

CITY OF AMESBURY

AND ALTERNATIVE THERAPIES GROUP, INC.

HOST COMMUNITY AGREEMENT

THIS HOST COMMUNITY AGREEMENT ("AGREEMENT") is entered into this 3rd day of April 2018 by and between Alternative Therapies Group, Inc., a Massachusetts not-for-profit corporation with a principal office address of 24R Pleasant St, Unit 2, Newburyport, MA, 01950 ("the Company"), and the City of Amesbury, a Massachusetts municipal corporation with a principal address of 62 Friend Street, Amesbury, MA 01913 ("the City"), acting by and through its Mayor.

WHEREAS, the Company wishes to locate a Registered Marijuana Dispensary ("RMD") and/or a Recreational Marijuana Establishment for adult use ("RME") dispensing facility in the City in accordance with regulations issued by the Commonwealth of Massachusetts Department of Public Health and/or issued by the Commonwealth of Massachusetts Cannabis Control Commission ("DPH & CCC"); and

WHEREAS, the Company intends to provide certain benefits to the City in the event that it receives a license from the state of MA to operate an RMD dispensing facility (the "State License") and receives all required local permits and approvals;

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

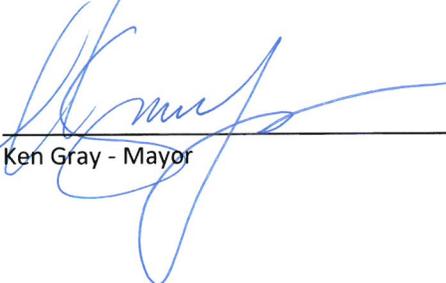
1. The Company agrees to make payments to the City, in the amounts and under the terms provided herein (the "Funds"). The Company shall furnish the City with annual Profit and Loss Statements, as soon as they become available, reflecting gross sales figures for the RMD dispensing facility located in the City.
2. In the first five (5) years of operation, the Company shall pay to the City 3.00 percent of the RMD's annual gross sales revenue generated in the City, to be paid within 60 days after the end of each year of operation. In the event that the RMD facility is not allowed to operate 7 days per week, the percentage shall be 2.00 percent.
3. The terms of this Agreement shall be renegotiated by the Company and the City in good faith following five (5) years of continuous operation of the RMD facility, or sooner, in the event that the City enters into a host community agreement with an additional RMD. The terms of this Agreement shall continue in full force and effect unless the parties reach accord on a subsequent agreement. Any renegotiation of this Agreement shall include a review of positive and negative impacts upon the City, its residents, and businesses resulting from operation of the RMD, including, without limitation, community health, associated business growth, traffic, crime, use of City resources, proximate property value impacts, and other documented impacts.
4. While the purpose of these payments is to assist the City in addressing any public health, safety and other effects or impacts the RMD dispensing facility may have on the City, the City may expend the above-referenced payments at its sole and absolute discretion.

5. The Company, in addition to any payments specified herein, shall annually contribute to public charities in an amount no less than a sum of \$25,000, said charities to be determined by the Company in its reasonable discretion.
6. The provisions of this Agreement shall be applicable as long as the Company operates a RMD dispensing facility or RME in the City, pursuant to a license issued by DPH and/or CCC, subject to the provisions of Paragraph 10, below.
7. The Company agrees that, even if permitted by statute or regulation, it will continue to prohibit on-site consumption of marijuana and marijuana-infused products at its facilities in the City.
8. The Company will make efforts to hire qualified employees who are City residents, and to utilize vendors based in the City.
9. The Company agrees that the value of the real property of the RMD dispensing facility shall be treated as taxable and the Company shall not object to or otherwise challenge the taxability of such real property, but reserves any rights it might have with respect to the valuation of same. The Company, to the extent that it maintains its classification as a non-profit organization pursuant to applicable Massachusetts law, shall be exempt from or subject to, as may be applicable, the payment of taxes on personal property to the same extent as similar organizations and facilities operating within the City.
10. The obligations of the Company and the City recited herein are specifically contingent upon the Company obtaining the State License for operation of a RMD dispensing facility and/or RME in the City, and the Company's receipt of any and all necessary local approvals to locate, occupy, and operate a RMD dispensing facility in the City.
11. This Agreement does not affect, limit, or control the authority of City 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 City, or applicable regulations of those boards, commissions, and departments, or to enforce said statutes, Bylaws, and regulations. The City, by entering into this Agreement, is not thereby required or obligated to issue such permits and approvals as may be necessary for the RMD dispensing facility or RME to operate in the City, or to refrain from enforcement action against the Company and/or its RMD dispensing facility and/or RME for violation of the terms of said permits and approvals or said statutes, Bylaws, and regulations.
12. The Company shall not assign, sublet or otherwise transfer this Agreement, in whole or in part, without the prior written consent of the City, and shall not assign any of the monies payable under this Agreement, except by and with the written consent of the City.
13. This Agreement is binding upon the parties hereto, their successors, assigns and legal representatives. Neither the City nor the Company shall assign or transfer any interest in the Agreement without the written consent of the other.

14. The Company agrees to comply with all laws, rules, regulations and orders applicable to the RMD dispensing facility or RME, 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 City's Zoning Bylaws.
15. 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.
16. If any term or 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.
17. 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.
18. This Agreement, including all documents incorporated herein by reference, constitutes the entire integrated agreement between the Company and the City 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.
19. This Agreement shall also be null and void in the event that the Company shall not locate a RMD dispensing facility and/or RME in the City or shall relocate such RMD dispensing facility and/or RME out of the City. In the case of any relocation out of the City, an adjustment of funds due to the City hereunder shall be calculated based upon the period of occupation of the RMD dispensing facility and/or RME within the City, but in no event shall the City be responsible for the return of any funds already provided to it by the Company.
20. The terms of this agreement shall be renegotiated by the parties if and when the Commonwealth of Massachusetts or the City of Amesbury adopts a new excise tax, fee, or assessment that entitles the City to collect revenue from the Company beyond that which the City is entitled to collect pursuant to the terms of this agreement and pursuant to Section 13 of Chapter 55 of the Acts of 2017, as codified in Section 3 of Chapter 64N of the General Laws of Massachusetts.

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

CITY OF AMESBURY



Ken Gray - Mayor

ALTERNATIVE THERAPIES GROUP, INC.



Christopher Edwards – Executive Director