

TOWNSHIP OF WEST AMWELL
and
GREEN MEDICINE NJ
HOST COMMUNITY AGREEMENT

THIS HOST COMMUNITY AGREEMENT ("Agreement") is entered into this 29th day of April 2022 by and between Green Medicine NJ LLC, a limited liability company organized and existing under the laws of the State of New Jersey with an address at 638 Brunswick Pike West Amwell Township, NJ 08530 (the "Company"), and the Township Of West Amwell, with a principal address of 150 Rocktown Lambertville Road, Lambertville, NJ 08530 (the "Township"), acting by and through its Township Committee.

WHEREAS, the Company's application for a cultivation permit dated August 22, 2019, was approved by the New Jersey Cannabis Regulatory Commission (the "CRC") for the Company to cultivate medicinal cannabis under a 30,000 square foot canopy in the Central Region of New Jersey (the "State License");

WHEREAS, the Township issued a letter of support dated August 14, 2019 to the New Jersey Department of Health in support of the Company's application for a State License and indicated that the operation of the Facility in the Township was in keeping with the Township's Master Plan ("Township Support Letter");

WHEREAS, it is the intention of the Company to engage in the cultivation of cannabis for medicinal purposes through a facility to be located at 638 Brunswick Pike, West Amwell, New Jersey (the "Facility") as may be permitted by the CRC, or such other state licensing or monitoring authority, as the case may be, and for those purposes operate in the Township; and

WHEREAS, in accordance with §130-8(D) of Chapter 62 of Cannabis Business Licensing, Registration and Business Regulations of the Code of the Township of West Amwell as amended by Ordinance 09, 2021 (the "Township Code"), the Company desires to enter into this Agreement to provide certain benefits to the Township.

NOW THEREFORE, in consideration of the provisions of this Agreement, the Company and the Township enter into this Agreement in accordance with the provisions of the Township Code, on the following terms:

1. Benefits to the Township.

1.1. Annual Contributions. The parties anticipate that the Township may incur additional expenses and impacts on the Township's road system, law enforcement, fire protection services, inspectional and permitting services, public health services, and potential additional unforeseen impacts. Accordingly, in order to mitigate the financial impact on the Township and the use of Township resources, the Company shall provide as compensation to the Township, in the amounts and under the terms provided herein set forth in Section 1.2 and Section 1.3 (collectively, the "Annual Contributions"). Payments to the Township shall be made to the Chief Financial Officer of the Township in a manner similar to New Jersey Statutes Title 40 Chapter 40:48I-1c.(1) of the Municipalities and Counties in accordance with the terms of this Agreement. While the purpose of this Agreement is to assist the Township in addressing the potential health, safety, and other effects or impacts of the Facility may have on the Township and on municipal programs, services, personnel, and facilities, the Township may expend the Annual Contributions at its sole and absolute discretion, as determined by the Township Committee. Notwithstanding the Annual Contributions, nothing shall prevent the Company from making additional payments from time to time to causes that will support the Township, including but not limited to local drug abuse prevention/treatment/education programs.

1.2. Gross Sales. The Company agrees to pay to the Township for each Calendar Year (hereinafter defined) during which the Facility is open and engaged in cultivation and/or wholesale sales activities, two percent (2%) of the amount of annual gross revenue derived from the Company's operation from the sale of medicinal cannabis ("Gross Sales Contribution") during each Calendar Year (hereinafter defined). The first Gross Sales Contribution shall be made on the first day of the thirteenth month following the date of commencement of sales from the Company's Facility located in the Township (the "Sales Commencement Date") and each year on the same date thereafter. "Calendar Year" means each 12-month period commencing January 1st and ending December 31st. With regard to any year of operation for the Facility, which is not a full Calendar Year, the applicable Gross Sales Contribution shall be calculated based upon gross sales during the period of occupation of the Facility during that Calendar Year within the Township.

1.3. Community Fee. Upon the (i) 18-month anniversary of the issuance of the construction permit from the Township or (ii) first documented sale by the Company, whichever occurs first, the Company shall within thirty (30) days' pay the Township (such later date, the "Payment Date"), a fee of \$100,000 (the "Community Fee"). The Community Fee shall thereafter be paid on the anniversary of the Payment Date for a period of four years for a total of \$500,000. The Company also agrees to pay the Township, a one-time Community Park commitment fee \$50,000 upon the issuance of last of the Approvals (hereinafter defined) to be earmarked toward the Company and Townships cooperation and combined effort to plan, design, collectively campaign and solicit support and funding by the community and other Township business entities for the Community Park.

1.4. Annual Sales Statement. The Company shall notify the Township when the Company commences sales within the Township. On or before March 1st of each year, the Company shall provide the Township with the following: a certified statement from the Company's accountant verifying the gross sales from the Facility for the preceding Calendar Year (the "Annual Statement"). The Company shall also provide the Township with copies of any of its periodic financial filings with the CRC documenting gross revenues.

2. Commitment to Community.

2.1. Educational Programs. If requested by the Township, the Company agrees to provide staff to participate in, and/or funding for, Township-sponsored educational programs on public health and drug abuse prevention.

2.2. Health and Public Safety. The Company will work cooperatively with Township health and public safety departments to mitigate any potential negative impacts of the Facility on the Township's emergency response services.

2.3. Township and Community Meetings. The Company will have direct discussions with the Township Committee and/or participate in community discussions related to cannabis activities as may be requested by the Township. The number of meetings and discussions shall be no more than four per annum.

2.4. Cooperation with Police and Fire Departments. The Company shall maintain a cooperative relationship with the Township Police and Fire Department, including but not limited to periodic meetings to review operational concerns, security, delivery schedule and procedures, cooperation in investigations, and communication to the Police Department of any suspicious activities on or in the immediate vicinity of the Facility. The Company will provide the Police Department with (i) an immediate automatic or electronic notification alert to an unauthorized breach of security or an alarm or system failure at the Facility; (ii) access to the real-time camera footage in case of an emergency; (iii) recordings of the security camera surveillance tapes for a period not to exceed thirty (30) days within twenty-four (24) hours of a written request; and (iv) the name and phone number of a staff person to notify of suspicious activity during or after operating hours.

2.5. Employment Opportunities for Residents. The Company shall make efforts to hire qualified employees who are Township residents to the extent consistent with the law and with the demands of the Company's business. The Company shall also endeavor, in a good faith, legal, nondiscriminatory manner to use local vendors, suppliers, contractors and builders where possible. Township residency shall be a positive factor in hiring decisions at the Facility.

3. Taxes. Payment of any applicable taxes by the Company shall be in addition to the Annual Contributions. Nothing herein shall be construed to exempt the Facility from payment of local, state and federal taxes.

4. Contingency. The Township has indicated in the Township Support Letter and in its recent letter to the CRC dated October 26, 2021, that it will work with the Township Planning Board, Construction Department and Board of Health to facilitate the Company's efforts to obtain all permits necessary to begin construction. The obligations of the Company and the Township recited in Section 1.3 are specifically contingent upon the Company obtaining any and all necessary local approvals to locate, occupy, and operate the Facility in the Township (collectively, the "Approvals"), including but not limited to, a Certificate of Occupancy from the Township Building Inspector, Planning Board approval, any necessary permits from the Construction Department and the Board of Health, Zoning Board of Adjustment with all appeal periods exhausted without appeal, or if litigation of any nature relative to the site, use, or operation is pending, then the Company's obligations are contingent upon satisfactory resolution and order by a court of competent jurisdiction allowing siting, use and operation satisfactory to the Company.

5. Compliance with Laws. The Company agrees to comply with all state and local laws, rules, regulations and orders applicable to the Facility, such provisions being incorporated herein by reference, and shall be responsible for obtaining all necessary licenses, permits, and approvals required for the performance of such work.

6. Township Powers. This Agreement does not affect, limit, or control the authority of Township 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 New Jersey, the general and zoning laws of the Township, or applicable regulations of those boards, commissions, and departments, or to enforce said statutes, bylaws, and regulations. The Township, by entering into this Agreement, is not thereby required or obligated to issue such permits and approvals as may be necessary for the Facility to operate in the Township, or to refrain from enforcement action against the Company and/or its Facility for violation of the terms of said permits and approvals or said statutes, bylaws, and regulations.

7. Material Change in Circumstances. In the event that there is a material change in circumstances such that the Company's business fails to perform as expected such that compliance with this Agreement would cause a substantial burden on the Company, the Township and the Company agree to work together towards alleviating the said burden in effort to allow the Company continued operation.

8. Miscellaneous.

8.1. Successors and Assigns. This Agreement is binding upon the parties hereto, their successors, assigns and legal representatives. Neither the Township nor the Company shall assign or otherwise transfer any interest in the Agreement, in whole or in part, without prior the written consent of the other, which shall not be unreasonably withheld, delayed, or conditioned.

8.2. Compliance with Laws. The Company agrees to comply with all laws, rules, regulations and orders applicable to the Facility, such provisions being incorporated herein by reference, and shall be responsible for obtaining all necessary licenses, permits, and approvals required for the performance of such work.

8.3. Notices. Any and all notices, consents, demands, requests, approvals or other

communications required or permitted under this Agreement, shall be in writing and delivered in person, by Federal Express or similar overnight next business day delivery, or by email delivery followed by overnight next business day delivery, at the following addresses:

If to the Township:

Township Committee
Township of West Amwell
150 Rocktown Lambertville Road
Lambertville, NJ 08530
Attn: Maria Andrews
Email: clerk@westamwelltp.org

If to the Company:

Green Medicine NJ LLC
638 Brunswick Pike
West Amwell Township, NJ 08530
Attn: Ruben Baerga
Email: ruben@greenmedicinenj.com

With a copy to:

Feuerstein Kulick, LLP
420 Lexington Avenue
Suite 2024
New York, NY 10170
Attn: Mitch Kulick, Esq.
Email: mitch@dfmklaw.com

8.4. Enforceability. 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.

8.5. Governing Law. This Agreement shall be governed by, construed and enforced in accordance with the laws of New Jersey and the Company submits to the jurisdiction of any of its appropriate courts for the adjudication of disputes arising out of this Agreement. This Agreement may be executed by an electronically transmitted signature and/or in any number of counterparts, each of which shall be deemed and agreed to be an original, but all of which, taken together, or with appended counterpart signature pages, shall constitute one and the same instrument. It shall be sufficient that the signature of each party appears on one or more such counterparts or counterpart signature pages.

8.6. Entire Agreement. This Agreement, including all documents incorporated herein by reference, constitutes the entire integrated agreement between the Company and the

Township 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.

8.7. Third Parties. Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either Township or the Company.

8.8. Term. This Agreement shall continue in effect for so long as Company operates the Facility within the Township.

8.9. Confidentiality. This Agreement and its terms shall be held strictly confidential by the Township and the Company and may be disclosed only as required by law or governmental order or regulation.

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

TOWNSHIP OF AMWELL

By: James Cally
Name: James Cally
Title: Mayor, West Amwell Twp.

GREEN MEDICINE NJ LLC

By: Cheryl Sullivan
Name: Cheryl Sullivan
Title: CEO