

HOST COMMUNITY AGREEMENT
ARLINGTON, MA
MASSACHUSETTS PATIENT FOUNDATION, INC.

THIS HOST COMMUNITY AGREEMENT (“Agreement”) is entered into pursuant to M.G.L. ch.44, §53A this _____ day of April 2016 by and between MASSACHUSETTS PATIENT FOUNDATION, INC. a Massachusetts not-for-profit corporation with a principal office address of 36 Glen Ave., Newton, MA 02059 (“OPERATOR”) and the TOWN OF ARLINGTON, a Massachusetts municipal corporation with a principal address of 730 Mass Ave., Arlington, MA 02476 (“TOWN”).

WHEREAS OPERATOR wishes to locate a Registered Marijuana Dispensary dispensing facility (“RMD”) in the TOWN, in accordance with regulations issued by the Commonwealth of Massachusetts Department of Public Health (“DPH”);

WHEREAS OPERATOR intends to provide certain benefits to the TOWN by way of gift or grant in the event that it receives a Final Certificate of Registration to operate a RMD in the TOWN by the DPH;

WHEREAS OPERATOR has applied for a certificate of registration from the DPH to operate the RMD in the TOWN at 5-11 Water St., Arlington, MA 02476 (the “Facility”); and

WHEREAS OPERATOR is seeking a letter of support/non-opposition from the TOWN for the siting and operation of an RMD in the TOWN.

NOW, THEREFORE, in consideration of the above, OPERATOR offers and the TOWN accepts the following Agreement terms in accordance with M.G.L. ch.44 §53A:

1. OPERATOR shall pay to the TOWN 3% of the gross revenue received by OPERATOR from retail sales at the Facility accruing from the date of commencement of sales by OPERATOR in the TOWN (“Sales Commencement Date”). The initial payment to the TOWN shall be made on the first day of the seventh month after the Sales Commencement Date (“Initial Payment Date”), and shall reflect gross revenue for the first quarter of sales. Thereafter payments shall be made every six months, and shall reflect the subsequent six month’s sales,

with the final three months payment remaining unpaid until three months after the termination of this Agreement. OPERATOR shall notify the TOWN when OPERATOR commences dispensing within the TOWN. OPERATOR's records maintained pursuant to 105 CMR 725.105(I)(5) will be available to the TOWN upon request to verify OPERATOR's payment amounts. The TOWN may notify OPERATOR to delay the initial payment, in which case the initial payment shall be made as specified by the TOWN; however, the timing of subsequent payments shall be made as if the initial payment had been on the Initial Payment Date.

2. OPERATOR shall make a one-time payment to TOWN of \$100,000.00 within one week of the Sales Commencement Date, and the TOWN shall credit OPERATOR \$100,000.00 against OPERATOR's biannual payments.
3. OPERATOR shall work with the Arlington 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 RMD is located. OPERATOR will maintain a cooperative relationship with the Arlington Police Department, including but not limited to periodic meetings to review operational concerns, cooperation in investigations, and communication to Arlington Police Department of any suspicious activities on the site.
4. Except for senior management positions, OPERATOR commits to hiring local, qualified employees to the extent consistent with law. In addition to the direct hiring, OPERATOR will work in a good faith, legal and non-discriminatory manner to hire local vendors, suppliers, contractors and builders from the Arlington area where possible.
5. The OPERATOR shall submit at least annual financial records to the Town on or before January 15 of each calendar year, with a certification of the Gross Sales for the respective year. The OPERATOR shall also submit to the Town copies of any additional financial records that the OPERATOR is required to submit to DPH.

6. The 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 DPH. All records shall be kept for a period of at least seven (7) years.
7. OPERATOR shall cooperate fully with the TOWN to prevent “Hardship Cultivation Registrations” as defined by 105 CMR 725.104 & 105 CMR 725.035, including but not limited to OPERATOR’s commitment to delivering to residents of the TOWN unless such deliveries are prevented by circumstances outside of the OPERATOR’s control.
8. The purpose of this Agreement is to assist the TOWN in addressing any public health, safety and other effects or impacts the RMD may have on the TOWN. The TOWN shall use the above-referenced payments in its sole discretion consistent with the purpose of the Agreement.
9. This Agreement shall terminate at the time that either of the following occur:
 - a. the TOWN notifies OPERATOR of the TOWN’s termination of this Agreement;
 - b. OPERATOR ceases to operate a RMD in the TOWN
10. The obligations of OPERATOR and the TOWN recited herein are specifically contingent upon the issuance by DPH to OPERATOR of a Final Certificate of Registration for the operation of a RMD facility in the TOWN, and OPERATOR obtaining all required approvals from the TOWN for the OPERATOR to serve patients and caregivers from the Facility in Town.
11. OPERATOR shall not assign, sublet or otherwise transfer this Agreement, in whole or in part, without the prior written consent of the TOWN and shall not assign any of the moneys payable under this Agreement, except with the written consent of the TOWN, provided, however, that a pledge or assignment of assets, profits or receivables required in connection

- with financing the business by OPERATOR shall not be considered an assignment for the purposes of this paragraph.
12. This Agreement is binding upon the parties hereto, their successors, assigns and legal representatives. Neither the TOWN nor OPERATOR shall assign or transfer any interest in the Agreement without the written consent of the other.
13. OPERATOR shall comply with all laws, rules, regulations and orders applicable to the operation of an RMD, such provisions being incorporated herein by reference, and shall be responsible for obtaining all necessary licenses, permits, and approvals required for the operation of an RMD.
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 with the U.S. Postal Service, or if sent by private overnight or other delivery service, when deposited with such delivery service.
15. 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.
16. This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Massachusetts and OPERATOR submits to the jurisdiction of the Trial Court for Middlesex County for the adjudication of disputes arising out of this Agreement.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

17. 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.

TOWN OF ARLINGTON, BOARD OF
SELECTMEN OR TOWN MANAGER:

MASSACHUSETTS PATIENT
FOUNDATION INC.

By: _____

Title: _____
