

## **HOST COMMUNITY AGREEMENT**

between

**The TOWN OF UXBRIDGE, Massachusetts**

and

**XIPHIAS WELLNESS, INC.**

### **For The Siting of a Cultivation and Processing Facility for Both a medical Marijuana Treatment Center and a Recreational Marijuana Establishment in The Town of Uxbridge**

This Host Community Agreement ("Agreement") is entered into this 21<sup>st</sup> day of May, 2018 by and between Xiphias Wellness, Inc., a Massachusetts business entity with a principal office address of 482 Globe Street, P.O. Box D, Fall River, MA 02724 ("Company" or "establishment") and the Town of Uxbridge, a Massachusetts municipal corporation with a principal address of 21 S. Main Street Uxbridge, MA 01569 ("Town").

WHEREAS, Company wishes to locate a licensed cultivation and processing facility for both a Medical Marijuana Treatment Center in accordance with Chapter 369 of the Acts of 2012, as such state regulations have been amended ("MMTC") and a Recreational Marijuana Establishment as defined in M.G.L. c 94G, Section 1 ("RME") at 1045 Quaker Highway, Uxbridge, MA 01569 (hereinafter, the "Facility") in accordance with the laws of the Commonwealth of Massachusetts ("MA Law") and those of the Municipality ("Local Law"); and

WHEREAS, Company will be licensed to operate a cultivation and processing facility for both a MMTC and RME for the cultivation and processing of marijuana in the referenced Uxbridge location; and

WHEREAS, Company is seeking licenses from the Department of Public Health ("DPH") and/or Commonwealth of Massachusetts Cannabis Control Commission (CCC) to operate a MMTC and RMC in Town; and

WHEREAS, Company has paid all application fees.

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

- **Community Impact Fee:** The Town anticipates that, as a result of the Company's operation of the MMTC and RME, 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 Company agrees to annually pay a community impact fee to the Town, in the amounts and under the terms provided herein (The "Annual Payments")
- **Payment:** In the event that the Company obtains a Final License, or such other license and/or approval as may be required, for the MMTC and RME in the Town by the DPH, CCC or such other state licensing or monitoring authority, and receives revenues from sales of marijuana and marijuana infused products produced at the Facility:
  - Company shall make Annual Payments in an amount equal to one and one quarter percent (1.25%) of the gross revenue from sales by the MMTC occurring at the Company's dispensing facilities outside of Uxbridge or from wholesale sales to third parties; one and one and a half percent (1.50%) of the gross revenue from sales by the RME occurring at the Company's dispensing facilities outside of Uxbridge or from wholesale sales to third parties - as long as the fee is reasonably related to the costs imposed upon the town by the operation of the marijuana establishment.
  - Annual Payments shall be made quarterly each calendar year on the 1<sup>st</sup> Tuesday of January, April, July and October, beginning on the first of such dates after the establishment has been permitted, occupy and operate said establishment.
  - Company 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. Company 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.

- 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.
- Applicability of Host Agreement: The provisions of this Host Agreement apply only to the Company's use of the facility to operate a cultivation and processing facility for both a MMTC and RMC.

The Company will work cooperatively with all necessary municipal departments, boards, commissions, and agencies to ensure that Company's operations are compliant with all of the Municipality's codes, rules, and regulations.

- Security: Company shall maintain security at the Facility at least in accordance with a security plan presented to the Town 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. 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 or equivalent to law enforcement upon request. Company 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. Company 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.

Company 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, registered qualifying patients, personal caregivers, dispensary agents 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.

- Local Hiring: 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 and vendors in the provision of goods and services called for in the construction, maintenance and continued operation of the Facility. Company shall use good faith efforts to ensure that at least fifty percent (50%) of the vendors and/or contractors utilized by the Facility will be based in the Town.

Additionally, 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 Town as employees of



the Facility. Company shall use good faith efforts to ensure that at least fifty percent (50%) of the employees of the Facility will be Town residents.

The Company shall, at least annually, provide the Town with copies of all reports submitted to the Licensing Authority(ies) regarding Company's operations at the Facility. Company shall provide the Town with annual reports indicating the percentages of vendors and employees in accordance to section "Local Hiring" above.

- Improvements to Property: Company 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.
- Registration and Approvals Required: The obligations of Company and the Town recited herein are specifically contingent upon the obtaining a final certificate of license for the operation of a MMTC or RME from the DPH and/or CCC to operate in Town, and all necessary local permits and approvals.
- Cooperation: Town shall work cooperatively and in good faith with Company in securing prompt and efficient siting, planning, permitting and preparation for opening of the MMTC and RME, 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.
- Compliance: Company shall comply with all laws, rules, regulations and orders applicable to the operation of a MMTC and/or RME, such provisions being incorporated herein by reference, and shall be responsible for obtaining all necessary licenses, permits, and approval required for the operation of a MMTC and/or RME

Company 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 Company's breach of this Agreement or the gross negligence or misconduct of Company, or Company's agents or employees

- 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.
- Notices: Any and all notices, or other communications required or permitted under this Agreement, shall be in writing and or email.
- 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.
- 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.
- Approval of Manager: If requested by the Town, Company shall provide, for review and approval, the name and relevant information of the person proposed to act as on-site manager of the Facility. The submittal shall include authorization to perform a criminal history (CORI) check. The Town shall consider such request for approval 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
- 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.

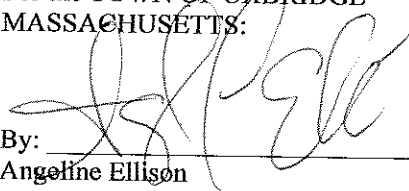
- Confidentiality: Company may provide to the Town, certain financial information, investment materials, products, plans, documents, details of company history, know-how, trade secrets, and other nonpublic information related to Company, its affiliates and operations (collectively, the "Confidential 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. Company shall mark each plan, page, or transmission with the word "Confidential."
- Modifications: Modifications to this Agreement may only be effective if made in writing and signed by both Parties.
- 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.
- 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.
- Notices. Except as otherwise provided herein, any notices given under this Agreement shall be addressed as follows:

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

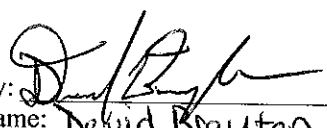
To the Company:  
Xiphias Wellness, Inc.  
482 Globe Street  
P.O. Box D  
Fall River, MA 02724

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

For the TOWN OF UXBRIDGE  
MASSACHUSETTS:

By:   
Angeline Ellison  
Its: Town Manager  
As Authorized by Vote of the  
Board of Selectmen on May 14, 2018

For Xiphias Wellness, Inc.

By:   
Name: David Brayton  
Title: Owner

## **HOST COMMUNITY AGREEMENT**

between

**The TOWN OF UXBRIDGE, Massachusetts**

and

**XIPHIAS WELLNESS, INC.**

### **For The Siting Of A Dispensing Facility For Both A Medical Marijuana Treatment Center And A Recreational Marijuana Establishment In The Town Of Uxbridge**

This Host Community Agreement ("Agreement") is entered into this 21<sup>th</sup> day of May, 2018 by and between Xiphias Wellness, Inc., a Massachusetts business entity with a principal office address of 482 Globe Street, P.O. Box D, Fall River, MA 02724 ("Company" or "establishment") and the Town of Uxbridge, a Massachusetts municipal corporation with a principal address of 21 S. Main Street Uxbridge, MA 01569 ("Town").

WHEREAS, Company wishes to locate a licensed dispensing facility for both a Medical Marijuana Treatment Center in accordance with Chapter 369 of the Acts of 2012, as such state regulations have been amended ("MMTC") and a Recreational Marijuana Establishment as defined in M.G.L. c 94G, Section 1 ("RME") at 1045 Quaker Highway, Uxbridge, MA 01569 (hereinafter, the "Facility") in accordance with the laws of the Commonwealth of Massachusetts ("MA Law") and those of the Municipality ("Local Law"); and

WHEREAS, Company will be licensed to operate a dispensing facility for both a MMTC and RME for the cultivation and processing of marijuana in the referenced Uxbridge location;

WHEREAS, Company is seeking a licenses from the Department of Public Health ("DPH") and/or Commonwealth of Massachusetts Cannabis Control Commission (CCC) to operate a MMTC and RMC in Town; and

WHEREAS, Company has paid all application fees.

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

- Community Impact Fee: The Town anticipates that, as a result of the Company's operation of the MMTC and RME, 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 Company agrees to annually pay a community impact fee to the Town, in the amounts and under the terms provided herein (The "Annual Payments")
- Payment: In the event that the Company obtains a Final License, or such other license and/or approval as may be required, for the MMTC and RME in the Town by the DPH, CCC or such other state licensing or monitoring authority, and receives revenues from sales of marijuana and marijuana infused products produced at the Facility to consumers at the Facility,
  - Company shall make Annual Payments in an amount equal to one and three quarters percent (1.75%) of the gross revenue from sales by MMTC occurring at the Facility and three percent (3%) for sales by the RME occurring at the Facility - as long as the fee is reasonably related to the costs imposed upon the town by the operation of the marijuana establishment.
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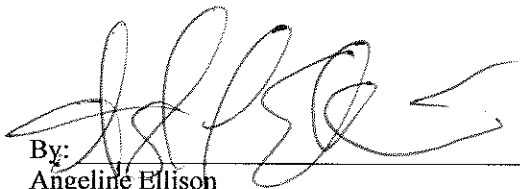
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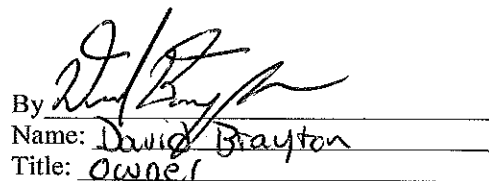
The following signature indicate that the parties hereby agree to the terms set forth in this Agreement as per the date set forth on page 1 of this Agreement.

For the TOWN OF UXBRIDGE  
MASSACHUSETTS:

For Xiphias Wellness, Inc..



By: \_\_\_\_\_  
Angeline Ellison  
Its: Town Manager  
As Authorized by Vote of the  
Board of Selectmen on May 14, 2018



By: \_\_\_\_\_  
Name: David Brayton  
Title: Owner