

CITY OF WORCESTER
AND
MUNRO ASSOCIATES, LLC

HOST COMMUNITY AGREEMENT

This Host Community Agreement ("Agreement") is entered into this 11th day of APRIL, 2019 by and between the city of Worcester, a Massachusetts municipal corporation, located at 455 Main Street, Worcester, MA 01608 ("the City"), and Munro Associates, LLC, a Massachusetts limited liability company with a principal place of business located at 250 Bay Point Road, Swansea, Massachusetts, 02777 ("the Company").

WHEREAS, the Company wishes to locate a licensed Marijuana Establishment in the City at 342 West Boylston Street, Worcester, Massachusetts, in accordance with Massachusetts General Laws Chapter 94G ("Chapter 94G") and its implementing regulations at 935 CMR 500, and such approvals, permits and licenses that may be required by the City in accordance with its Board of Health Regulations, General Revised Ordinances and Zoning Ordinance, as may be amended; and

WHEREAS, Section 3 of Chapter 94G requires the Company to execute a host community agreement with the City, as part of its application to the Cannabis Control Commission (the "CCC") and before a provisional license to operate a Marijuana Establishment can be issued by the CCC; and

WHEREAS, the Company represents that it will provide certain benefits to the City in the event that it is licensed by the CCC to operate a Marijuana Establishment; and

WHEREAS, the Company also represents that it will only operate a Marijuana Establishment in the City after receiving all required local approvals, permits and licenses; and

WHEREAS, the City anticipates that it will incur additional expenses and impacts related to law enforcement, inspectional services, zoning, licensing, legal services and public health arising from the operation of the Marijuana Establishment and desires to mitigate the financial impact to the City by requiring the payment of a community impact fee to the City; and

WHEREAS, the parties intend by this Agreement to satisfy the requirements of Chapter 94G pertaining to host community agreements; and

WHEREAS, the parties mutually desire to set out all stipulations of responsibilities between the City and the Company as they relate to location and operation of a Marijuana Establishment in the City;

NOW THEREFORE, in consideration of the provisions of this Agreement, the parties agree as follows:

1. SCOPE

The Company agrees to operate a Marijuana Establishment engaged in retail sale on the property located at 342 West Boylston Street, Worcester (the "Site"), in accordance with the Management and Operations Plan attached hereto as Exhibit A and incorporated herein by this reference. The Management and Operations Plan shall include a detailed summary of the business plan for the Marijuana Establishment and operating procedures for the Marijuana Establishment, including but not limited to, the qualifications and intended trainings for marijuana establishment agents and financial projections, including anticipated yearly gross sales.

The Marijuana Establishment shall be operated at all times in accordance with Chapter 94G and its implementing regulations at 935 CMR 500, as they may be amended over the term of this Agreement, and any regulatory restrictions imposed by the Planning Board, Zoning Board, License Commission, Board of Health, Historical Commission, as well as, any regulatory body with jurisdiction over the Site or license.

2. TERM AND TERMINATION

This Agreement shall take effect on the date written in the first paragraph above. This Agreement shall terminate five years from the date on which the Company commences sales and/or operations at the Marijuana Establishment at the Site ("Commencement Date"), or until the Company ceases operations of the Marijuana Establishment at the Site, or this Agreement is terminated by the City, whichever is earlier. The Company shall notify the City, in writing, of the Commencement Date within three business days of commencing sales/operations. At the conclusion of the term of this Agreement, if the Company desires to continue to operate a Marijuana Establishment in the City, the Company may request a new Host Community Agreement from the City. Requests for new Host Community Agreements shall be made in writing to the City no later than six months prior to the expiration of the term of the existing Host Community Agreement and shall be granted in the City's sole discretion, which shall not be unreasonably withheld.

Operation under this Agreement is contingent on the Company obtaining a Final License from the CCC for the Marijuana Establishment at the Site, and the Company's receipt of any and all local approvals to locate, occupy and operate a Marijuana Establishment. If the Company fails to secure a Final License from the CCC or any such local license or approval within one year after the issuance of a provisional license from the CCC, this Agreement shall be null and void and the Company shall be required to reimburse the City for its legal fees associated with the negotiation of this Agreement.

The Company agrees to commence sales and/or operations at the Marijuana Establishment within sixty (60) days of receipt of either a Final License or operations certificate pursuant to M.G.L. chapter 94G, § 12, whichever occurs later, from the CCC authorizing the Company to commence sales and/or operations. The City shall have the right to terminate this Agreement if sales and/or operations do not commence within such timeframe.

If the Company fails to fulfill in a timely and proper manner its obligations under this Agreement for any reason, or if the Company violates any of the terms, covenants and conditions of this Agreement, then City shall have the right to terminate this Agreement by giving written notice to the Company of such termination and specifying the effective date thereof, said written notice to be given at least thirty (30) days before the effective date of such termination. The Company shall be required to pay any amounts due prior to the date of termination. Any payments made to the City prior to termination under this Agreement, or it becoming null and void, shall be non-refundable.

3. COMMUNITY IMPACT FEE

As set forth in the recitals above, the City anticipates that it will incur costs related to the operation of the Marijuana Establishment, including but not limited to costs related to law enforcement, inspectional services, zoning, licensing, legal services and public health. To mitigate the financial impacts to the City, the Company shall pay an annual community impact fee to the City in the amounts and under the terms provided herein ("Annual Payments"):

- a. The Company shall make Annual Payments to the City in an amount equal to three percent (3%) of the gross sales from the Marijuana Establishment, as further set forth in subsections (b) - (d) below. The term "Gross Sales" shall mean the total of all sales transactions, without any deductions or adjustments included in the figure. This definition shall include any retail sales occurring at the Marijuana Establishment, including but not limited to, marijuana, edible marijuana products, marijuana accessories, and any other products that facilitate the use of marijuana, such as vaporizers, and as further defined in 935 CMR 500.02, and any other products sold at the Marijuana Establishment, including retail merchandise, such as clothing.
- b. Following execution of this Agreement; Company shall make its first Annual Payment in two installments. The first non-refundable payment in the amount of \$60,000.00 shall be made on or before August 1, 2019. The second payment shall be made within ninety (90) days of the first anniversary of the Commencement Date, in an amount equal to three percent (3%) of Gross Sales for the first 12 months, starting on the Commencement Date, minus the first payment. If the resulting number is negative, then (1) no such second payment shall be due for the first year and, (2) the Company shall be allowed to carryover any remaining overage to reduce the second year Annual Payment.
- c. In the second and subsequent years of operation, the Company shall make Annual Payments to the City in an amount equal to three percent (3%) of the Gross Sales from the Marijuana Establishment, which shall be paid within ninety (90) days of the anniversary of the Commencement Date.
- d. With regard to any year of operation for the Marijuana Establishment, which is not a full calendar year, the applicable Annual Payment shall be pro-rated.
- e. The parties agree that the Annual Payments set forth above are reasonable and comply with the requirements of Chapter 94G.

4. PAYMENTS

The Company shall make the Annual Payments set forth in Section 3 above to the City. The City Treasurer shall receive and hold the Annual Payments in accordance with applicable law, for the purposes of addressing the costs related to the operation of the Marijuana Establishment, including but not limited to costs related to law enforcement, inspectional services, zoning, licensing, legal services and public health or costs related to the impact of the Marijuana Establishment on municipal programs, services, personnel and facilities, and shall be expended in the City's sole discretion. Notwithstanding, nothing herein shall prevent the Company from making additional donations from time to time in support of the City.

5. OTHER PAYMENTS

Payments required by Article 3 of this Agreement are wholly separate from other payments, fees or charges required by the city, including but not limited to, purchases of water and sewer, local licensing and local sales tax. Company will pay any and all fees associated with the local permitting of the Marijuana Establishment. If the City receives other payments from the Company (other than additional voluntary payments made by the Company), or from the Department of Revenue, or any other source, the funds which have been collected by assessment against the Company, including but not limited to sales taxes imposed by an act of the legislature of the Commonwealth of Massachusetts, the amounts due from the Company to the City under the terms of this Agreement shall not be reduced by the amount of such other payments.

6. LOCAL TAXES

At all times during the term of this Agreement, property, both real and personal, owned or operated by the Company shall be treated as taxable, and all applicable real estate and personal property taxes for that property shall be paid either directly by the Company or by its landlord, and neither the 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. Notwithstanding anything in this paragraph, the Company does not waive any rights to challenge the assessed value of the property similar to any other taxpayers in the City. All taxes and charges owed to the City must be paid on a current basis.

Notwithstanding the foregoing, (i) if real or personal property owned, leased or operated by the Company is determined to be non-taxable or partially non-taxable, or (ii) if the value of such property is abated with the effect of reducing or eliminating the tax which would otherwise be paid if assessed at fair cash value as defined in G.L. c. 59, §38, or (iii) if the Company 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 the Company shall pay to the City 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 fair cash value and at the otherwise applicable tax rate, as if there had been no abatement or exemption; this payment shall be in addition to the Annual Payments made by the Company under Section 3 of this Agreement.

7. ANNUAL FILING

The Company shall file annually with the City financial statements on or before March 1st, which shall include certification of itemized gross sales for the previous calendar year, and all other documentation required to demonstrate compliance with the terms of this Agreement, including a copy of any renewal license from the CCC and copies of all financial statements and records filed with the CCC and Department of Revenue. The Company shall maintain its books, financial records and any other data related to its finances and operations in accordance with standard accounting practices and any applicable laws, rules or regulations promulgated by the Commonwealth of Massachusetts. The City agrees to comply with all applicable Massachusetts Public Records laws governing the keeping of such records.

8. COMMUNITY SUPPORT OBLIGATIONS

a. **Jobs Creation.** The Company will use best efforts to ensure that the hiring preference will be given to City residents with a goal that the breakdown of City residents is 10% minority, 5% women and 15% low-moderate income individuals. The Company shall work with the City's Workforce Development Division and other local employment agencies to further this hiring objective.

b. **Local Suppliers and Vendors.** The Company will use best efforts to purchase supplies, materials, and services from suppliers and vendors located in Worcester. These best efforts will include requesting proposals from Worcester suppliers and vendors, giving preference to Worcester suppliers and vendors that are both qualified and competitive. The City will provide the Company with a list of Worcester suppliers and vendors from which to request proposals.

9. REPORTS AND INFORMATION

At such times and in such forms as the City Manager may require, the City Manager may request and the Company shall provide such statements, records, reports, data and information, pertaining to matters covered by this Agreement.

10. AUDITS AND INSPECTIONS

Upon reasonable notice, during business hours and as often as the City may deem reasonably necessary, the Company shall make available to the City or its representatives for examination all non-confidential records with respect to all matters covered by this Agreement and shall permit the City or its representatives to audit, examine and make excerpts of transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Agreement. Those records classified as confidential shall be provided with the informed written consent of the individual involved.

11. RECORDS

The Company shall maintain records with respect to all matters covered by this Agreement for a period of seven (7) years after receipt of the expiration or termination of this Agreement.

12. INDEMINIFICATION

The Company shall indemnify and hold harmless the City and its officers, agents and employees from and against all suits, actions or claims of any character brought because of any injury or damage received or sustained by any person, persons or property arising out of, or resulting from, the Company's breach of any provision of this Agreement or any asserted negligent act, error or omission of the Company, or its agents or employees, occurring in the performance of this Agreement.

13. MISCELLANEOUS PROVISIONS

- a. No Marijuana Establishment shall sell or otherwise distribute marijuana or marijuana related products within the city of Worcester without entering into a Community Host Agreement with the City.
- b. The provisions of this Agreement shall be applicable as long as the Company operates a Marijuana Establishment in the City at the location set forth in Section I herein.
- c. This Agreement does not affect, limit, or control the authority of any City department, including boards and commissions, to carry out their respective duties in deciding whether to issue or deny any necessary local permits or licenses, required under the laws of the Commonwealth, the Worcester Zoning Ordinance, the License Commission or any other applicable laws and regulations. By entering into this Agreement the City is not required to issue such permits or licenses. The terms of this Agreement will not constitute a waiver of the City's regulatory authority or of the Company's applicant responsibilities not otherwise addressed by this Agreement.
- d. In the case that the Company desires to relocate the Marijuana Establishment within the city of Worcester it must obtain approval of the new location by the City.
- e. The Company shall not permit marijuana or marijuana products to be ingested, consumed or smoked on the premises.
- f. The Company agrees to notify the City within three (3) business days of any pending administrative process or legal action brought by the Commonwealth or CCC against the Company concerning the Marijuana Establishment or any related Marijuana Establishment Agent.
- g. The Company agrees to waive any right(s) to special, incidental or consequential damages in any way related to or arising out of this Agreement, including loss profits and lost opportunity. This limitation on liability shall survive the expiration or termination of this Agreement.
- h. The Company agrees to notify the City within three (3) business days of any submission to the CCC made pursuant 935 CMR 500.104(1).

14. NOTICES

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 certified mail or by other reputable delivery service, to the parties at the following addresses:

The City: Edward M. Augustus, Jr.
City Manager
Worcester City Hall
455 Main Street
Worcester, MA 01608

with a copy to: David M. Moore, Esquire
City Solicitor
Worcester City Hall
455 Main Street
Worcester, MA 01608

Company: Attn: Kevin Munro
Munro Associates, LLC
250 Bay Point Road
Swansea, MA 02777

with a copy to: R. Norman Peters, Esquire
1 Mercantile Street, Suite 540
Worcester, Ma 01608
508 294-4629
RNPeters@petersandsowryrdqa.com

15. APPLICABLE LAW

The law of the Commonwealth of Massachusetts shall govern the validity, interpretation, construction and performance of this Agreement. The Parties agree that the venue shall be in any court of competent jurisdiction located in the Commonwealth of Massachusetts.

16. ASSIGNMENT

The qualifications and identity of the Company is of particular concern to the City and it is because of its qualifications and identity that the City has entered into this Agreement with the Company. The Company shall not assign or otherwise transfer this Agreement, in whole or in part, without the prior written consent of the City, said consent not to be unreasonably withheld. No voluntary or involuntary successor in interest of the Company shall acquire any rights or

powers under this Agreement without the prior written consent of the City. Any change in control of the company resulting from a merger, consolidation, stock transfer or asset sale shall be deemed an assignment or transfer for purposes of this Agreement that requires the City's prior written consent.

17. SEVERABILITY

If any provision of this Agreement is held invalid by any court or body of competent jurisdiction, the remainder of this Agreement shall remain in full force and effect, and the parties shall renegotiate in good faith any provision held invalid.

18. HEADINGS

The section headings in this Agreement are for convenience and reference only and in no way define or limit the scope or content of this Agreement or in any way affect its provisions.

19. AMENDMENTS

This Agreement may be amended or modified only by written instrument duly executed by the parties.

20. ACKNOWLEDGMENT

Each of the parties acknowledges that it has been advised by counsel, or had the opportunity to be advised by counsel, in the drafting, negotiation, execution and delivery of this Agreement, and has actively participated in the drafting, negotiation, execution and delivery of this Agreement. In no event will any provision of this Agreement be construed for or against either party as a result of such party having drafted all or any portion hereof.


21. ENTIRE AGREEMENT

This Agreement contains the entire understanding of the parties and supersedes all prior agreements, representations, proposals and undertakings of the parties.

[signature page to follow]

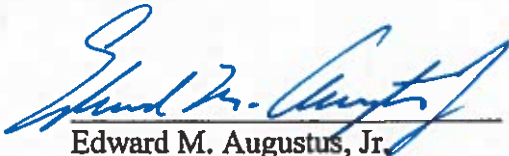
In WITNESS WHEREOF, the parties have executed this Agreement on the day and year first written above.

COMPANY:
MUNRO ASSOCIATES, LLC


By: Kevin Munro
Title: OWNER

CITY OF WORCESTER

Approved as to legal form:

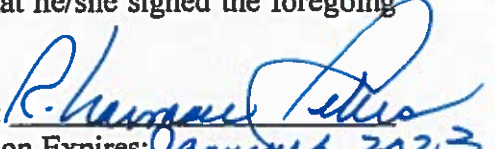

Edward M. Augustus, Jr.
City Manager


Jennifer H. Beaton
Deputy City Solicitor

COMMONWEALTH OF MASSACHUSETTS

Worcester, SS.

On this 11th day of APRIL, 2019, before me, the undersigned notary public personally appeared KEVIN MUNRO and proved to me through satisfactory evidence of identification being Driver's license or other state or federal government document bearing a photographic image; Oath of affirmation of credible witness known to me who knows the above signatory, or My own personal knowledge of the identity of the signatory, to be the person whose name is signed above; and acknowledged to me that he/she signed the foregoing document voluntarily for its stated purpose.

Notary Public: 
My Commission Expires: January 6, 2023

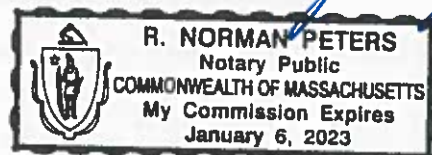


EXHIBIT A

Business Plan Summary

To achieve the planning objectives for Munro Associates of Massachusetts, Inc. (“Munro Associates”), our business plan is predicated on the foundation of the “Triple Bottom Line” approach to business. This method measures success in a holistic manner by evaluating the company’s impact in totality on the Community, the Environment and its Profits. Munro Associates believes that as an organization we must have a positive influence on all three facets in order to be a successful company. The following is a summary of our business plan:

Customer-Centric Dispensary Locations

We have used population, target customer concentrations, and usage data from existing cannabis markets to forecast the total Massachusetts cannabis customer population while incorporating a conservative ramp up period. The assumption of a conservative ramp up period in the financial model is a key fundamental to prudent financial planning. By starting with conservative forecasts, we ensure the financial strength of the entire program by making sure we have enough initial capital to cover any ‘downside scenario’.

Cost Effective Operations

Our team has extensive experience in the cannabis industry and other industries with realization of project timelines ahead of schedule and under budget. This results in lower start-up costs and less overall need for expensive working capital. We have built an “off-the-electric-grid” cultivation facility which allows us to be environmentally sustainable while dually producing at an industry low cost per pound.

Socially Responsible Employment Practices

Munro Associates is a firm believer in hiring a diverse and inclusive work force that is paid a “Living Wage” with both health and dental benefits (refer to the diversity plan from operating P&P). Our employee partners are the backbone of Munro Associate’s success. We strongly believe compensation should allow employees to live successfully in their local community. The following are some of the benefits Munro Associates will be offering to our employee partners:

- A “Living Wage” starting at \$16 per hour and rising to \$20.00 per hour over the course of the first year of employment. In a two-person household both employed by Munro Associates at \$20.00 per hour their household income would exceed the average Massachusetts Household income by approximately \$7,000.
- Health and Dental insurance. All employee partners will be offered the opportunity to enroll in the company subsidized health and dental insurance programs.
- Paid time off and sick leave
- Annual paid vacation time
- Continuing education classes in the cannabis industry
- Eventually Munro Associates will offer a 401K retirement plan

Dispensary Population and Utilization Data

Munro Associates performed an extensive population density analysis to determine the optimal sites for each of its dispensary locations. Using established cannabis markets as benchmarks, we established a series of algorithms that forecast cannabis usage based on populations of potential host municipalities. These algorithms are also able to predict the amount of dispensaries a given town can support.

Based on established usage data in Colorado, a city with a population of approximately 100,000 people would consume 20,000 lbs. of cannabis annually (demonstrated in the table below). Taking these metrics and inserting them into a formula, we are able to determine how viable each town/city in Massachusetts would be for a dispensary operation based on the number of dispensaries allowed in that given town/city.

For example, a city with a population of 100,000 people with 5 dispensaries would be a favorable host for a dispensary. However, the same size city with 10 dispensaries would fall into the unfavorable category. We also peel back the data deeper by analyzing age, household income and density in certain parts of the city to further determine the optimal siting profile.

	Population	Lbs. consumed	Avg selling \$/lbs.	Dispensaries Supported Rev/Disp (MIL\$)				
				\$6	\$7	\$8	\$9	\$10
CO	100,000	20,000	\$4,000	13	11	10	9	8
MA	100,000	20,000	\$6,000	20	17	15	13	12

It is Munro Associate’s plan to open 3 adult use dispensaries in 2019. The dispensaries will be professionally laid out and comprised of high quality materials that effectuate the environment of a high-end retail store. Security personnel will be located in the parking lot as well as the interior of the facility (please refer to the detailed security plan from P&P section).

Cultivator/Wholesale Partner with the optimal yield/cost ratio: Tri-generation

Munro Associate’s cultivation and wholesale partner is Nature’s Remedy of MA (NR). NR’s objective is to make their products as cost effectively as possible. Their cultivation approach and resulting yields are an integral part of achieving these strategic goals.

A hallmark of NR’s cultivation technique is superior cultivated grams per square foot of flowering canopy. Nature’s Remedy’s world class Cultivation Facility, located in Lakeville, Massachusetts, provides environmental conditions mirroring that of a clean room, optimizing the plants’ genetic capability.

Nature’s Remedy is a firm believer in minimizing the company’s environmental foot print. To address the concerns of environmental impact on the community, Natures Remedy is proud to showcase their 100% off-the-grid facility, which will be operated by a tri-generation system. These systems have won accolades throughout the world in multiple areas of business, from European hotels to Australian hospitals, and stand at the forefront of modern innovation and technology in the green energy space. NR is excited to bring the State of Massachusetts into the international spotlight as a location utilizing this energy source in large scale production of a commodity.

Tri-generation is the simultaneous production of electricity and heat with the additional transfer of thermal energy to provide both heating and cooling at virtually no tax to the local power grid. NR is proud to note that the State of Massachusetts has designated this tri-generation system a “Clean Resource” per the Green Communities Act of 2008.

Through their tri-generation system, NR will initially generate all of the facility's electricity from natural gas generators. The heat from the generators is captured and run through a lithium bromide (salt water) absorber that converts the heat into chilled water which is used for cooling the individual grow rooms. The heat not used in the water cooling process is recycled into the facility to heat the rooms during colder months.

In phase 2 of the company's build out, the Cultivation Facility will capture the CO2 from the generators and utilize it in the flowering rooms to aide in the plants' photosynthesis processes. By generating these items in-house and off-the-grid, NR is able to produce their products in both an environmentally sound and economically sustainable cost structure.

Ensuring Continuous Supply

Nature's Remedy's (Munro Associates wholesale partner) cultivation facility is comprised of approximately 50,000 square feet with a capacity to produce approximately 20,000 pounds of cannabis annually. The company will utilize a technique that involves staggering their plantings and closely monitoring consumer demand and the maturity of their plants ensuring that they are able to have a "rolling harvest". A rolling harvest creates a consistent supply of cannabis to their customers. The nature of this method also ensures less product will be stored for great lengths of time resulting in higher quality products while also ensuring we will have product available at all times.

Employee and Community Partners

Areas of Disproportionate Impact

Munro Associates is dedicated to serving and supporting the areas around it, particularly those that are classified as areas of disproportionate impact. Marijuana businesses have an obligation to the health and well-being of their customers as well as the communities that have had historically high rates of arrest, conviction, and incarceration related to marijuana crimes. It is Munro Associates's intention to be a contributing, positive force in areas of disproportionate impact and to assist in changing the perception of those associated with marijuana use.

As Munro Associates expands, the company's goal will be to maintain a proportionate ratio of individuals that currently reside in an area of disproportionate impact or have lived for five of the preceding ten years in an area of disproportionate impact. Munro Associates will also strive to maintain a staff comprised of at least a proportionate ratio to the community of individuals that have a drug-related CORI but are otherwise legally employable in a cannabis-related enterprise. In alignment with Munro Associate's Diversity Plan, the company will focus hiring and education efforts on diverse populations including individuals from Black, African American, Hispanic or Latino descent.

Plan Administration

The Chief Operating Officer will administer the Plan to Positively Impact Areas of Disproportionate Impact (the "Plan"). The COO will be responsible for developing measurable outcomes and ensure Munro Associates continues to meet its commitment to the community. The COO will also be responsible for forming philanthropic partnerships in the community to implement and enhance the Plan.

Continuing Efforts

To provide continuing service and reinvestment into areas of disproportionate impact, Munro Associates is committed to programming, restorative justice, jail diversion, workforce development, industry-specific technical assistance, and mentoring services in areas of disproportionate impact. Munro Associates is committed to hosting and participating in events that will support areas of disproportionate impact, such as community service days, charity events, and educational seminars. Munro Associates will require all executives, managers, and employees to participate quarterly in a community service day. Each community service day will be organized with a charitable or local organization in an area of disproportionate impact.

Further plans to positively affect areas of disproportionate impact may include the following:

- Conducting at least four one-hour industry-specific educational seminars annually across one or more of the following topics: marijuana cultivation, marijuana product manufacturing, marijuana retailing, or marijuana business training;
- Providing financial mentoring services or hosting organizations that provide such services;
- Holding monthly informational sessions regarding the process for sealing and expunging criminal records;
- Partnering with and supporting organizations that provide jail diversion and restorative justice programs;
- Providing transportation support for employees in these areas;
- Instituting hiring practices, in alignment with Munro Associate's Diversity Plan, that prioritize the hiring of individuals from these areas;
- Offering any necessary accommodations to individuals coming from areas of disproportionate impact;
- Having quarterly in-store donation drives, including direct giving and ongoing food and clothing drives; and
- Placing donation jars in Munro Associate's facilities where customers can donate directly to the Social Equity Training and Technical Assistance Fund.

**FIRST AMENDMENT TO
HOST COMMUNITY AGREEMENT
BETWEEN THE CITY AND MUNRO ASSOCIATES, LLC**

This First Amendment to the Host Community Agreement (“First Amendment”) is made as of this ____ day of September, 2020 between the City of Worcester, a Massachusetts municipal corporation, located at 455 Main Street, Worcester, Massachusetts 01608 (the “City”), and Munro Associates, LLC, a Massachusetts limited liability company with a principal place of business located at 885 Buffinton Street, Somerset, Massachusetts 02726 (the “Company”) and amends that certain Host Community Agreement between the City and the Company dated as of April 11, 2019 (the “Agreement”).

WITNESSETH:

WHEREAS, at the time of execution of the Agreement the Company had secured 342 West Boylston Street for the location of the proposed Marijuana Retail Establishment; and,

WHEREAS, the Company now wishes to locate the Marijuana Establishment at 17 Mountain Street East and the City has approved said new location; and

WHEREAS, the City and the Company are entering into this First Amendment to acknowledge the new location;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Company hereby amend the Agreement as follows:

1. The recitals set forth above are hereby incorporated into this Agreement by reference. Capitalized terms used in this First Amendment and not defined herein shall have the meanings ascribed to them in the Agreement.

2. The defined term “Site” shall now refer to 17 Mountain Street East, Worcester, Massachusetts.

3. Section 14, entitled “Notices” shall be amended by deleting the Company’s address and inserting the following new address in lieu thereof:

Attn: Kevin Munro
Munro Associates, LLC
885 Buffinton Street
Somerset, MA 02726

4. Section 14, entitled “Notices” shall hereby be further amended by deleting the address of “R. Norman Peters” in the “with a copy to:” section.

5. Except as amended by this First Amendment, the terms of the Agreement are hereby ratified and confirmed in all respects.

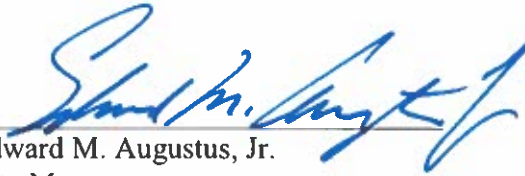
6. This First Amendment may be executed in counterparts, each of which shall be an original and which together shall constitute a single instrument.

(Signature Pages Follow)

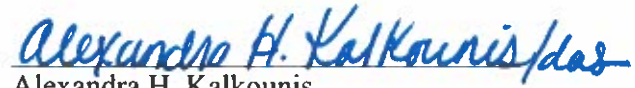
IN WITNESS WHEREOF, the parties hereto have executed or caused this instrument to be executed, under seal, on the day and year first set forth above.

CITY OF WORCESTER

Approved as to legal form:




Edward M. Augustus, Jr.
City Manager



Alexandra H. Kalkounis
Assistant City Solicitor

Signatures Continue on Next Page

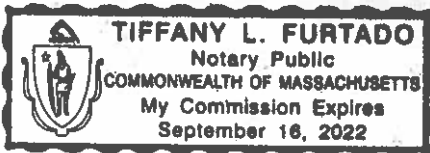
COMPANY
Munro Associates, LLC


By: 
Name: Michael Botelho
Title: President

COMMONWEALTH OF MASSACHUSETTS

Worcester, ss.

On this 5 day of September, 2020, before me, the undersigned notary public, personally appeared Michael Botelho, President of Munro Associates, LLC, and proved to me through satisfactory evidence of identification which was, photographic identification with signature issued by a federal or state governmental agency, oath or affirmation of a credible witness, personal knowledge of the undersigned, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that (he/she) signed it voluntarily for its stated purpose.

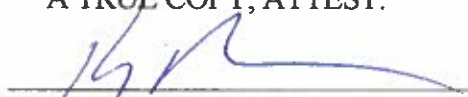



Notary Public
My Commission Expires:

CERTIFICATE OF AUTHORITY


At a duly authorized meeting of the Members of the Munro Associates held on October 17, 2019 at which all Members were present or waived notice it was voted that Michael Botelho, President of this company be and hereby is authorized to execute contracts and bonds in the name and behalf of said company, and affix its Seal thereto, and such execution of any contract or bond of obligation in this company's name shall be valid and binding upon this company.

A TRUE COPY, ATTEST:


[Signed]

Munro Associates, 885 Buffinton St. Somerset, MA. 02726

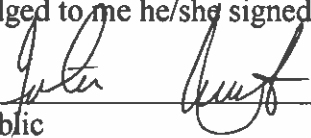
I hereby certify that I am the Manager of Munro Associates that Michael Botelho is the duly elected President of said company, and the above vote has not been amended or rescinded and remains in full force and effect as of the date of this contract.

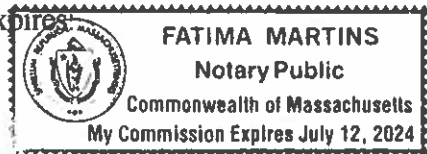
Signature: 
Name/Title: Kevin Munro Manager
Date: 9/9/2020

COMMONWEALTH OF MASSACHUSETTS

WORCESTER, SS.

On this 9th day of September, 2020, before me the undersigned notary public, personally appeared Kevin Munro, who proved to me through satisfactory evidence of identification, which was/were MA D2 855159433, to be the person whose name is signed on the preceding or attached document, and acknowledged to me he/she signed it voluntarily for its stated purpose.


Notary Public
My commission expires



Received
Worcester City Clerk

AMENDMENT 2 TO
HOST COMMUNITY AGREEMENT
BETWEEN THE CITY AND
MUNRC ASSOCIATES, LLC.

2023 OCT 24 AM 13:57

This Amendment to the Host Community Agreement (“Second Amendment”) is made as of this 26 day of May, 2022, effective January 1, 2022, by and between, the City of Worcester, a Massachusetts municipal corporation, located at 455 Main Street, Worcester, Massachusetts 01608 (the “City”), and Munrc Associates, LLC, a Massachusetts limited liability corporation with a principal place of business located at 885 Buffinton Street, Somerset, MA 02726 (the “Company”) and amends that certain Host Community Agreement between the City and the Company dated as of April 11, 2019, as most recently amended on September 9, 2020 (the “Agreement”).

WITNESSETH:

WHEREAS, the City and the Company entered into the Agreement for a retail Marijuana Establishment located at 17 Mountain Street East; and,

WHEREAS, since the execution of the Agreement the Cannabis Control Commission (“CCC”) has issued guidance regarding the interpretation of Community Impact Fees and the City now desires to amend the payment terms of the Agreement to reflect this updated guidance; and

WHEREAS, Company agrees to the new payment terms as detailed in Section 3 of the Agreement;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Company hereby amend the Agreement as follows:

1. Section 3 of the Agreement, entitled “Community Impact Fee,” is hereby amended by deleting Section 3 in its entirety and replacing it with the following new Section 3:

“3. COMMUNITY IMPACT FEE

As set forth in the recitals above, the City anticipates that it will incur costs related to the operation of the Marijuana Establishment, including but not limited to costs related to law enforcement, inspectional services, zoning, licensing, legal services and public health. To mitigate the financial impacts to the City, the Company shall pay an annual community impact fee to the City in the amounts and under the terms provided herein (“Annual Payments”):

a) A non-refundable Annual Payment in the amount of Five Thousand Dollars (\$5,000.00) is due to the City on January 1st of each year Company is in operation. Company may apply any remaining and unapplied amounts advanced to City pursuant to the original Agreement to payment of the Annual Payment until such amounts are exhausted.

b) For any costs incurred in excess of the Annual Payment described above, the City shall bill Company at the end of the year. Payment for any additional expenses shall be due within thirty (30) days of the date on the bill. Company may apply any remaining and unapplied amounts advanced to City pursuant to the original Agreement to payment of such excess costs until such amounts are exhausted.

c) With regard to any year of operation for the Company, which is not a full calendar year, the applicable Annual Payment shall be pro-rated.

d) The parties agree that the Annual Payments set forth above are reasonable and comply with the requirements of Chapter 94G.”

2. Except as amended by this Amendment, the terms of the Agreement are hereby ratified and confirmed in all respects.

3. This Amendment may be executed in counterparts, each of which shall be an original and which together shall constitute a single instrument.

[Remainder of page intentionally left blank; signature pages follow]

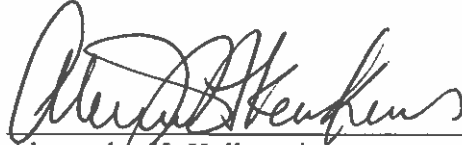
IN WITNESS WHEREOF, the parties hereto have executed or caused this instrument to be executed, under seal, on the day and year first set forth above.

CITY OF WORCESTER

Approved as to legal form:



Eric D. Batista
City Manager



Alexandra H. Kalkounis
Deputy City Solicitor

Signatures Continue on Next Page

COMPANY
MUNRO ASSOCIATES, LLC

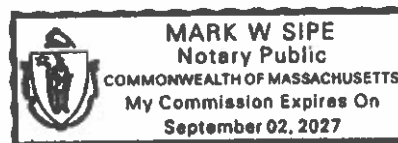
By: *M. Botelho*
Name: *Michael Botelho*
Title: *President*

COMMONWEALTH OF MASSACHUSETTS

Worcester, ss.

On this 26th day of May, 2022, before me, the undersigned notary public, personally appeared Michael Botelho, as President of Munro Associates, LLC, proved to me through satisfactory evidence of identification which was, photographic identification with signature issued by a federal or state governmental agency, oath or affirmation of a credible witness, personal knowledge of the undersigned, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose.

MWS
Notary Public
My Commission Expires:



2023 OCT 23 PM 3:47

AMENDMENT TO
HOST COMMUNITY AGREEMENT
BETWEEN THE CITY AND
MUNRO ASSOCIATES, LLC

This Amendment to the Host Community Agreement ("Amendment") is made as of this 16th day of June, 2023, effective January 1, 2023, by and between, the City of Worcester, a Massachusetts municipal corporation, located at 455 Main Street, Worcester, Massachusetts 01608 (the "City"), and Munro Associates, LLC, a Massachusetts limited liability company with a principal place of business located at 885 Buffinton Street, Somerset, Massachusetts 02726 (the "Company") and amends that certain Host Community Agreement between the City and the Company dated as of April 11, 2019, as amended (the "Agreement").

WITNESSETH:

WHEREAS, the City and the Company entered into the Agreement for a retail Marijuana Establishment located at 17 Mountain Street East; and,

WHEREAS, the Governor signed, and the General Court enacted "An Act Relative to Equity in the Cannabis Industry" (the "Act"), which made numerous changes to the Massachusetts marijuana laws and the City now desires to amend the payment terms of the Agreement to reflect those changes; and

WHEREAS, Company agrees to the new payment terms as detailed in Section 3 of the Agreement;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Company hereby amend the Agreement as follows:

1. Section 3 of the Agreement, entitled "Community Impact Fee," is hereby amended by deleting Section 3 in its entirety and replacing it with the following new Section 3:

"3. COMMUNITY IMPACT FEE

The City may, in its discretion, bill the Company for costs imposed upon it in the preceding year of operation pursuant to M.G.L. Chapter 94G and its implementing regulations."

2. Except as amended by this Amendment, the terms of the Agreement are hereby ratified and confirmed in all respects.

3. This Amendment may be executed in counterparts, each of which shall be an original and which together shall constitute a single instrument.

[Remainder of page intentionally left blank; signature pages follow]

IN WITNESS WHEREOF, the parties hereto have executed or caused this instrument to be executed, under seal, on the day and year first set forth above.

CITY OF WORCESTER

Approved as to legal form:



**Eric D. Batista
City Manager**



**Alexandra H. Kalkounis
Deputy City Solicitor**

Signatures Continue on Next Page

COMPANY
MUNRO ASSOCIATES, LLC

By: [Signature]

Name:

Title:

COMMONWEALTH OF MASSACHUSETTS

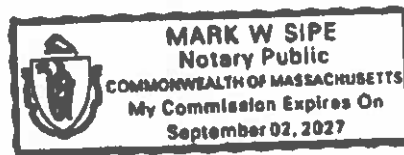
Worcester, ss.

On this 16th day of June 2023, 2023, before me, the undersigned notary public, personally appeared Kevin Munro, as owner of The Vault, proved to me through satisfactory evidence of identification which was, photographic identification with signature issued by a federal or state governmental agency, oath or affirmation of a credible witness, personal knowledge of the undersigned, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose.

[Signature]

Notary Public

My Commission Expires:



**FOURTH AMENDMENT TO
HOST COMMUNITY AGREEMENT
BETWEEN THE CITY AND MUNRO ASSOCIATES, LLC**

This Amendment to the Host Community Agreement (“Fourth Amendment”) is made as of this ____ day of November, 2023, by and between, the City of Worcester, a Massachusetts municipal corporation, located at 455 Main Street, Worcester, Massachusetts 01608 (the “City”), and Munro Associates, LLC, a Massachusetts limited liability company with a principal place of business located at 885 Buffinton Street, Somerset, MA 02726 (“Munro”), and The Vault MA., a duly authorized Massachusetts corporation having a principal place of business at 885 Buffinton Street, Somerset, MA 02726 (the “Company”), and amends that certain Host Community Agreement between the City and the Company dated as of April 11, 2019, as amended (the “Agreement”).

WITNESSETH:

WHEREAS, the City and Munroe entered into the Agreement for a retail Marijuana Establishment located at 342 West Boylston Street, which was later amended to allow for operation at 17 East Mountain Street; and,

WHEREAS, Munroe has undergone a conversion from a limited liability company to a corporation, changed ownership and changed its name to The Vault MA, Inc. (the “Company”), on or about _____, all of which constitute an Assignment under the Agreement (the “Assignment”), which was consented to by the City, as evidenced by letter dated September 12, 2023 and Consented to on October 13, 2023 (the “Consent”), copies of the Consent and evidence of the Assignment are attached hereto as Exhibit B; and

WHEREAS, the Parties are entering into this Amendment to reflect the changes affected by the Assignment;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby amend the Agreement as follows:

1. The recitals set forth above are hereby incorporated into this Agreement by reference. Capitalized terms used in this Amendment and not defined herein shall have the meanings ascribed to them in the Agreement.

2. The defined term “Company” shall now refer to The Vault MA, Inc., a Massachusetts corporation organized and operated under M.G.L. Chapter 156D. A copy of the Articles of Organization is attached hereto as Exhibit C.

3. Acknowledgment of Assignment and Assumption of the Host Community Agreement. Company acknowledges that it is the successor in interest to all of the rights, obligations and interests of Munro, including the Agreement, and hereby acknowledges and accepts the assignment and transfer of the Agreement, and hereby agrees to pay, perform and discharge when due such duties, responsibilities, undertakings, liabilities and other obligations of Company with respect to the Agreement.

4. City Consent. The City consents to the assignment and assumption set forth in Section 3 of this Agreement and in the Assignment, attached hereto as Exhibit B. Notwithstanding any provision to the contrary however, the City's consent shall not be deemed a novation or a release of Munro. No further assignment shall be made without the written consent of the City. Relying on the representations made by Munro, the City hereby consents to the assignment of the Agreement to The Vault MA, Inc., and the Company's assumption of any and all duties and obligations thereunder.

5. The Management and Operations Plan attached as an exhibit to the Agreement is hereby deleted in its entirety and replaced with the Management and Operations Plan attached hereto as Exhibit C.

6. Section 14 of the Agreement is hereby deleted in its entirety and replaced with the following:

"14. NOTICES

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 certified mail or by other reputable delivery service, to the parties at the following addresses:

The City: Eric D. Batista
City Manager
Worcester City Hall
455 Main Street
Worcester, MA 01608

with a copy to: Michael E. Traynor
City Solicitor
Worcester City Hall
455 Main Street
Worcester, MA 01608

Company: The Vault MA, Inc.
885 Buffinton Street
Somerset, MA 02725
Attn: Mike Botelho

with a copy to: Philip C. Silverman, Esq.
Vicente LLP
Prudential Tower
800 Boylston Street, 26th floor
Boston, MA 02199

7. Except as amended by this Amendment, the terms of the Agreement are hereby ratified and confirmed in all respects.

8. The parties hereby confirm that, to their knowledge, neither of them is in default under any of the terms of the Agreement, and that as of the date hereof, no state of facts or circumstances has arisen which, with the giving of notice or passage of time, or both, shall ripen into a default.

9. This Amendment may be executed in counterparts, each of which shall be an original and which together shall constitute a single instrument.

(Signature Page Follow)

COMPANY
THE VAULT MA, INC.

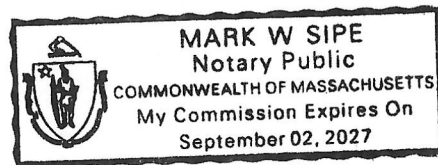
By 
Michael Botelho

COMMONWEALTH OF MASSACHUSETTS

Worcester, ss.

On this 7th day of November, 2023, before me, the undersigned notary public, personally appeared Michael Botelho, President of The Vault, proved to me through satisfactory evidence of identification which was, photographic identification with signature issued by a federal or state governmental agency, oath or affirmation of a credible witness, personal knowledge of the undersigned, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose.


Notary Public
My Commission Expires: 9/2/2027



COMPANY
MUNRO ASSOCIATES, LLC

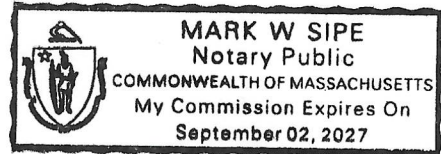
By: 
Kevin Munro

COMMONWEALTH OF MASSACHUSETTS

Worcester, ss.

On this 7th day of November, 2023, before me, the undersigned notary public, personally appeared Kevin Munro, Owner of The Vault, proved to me through satisfactory evidence of identification which was, photographic identification with signature issued by a federal or state governmental agency, oath or affirmation of a credible witness, personal knowledge of the undersigned, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose.


Notary Public
My Commission Expires: 9/2/2027



CITY OF WORCESTER
AND
THE VAULT RETAIL, INC

HOST COMMUNITY AGREEMENT

This Host Community Agreement ("Agreement") is entered into this ____ day of _____ 2024 by and between the city of Worcester, a Massachusetts municipal corporation, located at 455 Main Street, Worcester, MA 01608 ("the City"), and The Vault Retail, Inc. (dba The Vault), a Massachusetts Corporation with a place of business at 885 Buffinton Street, Somerset, Massachusetts 02726 ("the Company").

WHEREAS, the Company is a licensed Marijuana Establishment engaged in retail sales operating since December 11, 2021 ("Commencement Date") at the property located at 17 Mountain Street East, Worcester, Massachusetts 01606 (the "Site") and;

WHEREAS, the Company represents that it will comply with all applicable state and local laws and regulations, including, but not limited to, Massachusetts General Laws Chapters 94G and 94I, and their implementing regulations at 935 CMR 500.000 *et seq.*, and 935 CMR 501.000 *et seq.*, (the "Regulations") as applicable, and such approvals as may be required by the City in accordance with its Board of Health Regulations, General Revised Ordinances and Zoning Ordinance, as may be amended; and

WHEREAS, the Company and the City (collectively the "Parties") intend by executing this Agreement to satisfy the provisions of Chapter 94G, § 3, pertaining to host community agreements as applicable to the licensed operations of the Marijuana Establishment, such operations to be in accordance with applicable zoning, laws or ordinances, as may be amended; and

WHEREAS, the Parties agree to use best efforts to effectuate the purposes of this Agreement and desire to set out the stipulations of responsibilities between the City and the Company as they relate to location and operation of the Marijuana Establishment in the City;

NOW THEREFORE, in consideration of the provisions of this Agreement, the parties agree as follows:

1. SCOPE

The Company agrees to operate a Marijuana Establishment engaged in retail sales, as authorized by the Cannabis Control Commission ("CCC"), on the property located at 17 Mountain Street East, Worcester, Massachusetts 01606 in accordance with the Management and Operations Plan attached hereto as Exhibit A and incorporated herein by this reference. The Management and Operations Plan shall include a detailed summary of the business plan and operating procedures for the Marijuana Establishment, including but not limited to, the qualifications and intended trainings for marijuana establishment agents and equitable policies.

The Marijuana Establishment shall be operated at all times in accordance with the applicable provisions of Chapter 94G and 94I and the Regulations, as they may be amended, and

any regulatory restrictions imposed by the Planning Board, Zoning Board of Appeals, License Commission, Board of Health, Historical Commission, as well as, any regulatory body with jurisdiction over the Site or the license(s), as specified below.

The terms and definitions in this Agreement shall hold the same meaning and definitions as defined by the CCC in 935 CMR 500.000 *et seq.*, and 935 CMR 501.000 *et seq.*, as applicable.

The Company has been approved to operate the following license types at the Site:

- Medical Marijuana Treatment Center
- Marijuana Cultivator (indoor)
- Marijuana Cultivator (outdoor)
- Marijuana Product Manufacturer
- Marijuana Retailer
- Marijuana Microbusiness (Indoor Cultivation & Product Manufacturing)
- Marijuana Microbusiness (Outdoor Cultivation & Product Manufacturing)
- Marijuana Microbusiness (Indoor Cultivation Only)
- Marijuana Microbusiness (Outdoor Cultivation Only)
- Marijuana Microbusiness (Product Manufacturing Only)
- Marijuana Microbusiness (with Delivery Endorsement)
- Craft Marijuana Cooperative
- Marijuana Courier
- Marijuana Delivery Operator
- Marijuana Transporter
- Marijuana Research Facility
- Independent Testing Laboratory
- Standards Laboratory

2. TERM, TERMINATION AND RENEWAL

a. This Agreement shall take effect on March 1, 2024, and shall terminate five (5) years thereafter or until the Company ceases operations of the Marijuana Establishment at the Site, or this Agreement is terminated by the City, whichever is earlier. At the conclusion of the term of this Agreement, if the Company desires to continue to operate a Marijuana Establishment in the

City, the Company may request a new Host Community Agreement from the City. Requests for new Host Community Agreements shall be made in writing to the City no later than six months prior to the expiration of the term of the existing Host Community Agreement and shall be granted in the City's sole discretion, which shall not be unreasonably withheld. Alternatively, the Parties may execute an HCA Waiver.

b. Operation under this Agreement is contingent on the Company obtaining and maintaining Final License from the CCC for operation of the Marijuana Establishment at the Site, and the Company's receipt of any and all local approvals to locate, occupy and operate a Marijuana Establishment in the City.

c. The Company has provided the City herewith a copy of its Final License from the CCC.

d. The Company shall provide the City with written notice of the date it intends to file its annual license renewal application with the CCC, along with a demand for documentation of impact costs, at least thirty (30) days in advance of the intended filing date for the renewal application. The Company shall provide the City written notice within five (5) days of approval by the CCC of each renewal of its Final License. Failure to notify the City in accordance with this provision shall grant the City additional time, equal to the Company's delay, to submit Community Impact Fee ("CIF") invoices to the Company, pursuant to Article 3 of this Agreement

e. If the Company fails to fulfill in a timely and proper manner its obligations under this Agreement, or if the Company violates any of the terms, covenants and conditions of this Agreement, or any state or local law or regulation, then City shall have the right to terminate this Agreement by giving written notice to the Company of such termination and specifying the effective date thereof, said written notice to be given at least ninety (90) days before the effective date of such termination.

f. In the event that Company ceases operations of the Marijuana Establishment at the Site for a period of greater than sixty (60) days without substantial action to reopen, or relocates such operations outside of the City, this Agreement shall be void. The Company shall provide the City with notice no less than ninety (90) days prior to cessation or relocation of operations.

3. COMMUNITY IMPACT FEE

As a result of Company's operation of the Marijuana Establishment, the City may incur both direct and indirect expenses and impacts including, but not limited to, consulting services, administrative services, public health education and substance abuse counseling services, and any necessary and related legal and enforcement costs. To mitigate such direct and indirect financial impacts and expenses to the City, the Company may be required, upon receipt

of an invoice from the City, to pay a CIF in accordance with the requirements set forth in the Regulations.

The City may, in its discretion, mitigate such direct and indirect financial impacts and expenses through the payment of Claimed Impact Fees, in accordance with the requirements set forth in the Regulations.

The provisions of this Article shall expire on **December 11, 2028**.

4. OTHER PAYMENTS

Payments required by Article 3 of this Agreement are wholly separate from other payments, fees or charges required by the City, including but not limited to, purchases of water and sewer, local licensing and local sales tax. Company will pay any and all fees associated with the local permitting of the Marijuana Establishment. If the City receives other payments from the Company, or from the Department of Revenue, or any other source, the funds which have been collected by assessment against the Company, including but not limited to sales taxes imposed by an act of the legislature of the Commonwealth of Massachusetts, the amounts due from the Company to the City under the terms of this Agreement, if any, shall not be reduced by the amount of such other payments.

5. TAXES

At all times during the term of this Agreement, property, both real and personal, owned or operated by the Company shall be treated as taxable, and all applicable real estate and personal property taxes for that property shall be paid either directly by the Company or by its landlord, and neither the 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. Notwithstanding anything in this paragraph, the Company does not waive any rights to challenge the assessed value of the property similar to any other taxpayers in the City. All taxes and charges owed to the City must be paid on a current basis.

The Company acknowledges and affirms its obligations to pay any and all fees associated with sales tax, excise tax on Marijuana and Marijuana Products, or other taxes or fees otherwise provided in M.G.L. Chapters 94G, 64H, and 64N.

6. EQUITY AND LOCAL OPPORTUNITIES

a. **Local Jobs Creation.** The Company will use best efforts to ensure that the hiring preference will be given to City residents with a goal that the breakdown of City residents is 10% minority, 5% women and 15% low-moderate income individuals. The Company shall work with the City's Workforce Development Division and other local employment agencies to further this hiring objective.

b. The Company will use best efforts to purchase supplies, materials, and services from suppliers and vendors located in Worcester and/or vendor services from areas defined as Areas of Disproportionate Impact by the CCC. These best efforts will include requesting

proposals from Worcester suppliers and vendors, giving preference to Worcester suppliers and vendors that are both qualified and competitive. Upon request, the City will provide the Company with a list of Worcester suppliers and vendors from which to request proposals.

c. The Company shall, consistent with applicable laws and regulations, have established goals, programs, and metrics to hire individuals identifying as, people of color, particularly Black, African American, Hispanic, Latinx, and Indigenous People, women, Veterans, people with disabilities, and LGBTQ+ people, and individuals/businesses for employment, supplier services, and/or vendor services from areas defined as Areas of Disproportionate impact by the CCC, as described in Exhibit A attached hereto.

7. REPORTS AND INFORMATION

The City may request the Company to provide such statements, records, reports, data and information, pertaining to matters covered by this Agreement.

8. SECURITY

The Company shall maintain security at its Marijuana Establishment in accordance with the approved security plan presented to the City and the CCC.

9. MISCELLANEOUS PROVISIONS

- a. No Marijuana Establishment shall sell or otherwise distribute marijuana or marijuana related products within the city of Worcester without entering into a Community Host Agreement with the City.
- b. The provisions of this Agreement shall be applicable as long as the Company operates a Marijuana Establishment in the City at the approved location set forth in Article 1 herein.
- c. This Agreement does not affect, limit, or control the authority of any City department, including boards and commissions, to carry out their respective duties in deciding whether to issue or deny any necessary local permits or licenses, required under the laws of the Commonwealth, the Worcester Zoning Ordinance, the License Commission or any other applicable laws and regulations. By entering into this Agreement, the City is not required to issue such permits or licenses. The terms of this Agreement will not constitute a waiver of the City's regulatory authority or of the Company's applicant responsibilities not otherwise addressed by this Agreement.
- d. In the case that the Company desires to relocate the Marijuana Establishment within the city of Worcester it must obtain approval of the new location from the City.
- e. The Company shall not permit marijuana or marijuana products to be ingested, consumed, or smoked on the premises.
- f. The Company agrees to notify the City within three (3) business days of any pending administrative process or legal action brought by the Commonwealth or CCC against the Company concerning the Marijuana Establishment or any related Marijuana Establishment Agent.

- g. The Company shall comply with the CCC's energy regulations provided in 935 CMR 500.105(1)(q), 935 CMR 500.105(15), 935 CMR 500.120(11), 935 CMR 500.130, 9 et seq., and, if applicable, comparative medical regulations.

10. NOTICES

Any notices, legal or otherwise, demands or other communications required or permitted under Sections 2 and 3 of this Agreement, shall be in writing and delivered by hand or mailed, postage prepaid, return receipt requested, by certified mail or by other reputable delivery service, to the parties at the following addresses:

The City: Eric D. Batista
City Manager
Worcester City Hall
455 Main Street
Worcester, MA 01608

with a copy to: Michael E. Traynor, Esquire
City Solicitor
Worcester City Hall
455 Main Street
Worcester, MA 01608

Company: The Vault Retail, Inc.
855 Buffinton Street
Somerset, MA 02726

with a copy to: Philip C. Silverman, Esq.
Vicente LLP
Prudential Tower
800 Boylston Street, 26th floor
Boston, MA 02199

Any and all other notices, requests, approvals, or other communications required or permitted under this Agreement shall be made electronically to the emails identified below for the respective parties:

The City: cannabis@worcesterma.gov

The Company: Mike.botelho@thevaultma.com

11. APPLICABLE LAW

The law of the Commonwealth of Massachusetts shall govern the validity, interpretation, construction and performance of this Agreement. The Parties agree that the venue shall be in any court of competent jurisdiction located in the Commonwealth of Massachusetts. The Parties agree that this Agreement is governed by the Public Records Law as set forth in M.G.L. Chapter 66, § 10.

12. ASSIGNMENT

The qualifications and identity of the Company is of particular concern to the City, and it is because of its qualifications and identity that the City has entered into this Agreement with the Company. The Company shall not assign or otherwise transfer this Agreement, in whole or in part, without the prior written consent of the City, said consent not to be unreasonably withheld. No voluntary or involuntary successor in interest of the Company shall acquire any rights or powers under this Agreement without the prior written consent of the City. Any change in control of the company resulting from a merger, consolidation, stock transfer or asset sale shall be deemed an assignment or transfer for purposes of this Agreement that requires the City's prior written consent,

13. SEVERABILITY

If any provision of this Agreement is held invalid by any court or body of competent jurisdiction, the remainder of this Agreement shall remain in full force and effect, and the parties shall renegotiate in good faith any provision held invalid.

14. HEADINGS

The section headings in this Agreement are for convenience and reference only and in no way define or limit the scope or content of this Agreement or in any way affect its provisions.

15. AMENDMENTS

The Parties may amend, modify or waive the terms of this Agreement only by mutually executed written agreement, executed in accordance with the current regulations and laws, as such may be amended or replaced.

16. COUNTERPARTS

This Agreement may be signed in any number of counterparts all of which taken together, each of which is an original, and all of which constitute one and the same instrument, and any party hereto may execute this Agreement by signing one or more counterparts.

17. ACKNOWLEDGMENT

Each of the parties acknowledges that it has been advised by counsel, or had the opportunity to be advised by counsel, in the drafting, negotiation, execution and delivery of this Agreement, and has actively participated in the drafting, negotiation, execution and delivery of this Agreement. In no event will any provision of this Agreement be construed for or against either party as a result of such party having drafted all or any portion hereof.

18. SIGNATURES

Facsimile and electronic signatures affixed to this Agreement shall have the same weight and authority as an original signature.

19. ENTIRE AGREEMENT

This Agreement contains the entire understanding of the parties and supersedes all prior agreements, including any amendments thereto, representations, proposals and undertakings of the parties.

[signature page to follow]

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

COMPANY:
The Vault Retail, Inc.

By: _____
Name:
Title:
Date:

COMMONWEALTH OF MASSACHUSETTS

Worcester, SS. _____

On this _____ day of _____, 2024, before me, the undersigned notary public personally appeared _____ and proved to me through satisfactory evidence of identification being Driver's license or other state or federal government document bearing a photographic image; Oath of affirmation of credible witness known to me who knows the above signatory, or My own personal knowledge of the identity of the signatory, to be the person whose name is signed above; and acknowledged to me that he/she signed the foregoing document voluntarily for its stated purpose.

Notary Public: _____
My Commission Expires: _____

CITY OF WORCESTER

Approved as to legal form:

Eric D. Batista
City Manager

Alexandra H. Kalkounis
Deputy City Solicitor

DRAFT

EXHIBIT A

DRAFT

EQUITY POLICY

DRAFT



The Commonwealth of Massachusetts
Secretary of the Commonwealth
State House, Boston, Massachusetts 02133

William Francis Galvin
Secretary of the
Commonwealth

November 15, 2023

TO WHOM IT MAY CONCERN:

I hereby certify that a certificate of organization of a Limited Liability Company was filed in this office by

MUNRO ASSOCIATES LLC

in accordance with the provisions of Massachusetts General Laws Chapter 156C on **October 17, 2018**.

I further certify that said Limited Liability Company has filed all annual reports due and paid all fees with respect to such reports; that said Limited Liability Company has not filed a certificate of cancellation; that there are no proceedings presently pending under the Massachusetts General Laws Chapter 156C, § 70 for said Limited Liability Company's dissolution; and that said Limited Liability Company is in good standing with this office.

I also certify that the names of all managers listed in the most recent filing are: **KEVIN T. MUNRO, BRIAN E. MUNRO, DEAN A. MUNRO**

I further certify, the names of all persons authorized to execute documents filed with this office and listed in the most recent filing are: **KEVIN T. MUNRO, BRIAN E. MUNRO, DEAN A. MUNRO**

The names of all persons authorized to act with respect to real property listed in the most recent filing are: **KEVIN T. MUNRO, BRIAN E. MUNRO, DEAN A. MUNRO**

In testimony of which,

I have hereunto affixed the

Great Seal of the Commonwealth

on the date first above written.

William Francis Galvin

Secretary of the Commonwealth

