

TOWN OF LITTLETON
AND SANCTUARY MEDICINALS, INC.
HOST COMMUNITY AGREEMENT

3rd THIS HOST COMMUNITY AGREEMENT (“AGREEMENT”) is entered into this 3rd day of November 2016 by and between Sanctuary Medicinals Inc., a Massachusetts not-for-profit corporation with a principal office address of 109 State Street, Boston, MA 02109 (“the Company”), and the Town of Littleton, a Massachusetts municipal corporation with a principal address of 37 Shattuck St, Littleton, MA 01460 (“the Town”), acting by and through its Town Administrator.

WHEREAS, the Company wishes to locate a Registered Marijuana Dispensary (“RMD”) cultivation facility (but not a dispensary) at 234 Taylor Street (Assessors Map R09-34-0), Littleton, MA, in accordance with regulations issued by the Commonwealth of Massachusetts Department of Public Health (“DPH”); and

WHEREAS, the Company intends to provide certain benefits to the Town in the event that it receives a license from the DPH to operate an RMD cultivation facility (the “DPH License”) and receives all required local permits and approvals;

NOW THEREFORE, in consideration of the provisions of the agreement, the Company offers and the Town accepts this Agreement in accordance with G.L. c.44, §53A, and the Company and the Town agree as follows:

1. The Company agrees to make a donation to the Town, in the amount and under the terms provided herein (the “Funds”). The treasurer of the Town shall hold the Funds in a separate gift account, to be expended by the Board of Selectman without further appropriation pursuant to G.L. c.44, §53A, for the purpose of addressing the potential health, safety, and other effects or impacts of the RMD cultivation facility on the Town and on municipal programs, services, personnel, and facilities. The Funds shall be used at the Town’s sole discretion, as determined by the Board of Selectmen.

2. The Company shall pay the Town the Annual Payment for each year it operates in the Town. The “Annual Payment” shall be paid to the Town in two installments at six-month intervals commencing six (6) months from the date the company receives a certificate of occupancy from the Littleton Building Inspector and any other permit or permission issued by the Town of Littleton necessary to operate a cultivation facility. The “Annual Payment” shall be paid according to the following schedule:

- a. The company shall pay the sum of Fifty Thousand and 00/100 Dollars (\$50,000.00) in the first and second year of operations.
- b. The Company shall pay the sum of Seventy Five Thousand and 00/100 Dollars (\$75,000.00) in Third and Fourth year of operations.
- c. The Company shall pay the sum of One Hundred Thousand and 00/100 Dollars (\$100,000.00) in the fifth and succeeding years of operations.

3. The Company, in addition to any funds specified herein, shall annually contribute to public local charities in the Town an amount no less than Five Thousand Dollars (\$5,000.00), said charities to be determined by the Company in its reasonable discretion.
4. The Company agrees to provide no less than 150 man hours yearly to participate in community service activities including but not limited to; Town-sponsored educational programs on public health and drug abuse prevention, senior assistance, community cleanup, veteran's assistance.
5. The provisions of this agreement shall be applicable as long as the Company operates a RMD cultivation facility at 234 Taylor Street (Assessors Map R09-34-0), Littleton, MA, or a location within the designated RMD zone in Littleton, MA, pursuant to a license issued by DPH, subject to the provisions of Paragraph 11, below.
6. The Company agrees to work cooperatively with Town public safety departments.
7. At all times during the term of this agreement, real estate taxes for the property at which the RMD is operated will be paid either directly by the Company or by its landlord and the Company will not seek a non-profit exemption from paying such taxes.
8. The obligations of the Company and the Town recited herein are specifically contingent upon the Company obtaining the DPH license for operation of a RMD cultivation facility in the Town, and the Company's receipt of any and all necessary local approvals to locate, occupy, and operate a RMD cultivation facility in the Town.
9. This agreement does not affect, limit, or control the authority of 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 RMD cultivation facility to operate in the Town, or to refrain from enforcement action against the

Company and/or its RMD cultivation facility for violation of the terms of said permits and approvals or said statutes, Bylaws, and regulations.

10. The Company shall not assign, sublet, or otherwise transfer this Agreement, in whole or in part, without the prior written consent from the Town, and shall not assign any of the monies payable under this Agreement, except by and with the written consent of the Town.
11. This Agreement is binding upon the parties hereto, their successors, assigns and legal representatives. Neither the Town nor the Company shall assign or transfer any interest in the Agreement without the written consent of the other.
12. Acknowledging that the Town will benefit from the creation of jobs for its residents, the Company agrees that jobs created at the RMD will be taken by, or made available to Town of Littleton residents.
13. The Company agrees to comply with all laws, rules, regulations and orders applicable to the RMD cultivation facility, such provisions being incorporated herein by reference, and shall be responsible for obtaining all necessary licenses, permits, and approvals required for the performance of such work. The Company agrees not to assert or seek exemption as an agricultural use under the provisions of G.L. c.40A, §3 from the requirements of the Town's Zoning Bylaws.
14. Any and all notices, 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, to the parties at the addresses set forth on Page 1 or furnished from time to time in writing hereafter by one party to the other party. Any such notice or correspondence shall be deemed given when so delivered by hand, if so mailed, when deposited within the U.S. Postal Service or, if sent by private overnight or other delivery service, when deposited within such delivery service.
15. 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 one or both parties would be substantially or materially prejudiced.
16. 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.

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17. 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.
18. This agreement shall terminate immediately in the event that the Town obtains approval to charge a local excise tax on revenue relating to the Company's sale of the marijuana cultivated within the town.
19. This Agreement shall also be null and void in the event that the Company shall not locate a RMD cultivation facility in the Town or shall relocate such RMD cultivation facility out of the Town. In the case of any relocation out of the Town, an adjustment of funds due to the Town hereunder shall be calculated based upon the period of occupation of the RMD cultivation 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.
20. The Company begins to cultivate marijuana for purposes beyond those purposes specifically allowed by DPH as of the date of this Agreement the Company will pay an additional sum of Ten Thousand and 00/100 Dollars (\$10,000.00) per year to the Town in two installments at six-month intervals.
21. The Town and the Company agree to reopen this Agreement five years from the date of execution, and at intervals of every five years thereafter, to consider any changed circumstances that impact either party and to renegotiate the sums paid to the Town; provided, however, that the sums to be paid shall not be reduced below the amount set forth herein and shall not be increased at any one time by more than five percent of the then applicable annual payment.

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

TOWN OF LITTLETON

By: Keith A. Bergman

Its: Town Administrator

SANCTUARY MEDICINALS, INC.

By: Jason A. Sidman

Its: Chief Executive Officer