

HOST COMMUNITY AGREEMENT

between

THE TOWN OF UXBRIDGE, MASSACHUSETTS

and

IRONSTONE EXPRESS, INC.

This Host Community Agreement ("Agreement") is entered into this 14th day of May, 2019 by and between IRONSTONE EXPRESS, INC., a Massachusetts incorporated company with a principal address of 454 Quaker Highway, Uxbridge, Massachusetts 01569 ("Operator") and the Town of Uxbridge, a Massachusetts municipal corporation with a principal address of 21 S. Main Street Uxbridge, MA 01569 ("Town").

WHEREAS, Operator wishes to locate a Marijuana Establishment, and more specifically a Marijuana Retailer (the "Marijuana Establishment") at 454 Quaker Highway, Uxbridge, MA, in Town ("Facility"), in accordance with regulations issued by the Commonwealth of Massachusetts Cannabis Control Commission ("CCC"), in accordance with 935 CMR 500: ADULT USE OF MARIJUANA as such state regulations have been amended; and

WHEREAS, Operator will be licensed to purchase and transport cannabis or marijuana product from Marijuana Establishments and to sell or otherwise transfer this product to Marijuana Establishments and to consumers; and

WHEREAS, Operator is seeking a license from the Commonwealth of Massachusetts Cannabis Control Commission to operate a Marijuana Establishment; and

WHEREAS, Operator has paid a two hundred and fifty dollars (\$250) application fee.

NOW THEREFORE, in consideration of the above, the Operator offers and the Town accepts this Host Community Agreement as follows:

1 Community Impact Fee: The Town anticipates that, as a result of the Operator's operation of the Retail Establishment, the Town will incur additional expenses and impacts upon its road system, law enforcement, inspectional services, permitting services, administrative services, public health services and education in addition to potential additional unforeseen impacts upon the Town. Accordingly, in order to mitigate the direct and indirect financial impact upon the Town and use of Town resources, the Operator agrees to annually pay a community impact fee to the Town, in the amounts and under the terms provided herein (The "Annual Payments")

2 Payment: In the event that the Operator obtains a Final License, or such other licenses and/or approvals as may be required, for the Facility in the Town by the CCC or such other state licensing or monitoring authority, and receives revenues of gross sales of marijuana and marijuana

infused products sold to Recreational Marijuana Establishments and/or consumers, then:

2.1 Operator shall make Annual Payments in an amount equal to Three percent (3%) of the gross revenue from the Facility's annual cannabis or marijuana product sales, , and as long as the fee is reasonably related to the costs imposed upon the town by the operation of the Facility.

2.2 Annual Payments shall be made quarterly each calendar year on the 1st Tuesday of January, April, July and October, beginning on the first of such dates after the Facility has been permitted and the Operator occupies and operates the Facility and has made a transaction or sale of cannabis or marijuana products at the Facility.

2.3 Operator shall submit financial records to the Town within 30 days after payment of the Annual Payment with a certification of sales with respect to each such payment. Operator shall maintain its 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.

3 Local Taxes. OPERATOR shall not object or otherwise challenge the taxability of such property, as long as the valuation is fair and reasonable and consistent with other commercial properties within the TOWN and shall not seek a non-profit exemption from paying such taxes and that, notwithstanding the foregoing, in the event the OPERATOR files as a non-profit:

3.1 any real or personal property owned or operated by OPERATOR is determined to be non-taxable or partially non-taxable, or

3.2 the value of such property is abated with the effect of reducing or eliminating the tax which would otherwise be paid if assessed at full value, or

3.3 OPERATOR is determined to be entitled or subject to exemption with the effect of reducing or eliminating the tax which would otherwise be due if not so exempted, then

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

4 Applicability of Host Agreement: The provisions of this Host Agreement apply only to the Operator's use of the property located at 454 Quaker Highway, Uxbridge, MA (the "Property") to operate the Facility in accordance with 935 CMR 500.000 *et. seq.*

5 Security: Operator shall maintain security at the Facility at least 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 MA Law and Local Law regarding security of the Facility. Operator shall coordinate with the Uxbridge Police Department in the development and

implementation of security measures, as required pursuant to applicable regulations and otherwise, including determining the placement of exterior security cameras. Operator will maintain a cooperative relationship with the Uxbridge Police Department, including but not limited to, periodic meetings to review operational concerns and communication to Uxbridge Police Department of any suspicious activities on the site. The Operator will provide access to cameras for use of emergency operations to the Uxbridge Police Department.

Operator shall promptly report the discovery of the following to the Uxbridge Police Department immediately: 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, cultivation, distribution, processing, or production of marijuana by any person; unauthorized destruction of marijuana; any loss or unauthorized alteration of records related to marijuana or marijuana establishment 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.

6 Local Hiring: To the extent permissible by law, Operator commits to hiring local, qualified employees. In addition to the direct hiring, Operator will work in good faith, legal and non-discriminatory manner to hire local vendors, suppliers, contractors and builders from the Town area whenever otherwise comparable local vendors are available.

7 Improvements to Property: Operator shall make capital improvements to the property such that the property will match the look and feel of the Town, and be of construction standards at least at the quality of other nearby businesses and construction standards per state and local Building Code requirements.

8 Registration and Approvals Required: The obligations of Operator and the Town recited herein are specifically contingent upon the obtaining a final license or final certificate of registration (as applicable) for the operation of the Facility from the CCC to operate in Town, and all necessary local permits and approvals.

9 Cooperation: Town shall work cooperatively and in good faith with Operator in securing prompt and efficient siting, planning, permitting and preparation for opening of the Facility, provided that nothing herein shall require Town to waive any review and approval rights set forth in applicable statutes or regulations and provided further that Town shall retain the right to provide comments and recommendations regarding design and security.

10 Compliance: Operator shall comply with all state and local laws, rules, regulations, license or permit stipulations, and orders applicable to the operation of the Facility, such provisions being incorporated herein by reference, and shall be responsible for obtaining all necessary local and state licenses, permits, and approval required for the operation of the Facility.

11 Indemnification. Operator shall indemnify, defend, and hold the Town harmless from and against any and all claims, demands, liabilities, actions, causes of actions, costs and expenses, including attorney's fees, arising out of Operator's breach of this Agreement or the gross negligence or misconduct of Operator, or Operator's agents or employees

12 Retention of Regulatory Authority: By entering into this Agreement, Town does not waive any enforcement rights or regulatory authority it currently holds over any business in Town.

13 Notices: Any and all notices, or other communications required or permitted under this Agreement, shall be in writing and or email

14 On-Site Consumption Prohibited: OPERATOR agrees that, even if permitted by statute or regulation, it will prohibit on-site consumption of marijuana and marijuana-infused products at the marijuana establishment.

15 Access to Premises: Only persons 21 years of age or older are permitted to purchase product on the premises, unless said establishment is co-located with a Medical Marijuana Treatment Center. If so co-located, the OPERATOR will adhere to the CCC regulations and the CCC's Medical Regulations relative to admittance of patients and care-givers.

16 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.

17 Third Parties: Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either TOWN or the OPERATOR.

18 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.

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

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

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

22 Modifications: Modifications to this Agreement may only be effective if made in writing and signed by both Parties.

23 Headlines: The article, section, and paragraph headings in this Agreement are for convenience only, are no part of the Agreement and shall not affect the interpretation of this Agreement.

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

25 Notices. Except as otherwise provided herein, any and all notices, or other communications required or permitted under this Agreement, shall be sent to the Operator or the Town by certified mail or via email and shall be addressed as follows:

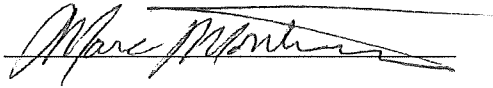
To the Municipality:
Town of Uxbridge
c/o Town Manager
21 South Main Street
Uxbridge, MA 01569
Email: _____

To the Operator:
Ironstone Express Inc.
c/o Barry Desruisseaux
454 Quaker Highway
Uxbridge, MA 01569
Email: _____

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

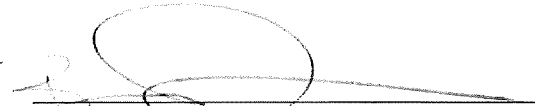
For the TOWN OF UXBRIDGE
MASSACHUSETTS:

By: Marc Montminy
Its: Acting Town Manager
As Authorized by Vote of the Board
of Selectmen on March 25th, 2019

A handwritten signature in dark ink, appearing to read "Marc Montminy", written over a horizontal line.

For IRONSTONE EXPRESS, INC.

By: Barry Desruisseaux

A handwritten signature in dark ink, appearing to read "Barry Desruisseaux", written over a horizontal line.

Name:
Its: President