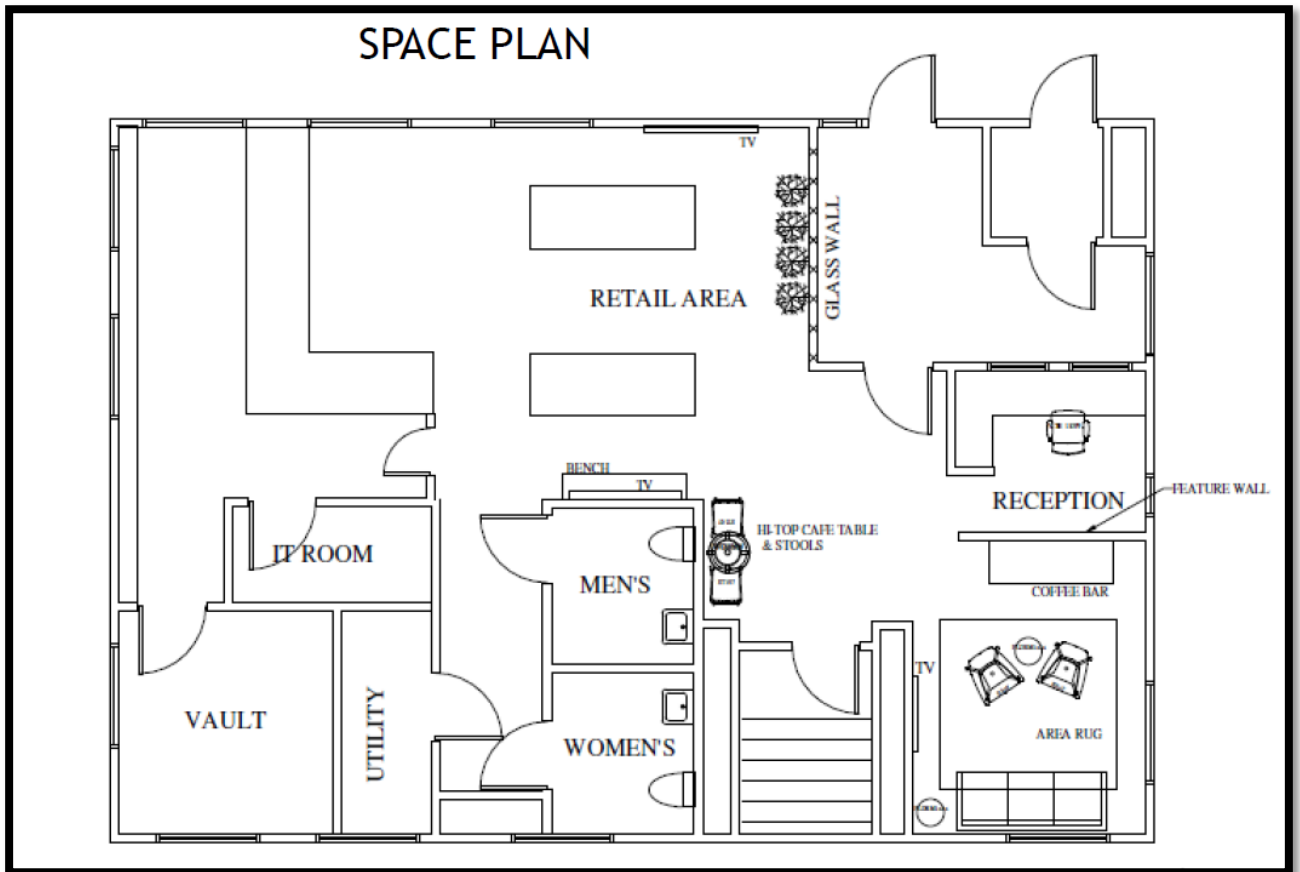


The Proposed Facility in Northbridge Exterior Conceptual Drawing





The Proposed Facility in Northbridge Conceptual Space Plan



*Conceptual Space Plan is a rough estimation of the facility's proposed layout. Actual floor plan may vary.



The Proposed Facility in Northbridge Interior Design Vision



*Interior Design Vision is a rough estimation of the facility's proposed interior design. Actual interior design may vary.



Security

True Nature's Wellness 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 customers, employees and the local community.

True Nature's Wellness' 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 redundant alarm system will be installed to ensure that active alarms remain operational if the primary system is compromised.

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 Northbridge 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 eligible consumers ages 21 years and older with a valid photo identification, True Nature's Wellness' registered agents and other authorized visitors (e.g. contractors, vendors) will be allowed access to the facility, and a visitor log will be maintained in perpetuity. All agents and visitors will be required to visibly display an ID badge, and True Nature's Wellness will maintain a current list of individuals with access.

On-site consumption of marijuana by True Nature's Wellness' customers, employees and visitors will be strictly prohibited. True Nature's Wellness will have a security personnel on-site during business hours.



Summary of Business Plan

True Nature's Wellness' business plan focuses on providing affordable access to high-quality products while prioritizing security, compassion and respect for customers, staff and the community.

True Nature's Wellness will offer a wide range of marijuana strains and products to meet the varying needs and preferences of customers, including but not limited to flower, extracted oils, infused edible products, topical lotions, tablets, capsules and oral sprays. Products will be tested for contaminants and cannabinoid content by an independent testing laboratory before they are packaged and labeled in accordance with the Cannabis Control Commission's strict requirements.

True Nature's Wellness has secured at least \$5 million in funding for its various facilities and operations in Massachusetts. \$3 million will fund the build-out of the three retail dispensaries located in Northbridge, Greenfield and a third proposed location that is yet to be determined. \$2 million will be used to finance the facilities' operations and other related expenses. Below is a summary of financial projections for the first three years of operation. A more detailed copy of the Business Plan is included with these materials.

Three-Year Financial Projects			
	2019	2020	2021
Revenues from Northbridge Retailer	\$4,702,099	\$5,712,729	\$6,159,317
Operating Costs			
Payroll	\$988,230	\$1,039,090	\$1,110,397
Annual License Fees	\$100,000	\$100,000	\$100,000
HCA Payments to Northbridge	\$141,063	\$171,382	\$184,780
Other	\$232,034	\$263,897	\$273,544
Total Operating Costs	\$1,486,327	\$1,599,369	\$1,693,721
EBITDA	\$3,215,773	\$4,113,360	\$4,465,596



Host Community Agreement

As required by M.G.L. Ch. 94G, Section 3, True Nature's Wellness will enter into a Host Community Agreement ("HCA") with the Town of Northbridge.

Under the proposed terms of the HCA, True Nature's Wellness will provide the Town of Northbridge with annual host community payments in the amount of three percent (3%) of gross sales revenues from the sale of adult-use marijuana and marijuana products at the Northbridge facility.

Furthermore, True Nature's Wellness will commit to preferential hiring of qualified local Northbridge residents as employees of the facility, as well as preferential contracting with qualified local businesses for the provision of services to the Facility.

For the full copy of the proposed Host Community Agreement is included with these materials.



True Nature's Wellness, Inc.

We look forward to working with the Town of
Northbridge.

Steven Croteau
Director, Treasurer, Clerk and Chief Financial Officer
(508) 887-6467
scroteau@truenatureswellness.com



True Nature's Wellness, Inc.

Business Plan: Marijuana Retailer Establishment

**1096 - 1110 Main Street
Northbridge, MA**

December 3, 2018

Steven Croteau, Chief Financial Officer

True Nature's Wellness, Inc.

408 Douglas Street
Uxbridge, MA 01569

(508) 887-6467

scroteau@truenatureswellness.com

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II. Executive Summary

The primary motivation of True Nature's Wellness, Inc. ("True Nature's Wellness") is to form a civically-minded company that can generate sufficient revenue to support its employees, give back to the community and succeed in an ever-growing industry that focuses on helping people find comfort and solace in naturally-cultivated cannabis.

True Nature's Wellness' Founder, Jusmin Patel, has not only committed his own funds to this pursuit, but he has also made it his life mission to help improve the perception of corporate America. True Nature's Wellness has not yet generated revenue, but we have already donated to numerous charities. We will continue to use our resources to help the people and community around us.

We have assembled a team that is exceptionally talented and passionate. We come from diverse backgrounds, and each of us has a unique point of view. We are game changers. We will help lead the way in dictating the levels of quality and service in the cannabis industry and will help reshape the way a corporation interacts with its customers, employees and surrounding communities.

True Nature's Wellness has continually and exhaustively pursued the highest levels of excellence. The Massachusetts Department of Public Health ("DPH") and Cannabis Control Commission ("CCC") have rewarded our efforts with acceptance and approval. We have progressed smoothly through the licensing and regulatory process, and as we move forward, we do not expect that trend to change.

Our plan is strong. Our company is competent.

III. General Company Description

True Nature's Wellness, Inc. will provide affordable customer access to the highest quality cannabis products and related services. We will maintain the highest level of security, compassion and respect for customers, staff and the community.

True Nature's Wellness wants to be a good neighbor. We want to provide a customer-centered approach that provides excellent service at every level, by continually measuring and monitoring our ability to offer exceptional high-quality products and services.

From the beginning, our philosophy has been simple: we will treat our staff as professionally and with as much humanity as possible. We will treat our customers with as much care and dignity as possible. We will become a productive member of the community that we serve and give back to that community in meaningful ways.

Our customer base is comprised of the ever-growing community of cannabis customers from around Massachusetts. All customers must be 21 years or older and in possession of a valid, government-issued photo identification.

The cannabis industry is one of the fastest growing business sectors in the country. Experts project that the legal marijuana industry will reach sales of 6.7 billion dollars in 2018 and that by 2020 it will be a 20 billion dollar a year industry. We fully expect the Massachusetts cannabis market to mirror these projections, and True Nature's Wellness is poised to take advantage of this growth with our well-grounded philosophy, our highly skilled team and our solid plan for providing safe and consistent high-quality cannabis.

True Nature's Wellness' greatest strength is our team diversity. Each of us brings a multitude of educational, professional and personal expertise that we will convey to our customers to ensure that they have access to the best possible products and service. This will also allow us to run and maintain a viable, ongoing business here in Northbridge. Our primary competitive strength will be our ability to provide high-quality cannabis at reasonable prices. From accounting to security, to cultivation and dispensing, we are secure in every aspect of this business and will be a significant part of the cannabis industry.

We are confident that Northbridge will be a great community to round-out our company's structure. Locating at 1096 - 1110 Main Street would allow us to serve our customers in a convenient and secure location.

IV. Products and Marketing

In addition to traditional cannabis dispensary products, True Nature's Wellness, Inc. will offer a wide range of products and services that will allow us to serve as many customers, with as many needs, as possible. Some of the product we intend to offer include, but will not be limited to:

- Topical Salves
- Creams/Lotions
- Patches
- Oral Mucosal/Sublingual Dissolving Tablets
- Tinctures
- Sprays
- Inhalation Ready to Use CO2 Extracted Hash Oils
- Pre-Dosed Oil Vaporizers
- Ingestion Capsules
- Food/Beverages

The types of flower we plan on cultivating:

Sativa

- Uplifting and energetic
- Best suited for day-time use

Indica

- Relaxing and calming, sedating
- Body buzz
- Best suited for night-time use

Hybrid

- Crosses of Sativa and Indica
- Allows cultivators to select desired effects
- Indica dominant is for pain relief
- Sativa dominant helps with energy and activity levels

We will package our products in plain/opaque, childproof containers. Ingredients and THC/CBD concentration profiles will be on all labels. We will have a third-party laboratory test samples for contaminants, dosage and potency. We will provide products with consistent cannabinoid profiles. True Nature's Wellness will have strict protocols to maintain proper safety and sanitation practices and regulations, and our services will include consultations on safe use of cannabis.

True Nature's Wellness plans on selling our cannabis at a median price of \$320 per ounce. We expect to serve 33,445 unique customers in the first year. According to standard projections, that number of customers will translate into over 4.5 million dollars in gross sales in the first full year of operation in Northbridge.

Niche Market

True Nature's Wellness will offer cannabis products to customers that support healthy, active lifestyles. In addition to offering traditional edible options such as baked goods and candies, we will feature healthy, great-tasting options for customers with dietary restrictions, including products for customers who are diabetic, vegan and gluten-free. We pride ourselves on offering healthy alternatives for all types of customers.

V. Operational Plan

True Nature's Wellness will determine its store hours in consultation with the Town of Northbridge. We will also work closely with the Town to ensure that customers have as much opportunity to obtain their cannabis as possible.

Once checked in to the facility by our professional and welcoming security personnel, new customers will be asked to meet with one of our highly trained staff members. After the initial consultation, customers will be directed through security to the sales floor, where they will be shown the daily menu of available products and given the opportunity to ask questions about our products to a trained dispensary sales agent. Our staff will receive continuing education on products and various intake methods.

This entire process, from the time the first seed is planted at a licensed cultivator facility until the final product is sold, will be tracked using highly sophisticated computer software. The industry name for this software is called "seed to sale tracking." With the use of this software, True Nature's Wellness will be able to track every product on our shelves from its beginning days as a seedling. The system will allow us to verify that a particular customer purchased a lozenge on a specific date, when and where that lozenge was made, which staff member produced it, which staff member processed the cannabis that went into it, what harvest that cannabis came from, which particular plant in that harvest it was prepared from, and finally all the way back to which mother plant it was cloned from and the date the clone was first put into the soil.

This incredibly complex software will not only allow True Nature's Wellness to maintain tight internal controls on all our products and sales, but it will enable us to have full transparency and compliance with various state and local agencies and institutions.

Personnel

- True Nature's Wellness intends to create 25 to 30 full-time staff positions within the first three years of operations in Northbridge.
- True Nature's Wellness will require an exceptionally skilled sales staff that can understand the uses and effects of many different varieties of cannabis strains and products while maintaining top-level customer service.
- We will have a professional and experienced security staff that will ensure customers and staff are kept safe and secure.
- Our financial department will include positions for entry-level employees who handle bookkeeping duties up to degree-level accountants who are preparing high-level financial reports.
- Other essential positions will be in human resources, cleaning and maintenance and different support positions that are integral to a successful retail business.

- True Nature's Wellness plans to compensate its employees at the high end of industry standards while providing the best benefits packages available, including medical, dental and company-matched retirement programs.
- All staff will be required to satisfy specific training requirements and will be encouraged and supported to engage in continuing education programs.
- True Nature's Wellness is already working on producing and compiling best-in-class policies and procedures for each department, position, and process. Once completed, these policies and procedures will be routinely audited to make sure that they are complete, efficient, up-to-date and following best-known practices.
- It is our goal to create as many jobs as possible and limit the use of outside contractors as much as possible.

VI. Management and Organization

Jusmin Patel, *Director, President and Chief Executive Officer*

Jusmin Patel is the President and Chief Executive Officer of True Nature's Wellness and will serve as a Director on the Board of Directors. Mr. Patel is a Board Member of Nature's Medicines Dispensaries, LLC, a Partner and Board Member of Amma Investment Group, and the Owner and CFO of Synergy Biofuels. Between 2010 and 2017 he also co-owned Pro Pharmacy, an independent pharmacy in Texas, where he developed a corporate structure to provide community-based health care services, including services for nursing homes and hospitals. At Nature's Medicines Dispensaries, Mr. Patel led the construction and management of a 14,000 square foot cultivation establishment collocated with a dispensary. He redesigned a dispensary to enhance the professional atmosphere and patient experience and instituted industry-leading policy to increase hours of operation, becoming the first dispensary in Arizona to stay open later to accommodate patient needs. At Amma Investment Group, Mr. Patel oversees a portfolio of holdings in the cannabis industry in Arizona, including three dispensaries and Amado Management LLC, which runs the largest cultivation greenhouse structure in Amado, AZ.

Steven Croteau, *Director, Treasurer, Clerk and Chief Financial Officer*

Steve Croteau will serve as True Nature's Wellness' Chief Financial Officer, Treasurer and Clerk and will serve as a Director on the Board of Directors. Mr. Croteau is an accomplished financial professional, with over 12 years of experience in accounting and finance, and earned a MBA with a concentration in accounting and a BA in accounting and business consulting. For the past three years, he managed the books for Xiphias Wellness, Inc., a provisionally-approved Massachusetts medical marijuana dispensary. As CFO for Xiphias, Mr. Croteau regularly produced accounting and compliance reports for investors and state regulators alike. Mr. Croteau also successfully found banking solutions for the dispensary and will assist True Nature's Wellness in doing the same.

Jose Calderon, *Director and Chief Operating Officer*

Jose Calderon will serve as True Nature's Wellness' Chief Operating Officer and will serve as a Director on the Board of Directors. Mr. Calderon holds a BS in Horticultural Engineering and currently serves as the Master Grower and Director of Operations at Amado Management, LLC, a medical marijuana company based out of Arizona, where he oversees the cultivation of over 105 strains of medicinal cannabis. In his capacity as Director of Operations, Mr. Calderon oversees the growing department, nursery and flowering zones in a 180,000 square foot cultivation facility, as well as hiring and training key management staff to support growers through labor planning and coordinating critical business functions such as labor and facility management, safety programs and licensing compliance. Mr. Calderon leads and mentors a team of 6 managers and over 80 associate staff and consults on licensed indoor and outdoor cannabis cultivation operations in California.

Peter Silva, *Director and Director of Security*

Peter Silva will serve as True Nature's Wellness' Director of Security, ensuring the safety of our facility, products and customers, and will serve as a Director on the Board of Directors. Mr. Silva has 32 years of law enforcement experience and retired at the rank of Sergeant. Most recently, Mr. Silva has served as a Security Director for Xiphias Wellness, Inc., a provisionally-approved medical marijuana dispensary in Massachusetts. Mr. Silva is keenly aware of and experienced in the nuances of medical marijuana safety and Massachusetts regulations regarding the security of marijuana businesses and will lead our orchestrated defense capabilities. Mr. Silva is also a passionate advocate for his community. He serves as Treasurer for his local National Association for the Advancement of Colored People (NAACP) chapter, where he helps communities that have been disproportionately affected by the war on drugs. Mr. Silva also served for eight years as a Chairman for Bristol Community College.

Vicente Sederberg LLC, *Legal and Compliance Counsel*

Vicente Sederberg LLC is a full-service, national law firm specializing in the marijuana industry. Headquartered in Denver, Colorado, Vicente Sederberg also has offices in Boston, Jacksonville and Los Angeles. Vicente Sederberg's attorneys have more than three decades of combined experience representing clients in the marijuana industry and working on marijuana policy reform, including helping to write Amendment 64 which established the legal market in Colorado and Question 4 that legalized adult-use marijuana in Massachusetts.

In Massachusetts, Vicente Sederberg represents companies like True Nature's Wellness that are applying for Marijuana Establishment licenses and routinely advises clients on licensing and regulatory issues.

Accountant

Price Kong, CPA

Phoenix, AZ

Banking

Century Bank

Medford, MA

VII. Financial Projections

Number of customer visits for the first year: **33,445**

Three Year Use of Cash Projection

	<u>2019</u>	<u>2020</u>	<u>2021</u>
Revenues	\$4,702,099	\$5,712,729	\$6,159,317
Operating Costs			
Payroll	988,230	1,039,090	1,110,397
DPH Fees	100,000	100,000	100,000
Host Community Payments - Northbridge	141,063	171,382	184,780
Other	232,034	263,897	273,544
Total Operating Costs	<u>1,486,327</u>	<u>1,599,369</u>	<u>1,693,721</u>
EBITDA	<u>\$3,215,773</u>	<u>\$4,113,360</u>	<u>\$4,465,596</u>

TRUE NATURE’S WELLNESS, INC.
SECURITY AND OPERATIONS OUTLINE¹

The following security and operations outline for True Nature’s Wellness, Inc.’s proposed Marijuana Establishment (“ME”) in Northbridge meets or exceeds the Cannabis Control Commission’s (“Commission”) requirements set forth in 935 CMR 500.110. If True Nature’s Wellness is granted the opportunity to move forward in the process in Northbridge and a specific location is approved, True Nature’s Wellness will work with local law enforcement on the development of robust policies and procedures to secure the location.

GENERAL SECURITY REQUIREMENTS FOR MARIJUANA ESTABLISHMENTS

1. § 500.110(1) Requirement

A Marijuana Establishment shall implement sufficient safety measures to deter and prevent unauthorized entrance into areas containing marijuana and theft of marijuana at the Marijuana Establishment. Security measures taken by the licensee to protect the premises, employees, consumers and general public shall include, but not be limited to, the following:

Response

True Nature’s Wellness will contract with a qualified security contractor to develop a full Security Plan (the “Plan”) that provides details on how True Nature’s Wellness will ensure that its products and assets are secured against external threats. For security reasons, the comprehensive Plan is not publicly available. Key elements of the Plan are summarized below.

2. § 500.110(1)(a) Requirement

Positively identifying individuals seeking access to the premises of the Marijuana Establishment or to whom marijuana products are being transported pursuant to 935 CMR 500.105(14) to limit access solely to individuals 21 years of age or older.

Response

True Nature’s Wellness will limit access to its ME to individuals on the premises of an establishment for a purpose related to its operations and consistent with the objectives of St. 2016, c. 334, as amended by St. 2017, c. 55 and 935 CMR 500.000, provided, however, that no such individual will be younger than 21 years old. All outside vendors, contractors, and visitors will obtain a visitor identification badge prior to entering a limited access area and will be escorted at all times by a True Nature’s Wellness agent authorized to enter the limited access area. The visitor identification badge will be visibly displayed at all times while the visitor is in any limited access area. All visitors will be logged in and out, and that log will be available for inspection by the Commission at all times. All visitor identification badges will be returned to True Nature’s Wellness upon exit.

¹ The enclosed is an outline of True Nature’s Wellness’ Security and Operations Outline that is compliant with 935 CMR 500.000. In the event True Nature’s Wellness is permitted to open a Marijuana Establishment (“ME”) in Northbridge, True Nature’s Wellness will ensure that all ME Policies and Procedures are also compliant with applicable Northbridge bylaws, ordinances, and regulations.

3. § 500.110(1)(b) Requirement

Adopting procedures to prevent loitering and ensure that only individuals engaging in activity expressly or by necessary implication permitted by these regulations and its enabling statute are allowed to remain on the premises;

Response

True Nature's Wellness will employ security personnel who will routinely patrol the facility perimeters and grounds to prevent loitering, nuisance activity, or crime. Security personnel will be trained in security industry and crime prevention standards prior to deployment. Security personnel will ensure that only eligible visitors who comply with True Nature's Wellness' Code of Conduct and other True Nature's Wellness policies are served and will patrol the area to prevent diversion and use of marijuana in public areas.

4. § 500.110(1)(c) Requirement

Disposing of marijuana in accordance with 935 CMR 500.105(12) in excess of the quantity required for normal, efficient operation as established within 935 CMR 500.105;

Response

All recyclables and waste, including organic waste composed of or containing finished marijuana and marijuana products, will be stored, secured, and managed in accordance with applicable state and local statutes, ordinances, and regulations.

Liquid waste containing marijuana or by-products of marijuana processing will be disposed of in compliance with all applicable state and federal requirements, including but not limited to, for discharge of pollutants into surface water or groundwater (Massachusetts Clean Waters Act, M.G.L. c. 21 §§ 26 through 53; 314 CMR 3.00: Surface Water Discharge Permit Program; 314 CMR 5.00: Groundwater Discharge Program; 314 CMR 12.00: Operation Maintenance and Pretreatment Standards for Wastewater Treatment Works and Indirect Dischargers; the Federal Clean Water Act, 33 U.S.C. 1251 et seq., the National Pollutant Discharge Elimination System Permit Regulations at 40 CFR Part 122, 314 CMR 7.00: Sewer System Extension and Connection Permit Program), or stored pending disposal in an industrial wastewater holding tank in accordance with 314 CMR 18.00: Industrial Wastewater Holding Tanks and Containers.

Organic material, recyclable material, and solid waste generated at True Nature's Wellness will be redirected or disposed of as follows:

1. Organic material and recyclable material will be redirected from disposal in accordance with the waste disposal bans described at 310 CMR 19.017: Waste Bans.
2. To the greatest extent feasible:
 - a. Any recyclable material as defined in "310 CMR 16.02: Definitions" will be recycled in a manner approved by the Commission; and
 - b. Any remaining marijuana waste will be ground and mixed with other organic material as defined in "310 CMR 16.02: Definitions" such that the resulting mixture renders the marijuana unusable for its original purpose. Once such marijuana waste has been rendered unusable, the mixture may be composted or digested at an aerobic or anaerobic

digester at an operation that is in compliance with the requirements of 310 CMR 16.00: Site Assignment Regulations for Solid Waste Facilities.

3. Solid waste containing cannabis waste generated at True Nature's Wellness may be ground up and mixed with solid wastes such that the resulting mixture renders the cannabis unusable for its original purposes. Once such cannabis waste has been rendered unusable, it may be brought to a solid waste transfer facility or a solid waste disposal facility (e.g., landfill or incinerator) that holds a valid permit issued by the Department of Environmental Protection or by the appropriate state agency in the state in which the facility is located

No fewer than two True Nature's Wellness Agents will witness and document how the marijuana waste is disposed or otherwise handled (recycled, composted, etc.) in accordance with 935 CMR 500.105(12). When marijuana products or waste is disposed or handled, True Nature's Wellness will create and maintain a written or electronic record of the date, the type and quantity disposed or handled, the manner of disposal or other handling, the location of disposal or other handling, and the names of the two True Nature's Wellness Agents present during the disposal or other handling, with their signatures.

True Nature's Wellness will keep these records for at least three years. This period will automatically be extended for the duration of any enforcement action.

5. § 500.110(1)(d) Requirement

Securing all entrances to the Marijuana Establishment to prevent unauthorized access;

Response

True Nature's Wellness will secure all entrances to the True Nature's Wellness facility to prevent unauthorized access. Video cameras will be located at all points of entry and exit and in any parking lot which will be appropriate for the normal lighting conditions of the area under surveillance. Cameras will be angled so as to allow for the capture of clear and certain identification of any person entering or exiting the True Nature's Wellness

Upon entry into the premises of True Nature's Wellness by an individual, a True Nature's Wellness Agent will immediately inspect the individual's proof of identification and determine that the individual is 21 years of age or older.

6. § 500.110(1)(e) Requirement

Establishing limited access areas pursuant to 935 CMR 500.110(4), which shall be accessible only to specifically authorized personnel limited to include only the minimum number of employees essential for efficient operation;

Response

True Nature's Wellness will establish limited access areas accessible only to specifically authorized personnel. All limited access areas will be identified by the posting of a sign that will be a minimum of 12" x 12" and which states: "Do Not Enter—Limited Access Area—Access Limited to Authorized Personnel Only" in lettering no smaller than one inch in height.

All limited access areas will be clearly described by the filing of a diagram of the registered premises, in the form and manner determined by the Commission, reflecting entrances and exits, walls, partitions, vegetation, flowering, processing, production, storage, and disposal areas.

Access to limited access areas will be restricted to employees, agents or volunteers specifically permitted by True Nature's Wellness, agents of the Commission, state and local law enforcement and emergency personnel.

Employees of True Nature's Wellness will visibly display an employee identification badge issued by True Nature's Wellness at all times while at True Nature's Wellness or transporting marijuana.

All outside vendors, contractors, and visitors must obtain a visitor identification badge prior to entering a limited access area and will be escorted at all times by a True Nature's Wellness Agent authorized to enter the limited access area. The visitor identification badge must be visibly displayed at all times while the visitor is in any limited access area. All visitors will be logged in and out and that log will be available for inspection by the Commission at all times. All visitor identification badges will be returned to True Nature's Wellness upon exit.

True Nature's Wellness will provide all True Nature's Wellness agents with varying levels of access to limited access areas depending on their position. For example, the Chief Executive Officer and the Chief Operating Officer will have access to all areas of the True Nature's Wellness facility, including all limited access areas. Other True Nature's Wellness agents will be limited to only those areas directly related to their department and position within their department.

7. § 500.110(1)(f) Requirement

Storing all finished marijuana products in a secure, locked safe or vault in such a manner as to prevent diversion, theft and loss;

Response

True Nature's Wellness will store all marijuana in a secured storage area/vault room that is climate-controlled and monitored 24-hours a day for both security and changes in environment (temperature and humidity). True Nature's Wellness will store cash and other valuables in a secure safe located inside the vault room.

Access to the secure storage area/vault room will be restricted and monitored through the use of electronic locks. Only select True Nature's Wellness Agents who have been authorized by management will have access to the secure storage area. Access will be monitored through electronic identification credentials.

True Nature's Wellness will have separate areas for storage of marijuana that is outdated, damaged, deteriorated, mislabeled, or contaminated, or whose containers or packaging have been opened or breached, until such products are destroyed.

8. § 500.110(1)(g) Requirement

Keeping all safes, vaults, and any other equipment or areas used for the production, cultivation, harvesting, processing or storage of marijuana products securely locked and protected from entry, except for the actual time required to remove or replace marijuana;

Response

True Nature's Wellness will keep all safes, vaults, and any other equipment or areas used for the production, cultivation, harvesting, processing or storage of marijuana products securely locked and protected from entry, except for the actual time required to remove or replace marijuana.

9. § 500.110(1)(h) Requirement

Keeping all locks and security equipment in good working order;

Response

True Nature's Wellness will keep all locks and security equipment in good working order via regular inspections and testing.

10. § 500.110(1)(i) Requirement

Prohibiting keys, if any, from being left in the locks or stored or placed in a location accessible to persons other than specifically authorized personnel;

Response

True Nature's Wellness will use electronic locks with associated card readers to manage exit and entry into limited access areas. True Nature's Wellness will restrict the availability of access cards only to authorized personnel, which will reduce the risk of access by unauthorized personnel. All access cards will be returned to security personnel at the end of each shift to ensure proper and safe storage.

11. § 500.110(1)(j) Requirement

Prohibiting accessibility of security measures, such as combination numbers, passwords or electronic or biometric security systems, to persons other than specifically authorized personnel;

Response

True Nature's Wellness will protect the confidentiality of True Nature's Wellness' security measures, such as combination numbers, passwords, and electronic or biometric security systems, against threats from unauthorized personnel.

12. § 500.110(1)(k) Requirement

Ensuring that the outside perimeter of the Marijuana Establishment is sufficiently lit to facilitate surveillance, where applicable;

Response

True Nature's Wellness will install sufficient lighting outside of the True Nature's Wellness facility for everyday use between sunset and sunrise that adequately illuminates the facility and its surrounding areas, including the parking and entry areas. Exterior lighting will be installed near video surveillance devices to ensure proper illumination for the identification of people, vehicles, and license plates in the vicinity of the facility.

Outdoor lighting will be hooded to deflect light away from adjacent properties and sufficient exterior lighting will serve as a deterrent against loitering, robbery, diversion, and burglary. Trees, bushes and

other foliage outside of the True Nature's Wellness facility will be maintained so as to prevent a person or persons from concealing themselves from sight.

13. § 500.110(1)(l) Requirement

Ensuring that all marijuana products are kept out of plain sight and are not visible from a public place without the use of binoculars, optical aids or aircraft;

Response

All phases of the cultivation, processing, and packaging of marijuana will take place in a designated area that is not visible from a public place without the use of binoculars, aircraft or other optical aids. True Nature's Wellness will not display marijuana products so as to be clearly visible to a person from the exterior of True Nature's Wellness' facility.

14. § 500.110(1)(m) Requirement

Developing emergency policies and procedures for securing all product following any instance of diversion, theft or loss of marijuana, and conduct an assessment to determine whether additional safeguards are necessary;

Response

True Nature's Wellness will implement security policies and procedures that provide detailed instructions for securing all product following any instance of diversion, theft, or loss of marijuana, and for conducting an assessment to determine whether additional safeguards are necessary. These instructions mandate close coordination with local law enforcement and the Commission.

15. § 500.110(1)(n) Requirement

Developing sufficient additional safeguards as required by the Commission for Marijuana Establishments that present special security concerns; and

Response

True Nature's Wellness is not aware, at this time, of any special security concerns pertaining to its proposed facility. True Nature's Wellness will engage a security company to ensure compliance with all security requirements, codes, regulations, etc. and to develop sufficient additional safeguards for any special security concerns for the proposed location.

16. § 500.110(1)(o) Requirement

Sharing the Marijuana Establishment's security plan and procedures with law enforcement authorities and fire services and periodically updating law enforcement authorities and fire services if the plans or procedures are modified in a material way.

Response

True Nature's Wellness will share the Plan with law enforcement authorities and fire services and will periodically update law enforcement authorities and fire services if the Plan is modified in a material way.

BUFFER ZONE

17. § 500.110(3) Requirement

The property where the proposed Marijuana Establishment is to be located, at the time the license application is received by the Commission, is not located within 500 feet of a pre-existing public or private school providing education in kindergarten or any of grades one through 12, unless a city or town adopts an ordinance or by-law that reduces the distance requirement. The distance under 935 CMR 500.110(3) shall be measured in a straight line from the nearest point of the property line in question to the nearest point of the property line where the Marijuana Establishment is or will be located.

Response

True Nature's Wellness will comply with all applicable local siting requirements. True Nature's Wellness' proposed property is not located within 500 feet of a pre-existing public or private school providing education in kindergarten or any of grades one through 12.

LIMITED ACCESS AREAS

18. § 500.110(4)(a) Requirement

All limited access areas must be identified by the posting of a sign that shall be a minimum of 12" x 12" and which states: "Do Not Enter—Limited Access Area—Access Limited to Authorized Personnel Only" in lettering no smaller than one inch in height.

Response

True Nature's Wellness will post the following statement (at a minimum of 12" x 12" with lettering no smaller than one (1) inch in height) at all areas of ingress or egress to identify limited-access areas: "Do Not Enter – Limited Access Area – Access Limited to Authorized Personnel Only."

19. § 500.110(4)(b) Requirement

All limited access areas shall be clearly described by the filing of a diagram of the registered premises, in the form and manner determined by the Commission, reflecting entrances and exits, walls, partitions, vegetation, flowering, processing, production, storage, disposal and retail sales areas.

Response

Upon request, True Nature's Wellness will provide Northbridge with a diagram of the facility, reflecting entrances and exits, walls, partitions, storage, and disposal areas.

20. § 500.110(4)(c) Requirement

Access to limited access areas shall be restricted to employees, agents or volunteers specifically permitted by the Marijuana Establishment, agents of the Commission, state and local law enforcement and emergency personnel.

Response

Access to limited access areas will be restricted to employees, agents, or volunteers specifically permitted by True Nature's Wellness, agents of the Commission, state and local law enforcement, and emergency personnel.

21. § 500.110(4)(d) Requirement

Employees of the Marijuana Establishment shall visibly display an employee identification badge issued by the Marijuana Establishment at all times while at the Marijuana Establishment or transporting marijuana.

Response

All True Nature's Wellness dispensary agents will be required to visibly display a True Nature's Wellness employee identification badge at all times while being on-site, making deliveries, or transporting marijuana.

22. § 500.110(4)(e) Requirement

All outside vendors, contractors and visitors shall obtain a visitor identification badge prior to entering a limited access area and shall be escorted at all times by a marijuana establishment agent authorized to enter the limited access area. The visitor identification badge shall be visibly displayed at all times while the visitor is in any limited access area. All visitors must be logged in and out and that log shall be available for inspection by the Commission at all times. All visitor identification badges shall be returned to the Marijuana Establishment upon exit.

Response

All outside vendors, contractors, and visitors will obtain a visitor identification badge prior to entering a limited access area and will be escorted at all times by a True Nature's Wellness agent authorized to enter the limited access area. The visitor identification badge will be visibly displayed at all times while the visitor is in any limited access area. All visitors will be logged in and out, and that log will be available for inspection by the Commission at all times. All visitor identification badges will be returned to True Nature's Wellness upon exit from the True Nature's Wellness facility.

**SECURITY AND ALARM REQUIREMENTS FOR MARIJUANA ESTABLISHMENTS
OPERATING IN ENCLOSED AREAS**

23. § 500.110(5)(a) Requirement

A Marijuana Establishment located, in whole or in part, in a building, greenhouse or other enclosed area shall have an adequate security system to prevent and detect diversion, theft or loss of marijuana or unauthorized intrusion, utilizing commercial grade equipment which shall, at a minimum, include:

Response

True Nature's Wellness will have an adequate security system to prevent and detect diversion, theft or loss of marijuana or unauthorized intrusion, utilizing commercial grade equipment.

24. § 500.110(5)(a)(1) Requirement

A perimeter alarm on all building entry and exit points and perimeter windows, if any;

Response

True Nature's Wellness will have perimeter alarms on all building entry and exit points and perimeter windows. Additional motion alarms will be placed on the facility wall adjacent to all entry points and perimeter windows.

25. § 500.110(5)(a)(2) Requirement

A failure notification system that provides an audible, text or visual notification of any failure in the surveillance system. The failure notification system shall provide an alert to designated employees of the Marijuana Establishment within five minutes after the failure, either by telephone, email or text message;

Response

True Nature's Wellness' electronic security monitoring system will include a failure notification system that provides both an audio and visual notification should a failure occur in the electronic monitoring system. Additionally, senior management will receive email/text notification of the system failure within five (5) minutes of any such failure.

26. § 500.110(5)(a)(3) Requirement

A duress alarm, panic alarm or hold-up alarm connected to local public safety or law enforcement authorities;

Response

True Nature's Wellness will install a "duress alarm" (silent alarm to signal alarm user being forced to turn off system), a "holdup alarm" (robbery in progress), and a "panic alarm" (life threatening or emergency situation). Alarms will be coordinated with local law enforcement officials.

27. § 500.110(5)(a)(4) Requirement

Video cameras in all areas that may contain marijuana, at all points of entry and exit and in any parking lot which shall be appropriate for the normal lighting conditions of the area under surveillance. The cameras shall be directed at all safes, vaults, sales areas and areas where marijuana is cultivated, harvested, processed, prepared, stored, handled or dispensed. Cameras shall be angled so as to allow for the capture of clear and certain identification of any person entering or exiting the Marijuana Establishment or area;

Response

True Nature's Wellness will install video cameras in all areas that may contain marijuana, at all points of entry and exit, and in any parking lot that is appropriate for normal lighting conditions of the area under surveillance. The cameras will be directed at all safes, vaults, and areas where marijuana is cultivated, harvested, processed, prepared, stored, or handled. Cameras will be angled so as to allow for the capture of clear and certain identification of any person entering or exiting True Nature's Wellness' facility or area.

28. § 500.110(5)(a)(5) Requirement

24-hour recordings from all video cameras that are available immediate viewing by the Commission upon request and that are retained for at least 90 calendar days. Recordings shall not be destroyed or altered, and shall be retained as long as necessary if the Marijuana Establishment is aware of a

pending criminal, civil or administrative investigation or legal proceeding for which the recording may contain relevant information;

Response

True Nature's Wellness' video recordings will be operational twenty-four (24) hours a day, seven (7) days a week. Video recordings will be retained for a minimum of ninety (90) days (or longer if requested by an appropriate authority). True Nature's Wellness will not destroy or alter recordings and will retain recordings as long as necessary if True Nature's Wellness is aware of a pending criminal, civil, or administrative investigation, or a legal proceeding for which the recording may contain relevant information.

29. § 500.110(5)(a)(6) Requirement

The ability to immediately produce a clear, color still photo whether live or recorded;

Response

True Nature's Wellness will maintain a high-quality printer in the security viewing area that is capable of immediately producing a clear, color, still photo (live or recorded) from any video camera image.

30. § 500.110(5)(a)(7) Requirement

A date and time stamp embedded in all recordings, which shall be synchronized and set correctly at all times and shall not significantly obscure the picture;

Response

True Nature's Wellness will embed a date and time stamp on all recordings. The date and time will be synchronized and set correctly and will be placed so as not to significantly obscure the picture.

31. § 500.110(5)(a)(8) Requirement

The ability to remain operational during a power outage; and

Response

True Nature's Wellness' video cameras and security system will be supported by a backup generator, ensuring the ability to remain operational during a power outage.

32. § 500.110(5)(a)(9) Requirement

A video recording that allows for the exporting of still images in an industry standard image format, including .jpg, .bmp and .gif. Exported video shall have the ability to be archived in a proprietary format that ensures authentication of the video and guarantees that no alteration of the recorded image has taken place. Exported video shall also have the ability to be saved in an industry standard file format that may be played on a standard computer operating system. All recordings shall be erased or destroyed prior to disposal.

Response

True Nature's Wellness' surveillance system will allow for the exporting of still images in an industry standard image format, including .jpg, .bmp, and .gif. Exported video will have the ability to be archived in a proprietary format that ensures authentication of the video and guarantees that no alteration of the recorded image has taken place. Exported video will also have the ability to be saved

in an industry standard file format that can be played on a standard computer operating system. All recordings will be erased or destroyed prior to disposal.

True Nature's Wellness' video surveillance system will have the capability to record, archive, and play back video feed for a minimum of thirty (30) days. The system will be internet-based, providing greater flexibility, with the use of high-resolution megapixel cameras, and multiple streams for efficient operations and quick investigations. The electronic recording system hub and all recordings will be stored in a locked, tamper-proof compartment within the security viewing area.

33. § 500.110(5)(b) Requirement

All security system equipment and recordings shall be maintained in a secure location so as to prevent theft, loss, destruction and alterations.

Response

True Nature's Wellness will maintain all security system equipment and recordings in a secure location so as to prevent theft, loss, destruction, and alteration. The secure area will be a limited access area featuring electronic locks that only allow restricted access to select authorized dispensary agents, such as the Director of Security and Chief Executive Officer, as well as law enforcement authorities and the Commission.

34. § 500.110(5)(c) Requirement

In addition to the requirements listed in 935 CMR 500.110(5)(a) and (b), the Marijuana Establishment shall have a back-up alarm system, with all the capabilities of the primary system, provided by a company supplying commercial grade equipment, which shall not be the same company supplying the primary security system, or shall demonstrate to the Commission's satisfaction alternate safeguards to ensure continuous operation of a security system.

Response

True Nature's Wellness will have a back-up alarm system, with all the capabilities of the primary system, provided by a company supplying commercial grade equipment, which will not be the same company supplying the primary security system.

35. § 500.110(5)(d) Requirement

Access to surveillance areas shall be limited to persons that are essential to surveillance operations, law enforcement authorities, security system service personnel and the Commission. A current list of authorized employees and service personnel that have access to the surveillance room must be available to the Commission upon request. If the surveillance room is on-site of the Marijuana Establishment it shall remain locked and shall not be used for any other function.

Response

The security viewing area will be a limited access area featuring electronic locks that only allow restricted access to select authorized True Nature's Wellness agents, such as the Director of Security and Chief Executive Officer, as well as law enforcement authorities and the Commission. A current list of authorized employees and service personnel that have access to the surveillance room will be available to the Commission and Northbridge upon request. The security viewing area will remain locked and will not be used for any other function.

36. § 500.110(5)(e) Requirement

All security equipment shall be in good working order and shall be inspected and tested at regular intervals, not to exceed 30 calendar days from the previous inspection and test.

Response

True Nature's Wellness will ensure that all security equipment is in good working order via regular inspections and testing, not to exceed thirty (30) calendar days from the previous inspection and test.

37. § 500.110(5)(f) Requirement

Trees, bushes and other foliage outside of the Marijuana Establishment shall be maintained so as to prevent a person or persons from concealing themselves from sight.

Response

Trees, bushes, and other foliage outside of the True Nature's Wellness facility will be maintained so as to prevent a person or persons from concealing themselves from sight.

INCIDENT REPORTING

38. § 500.110(7)(a) Requirement

A Marijuana Establishment shall notify appropriate law enforcement authorities and the Commission of any breach of security immediately and, in no instance, more than 24 hours following discovery of the breach. Notification shall occur, but not be limited to, during the following occasions:

1. discovery of discrepancies identified during inventory;
2. diversion, theft or loss of any marijuana product;
3. any criminal action involving or occurring on or in the Marijuana Establishment premises;
4. any suspicious act involving the sale, cultivation, distribution, processing or production of marijuana by any person;
5. unauthorized destruction of marijuana;
6. any loss or unauthorized alteration of records related to marijuana;
7. an alarm activation or other event that requires response by public safety personnel or security personnel privately engaged by the Marijuana Establishment;
8. the failure of any security alarm system due to a loss of electrical power or mechanical malfunction that is expected to last more than eight hours; or
9. any other breach of security.

Response

True Nature's Wellness will immediately notify appropriate law enforcement authorities and the Commission within twenty-four (24) hours after discovering:

1. Discrepancies identified during inventory;
2. Diversion, theft, or loss of any marijuana product;
3. Any criminal action involving or occurring on or in True Nature's Wellness premises;
4. Any suspicious act involving the cultivation, distribution, processing, or production of marijuana by any person;
5. Unauthorized destruction of marijuana;
6. Any loss or unauthorized alteration of records related to marijuana;

7. An alarm activation or other event that requires response by public safety personnel or security personnel privately engaged by True Nature's Wellness;
8. The failure of any security alarm system due to a loss of electrical power or mechanical malfunction that is expected to last more than eight hours; or
9. Any other breach of security.

39. § 500.110(7)(b) Requirement

A Marijuana Establishment shall, within ten calendar days, provide notice to the Commission of any incident described in 935 CMR 500.110(7)(a) by submitting an incident report in the form and manner determined by the Commission which details the circumstances of the event, any corrective action taken, and confirmation that the appropriate law enforcement authorities were notified.

Response

True Nature's Wellness will, within ten calendar days, provide notice to the Commission of any incident described in 935 CMR 500.110(7)(a) by submitting an incident report that details the circumstances of the event, any corrective action taken, and confirmation that the appropriate law enforcement authorities were notified.

40. § 500.110(7)(c) Requirement

All documentation related to an incident that is reportable pursuant to 935 CMR 500.110(7)(a) shall be maintained by a Marijuana Establishment for not less than one year or the duration of an open investigation, whichever is longer, and made available to the Commission and law enforcement authorities upon request.

Response

True Nature's Wellness will maintain all documentation related to a reported incident for no less than one (1) year and will make this information available to the Commission and law enforcement authorities upon request.

SECURITY AUDITS

41. § 500.110(8) Requirement

A Marijuana Establishment must, on an annual basis, obtain at its own expense, a security system audit by a vendor approved by the Commission. A report of such audit must be submitted, in a form and manner determined by the Commission, no later than 30 calendar days after the audit is conducted. If the audit identifies concerns related to the establishment's security system, the Marijuana Establishment must also submit a plan to mitigate those concerns within ten business days of submitting the audit.

Response

On an annual basis, True Nature's Wellness will obtain, at its own expense, a security system audit by a vendor approved by the Commission. A report of such audit will be submitted no later than 30 calendar days after the audit is conducted. If the audit identifies concerns related to the establishment's security system, True Nature's Wellness will also submit a plan to mitigate those concerns within ten business days of submitting the audit.

TRUE NATURE’S WELLNESS, INC.

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

This Host Community Agreement (the “**Agreement**”) is entered into this ____ day of _____, 2018 (the “**Effective Date**”) by and between the Town of Northbridge with a principal address of 7 Main Street, Whitinsville, MA 01588 (hereinafter the “**Municipality**”) and True Nature’s Wellness, Inc. with a principal office address of 408 Douglas Street, Uxbridge, MA 01569 (hereinafter “**Company**”) (Municipality and Company, collectively the “**Parties**”).

RECITALS

WHEREAS, Company intends to locate a licensed Marijuana Retailer Establishment (“**MRE**”) at 1096-1110 Main Street, Northbridge, MA 01588 (hereinafter the “**Facility**”) for the dispensing of adult use marijuana in accordance with M.G.L. ch. 94G and 935 CMR 500.000 et seq. (“**State Law**”), and such approvals as may be issued by the Municipality, and other applicable regulations, as may be amended (“**Local Law**”);

WHEREAS, Company desires to provide community impact fee payments to the Municipality pursuant to M.G.L. ch. 94G, § 3(d), and any successor statutes and regulations, in order to address any reasonable costs imposed upon the Municipality by Company’s operations in the Municipality;

WHEREAS, the Municipality supports Company’s intention to operate a MRE for the retail sale of adult use marijuana in the Municipality;

WHEREAS, the Parties intend by this Agreement to satisfy the provisions of M.G.L. c.94G, § 3(d), applicable to the operation of a MRE in the Municipality;

NOW THEREFORE, in consideration of the provisions of this Agreement, the Parties agree as follows:

AGREEMENT

1. **Community Impact.** Company anticipates that the Municipality will incur additional expenses and impacts upon the Municipality’s road system, law enforcement, fire protection services, inspectional services and permitting services, public health services, and potential additional unforeseen impacts upon the Municipality. Accordingly, in order to mitigate the financial impact upon the Municipality and use of the Municipality’s resources, the Company agrees to make a donation or donations to the Municipality, in the amounts and under the terms provided herein (the “**Annual Payments**”)

2. **Host Community Payments.**

- a. **MRE Annual Payments.** In the event that Company obtains a finals license, or any other such license/or approval as may be required under State Law, for the operation of a MRE in the Municipality from the Massachusetts Cannabis Control Commission (“CCC”), and receives all required approvals from the Municipality to operate a MRE at the Facility, then Company agrees to the following:
 - i. The Company shall make annual payments to the Municipality in an amount equal to three percent (3%) of the gross annual sales of adult use marijuana and marijuana products (collectively “**Adult Use Marijuana**”) at the Facility (the “**MRE Payment**”).
 - ii. The initial MRE Payment shall be due on the first day of the fourteenth (14th) month following the date that the Company begins retail sales of adult use marijuana in the Municipality (the “**Initial MRE Payment**”).
 - iii. Subsequent MRE Annual Payments shall be due on each anniversary date of the Initial MRE Payment for the term of the Agreement.
 - b. With regard to any year of operation for the Facility which is not a full calendar year, the applicable Annual Payments and Annual Community benefit Payment shall be pro-rated accordingly.
 - c. In the event of a relocation out of the Municipality, an adjustment of the Annual Payment and Annual Community Benefit Payment due to the Municipality hereunder shall be calculated based on the period of occupation of the Facility with the Municipality, but in no event shall the Municipality be responsible for the return of any Annual Payment or portion thereof already provided to the Municipality by the Company.
 - d. **Adjustment of Payments.** In the event that the CCC issues regulations that further address or restrict such community impacts fees in a manner that alters or conflicts with the payments required under subparagraph a, the parties agree to renegotiate this provision of this Agreement only.
3. **Annual Filing.** Company shall notify the Municipality when it commences sales at the Facility and shall submit annual financial statements to the Municipality on or before May 1, which shall include certification of itemized gross sales for the previous calendar year, and all other information required to ascertain compliance with the terms of this Agreement. Upon request, the Company shall provide the Municipality access to its financial records and copies of its periodic financial filings to the CCC, 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 Company shall maintain its books, financial records and any other data related to its finances and operations in accordance with standard accounting practices and

any applicable regulations and guidelines promulgated by the Commonwealth of Massachusetts. All records shall be retained for a period of at least seven (7) years.

4. **Term and Termination.** The Term of this Agreement shall be five (5) years from the Effective Date (the “**Term**”). This Agreement shall automatically terminate at the end of the Term. In the event Company ceases all operations in the Municipality, the Company shall immediately notify the Municipality in writing, including the effective date of cessation of operations, whereupon this Agreement shall become null and void, except that the Company shall make any payments owed to the Municipality pursuant to this Agreement through the date of termination of the operation. In the event Company loses or has its license(s), approvals, and/or permits to operate in the Municipality revoked by the CCC or the Municipality, this Agreement shall become null and void. The Municipality may terminate this Agreement for cause, which shall include:
- a. A payment default under the terms of this Agreement which remains uncured after five (5) days after Company’s receipt of written notice from the Municipality of payment default;
 - b. A non-payment default under the terms of this Agreement which remains uncured following a reasonable period of time necessary to cure, given the nature of the default, after Company’s receipt of written notice from the Municipality of the default; or
 - c. The Company’s failure to comply with State Law and Local Law after written notice and a reasonable opportunity to cure.

The Parties shall agree to renegotiate or renew this Agreement prior to the end of the Term in accordance with the provisions of M.G.L. ch. 94G, § 3(d), which requires a host community agreement for continued operations of the Facility within the Municipality.

5. **Review.** During the Term of this Agreement, the Municipality and the Company will review the MRE Payments every twelve (12) months to ensure that they are reasonably related to the costs imposed upon the Municipality by Company’s operation of a MRE in the Municipality (the “**Annual Review**”). In the event the Annual Review finds that the MRE Payments are not reasonably related to the costs imposed upon by the Municipality by Company’s operations at the Facility, the Parties agree to adjust the payments to reflect the costs accordingly.
6. **Payments.** The Company shall make the Annual Payments to the Municipality as set forth in Section 2 of this Agreement. The Municipality has the sole discretion for determining how to spend the Annual Payments. The Treasurer of the Municipality shall hold the Annual Payments in a separate fund, to be expended by the Board of Selectmen without further appropriation pursuant to G.L. c.44, §53A, or otherwise in trust, for the purposes of addressing the potential health, safety, and other effects or impacts of the Facility on the Municipality and on municipal programs, services, personnel, and facilities. While the purpose of this payment is to assist the Municipality in addressing any public health, safety, and other effects or impacts the Facility may have on the Municipality and on municipal programs, services, personnel, and facilities, the

Municipality may expend the Annual Payments at its sole and absolute discretion, as determined by the Board of Selectmen. The Municipality understands and acknowledges that, as required by M.G.L. ch. 94G, § 3(d), the Payments shall be reasonably related to the costs imposed upon the Municipality by Company's operation of a MRE in the Municipality. Furthermore, the Municipality understands and acknowledges that, pursuant to M.G.L. ch. 94G, § 3(d), any cost to the Municipality imposed by Company's operation of a MRE in the Municipality shall be documented and considered a public record pursuant to Massachusetts law.

7. **Acknowledgements.** The Municipality understands and acknowledges that Payments due pursuant to this Agreement are contingent upon the Company's receipt of all state and local approvals to operate a MRE at the Facility.
8. **Local Taxes.** At all times during the Term of this Agreement, property, both real and personal, owned or operated by Company shall be treated as taxable, and all applicable real estate and personal property taxes for that property shall be paid either directly by Company or by its landlord, and neither Company nor its landlord shall object or otherwise challenge the taxability of such property and shall not seek a non-profit exemption from paying such taxes. Notwithstanding the foregoing, (i) if real or personal property owned, leased or operated by Company is determined to be non-taxable or partially non-taxable, or (ii) if the value of such property is abated with the effect of reducing or eliminating the tax which would otherwise be paid if assessed at fair cash value as defined in M.G.L. ch. 59, §38, or (iii) if Company 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 Company shall pay to the Municipality 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 fair cash value and at the otherwise applicable tax rate, if there had been no abatement or exemption; this payment shall be in addition to the payment made by Company under Section 2 of this Agreement.
9. **Community Support and Additional Obligations.**
 - a. Local Vendors – To the extent such practice and its implementation are consistent with federal, state, and municipal laws and regulations, Company shall use good faith efforts in a legal and non-discriminatory manner to give priority to qualified local businesses, suppliers, contractors, builders and vendors in the provision of goods and services called for in the construction, maintenance, and continued operation of the Facility.
 - b. Employment/Salaries – Except for senior management, and to the extent such practice and its implementation are consistent with federal, state, and municipal laws and regulations, Company shall use good faith efforts in a legal and non-discriminatory manner to give priority to hire qualified residents of the Municipality as employees of the Facility.

- c. Approval of Manager - If requested by the Municipality, the Company shall provide to the Municipality, for review and approval, the name and relevant information, including but not limited to the information set forth in 935 CMR 500.030, of the person proposed to act as on-site manager of the Facility. The submittal shall include authorization and all fees necessary to perform a criminal history (CORI) check or similar background check. The Municipality 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. This approval process shall also apply to any change of on-site manager.
 - d. Education - Company shall provide staff to participate in Municipality-sponsored educational programs on public health and drug abuse prevention, and to work cooperatively with any of the Municipality's public safety departments to mitigate any potential negative impacts of the Facility.
 - e. The Company shall, at least annually, provide the Municipality with copies of all reports submitted to the CCC regarding Company's operations at the Facility.
 - f. The Company will work cooperatively with all necessary municipal departments, boards, commissions, and agencies ensure that Company's operations are compliant with all of the Municipality's codes, rules, and regulations.
10. **Application Support.** The Municipality agrees to submit to the CCC all documentation and information required by the CCC from the Municipality for the Company to obtain approval to operate a MRE at the Facility. The Municipality agrees to support Company's application(s) for a MRE with the CCC but makes no representation or promise that it will act on any other license or permit request in any particular way other than by the Municipality's normal and regular course of conduct and in accordance with their codes, rules, and regulations and any statutory guidelines governing them.

This Agreement does not affect, limit, or control the authority of the Municipality's 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 Municipality, or applicable regulations of those boards, commissions, and departments, or to enforce said statutes, Bylaws, and regulations. The Municipality, by entering into this Agreement, is not thereby required or obligated to issue such permits and approvals as may be necessary for a MRE to operate in the Municipality, or to refrain from enforcement action against the Company and/or the Facility for violation of the terms of said permits and approvals or said statutes, Bylaws, and regulations.

11. **Security.** Company shall maintain security at the Facility in accordance with a security plan presented to the Municipality and approved by the CCC. In addition, Company shall

at all times comply with State Law and Local Law regarding security of the Facility. Such compliance shall include, but will not be limited to: providing hours of operation; after-hours contact information and access to surveillance operations; and requiring Company's agents to produce their Program ID Card to law enforcement upon request.

To the extent requested by the Municipality's Police Department, and subject to the security and architectural review requirements of the CCC, the Company shall work with the Municipality'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 facility is located.

Company agrees to cooperate with the Police Department, including but not limited to periodic meetings to review operational concerns, security, delivery schedule and procedures, cooperation in investigations, and communications with the Police Department of any suspicious activities at or in the immediate vicinity of the Facility, and with regard to any anti-diversion procedures.

To the extent requested by the Municipality's Police Department, the Company shall work with the Police Department to implement a comprehensive diversion prevention plan to prevent diversion, such plan to be in place prior to the commencement of operations at the Facility. Such plan shall include, but is not limited to, (i) training Company employees to be aware of, observe, and report any unusual behavior in authorized visitors or other Company employees that may indicate the potential for diversion; and (ii) utilizing seed-to-sale tracking software to closely track all inventory at the Facility.

12. **Governing Law.** This Agreement shall be governed and construed and enforced in accordance with the laws of the Commonwealth of Massachusetts, without regard to the principals of conflicts of law thereof.
13. **Amendments/Waiver.** Amendments or waivers of any term, condition, covenant, duty or obligation contained in this Agreement may be made only by written amendment executed by all Parties, prior to the effective date of the amendment.
14. **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. If any term or condition deemed unlawful concerns the right of the Municipality to the payment and use of any part of the Annual Payments, the parties agree that such part of the Annual Payments paid and to be paid to the Municipality hereunder shall constitute a grant or donation for the purposes set forth herein, and shall be held and used accordingly. Further, the Company agrees it will not challenge, in any jurisdiction, the enforceability of any provision included in this Agreement; and to the extent the validity of this Agreement is challenged by the Company in a court of competent jurisdiction, the Company shall pay for all reasonable fees and costs incurred by the Municipality in enforcing this Agreement.

15. **Successors/Assigns.** This Agreement is binding upon the Parties hereto, their successors, assigns and legal representatives. The Municipality shall not assign or transfer any interest or obligations in this Agreement without the prior written consent of the Company, which shall not be unreasonably delayed, conditioned, or withheld. The Company shall not assign, sublet or otherwise transfer any interest, its rights nor delegate its obligations under this Agreement without the prior written consent of the Municipality, which shall not be unreasonably delayed, conditioned, or withheld.
16. **Entire Agreement.** This Agreement 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.
17. **Notices.** Except as otherwise provided herein, any notices, consents, demands, requests, approvals, 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, and will be effective upon receipt for hand or said delivery and three days after mailing, to the other Party at the following address:
- To the Municipality:**
- Town of Northbridge
c/o Town Manager
7 Main Street
Whitinsville, MA 01588
- To the Company:**
- True Nature's Wellness, Inc.
408 Douglas Street
Uxbridge, MA 01569
18. **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 Municipality or the Company.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties hereto have duly executed this Host Community Agreement on the date set forth above.

TOWN OF NORTHBRIDGE

TRUE NATURE'S WELLNESS, INC.

Name:
Title:

Name:
Title:

DRAFT

**HOST COMMUNITY AGREEMENT FOR THE SITING OF A DISPENSING
FACILITY IN THE**

This Agreement entered into this 19 day of April, 2018 by and between the [REDACTED] acting by and through its Town Administrator, with a principal address of [REDACTED] hereinafter the "Municipality") and [REDACTED] a Massachusetts not-for-profit corporation with a principal office address of [REDACTED] (hereinafter "Company").

RECITALS

WHEREAS, Company wishes to locate a licensed retail Medical Marijuana Treatment Center ("MMTC") for the dispensing of medical marijuana for medical purposes only (hereinafter the "Facility") located at [REDACTED] (the "Locus") in the Municipality in accordance Chapter 369 of the Acts of 2012 and applicable regulations, as such state and regulations have and may be further amended by Chapter 55 of the Acts of 2017 (the "Act") and such approvals as may be issued by the Municipality in accordance with its Zoning Bylaw and other applicable regulations, as may be amended;

WHEREAS, Company intends to provide certain benefits to the Municipality in the event that it obtains a final certificate of registration or such other registration, license and/or approval as may be required to operate the Facility in the Municipality and receives all required local permits and approvals;

WHEREAS, Company intends to pay all local taxes attributable to its operation, including real estate taxes on the space within which it is located;

WHEREAS, Company desires to provide community impact fee payments to the Municipality pursuant to M.G.L. c. 94G, § 3(d) in order to address any reasonable costs imposed upon the Municipality by Company's operations in the Municipality; and

WHEREAS, the Parties intend by this Agreement to satisfy the provisions of M.G.L. c. 94G, § 3(d), as established in the Act, applicable to the operation of the MMTC in the Municipality;

NOW THEREFORE, in consideration of the provisions of this Agreement, the parties agree as follows:

AGREEMENT

1. **Operation.** The Company intends to apply for and receive authorization to operate a MMTC dispensing facility solely for medical marijuana and medical marijuana products in accordance with applicable state laws and regulations. The Company agrees that it shall not seek to operate a facility engaged in the dispensing of marijuana for non-

medical or general adult use, also known as recreational use (an “**Adult-Use Facility**”), unless it first seeks and receives written approval from the [REDACTED] Board of Selectmen and complies with such applicable local zoning bylaws and ordinances as may be in effect, including the execution of a Host Community Agreement.

2. **Community Impact.** Company anticipates that the Municipality will incur additional expenses and impacts upon the Municipality’s road system, law enforcement, fire protection services, inspectional services and permitting services, public health services, and potential additional unforeseen impacts upon the Municipality. Accordingly, in order to mitigate the financial impact upon the Municipality and use of the Municipality’s resources, the Company agrees to make a donation or donations to the Municipality, in the amounts and under the terms provided herein (the “**Annual Payments**”).
3. **Annual Payments.** In the event that Company obtains a Final Certificate of Registration, or its equivalent, for the operation of the Facility as a medical marijuana dispensing facility in the Municipality from the Massachusetts Department of Public Health, the Cannabis Control Commission, or such other state licensing authority (hereinafter “**Licensing Authority**”), as the case may be, and receives any and all necessary and required permits and/or licenses of the Municipality, and at the expiration of any final appeal period related thereto said matter not being appealed further, which said permits and/or licenses allow Company to locate, occupy and operate the Facility in the Municipality, then Company agrees to make the following Annual Payments to the Municipality, provided, however, that if the Company fails to secure any such license and/or approval as may be required, or any of required municipal approvals, the Company shall reimburse the Municipality for its legal fees associated with the negotiation of this Agreement, provided that such fees do not exceed \$2,500:
 - a. The Company shall make Annual Payments in an amount equal to two percent (2%) of the gross sales of the Facility to the Municipality (the “**Annual Payment**”) for a period of five (5) years. The initial Annual Payment shall be due on the first day of the 14th month following the date that the Company begins dispensing medical marijuana to qualifying patients and their caregivers at the Facility (the “**Initial Payment**”), and subsequent Annual Payments in an amount equal to two percent (2%) of the gross sales of the Facility shall be due annually on the anniversary date of the Initial Payment for the term of this Agreement.
 - b. In the event that the [REDACTED] Board of Selectmen approves a request by the Company to operate as an Adult-use Facility, and the Company obtains a license, or its equivalent, for the operation of the Facility as an Adult-Use Facility from the CCC, or such other applicable state licensing authority, then the Company agrees that it shall renegotiate the terms of this Agreement, including, but not limited to, increasing the amount of the Annual Payments to be made to the Town to total three percent (3%) of the gross sales revenues from the sale of both medical marijuana and adult-use marijuana at the Facility in recognition that the additional purposes of non-medical

marijuana cultivation and processing may have greater impacts and effects on the Town. The timing of such additional payments shall coincide with the timing set forth in paragraph 3.a. hereof.

- c. With regard to any year of operation for the Facility which is not a full calendar year, the applicable Annual Payments shall be pro-rated accordingly.
 - d. In the event of any relocation out of the Municipality or termination of business within the Municipality, an adjustment of the Annual Payment due to the Municipality hereunder shall be calculated based upon the period of occupation of the Facility within the Municipality, but in no event shall the Municipality be responsible for the return of any Annual Payment or portion thereof already provided to the Municipality by the Company.
4. **Payments.** The Company shall make the Annual Payments set forth in Section 3 of this Agreement made payable to the Municipality. The Treasurer of the Municipality shall hold the Annual Payments in a separate fund, to be expended by the Board of Selectmen without further appropriation pursuant to G.L. c.44, §53A, or otherwise in trust, for the purposes of addressing the potential health, safety, and other effects or impacts of the Facility on the Municipality and on municipal programs, services, personnel, and facilities. While the purpose of this payment is to assist the Municipality in addressing any public health, safety, and other effects or impacts the Facility may have on the Town and on municipal programs, services, personnel, and facilities, the Municipality may expend the Annual Payments at its sole and absolute discretion, as determined by the Board of Selectmen. Notwithstanding the Annual Payments, nothing shall prevent the Company from making additional donations from time to time to causes that will support the Municipality, including but not limited to local drug abuse prevention/treatment/education programs.
5. **Other Payments.** Company anticipates that it will make annual purchases of water, and sewer from all local government agencies. Company will pay any and all fees associated with the local permitting of the Facility in addition to the Annual Payments.
6. **Review.** The Municipality may review the Company's financial statements and aforementioned filings every twelve (12) months to ensure that the Annual Payment are in an amount equal to two percent (2%) of the gross sales of medical marijuana at the Facility. Upon prior notice, the Company may meet with the Municipality to review costs reasonably related to the costs imposed upon the Municipality by the operation of the Facility.
- a. Company shall notify the Municipality when it commences sales at the Facility and Company shall submit financial records to the Municipality not later than February 15 of each calendar year, with a certification of the gross sales for the previous calendar year and all other information required to ascertain compliance with the terms of this Agreement.

- b. If required by the relevant Licensing Authority(ies), all financial records submitted to the Town shall be simultaneously submitted by Company to the relevant Licensing Authority(ies), subject to patient confidentiality requirements. Company shall submit to the Town copies of any additional financial records and periodic financial filings to the relevant Licensing Authority(ies), as the case may be, documenting gross revenues, and also a copy of its annual filing as a non-profit, if any, to the Massachusetts Office of Attorney General.
 - c. Company shall maintain its books, financial records and any other data related to its finances and operations in accordance with standard accounting practices and any applicable regulations and guidelines promulgated by the Commonwealth of Massachusetts. All records shall be retained for a period of at least seven (7) years.
 - d. So long as this Agreement is in effect and for a period of three (3) years thereafter, the Town shall have the right to examine, audit and copy those portion(s) of Company's books and financial records which relate to determination of the sum of the contribution(s) required by Paragraph 3 above. Examinations may be made upon not less than thirty (30) days prior written notice from the Town and shall occur only during normal business hours at such place where said books and financial records are maintained. The Town's examination, copying or audit, as aforesaid, shall be conducted in such manner as to not interfere with Company's normal business activities.
7. **Local Taxes.** At all times during the Term of this Agreement, property, both real and personal, owned or operated by Company shall be treated as taxable, and all applicable real estate and personal property taxes for that property shall be paid either directly by Company or by its landlord, and neither Company nor its landlord shall object or otherwise challenge the taxability of such property and shall not seek a non-profit exemption from paying such taxes. Notwithstanding Massachusetts' future determination(s) relative to enforcement of the payment of real property or personal property taxes by the Company, the Company shall not challenge the taxability of the Locus, the Facility or the improvements required or deemed appropriate for the operation thereof, but agrees to pay the same as if taxes could be assessed and enforced by the Town. The Company further agrees that it shall not seek a non-profit exemption from paying such taxes.

Notwithstanding the foregoing, (i) if real or personal property owned, leased or operated by Company is determined to be non-taxable or partially non-taxable, or (ii) if the value of such property is abated with the effect of reducing or eliminating the tax which would otherwise be paid if assessed at fair cash value as defined in G.L. c. 59, §38, or (iii) if Company 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 Company shall pay to the Municipality 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 fair cash value and at the otherwise applicable tax rate, if there had been no abatement or exemption; this payment shall be in addition to the payment made by Company under Section 3 of this Agreement.

8. Community Support and Additional Obligations.

- a. Local Vendors – to the extent such practice and its implementation are consistent with federal, state, and municipal laws and regulations, Company will make every effort in a legal and non-discriminatory manner to give priority to local businesses, suppliers, contractors, builders and vendors in the provision of goods and services called for in the construction, maintenance and continued operation of the Facility.
 - b. Employment/Salaries – except for senior management, and to the extent such practice and its implementation are consistent with federal, state, and municipal laws and regulations, Company shall use good faith efforts to give priority in hiring of employees to residents of the Municipality.
 - c. Operational Reports - The Company shall, at least annually, provide the Municipality with copies of all reports submitted to the Licensing Authority regarding operations at the Facility.
 - d. Education - Company shall provide staff to participate in one Municipality-sponsored educational program each year on public health and drug abuse prevention, and to work cooperatively with any of the Municipality's public safety departments to mitigate any potential negative impacts of the Facility.
9. **Support.** The Municipality agrees to issue a letter of support/non-opposition to the Licensing Authority for a dispensing facility at the Facility. The Municipality agrees to support Company's application with the Licensing Authority but makes no representation or promise that it will act on any license or permit request, including, but not limited to any Special Permit application submitted by the Company, in any particular way other than by the Municipality's normal and regular course of conduct and in accordance with their rules and regulations and any statutory guidelines governing them.

This agreement does not affect, limit, or control the authority of the Municipality's 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 Municipality, or applicable regulations of those boards, commissions, and departments, or to enforce said statutes, Bylaws, and regulations. The Municipality, by entering into this Agreement, is not thereby required or obligated to issue such permits and approvals as may be necessary for a MMTC to operate in the Municipality, or to refrain from enforcement action against the Company and/or the Facility for violation of the terms of said permits and approvals or said statutes, Bylaws, and regulations.

10. **Security.** Company shall maintain security at the Facility at least in accordance the security plan presented to the Municipality and approved by the Licensing Authority. In addition, Company shall at all times comply with all applicable laws and regulations regarding the operations of a MMTC and the security thereof. Such compliance shall include, but will not be limited to: providing hours of operation; after-hours contact information and access to surveillance operations; and requiring dispensary agents to produce their Program ID Card to law enforcement upon request.

Company shall promptly report the discovery of the following to Municipality police within twenty-four (24) hours: diversion of marijuana; unusual discrepancies identified during inventory, theft, loss and any criminal action; unusual discrepancy in weight or inventory during transportation; any vehicle accidents, diversions, losses, or other reportable incidents that occur during transport; any suspicious act involving the sale, distribution, and delivery of marijuana by any person; unauthorized destruction of marijuana; any loss or unauthorized alteration of records related to marijuana, registered qualifying patients, personal caregivers, or dispensary agents; an alarm activation or other event that requires response by public safety personnel; failure of any security alarm system due to a loss of electrical power or mechanical malfunction that is expected to last longer than eight hours; and any other breach of security.

To the extent requested by the Municipality's Police Department, and subject to the security and architectural review requirements of the Licensing Authority(ies), as the case may be, the Company shall work with the Municipality'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 facility is located.

Company agrees to cooperate with the Police Department, including but not limited to periodic meetings to review operational concerns, security, delivery schedule and procedures, cooperation in investigations, and communications with the Police Department of any suspicious activities at or in the immediate vicinity of the Facility, and with regard to any anti-diversion procedures.

To the extent requested by the Municipality's Police Department and to the extent that it is not financially burdensome, the Company shall work with the Police Department to implement a comprehensive diversion prevention plan to prevent diversion, such plan to be in place prior to the commencement of cultivation operations at the Facility. Such plan shall include, but is not limited to, (i) training MMTC employees to be aware of, observe, and report any unusual behavior in authorized visitors or other MMTC employees that may indicate the potential for diversion; and (ii) utilizing seed-to-sale tracking software to closely track all inventory at the Facility.

11. **Approval of Manager.** If requested by the Municipality, Company shall provide to the Municipality, for review and approval, the name and relevant information, including but not limited to the information set forth in 105 CMR 725.030, or such other state regulations, as the case may be, of the person proposed to act as on-site manager of the Facility. The submittal shall include authorization and all fees necessary to perform a criminal history (CORI) check or similar background check. Municipality shall consider

such request for approval within thirty days following submittal to determine, in consultation with the Chief of Police, if the person proposed is of suitable character to act as on-site manager. Such approval shall not be unreasonably denied, conditioned or delayed. This approval process shall also apply to any change of on-site manager.

12. **Re-opener.**

13. **Acknowledgements.** Company acknowledges and agrees that in the event Company's does not receive any necessary state and local approvals to operate a MMTTC at the Facility, the Company shall reimburse the Municipality for its legal fees associated with the negotiation of this Agreement, provided that such fees do not exceed \$2,500.

14. **Term and Termination.** This Agreement shall take effect on the day above written (the "Effective Date") The Term of this Agreement shall be five (5) years from the Effective Date (the "Term"). The Parties may agree to renegotiate or renew this Agreement prior to the end of the Term in accordance with the provisions of G.L. c.94G, §3(d), which requires a host community agreement for continued operation of the Facility within the Municipality. In the event Company no longer does business in the Municipality or in any way loses or has its license(s), approvals, and/or permits to operate in the Municipality revoked by the relevant Licensing Authority(ies) or the Municipality, this Agreement shall become null and void. The Municipality may terminate this Agreement at any time. Company shall not be required to cease operations at the termination of this Agreement.

15. **Governing Law.** This Agreement shall be governed in accordance with the laws of the Commonwealth of Massachusetts and venue for any dispute hereunder shall be in the courts of ██████████ County.

16. **Amendments/Waiver.** Amendments, or waivers of any term, condition, covenant, duty or obligation contained in this Agreement may be made only by written amendment executed by all signatories to the original Agreement, prior to the Effective Date of the amendment.

17. **Severability.** If any term or condition of the 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. If any term or condition deemed unlawful concerns the right of the Municipality to the payment and use of any part of the Annual Payments, the parties agree that such part of the Annual Payments paid and to be paid to the Municipality hereunder shall constitute a grant or donation for the purposes set forth herein, and shall be held and used accordingly. Further, the Company agrees it will not challenge, in any jurisdiction, the enforceability of any provision included in this Agreement; and to the extent the validity of this Agreement is challenged by the

Company in a court of competent jurisdiction, the Company shall pay for all reasonable fees and costs incurred by the Municipality in enforcing this Agreement. Nothing herein shall be deemed to prohibit the Company's institution of a proceeding designed to determine the interpretation of a provision in this Agreement, and the parties shall each be responsible for their own costs and fees in association with same.

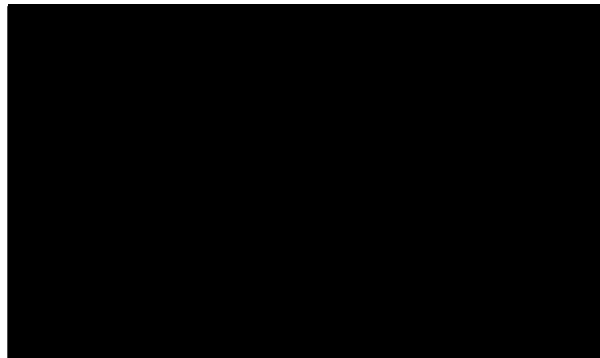
18. **Successors/Assigns.** This Agreement is binding upon the parties hereto, their successors, assigns and legal representatives. Neither the Municipality nor Company shall assign, sublet or otherwise or transfer any interest, its rights nor delegate its obligations under this Agreement, in whole or in part, without the written consent of the other. Company shall not assign or obligate any of the monies payable under this Agreement, in whole or in part, without the prior written consent of the Municipality.

19. **Entire Agreement.** This Agreement 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. **Notices.** Except as otherwise provided herein, any notices, consents, demands, request, approvals 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, 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 Municipality:

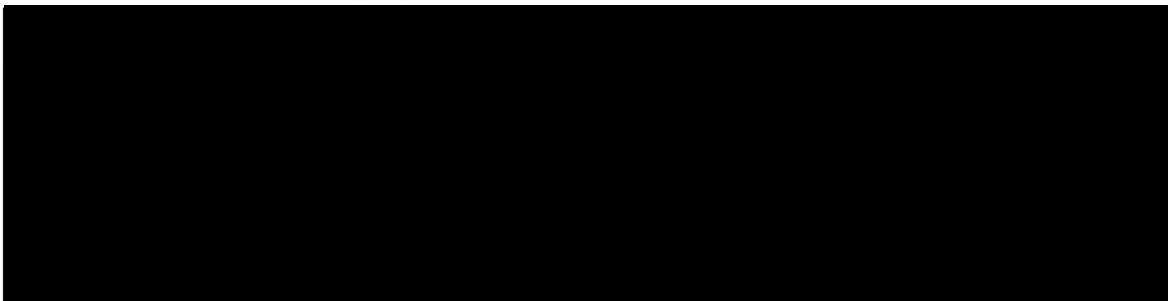
To Licensee:



21. **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 Company.

* * * SIGNATURES ON FOLLOWING PAGE * * *

IN WITNESS WHEREOF, the parties have hereafter set faith their hand as of the date first above written,



602923/EHAM/0001

**HOST COMMUNITY AGREEMENT
FOR THE SITING OF A MEDICAL MARIJUANA TREATMENT CENTER AND/OR A
ADULT-USE MARIJUANA ESTABLISHMENT IN THE**

This Host Community Agreement (the "**Agreement**") is entered into this 13th day of February, 2018 (the "**Effective Date**") by and between the [REDACTED] acting by and through its Board of Selectmen (or as delegated to the Town Administrator), with a principal address of [REDACTED] (hereinafter the "**Municipality**") and [REDACTED] with a principal office address of [REDACTED] (hereinafter "**Company**") (Municipality and Company, collectively the "**Parties**").

RECITALS

WHEREAS, Company intends to locate a licensed Medical Marijuana Treatment Center ("**MMTC**") at [REDACTED] (hereinafter the "**Facility**") for the dispensing of medical marijuana in accordance with Chapter 369 of the Acts of 2012, as such state regulations have been amended by Chapter 55 of the Acts of 2017 (the "**Act**") and may be further amended ("**State Law**") and such approvals as may be issued by the Municipality, and other applicable regulations, as may be amended ("**Local Law**");

WHEREAS, when permitted under Local and State Law, Company intends to locate a licensed, adult-use, Recreational Retail Marijuana Establishment ("**RME**") at the Facility in accordance with State Law and Local Law;

WHEREAS, Company desires to provide community impact fee payments to the Municipality pursuant to M.G.L. c. 94G, § 3(d) and 105 CMR 725 Chapter 369 of the Acts of 2012, and any successor statutes and regulations, in order to address any reasonable costs imposed upon the Municipality by Company's operations in the Municipality;

WHEREAS, the Municipality supports Company's intention to operate a MMTC for the dispensing of medical marijuana and a RME for the retail sale of recreational, adult-use marijuana in the Municipality;

WHEREAS, the Parties intend by this Agreement to satisfy the provisions of M.G.L. c.94G, §3(d), as established by the Act, applicable to the operation of a MMTC and a RME in the Municipality;

NOW THEREFORE, in consideration of the provisions of this Agreement, the Parties agree as follows:

AGREEMENT

1. **Community Impact.** Company anticipates that the Municipality will incur additional expenses and impacts upon the Municipality's road system, law enforcement, fire protection services, inspectional services and permitting services, public health services, and potential additional unforeseen impacts upon the Municipality. Accordingly, in order to mitigate the financial impact upon the Municipality and use of the Municipality's resources, the Company agrees to make a donation or donations to the Municipality, in the amounts and under the terms provided herein (the "**Annual Payments**")
2. **Host Community Payments.**
 - a. **MMTC Annual Payments.** In the event that Company obtains a Final Certificate of Registration, or such other license and/or approval as may be required under State Law, for the operation of a MMTC from the Massachusetts Department of Public Health ("**DPH**") or 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**"), , and receives all required approvals from the Municipality to operate a MMTC, then Company agrees to make the following Annual Payments to the Municipality:
 - i. The Company shall make annual payments to the Municipality in an amount equal to three percent (3%) of the gross annual sales of medical marijuana ("**Medical Marijuana**") at the Facility (the "**MMTC Payment**").
 - ii. The initial MMTC Payment shall be due on the first day of the fourteenth (14th) month following the date that the Company begins dispensing Medical Marijuana to qualifying patients and their caregivers at the Facility (the "**Initial MMTC Payment**").
 - iii. Subsequent MMTC Annual Payments shall be due on each anniversary date of the Initial MMTC Payment for the term of the Agreement.
 - b. **RME Annual Payments.** In the event that Company obtains a license, or any other such license/or approval as may be required under State Law, for the operation of a RME in the Municipality from the CCC or any other such state licensing or monitoring authority, as the case may be, and receives all required approvals from the Municipality to operate a RME, then Company agrees to the following:
 - i. The Company shall make annual payments to the Municipality in an amount equal to three percent (3%) of the gross annual sales of recreational marijuana and recreational marijuana products (collectively "**Recreational Marijuana**") at the Facility (the "**RME Payment**").
 - ii. The initial RME Payment shall be due on the first day of the fourteenth (14th) month following the date that the Company begins retail sales of adult-use marijuana in the Municipality (the "**Initial RME Payment**").

- iii. Subsequent RME Annual Payments shall be due on each anniversary date of the Initial RME Payment for the term of the Agreement.
 - c. With regard to any year of operation for the Facility which is not a full calendar year, the applicable Annual Payments shall be pro-rated accordingly.
 - d. In the event of a relocation out of the Municipality, an adjustment of the Annual Payment due to the Municipality hereunder shall be calculated based on the period of occupation of the Facility with the Municipality, but in no event shall the Municipality be responsible for the return of any Annual Payment or portion thereof already provided to the Municipality by the Company.
 - e. Adjustment of Payments. In the event that the Cannabis Control Commission issues regulations that further address or restrict such community impacts fees in a manner that alters or conflicts with the payments required under subparagraphs a and b above, the parties agree to re-negotiate this provision of this Agreement only.
3. **Annual Filing.** Company shall notify the Municipality when it commences sales at the Facility and shall submit annual financial statements to the Municipality on or before May 1, which shall include certification of itemized gross sales for the previous calendar year, and all other information required to ascertain compliance with the terms of this Agreement. Upon request, the Company shall provide the Municipality access to its financial records and copies of its periodic financial filings to the relevant Licensing Authority(ies), as the case may be, 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 Company shall maintain its books, financial records and any other data related to its finances and operations in accordance with standard accounting practices and any applicable regulations and guidelines promulgated by the Commonwealth of Massachusetts. All records shall be retained for a period of at least seven (7) years.

4. **Term and Termination.** The Term of this Agreement shall be five (5) years from the Effective Date (the “Term”). This Agreement shall automatically terminate at the end of the Term. In the event Company ceases all operations in the Municipality, the Company shall immediately notify the Municipality in writing, including the effective date of cessation of operations, whereupon this Agreement shall become null and void, except that the Company shall make any payments owed to the Municipality under Paragraph 1 above through the date of termination of the operation. In the event Company loses or has its license(s), approvals, and/or permits to operate in the Municipality revoked by the relevant Licensing Authority(ies) or the Municipality, this Agreement shall become null and void. The Municipality may terminate this Agreement at any time during the Term of this Agreement. The Company shall not be required to cease operations following the termination of this Agreement. The Parties shall agree to renegotiate or renew this Agreement prior to the end of the Term in accordance with the provisions of G.L. c.94G, §3(d), which requires a host community agreement for continued operations of the Facility within the Municipality.

5. **Payments.** The Company shall make the Annual Payments to the Municipality as set forth in Section 1 of this Agreement. The Municipality has the sole discretion for determining how to spend the MMTC Payment(s) and/or RME Payment(s) (the “**Payments**”). The Treasurer of the Municipality shall hold the Annual Payments in a separate fund, to be expended by the Board of Selectmen without further appropriation pursuant to G.L. c.44, §53A, or otherwise in trust, for the purposes of addressing the potential health, safety, and other effects or impacts of the Facility on the Municipality and on municipal programs, services, personnel, and facilities. While the purpose of this payment is to assist the Municipality in addressing any public health, safety, and other effects or impacts the Facility may have on the Town and on municipal programs, services, personnel, and facilities, the Municipality may expend the Annual Payments at its sole and absolute discretion, as determined by the Board of Selectmen. Notwithstanding the Annual Payments, nothing shall prevent the Company from making additional donations from time to time to causes that will support the Municipality, including but not limited to local drug abuse prevention/treatment/education programs. The Municipality understands and acknowledges that, as required by M.G.L. c. 94G, § 3(d), the Payments shall be reasonably related to the costs imposed upon the Municipality by Company’s operation of a MMTC and/or a RME in the Municipality. Furthermore, the Municipality understands and acknowledges that, pursuant to M.G.L. c. 94G, § 3(d), any cost to the Municipality imposed by Company’s operation of a MMTC and/or a RME in the Municipality shall be documented and considered a public record pursuant to MA Law.
6. **Additional Companies.** If the Municipality permits other MMTCs or RMEs to operate in the Municipality and the other MMTC(s) or RME(s) commence operations, the financial obligations of the Company to the Municipality shall be reduced. Upon the commencement of operations of a second MMTC or RME (in addition to the Company) which dispenses marijuana to the public within the municipality, then the applicable payment formula as set forth in Paragraph 2.a.(i) and 2.b.(ii) shall be reduced by one percent (1%). Upon the commencement of operations of each additional MMTC or RME which dispenses marijuana to the public thereafter, the payment formula set forth in Paragraph 2.a.(i) and 2.b.(i) shall be reduced by an additional one-half percent (.5%). In no event shall the payment formula result in a percentage below one percent (1%).
7. **Acknowledgements.** The Municipality understands and acknowledges that Payments due pursuant to this Agreement are contingent upon the Company’s receipt of all state and local approvals to operate a MMTC at the Facility and a RME in the Municipality. In the event that Company is only able to obtain State and local approvals for the operation of a MMTC, but not a RME, in the Municipality, the Municipality acknowledges and agrees that the payments due under this Agreement shall be solely based on Company’s gross sales of Medical Marijuana in the Municipality. In the event that Company is only able to obtain State and local approvals for the operation of a RME, but not a MMTC, in the Municipality, the Municipality acknowledges and agrees that the payments due under this Agreement shall be solely based on Company’s gross

sales of adult-use marijuana in the Municipality. However, in such circumstances that the requisite state and/or local approvals are not received, the Company agrees that it shall reimburse the Municipality for its legal fees associated with the negotiation of this Agreement, provided that such fees do not exceed \$2,500.

8. **Review.** During the Term of this Agreement, the Municipality may review the Company's financial statements and aforementioned filings every twelve (12) months to ensure that the Payments are in an amount equal to three percent (3%) of the gross sales of medical marijuana, recreational marijuana and marijuana products at the MMTC and/or RME.
9. **Local Taxes.** At all times during the Term of this Agreement, property, both real and personal, owned or operated by Company shall be treated as taxable, and all applicable real estate and personal property taxes for that property shall be paid either directly by Company or by its landlord, and neither Company nor its landlord shall object or otherwise challenge the taxability of such property and shall not seek a non-profit exemption from paying such taxes. Notwithstanding the foregoing, (i) if real or personal property owned, leased or operated by Company is determined to be non-taxable or partially non-taxable, or (ii) if the value of such property is abated with the effect of reducing or eliminating the tax which would otherwise be paid if assessed at fair cash value as defined in G.L. c. 59, §38, or (iii) if Company 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 Company shall pay to the Municipality 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 fair cash value and at the otherwise applicable tax rate, if there had been no abatement or exemption; this payment shall be in addition to the payment made by Company under Section 2 of this Agreement.
10. **Community Support and Additional Obligations.**
 - a. Local Vendors – To the extent such practice and its implementation are consistent with federal, state, and municipal laws and regulations, Company shall use good faith efforts in a legal and non-discriminatory manner to give priority to qualified local businesses, suppliers, contractors, builders and vendors in the provision of goods and services called for in the construction, maintenance, and continued operation of the Facility. Company has previously engaged a contractor for the construction work at the Facility and such contractor is not local to [REDACTED] Municipality acknowledges that such engagement is not a violation of this Agreement.
 - b. Employment/Salaries – Except for senior management, and to the extent such practice and its implementation are consistent with federal, state, and municipal laws and regulations, Company shall use good faith efforts in a legal and non-discriminatory

manner to give priority to hire qualified residents of the Municipality as employees of the Facility.

- c. Approval of Manager - If requested by the Municipality, the Company shall provide to the Municipality, for review and approval, the name and relevant information, including but not limited to the information set forth in 105 CMR 725.030, or such other state regulations, as the case may be, of the person proposed to act as on-site manager of the Facility. The submittal shall include authorization and all fees necessary to perform a criminal history (CORI) check or similar background check. The Municipality shall consider such request for approval within thirty 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. This approval process shall also apply to any change of on-site manager.
 - d. Education - Company shall provide staff to participate in Municipality-sponsored educational programs on public health and drug abuse prevention, and to work cooperatively with any of the Municipality's public safety departments to mitigate any potential negative impacts of the Facility.
 - e. The Company shall, at least annually, provide the Municipality with copies of all reports submitted to the Licensing Authority(ies) regarding Company's operations at the Facility.
 - f. The Company will work cooperatively with all necessary municipal departments, boards, commissions, and agencies ensure that Company's operations are compliant with all of the Municipality's codes, rules, and regulations.
11. **Application Support.** The Municipality agrees to submit to the required Licensing Authority(ies) all documentation and information required by the Licensing Authority(ies) from the Municipality for the Company to obtain approval to operate a MMTC and/or a RME at the Facility. The Municipality agrees to support Company's application(s) for a MMTC and/or a RME with the required Licensing Authority(ies) but makes no representation or promise that it will act on any other license or permit request in any particular way other than by the Municipality's normal and regular course of conduct and in accordance with their codes, rules, and regulations and any statutory guidelines governing them.

This agreement does not affect, limit, or control the authority of the Municipality's 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

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

12. **Security.** Company shall maintain security at the Facility in accordance with a security plan presented to the Municipality and approved by the Licensing Authority(ies). In addition, Company shall at all times comply with State Law and Local Law regarding security of the Facility. Such compliance shall include, but will not be limited to: providing hours of operation; after-hours contact information and access to surveillance operations; and requiring dispensary agents to produce their Program ID Card to law enforcement upon request.

To the extent requested by the Municipality's Police Department, and subject to the security and architectural review requirements of the Licensing Authority(ies), as the case may be, the Company shall work with the Municipality'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 facility is located.

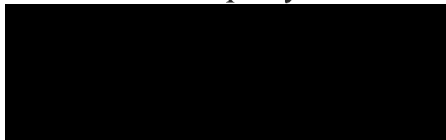
Company agrees to cooperate with the Police Department, including but not limited to periodic meetings to review operational concerns, security, delivery schedule and procedures, cooperation in investigations, and communications with the Police Department of any suspicious activities at or in the immediate vicinity of the Facility, and with regard to any anti-diversion procedures.

To the extent requested by the Municipality's Police Department, the Company shall work with the Police Department to implement a comprehensive diversion prevention plan to prevent diversion, such plan to be in place prior to the commencement of cultivation operations at the Facility. Such plan shall include, but is not limited to, (i) training MMTC employees to be aware of, observe, and report any unusual behavior in authorized visitors or other MMTC employees that may indicate the potential for diversion; and (ii) utilizing seed-to-sale-tracking software to closely track all inventory at the Facility.

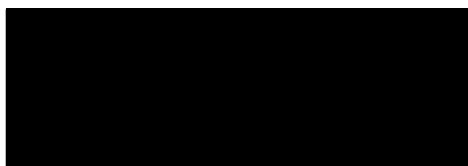
13. **Governing Law.** This Agreement shall be governed and construed and enforced in accordance with the laws of the Commonwealth of Massachusetts, without regard to the principals of conflicts of law thereof.
14. **Amendments/Waiver.** Amendments or waivers of any term, condition, covenant, duty or obligation contained in this Agreement may be made only by written amendment executed by all Parties, prior to the effective date of the amendment.

15. **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. If any term or condition deemed unlawful concerns the right of the Municipality to the payment and use of any part of the Annual Payments, the parties agree that such part of the Annual Payments paid and to be paid to the Municipality hereunder shall constitute a grant or donation for the purposes set forth herein, and shall be held and used accordingly. Further, the Company agrees it will not challenge, in any jurisdiction, the enforceability of any provision included in this Agreement; and to the extent the validity of this Agreement is challenged by the Company in a court of competent jurisdiction, the Company shall pay for all reasonable fees and costs incurred by the Municipality in enforcing this Agreement.
16. **Successors/Assigns.** This Agreement is binding upon the Parties hereto, their successors, assigns and legal representatives. The Municipality shall not assign or transfer any interest or obligations in this Agreement without the prior written consent of the Company, which shall not be unreasonably delayed, conditioned, or withheld. The Company shall not assign, sublet or otherwise transfer any interest, its rights nor delegate its obligations under this Agreement without the prior written consent of the Municipality, which shall not be unreasonably delayed, conditioned, or withheld.
17. **Entire Agreement.** This Agreement 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.
18. **Notices.** Except as otherwise provided herein, any notices, consents, demands, requests, approvals, 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, and will be effective upon receipt for hand or said delivery and three days after mailing, to the other Party at the following address:

To the Municipality:



To the Company:



19. 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 Company.

*** * * SIGNATURE PAGE FOLLOWS * * ***

IN WITNESS WHEREOF, the Parties hereto have duly executed this Host Community Agreement on the date set forth above.

[REDACTED]

[REDACTED]

[REDACTED]

HOST COMMUNITY AGREEMENT

This Host Community Agreement ("Agreement") is entered into this [25] day of July, 2018 by and between [REDACTED] a Massachusetts corporation, and any successor in interest, with a principal office address of [REDACTED] (the "Company"), and the [REDACTED] a Massachusetts municipal corporation with a principal address of [REDACTED] (the "Town"), acting by and through its Board of Selectmen in reliance upon all of the representations made herein.

WHEREAS, the Company wishes to locate a [REDACTED] licensed Medical Marijuana Treatment Center ("MMTC") and a Marijuana Retailer for the dispensing and retail sales of medical marijuana and adult use marijuana (the "Facility") at [REDACTED] in accordance with and pursuant to applicable state laws and regulations, including, but not limited to 105 CMR 725.00 and 935 CMR 500.00, and such approvals as may be issued by the Town in accordance with its Zoning Bylaw and other applicable local regulations; and

WHEREAS, the Company intends to provide certain benefits to the Town in the event that it receives the requisite licenses from the Department of Public Health and/or the Cannabis Control Commission (the "CCC") or such other state licensing or monitoring authority, as the case may be, to operate the Facility and receives all required local permits and approvals from the Town;

WHEREAS, the parties intend by this Agreement to satisfy the provisions of G.L. c.94G, Section 3(d), applicable to the operation of the Facility, such activities to be only done in accordance with the applicable state and local laws and regulations in the Town;

NOW THEREFORE, in consideration of the mutual promises and covenants set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Town agree as follows:

1. Recitals

The Parties agree that the above Recitals are true and accurate and that they are incorporated herein and made a part hereof.

2. Annual Payments

In the event that the Company obtains the requisite licenses and/or approvals as may be required for the operation of the Facility, and receives any and all necessary and required permits and licenses of the Town, and at the expiration of any final appeal period related thereto, said matter not being appealed further, which permits and/or licenses allow the Company to locate, occupy

and operate the Facility in the Town, then the Company agrees to provide the following Annual Payments:

A. Community Impact Fee

The Company anticipates that the Town will incur additional expenses and impacts on the Town's road and other infrastructure systems, law enforcement, fire protection services, inspectional services, and permitting and consulting services, as well as unforeseen impacts on the Town. Accordingly, in order to mitigate the financial impact on the Town and use of Town resources, the Company agrees to pay an Annual Community Impact Fee to the Town, in the amount and under the terms provided herein.

1. Company shall pay an Annual Community Impact Fee in an amount equal to three percent (3%) of the gross sales from marijuana and marijuana product sales at the Facility. The term "gross sales" shall mean the total of all sales transactions of the Facility without limitation, whether wholesale or retail, and shall include but not be limited to all sales occurring at the Facility, including the sale of adult use marijuana, medical marijuana, marijuana infused products, paraphernalia, and any other products sold by the Facility.
2. The Annual Community Impact Fee shall be made in quarterly installments per the Town's fiscal year (July 1 - June 30). The Annual Community Impact Fee for the first quarter of operation shall be prorated based on the number of months the Facility is in Operation. The Facility shall be deemed in operation upon receipt of both an occupancy permit from the Building Commissioner and the issuance of a final license from the Cannabis Control Commission. The Annual Community Impact Fee shall continue for a period of five (5) years. Within 60 days prior to the conclusion of each of the respective five year terms, the Company shall meet in person with the Town Administrator to negotiate in good faith the terms of a new Annual Community Impact Fee as an Amendment to this Agreement, subject to approval of the Board of Selectmen. Provided, however, that if the parties are unable to reach an agreement on a successor Community Impact Fee, the Annual Community Impact Fee specified in Paragraph 2.A.1 of this Agreement shall be paid as a Community Benefit Payment in the amount set forth above until such time as the parties negotiate a successor Community Impact Fee.
3. The Town shall use the above referenced payments in its sole discretion, but shall make a good faith effort to allocate said payments to offset costs related to road and other infrastructure systems, law enforcement, fire protection services, inspectional services, public health and addiction services and permitting and consulting services, as well as unforeseen impacts upon the Town.

B. Annual Community Benefit Payments

In addition to the Annual Community Impact Fee, the Company shall additionally pay an Annual Community Benefit Payment in accordance with the following:

1. Annual Community Benefit Payments: For as long as the Facility is in operation, the Company shall pay to the Town the annual sum of \$25,000. Provided, further that the Annual Community Benefit Payment shall be paid within 30-days of the end of each 12 months after the opening date of the Facility.
2. The parties hereby recognize and agree that the Annual Community Benefit Payment to be paid by the Company shall not be deemed an impact fee subject to the requirements or limitations set forth in G.L. c.94G, §3(d).

C. Additional Costs, Payments and Reimbursements

1. Permit and Connection Fees: The Company hereby acknowledges and accepts, and waives all rights to challenge, contest or appeal the Town's building permit fee and other permit application fees, sewer and water connection fees, and all other local charges and fees generally applicable to other commercial developments in the Town.
2. Facility Consulting Fees and Costs: The Company shall reimburse the Town for any and all reasonable third-party consulting costs and fees related to any land use applications concerning the Facility, negotiation of this and any other related agreements, and any review concerning the Facility, including planning, engineering, legal and/or environmental professional consultants and any related reasonable disbursements at standard rates charged by the above-referenced consultants in relation to the Facility that may be required in addition to the Planning Board's review under the Bylaw, for which reimbursement will be required pursuant to G.L. c.44 §53G. Any additional legal costs associated with facilities consulting and permitting shall derive from the \$5,000 legal fee contribution previously paid by the Company to the Town in conjunction with the negotiation of this Agreement. Provided, however, that if legal fees exceed the prior \$5,000 contribution, additional funds may be required under this provision.
3. Other Costs: The Company shall reimburse the Town for the actual costs incurred by the Town in connection with holding public meetings and forums substantially devoted to discussing the Facility and/or reviewing the Facility and for any and all reasonable consulting costs and fees related to the monitoring and enforcement of the terms of this Agreement, including, but not limited to independent financial auditors and legal fees.
4. Late Payment Penalty: The Company acknowledges that time is of the essence with respect to its timely payment of all funds required under Section 2 of this Agreement. In the event that any such payments are not fully made within five (5) days of the date they are due, the Company shall be required to pay the Town a late payment penalty equal to five percent (5%) of such required payments if the

Company fails to cure the default within five days following issuance of written notice from the Town of the default.

D. Annual Charitable/Non-Profit Contributions

The Company, in addition to any funds specified herein, shall annually contribute to public local charities/non-profit organizations in the Town, or a regional non-profit organization that directly benefits residents of the Town, in an amount no less than \$15,000, said charities/non-profit organizations to be determined by the Company with the approval of the Board of Selectmen in its reasonable discretion. The Annual Charitable Non/Profit Contribution shall be made annually beginning on the first anniversary following the commencement of the sales at the Facility, and shall continue for the term of this Agreement.

E. Annual Reporting for Host Community Impact Fees and Benefit Payments

The Company shall submit annual financial statements to the Finance Director and Town Administrator no later than July 31 of each calendar year with a certification of its annual sales. The Company shall maintain books, financial records, and other compilations of data pertaining to the requirements of this Agreement in accordance with standard accounting practices and any applicable regulations or guidelines of the CCC. All records shall be kept for a period of at least seven (7) years. Upon request by the Town, the Company shall provide the Town with the same access to its financial records (to be treated as confidential, to the extent allowed by law) as required by the CCC and Department of Revenue for purposes of obtaining and maintaining a license for the Facility

During the term of this Agreement and for three years following the termination of this Agreement the Company shall agree, upon request of the Town, to have its financial records examined, copied, and audited by an Independent Financial Auditor, the expense of which shall be borne by the Company. The Independent Financial Auditor shall review the Company's financial records for purposes of determining that the Annual Payments are in compliance with the terms of this Agreement. Such examination shall be made not less than thirty (30) days following written notice from the Town and shall occur only during normal business hours and at such place where said books, financial records and accounts are maintained. The Independent Financial Audit shall include those parts of the Company's books and financial records which relate to the payment, and shall include a certification of itemized gross sales for the previous calendar year, and all other information required to ascertain compliance with the terms of this Agreement. The independent audit of such records shall be conducted in such a manner as not to interfere with the Company's normal business activities.

3. Local Vendors and Employment

To the extent such practice and its implementation are consistent with federal, state, and municipal laws and regulations, the Company will make every effort in a legal and non-discriminatory manner to give priority to local businesses, suppliers, contractors, builders and vendors in the provision of goods and services called for in the construction, maintenance and continued operation of the Facility when such contractors and suppliers are properly qualified and price

competitive and shall use good faith efforts to hire Town residents and make reasonable efforts to utilize women-owned, minority-owned, and veteran-owned vendors within the Town. The Company shall report annually to the Board of Selectmen on the number of [REDACTED] residents employed at the Facility.

4. Local Taxes

At all times during the Term of this Agreement, property, both real and personal, owned or operated by the Company shall be treated as taxable, and all applicable real estate and personal property taxes for that property shall be paid either directly by the Company or by its landlord and neither the Company nor its landlord shall object or otherwise challenge the taxability of such property and shall not seek a non-profit or agricultural exemption or reduction with respect to such taxes.

Notwithstanding the foregoing, (i) if real or personal property owned, leased or operated by the Company is determined to be non-taxable or partially non-taxable, or (ii) if the value of such property is abated with the effect of reducing or eliminating the tax which would otherwise be paid if assessed at fair cash value as defined in G.L. c. 59, §38, or (iii) if the Company 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 the Company 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 fair cash value and at the otherwise applicable tax rate, if there had been no abatement or exemption; this payment shall be in addition to the payment made by the Company under Section 2 of this Agreement.

5. Security

To the extent requested by the Town's Police Department, and subject to the security and architectural review requirements of DPH and the CCC, or such other state licensing or monitoring authority, as the case may be, the Company shall work with the Town's Police Department in determining the placement of exterior security cameras.

The Company agrees to cooperate with the Police Department, including but not limited to periodic meetings to review operational concerns, security, delivery schedule and procedures, cooperation in investigations, and communications with the Police Department of any suspicious activities at or in the immediate vicinity of the Facility and with regard to any anti-diversion procedures.

To the extent requested by the Town's Police Department, the Company shall work with the Police Department to implement a comprehensive diversion prevention plan to prevent diversion, such plan to be in place prior to the commencement of operations at the Facility.

6. Community Impact Hearing Concerns

The Company agrees to employ its best efforts to work collaboratively and cooperatively with its neighboring businesses and residents to establish written policies and procedures to address mitigation of any concerns or issues that may arise through its operation of the Facility, including,

but not limited to any and all concerns or issues raised at the Company's required Community Outreach Meeting relative to the operation of the Facility. Said written policies and procedures, as may be amended from time to time, shall be reviewed and approved by the Board of Selectmen prior to commencement of operations and shall be incorporated herein by reference and made a part of this Agreement, the same as if each were fully set forth herein.

7. Additional Obligations

A. Permitting

The obligations of the Company and the Town recited herein are specifically contingent upon the Company obtaining a license for operation of the Facility in the Town, and the Company's receipt of any and all necessary local approvals to locate, occupy, and operate the Facility in the Town.

B. Retained Authority of the Municipality

This agreement does not affect, limit, or control the authority of the 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 Company and/or the Facility for violation of the terms of said permits and approvals or said statutes, Bylaws, and regulations.

C. Annual Reporting

The Company shall file an annual written report with the Board of Selectmen in connection with its annual financial submissions on July 31 of each year for purposes of reporting on compliance with each of the terms of this Agreement and shall, at the request of the Board of Selectmen, appear at a regularly scheduled meeting to discuss the Annual Report.

D. Annual Inspections

The Company agrees that it will voluntarily submit to a minimum of one annual inspections by the Police, Fire and Building Departments to ensure compliance with the terms of this Agreement and other local approvals. This provisions shall not preclude the municipality or any of its departments from conducting inspections at other times during the year to address enforcement matters or respond to complaints.

E. Limitations on Other Uses

The Company agrees that it will not engage in the cultivation, processing or manufacturing of medical marijuana or on-site social consumption of adult use marijuana. The delivery of adult use marijuana directly to consumers shall only be permitted in compliance with state law, subject to

required local approvals and either amendment of this Agreement or negotiation of a new Host Community Agreement to address such use. .

F. Improvements to the Property

The Company shall make capital improvements to the property such that the property will match the look and feel of the Town and the surrounding parcels, and be of construction standards at least at the quality of other nearby businesses.

8. Re-Opener/Review

The Company or any “controlling person” in the Company, as defined in 935 CMR 500.02, shall be required to provide to the Board of Selectmen notice and a copy of any other Host Community Agreement entered into for any establishment, either for medical marijuana or adult use marijuana, in which the Company, or any controlling person in the Company, has any interest and which is licensed by the CCC or DPH as the same type of establishment as the entity governed by this agreement.

In the event the Company or any controlling person enters into a Host Community Agreement for a MMTC or a Marijuana Retailer, either individually or as co-located uses, with another municipality located on [REDACTED] with a census population of less than 20,000 that contains financial terms resulting in payments of a Community Impact Fee or other payments totaling a higher percentage of gross sales for the same type of establishment than the Company agrees to provide the Town pursuant to this Agreement, then the parties shall reopen this Agreement and negotiate an amendment resulting in financial benefits to the Town equivalent or superior to those provided to the other municipality.

9. Municipal Support

The Town agrees to submit to the CCC, or such other state licensing or monitoring authority, as the case may be, the required certifications relating to the Company’s application for a license to operate the Facility where such compliance has been properly met, but makes no representation or promise that it will act on any other license or permit request, including, but not limited to any zoning application submitted for the Facility, in any particular way other than by the Town’s normal and regular course of conduct and in accordance with its rules and regulations and any statutory guidelines governing them.

10. Term

Except as expressly provided herein, this Agreement shall take effect on the date set forth above, and shall be applicable for as long as the Company operates the Facility in the Town with the exception of the Community Impact Fee, which shall be subject to the five (5) year statutory limitations of G.L. c.94G, §3(d).

11. Successors/Assigns

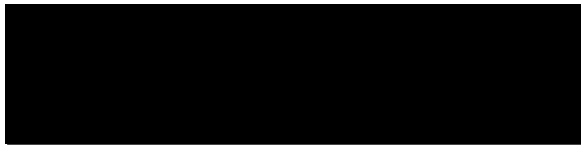
The Company shall not assign, sublet, or otherwise transfer its rights nor delegate its obligations under this Agreement, in whole or in part, without the prior written consent from the Town, and shall not assign or obligate any of the monies payable under this Agreement, except by and with the written consent of the Town. This Agreement is binding upon the parties hereto, their successors, assigns and legal representatives.

Events deemed an assignment include, without limitation: (i) Company's final and adjudicated bankruptcy whether voluntary or involuntary; (ii) the Company's takeover or merger by or with any other entity; (iii) the Company's outright sale of assets and equity, majority stock sale to another organization or entity for which the Company does not maintain a controlling equity interest; (iv) or any other change in ownership or status of the Company; (v) any assignment for the benefit of creditors; and/or (vi) any other assignment not approved in advance in writing by the Town.

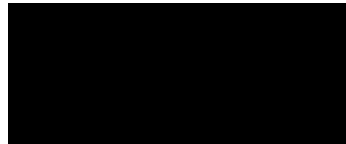
12. Notices

Any and all notices, consents, demands, requests, approvals 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, and 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.

To:



To Licensee:



13. Severability

If any term of condition of this Agreement or any application thereof shall to any extent be held invalid, illegal or unenforceable by a 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 the Town would be substantially or materially prejudiced. Further, the Company agrees that it will not challenge, in any jurisdiction, the enforceability of any provision included in this Agreement; and to the extent the validity of this Agreement is challenged by the Company in a court of competent jurisdiction, the Company shall pay for all reasonable fees and costs incurred by the Town in enforcing this Agreement.

14. Governing Law

This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Massachusetts, and the Company submits to the jurisdiction of any of its appropriate courts for the adjudication of disputes arising out of this Agreement.

15. Entire Agreement

This Agreement, including all documents incorporated herein by reference, constitutes the entire integrated agreement between the Company and the Town with respect to the matters described herein. 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.

16. Amendments/Waiver:

Amendments, or waivers of any term, condition, covenant, duty or obligation contained in this Agreement may be made only by written amendment executed by all signatories to the original Agreement, prior to the effective date of the amendment.

17. Headings:

The article, section, and/or paragraph headings in this Agreement are for convenience of reference only, and shall in no way affect, modify, define or be used in interpreting the text of this Agreement.

18. Counterparts

This Agreement may be signed in any number of counterparts all of which taken together, each of which is an original, and all of which shall constitute one and the same instrument, and any party hereto may execute this Agreement by signing one or more counterparts.

19. Signatures.

Facsimile signatures affixed to this Agreement shall have the same weight and authority as an original signature.

20. No Joint Venture:

The Parties hereto agree that nothing contained in this Agreement or any other documents executed in connection herewith is intended or shall be construed to establish the Town, or the Town and any other successor, affiliate or corporate entity as joint ventures or partners.

21. Nullity

This Agreement shall be null and void in the event that the Company does not locate the Facility in the Town or relocates the Facility out of the Town. Further, in the case of any relocation out of the Town, the Company agrees that an adjustment of Annual Payments due to the Town hereunder shall be calculated based upon the period of occupation of the Facility within the Town, but in no event shall the Town be responsible for the return of any funds provided to it by the Company.

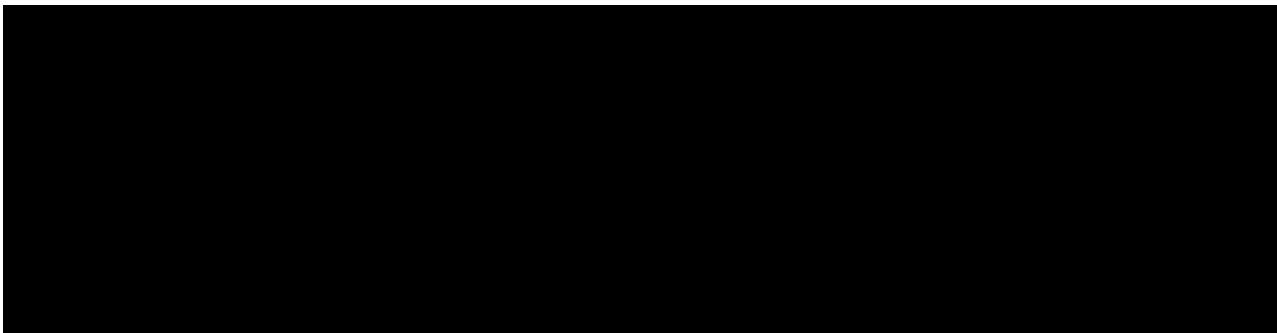
22. Indemnification

The Company 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, brought against the Town, their agents, departments, officials, employees, insurers and/or successors, by any third party arising from or relating to the development of the Property and/or Facility. Such indemnification shall include, but shall not be limited to, all reasonable fees and reasonable costs of attorneys and other reasonable consultant fees and all fees and costs (including but not limited to attorneys and consultant fees and costs) shall be at charged at regular and customary municipal rates, of the Town's choosing, incurred in defending such claims, actions, proceedings or demands. The Company 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.

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 the Town or the Company.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first written above.

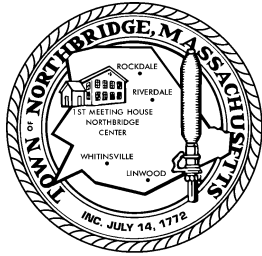


Town Manager's Report for the Period of November 19, 2018 – November 30, 2018

1. Meetings Attended:

- Tuesday, November 20, 2018 – Attended the School Building Committee Meeting.
- Wednesday, November 21, 2018 – Met with staff and True Nature's Wellness.
- Wednesday, November 28, 2018 – Met with Chairman Melia to discuss Meeting Agendas.
- Wednesday, November 28, 2018 – Met with Chief White to discussion Union issues.
- Wednesday, November 28, 2018 – Attended a Legislative Affairs Committee Meeting at CMRPC in Worcester.
- Thursday, November 29, 2018 – Met with Moderator Gould, Deputy Moderator Crawford, and D. Cedrone to recap the Fall Annual Town Meeting.

2. **Balmer School Building Project:** Now that the project has been approved at the Town Meeting and the Election Ballot, Town staff has begun working with UniBank and the project team on the next steps for borrowing which initiates with an authorization to borrow from Bond Counsel. Also, the School Building Committee met recently on Tuesday, November 20th and kicked off the next phase of the project which includes the design and permitting aspects of the project.
3. **DPW Garage Project:** We continue to await OPM confirmation that all remaining OEM manuals have been received from the General Contractor to scheduled "user-training" and final project closure.
4. **Fire Station Project (Feasibility Study):** The Town Manager and the Fire Chief have been meeting with the OPM team from Cardinal on the Site Selection for inclusion in the RFQ for Designer (Architect) Services. The Site Selection has met with the BPCC and agreed to the potential site list. The Committee and Team will be moving forward with the final list of 8 potential sites and will be preparing the RFQ to hire an architect team to perform the Feasibility Study.
5. **2020 Budget Development:** Staff has been directed to update their sections of the 5-year capital plan for submission to the BPCC and all capital requests shall be submitted by the end of November. In December staff will be working on department budgets for FY2020 and for submission to the Town Manager in January. Please see attached the calendar for the upcoming Budget Season in preparation for the May 2019 Spring Annual Town Meeting.



FY2020 BUDGET CALENDAR
for
SPRING ANNUAL TOWN MEETING
May 7, 2019

Dec. 6, 2018: Staff Meeting to outline Budget Development Process

Jan. 4, 2019: Department Budgets due to Town Manager

Jan. 4, 2019: Staff Meeting – Monthly Meeting

Jan. 7, 2019: BoS Meeting – **Open Spring Annual Town Meeting Warrant and Set Close Date**

Jan. 17, 2019: BPCC Meeting – Review 5-year Capital Improvement Plan

Jan. 31, 2019: Town Manager Submits Capital Improvement Plan to the BoS and FinCom (per Code)

Feb. 8, 2019: Staff Meeting – Monthly Meeting

Feb. 13, 2019: FinCom Meeting – Town Manager Preliminary Budget Presentation

Feb. 25, 2019: BoS Meeting – Town Manager Preliminary Budget Presentation and **Vote to Place Articles on the Spring Annual Town Meeting Warrant**

Feb. 27, 2019: FinCom Meeting – Department Budget Presentations (Police, Fire, and DPW)

Mar. 8, 2019: Staff Meeting – Monthly Meeting

Mar. 8, 2019: **Spring Annual Town Meeting Warrant Close Date** (at least 7 Fridays prior to SATM)

Mar. 13, 2019: FinCom Meeting – Public Meeting on SATM Warrant/FY20 Budget

Mar. 20, 2019: FinCom Meeting – BVT Budget Presentation and NPS Budget Presentation

Mar. 25, 2019: BoS Meeting – **Vote to Sign SATM Warrant pending Town Counsel Review**

Mar. 27, 2019: FinCom Meeting –Final Budget/Capital Plan Presentation and Vote Positions on Warrant Articles

Apr. 9, 2019: **Last day to Post Warrant as required by Bylaw** (at least 28 days prior to SATM)

Apr. 9, 2019: **Last day to publish Town Manager’s Summary** (at least 28 days prior to SATM)

Apr. 11, 2019: FinCom Booklet Recommendations to the Town Manager’s Office

Apr. 12, 2019: FinCom Booklet to the Printer

Apr. 16, 2019: **Last day to notify Town Clerk of Ballot Questions** (at least 35 days prior to Election)

May 3, 2019: Staff Meeting to Prepare for Spring Annual Town Meeting

May 7, 2019: **Spring Annual Town Meeting**

May 21, 2019: **Annual Town Election**
