

TOWN OF BROOKLINE
AND
NEW ENGLAND TREATMENT ACCESS, INC.

HOST COMMUNITY AGREEMENT

THIS HOST COMMUNITY AGREEMENT ("Agreement") is entered into this ____ day of December, 2015 by and between New England Treatment Access, Inc., a Massachusetts not-for-profit corporation with a principal office address of 5 Forge Parkway, Franklin, Massachusetts 02038 (the "Company"), and the Town of Brookline, a Massachusetts municipal corporation with a principal address of 333 Washington Street, Brookline, Massachusetts 02445 (the "Town"), acting by and through its Town Administrator.

WHEREAS, the Company wishes to locate a Registered Marijuana Dispensary ("RMD") facility at 160 Washington Street in the Town in accordance with regulations issued by the Commonwealth of Massachusetts Department of Public Health ("DPH"); and

WHEREAS, the Company intends to make certain voluntary payments to the Town in the event that it receives a final certificate of registration to operate an RMD facility (the "DPH License") and receives all other required permits and approvals;

NOW THEREFORE, in consideration of the provisions of this Agreement and other good and valuable consideration, the receipt of which is hereby acknowledged, the Company offers and the Town accepts this Agreement as follows:

1. The Company agrees to make annual payments to the Town, in the amounts and under the terms provided herein (the "Funds"). The Funds shall be deposited into the Town's General Fund and the use of such Funds shall comply with and be consistent with any and all applicable DPH regulations and other Federal or state laws and regulations related to the Company or the Town, as determined by the Attorney General's Office, DPH, the Courts or other administrative bodies or any other responsible governing authorities.

2. Commencing with calendar year 2016, the Company shall make annual payments to the Town, within ninety (90) days after the end of each respective calendar year, in an amount equal to one and one-half percent (1.5%) of gross revenues per year generated by the Company solely in the Town in such calendar year, subject to the following maximum amounts for each respective calendar year:

- (a) 2016: \$125,000
- (b) 2017: \$250,000
- (c) 2018: \$300,000
- (d) 2019: \$325,000
- (e) 2020: \$350,000
- (f) Thereafter: 102.5% of the prior calendar year's maximum amount.

3. Commencing with calendar year 2016, the Company shall make gift payments to the Brookline Community Foundation (the "Foundation"), as the Town's Primary Grant Recipient, matching the annual amounts to the Town according to the schedule appearing in Section 2 above. These gift payments shall be subject to the terms set forth in a separate agreement between the Company and the Foundation; provided, however, that such gift payments to the Foundation will be made within ninety (90) days after the end of each calendar quarter to the extent that they are owed, and will be deposited in an endowed Field of Interest Fund focusing on health and wellness, which shall be named the "NETA Fund" or other name mutually agreed to by the Foundation and the Company, and shall be used solely for charitable purposes as more fully set forth in such separate agreement.

4. Notwithstanding the foregoing, the parties hereto acknowledge that any such payments by the Company to the Town and the Foundation hereunder are conditioned upon the Company's receipt of the DPH License and all other required permits and approvals, including without limitation an RMD license from the Town's Board of Selectmen (the "Brookline License").

5. In the event that the Town modifies the Brookline License or the conditions therein, in a manner that could reasonably be expected to result in a material adverse effect on the Company's business and operations (financial or otherwise), the Company may elect to give notice to the Town of such adverse effect, in which case this Agreement shall be null and void and the parties hereby agree to negotiate in good faith a revised Agreement.

6. In the event that the Town enters into a host community agreement with another RMD that contains terms more favorable to that RMD than the terms contained in this Agreement, the parties shall reopen this Agreement and negotiate an amendment resulting in terms that are no less favorable to the Company as those entered into with the other RMD.

7. In the event that there is a change in circumstances such that the Town is legally authorized to impose a tax against the revenue of the Company, and the Town imposes such a tax, and the majority of Massachusetts municipalities located within a 25 mile radius of the Town and where RMDs are located elect not to impose such a tax within one (1) year of the effective date of such legal authorization, then payment under Section 2 above shall be reduced on a pro rata basis such that the total annual payments to the Town on account of the aggregate of all such taxes and payments hereunder shall not exceed one and one-half percent (1.5%) of gross revenues or the amount of such tax if greater than one and one-half percent (1.5%). The Town also agrees that the tax that is imposed by the Town shall not exceed the tax most frequently imposed by such other Massachusetts communities exercising such authority.

8. The provisions of this Agreement shall be applicable as long as the Company operates an RMD facility in the Town pursuant to a license issued by the DPH and all other required permits and approvals. Notwithstanding the foregoing, the obligations of the Company and the Town under this Agreement are specifically contingent upon the Company obtaining the DPH License for operation of an RMD facility in the Town and the Company's receipt of any and all necessary local approvals to locate, occupy and operate

an RMD facility in the Town. This Agreement shall be null and void in the event that the Company does not locate or operate an RMD facility in the Town or relocates such RMD facility outside of the Town.

9. The Town agrees that a representative of the Town shall act as the primary liaison between the Town and the Company. This Agreement shall not affect, limit, or control the authority of Town boards, commissions, and departments to carry out their respective powers and duties to decide upon and to issue, or deny, applicable permits and other approvals under the statutes and regulations of the Commonwealth, the General and Zoning Bylaws of the Town, or applicable regulations of those boards, commissions, and departments, or to enforce said statutes, Bylaws, and regulations. The parties acknowledge that the Town, by entering into this Agreement, is not thereby required or obligated to issue such permits and approvals as may be necessary for the RMD facility to operate in the Town, or to refrain from enforcement action against the Company and/or its RMD facility for violation of the terms of said permits and approvals or said statutes, Bylaws, and regulations.

10. In the event that the Company purchases real property in Brookline, Massachusetts for use as a RMD, the value of such property shall be treated as taxable. In the event that such use is deemed exempt from taxation, the Company shall enter into a Payment in Lieu of Taxes Agreement ("PILOT Agreement") with the Town that shall be equal to the amount that the Company would otherwise pay in property taxation, but the Company shall reserve 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 under applicable Massachusetts law, shall be exempt from the payment of taxes on personal property to the same extent as similarly classified organizations and facilities operating within the Town.

11. This Agreement applies solely to the operations of the RMD under the DPH License. If, during the term of this Agreement, it becomes permissible under Massachusetts law for the Company to sell or distribute marijuana at the Brookline RMD for purposes other than those initially authorized by the DPH License, the parties shall renegotiate the terms of this Agreement, including, but not limited to, the payment percentages and annual maximum amount of payments made to the Town, with the understanding that any such renegotiation must comply with and be consistent with any and all applicable DPH regulations and other Federal or state laws and regulations. In no event shall the maximum amount of payments described in Section 2 and 3 herein be reduced in such instance, unless said Massachusetts law or related state or local regulations can reasonably be expected to result in a material adverse effect on the Company's business and operations (financial or otherwise), or if necessary to comply with laws or regulations enacted or amended by the Commonwealth of Massachusetts or any of its agencies.

12. This Agreement is binding upon the parties hereto, their successors, assigns and legal representatives.

13. Any and all notices or other communications required or permitted under this Agreement shall be in writing and delivered by mail 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 deposited with the U.S. Postal Service or, if sent by private overnight or other delivery service, when deposited with such delivery service.

14. 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.

15. Each party shall bear its own costs and expenses arising from the consideration of, and any negotiations relating to, this Agreement.

16. This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Massachusetts, and the Company submits to the jurisdiction of any of its appropriate courts for the adjudication of disputes arising out of this Agreement.

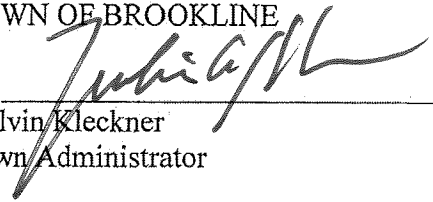
17. This Agreement, including all documents incorporated herein by reference, constitutes the entire integrated agreement between the Company and the Town with respect to the matters described herein. This Agreement supersedes all prior agreements, negotiations and representations, either written or oral, and it shall not be modified or amended except by a written document executed by the parties hereto.

18. The individuals signing below have full authority to do so by the entity on whose behalf they have signed.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

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

TOWN OF BROOKLINE

By: 
Melvin Kleckner
Town Administrator

NEW ENGLAND TREATMENT ACCESS, INC.

By: 3/7/16
Arnon Vered
Executive Director