

DEVELOPMENT AGREEMENT

This Development Agreement (this “Agreement”) dated as of this ___ day of October, 2021 (the “Effective Date”) by and between the Town of Princeton, a Massachusetts municipality having a usual place of business at 6 Town Hall Drive, Princeton, MA 01541 (the “Town”), acting by and through its Select Board (the “Board”), and _____, a _____ having a usual place of business at _____ (the “Developer”).

RECITALS

Whereas, the Developer has entered into a contract to purchase a parcel of land consisting of approximately 54.99 acres, more or less, located at 0 Beaman Road, Princeton, MA 01541 (the land and all buildings thereon hereinafter referred to as the “Premises”); and

Whereas, the Developer is in the business of owning and developing property, among other things; and

Whereas, upon finalizing its purchase of the Premises, the Developer seeks to lease space to at least four (4) tenants for the purposes of cultivating and manufacturing or processing cannabis on the Premises, each subject to a Host Community Agreement (“HCA”) entered into with the Town; and

Whereas, the Developer desires that the various tenants to be located on the Premises operate as a cooperative, in that they share certain facilities at the Premises, including, among other things, a barn structure; and

Whereas, the Developer and the Town desire to memorialize certain aspects of the Developer’s use of the Premises, including uniform provisions to be included in the HCAs for the four (4) tenants it will lease to, and additional entities in the future, all as provided herein.

AGREEMENT

Now, therefore, in consideration of the recitations set forth above and the mutual promises set forth below, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, hereby covenant and agree as follows:

1. Incorporation of Recitals. The Recitals are hereby incorporated herein by this reference.
2. Use of the Premises. The Developer shall lease space on the Premises to others for use as outdoor cannabis growth and manufacturing facilities. Each such separate space is referred to herein as a “Farm”.
3. Lease to Tenants. The Developer shall lease space to a minimum of four (4) cannabis cultivators and manufacturers and may lease space to additional tenant-cultivators and manufacturers as space on the Premises permits and as approved by the Town.

4. Identification of Initial Tenants. The four entities the Developer proposes to enter into leases with and which will initially comprise the cooperative are: Crucial, Inc., a Massachusetts corporation; Candid, Inc., a Massachusetts corporation; Kind Cannabis, Inc., a Massachusetts corporation; and Kurativ, Inc., a Massachusetts corporation.

5. Conformity to Law. The Developer shall not use the Premises, or permit the Premises to be used, for any purpose or in any way that is prohibited by any applicable law, statute, regulation or bylaw. Nothing herein shall obligate the Town, or any of its public bodies, to grant any permit, special permit, variance, license or approval with respect to the Premises.

6. Entry into HCAs. Tenants intending to lease space for the cultivation and manufacture of cannabis products on the premises shall make application to and in all ways adhere to the processes of the Town in seeking to enter into HCAs, including but not limited to, holding community outreach meetings, appearing before the Board, as requested by the Board, and doing those other things reasonably required by the Board. The Town shall not be obligated to enter into an HCA with a tenant that does not otherwise satisfy the Town's requirements in all respects.

7. HCA Terms. Each HCA entered into pursuant to this Agreement shall contain the following attributes:

- a. RME Payments. Tenants entering into HCAs shall make RME payments in an amount equal to two and one-quarter percent (2.25%) of the gross sales at each Farm located at the Premises (the "RME Payments").
- b. Limits to RME Payments. The annual amount of RME Payments from each Farm located at the Premises shall not be less than Twenty-Five Thousand and No/100 Dollars (\$25,000.00) and shall not exceed Seventy-Five Thousand and No/100 Dollars (\$75,000.00).
- c. Proximity. There shall be no restrictions regarding the proximity of any tenant's Farm to another tenant's Farm used for outdoor cultivation. However, each such Farm shall in all manners adhere to the statutes of the Commonwealth of Massachusetts and the rules promulgated by the Cannabis Control Commission (the "CCC").
- d. Security Fencing. A security fence surrounding the perimeter of all Farms on the Premises shall be installed in satisfaction of applicable CCC rules. For the avoidance of doubt, "the perimeter of all Farms" shall be read to mean all Farms in the aggregate and not each Farm.

7. Breach and Remedies. The failure of either party to this Agreement to comply with any of the terms of this Agreement shall constitute a material breach of this Agreement, and the non-breaching party shall have all of the rights and remedies provided herein and in applicable law, including, without limitation, the right to cancel, terminate or suspend the Agreement in whole or in part, the right to maintain any action at law or in equity and the right to seek damages. Remedies for breach are cumulative and not exclusive, and the non-breaching party's choice of one remedy shall not preclude the non-breaching party from pursuing any other remedy. The provisions of this clause shall survive any termination of the Agreement.

8. Tax Compliance. The Developer hereby certifies, under the penalties of perjury, pursuant to G.L. c. 62C, § 49A, that the Developer is in full compliance with all laws of the Commonwealth of Massachusetts relating to taxes and the payment of child support. The provisions of this clause shall survive any termination of the Agreement.

9. Debarment or Suspension. The Developer hereby certifies that it has not been debarred or suspended from contracting with the Commonwealth of Massachusetts or any of its agencies, departments or subdivisions, and agrees that it will not contract for goods or services from a debarred or suspended subcontractor in performing this Agreement.

10. Licenses and Permits. The Developer shall be responsible, at its own cost, for obtaining and maintaining any licenses, permits and/or approvals necessary to develop and lease the Premises. The Developer shall submit copies of such licenses, permits and approvals to the Town upon request.

11. Assignment. The Developer may not assign its rights or delegate its obligations under this Agreement without the express, prior, written consent of the Town, which consent shall not be unreasonably withheld, delayed or conditioned.

12. Binding on Successors. This Agreement shall be binding upon the Developer and its permitted successors, assigns and transferees.

13. Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, illegal or unenforceable, or if any such term is so held when applied to any particular circumstance, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, or affect the application of such provision to any other circumstances, and this Agreement shall be construed and enforced as if such invalid, illegal or unenforceable provision were not contained herein.

14. Waiver. The obligations and conditions set forth in this Agreement may be waived only by a writing signed by the party waiving such obligation or condition. Forbearance or indulgence by a party shall not be construed as a waiver, nor limit the remedies that would otherwise be available to that party under this Agreement or applicable law. No waiver of any breach or default shall constitute or be deemed evidence of a waiver of any subsequent breach or default. The provisions of this clause shall survive any termination of the Agreement.

15. Amendment. This Agreement may be amended only by a writing signed by both parties duly authorized thereunto.

16. Governing Law. This Agreement shall be governed by and construed in accordance with the substantive law of the Commonwealth of Massachusetts, without regard to the conflicts of laws provisions thereof. The provisions of this clause shall survive any termination of the Agreement.

17. Venue. The Developer agrees that if it commences any legal action against the Town hereunder or in connection herewith said action shall be commenced and maintained only in (1) the United States District Court for the District of Massachusetts sitting in Worcester, Massachusetts; (2) the Worcester Superior Court; or (3) the Leominster District Court. The

Developer consents to suit in each of the aforesaid Courts, hereby agreeing that each such Court will have personal jurisdiction over the Developer in connection with any action brought by the Town against the Developer hereunder or in connection herewith. The provisions of this clause shall survive any termination of the Agreement.

18. Headings. The paragraph headings herein are for convenience only, are no part of this Agreement and shall not affect the interpretation of this Agreement. The provisions of this clause shall survive the delivery of the deed and any termination of the Agreement.

19. Construction. This Agreement shall be liberally construed to accomplish the purpose of ensuring that the Premises are maintained in accordance with the terms and conditions contained herein and that they be put to one or more lawful uses. In the event that a court of competent jurisdiction finds any of the terms or conditions hereof to be ambiguous, the same shall be construed to accomplish such purpose and without reference to the rule of contractual interpretation that ambiguities are construed against the draftsman, as the parties acknowledge they each had ample opportunity to negotiate this Agreement. The provisions of this clause shall survive any termination of the Agreement.

20. Notices. Any notice permitted or required hereunder to be given or served on either party by the other shall be in writing signed in the name of or on behalf of the party giving or serving the same. Notice shall be deemed to have been received at the time of actual receipt of any hand delivery or three (3) business days after the date of any properly addressed notice sent by mail as set forth below.

- a. To the Town. Any notice to the Town hereunder shall be delivered by hand or sent by registered or certified mail, return receipt requested, postage prepaid, to:

Sherry Patch
Town Administrator
Princeton Town Hall
6 Town Hall Drive
Princeton, MA 01541

with a copy to:

Thomas A. Mullen, P.C.
Attn: Thomas A. Mullen, Esq.
40 Salem Street
Building 2, Suite 2
Lynnfield, MA 01940

or to such other address(es) as the Town may designate in writing to the Developer.

- b. To the Developer. Any notice to the Developer hereunder shall be delivered by hand or sent by registered or certified mail, return receipt requested, postage prepaid, to:

with a copy to:

Fleming, Yatooma & Borowicz, PLC
Attn: Mark R James, Esq.
1615 S. Telegraph Rd.
Bloomfield Hills, MI 48302

or to such other address(es) as the Developer may designate in writing to the Town.

The provisions of this clause shall survive any termination of the Agreement.

21. Complete Agreement. This Agreement constitutes the entire agreement between the Town and the Developer concerning the subject matter hereof, superseding all prior agreements and understandings. There are no other agreements or understandings between the parties concerning the subject matter hereof. The Developer acknowledges that it has not relied on any representations by the Town or by anyone acting or purporting to act for the Town or for whose actions the Town is responsible, other than the express, written representations set forth herein and in any document expressly incorporated herein. The provisions of this clause shall survive any termination of the Agreement.

22. Liability of Public Officials. To the fullest extent allowed by law, the Developer hereby agrees that no elected or appointed official, officer, employee, servant, agent or representative of the Town shall be individually or personally liable on or with respect to any obligation of the Town hereunder. The provisions of this clause shall survive any termination of the Agreement.

23. Conflicts of Interest. The Developer agrees that it will not engage in any conduct which violates, or induces another to violate, the provisions of G.L. c. 268A regarding the conduct of public employees in general and conflicts of interests involving such employees in particular. No official, officer, employee, agent, servant or representative of the Town who exercises any functions or responsibilities in awarding this Agreement or the performance or enforcement hereof shall (a) participate in any decision relating to this Agreement which affects his personal interest or the interest of any corporation, partnership or association in which it is directly or indirectly interested; or (b) have any interest, direct or indirect, in this Agreement or the proceeds thereof. The Developer represents and agrees that (a) it presently does not have and will not acquire any interest, direct or indirect, which would conflict in any manner with the services to be performed hereunder, constitute a violation of G.L. c. 268A or give rise to the appearance of a conflict of interest; (b) if the Developer becomes aware of any such conflict of interest it will immediately and fully inform the Town thereof, in writing, and should counsel for the Town determine that a conflict of interest does exist, the Town shall have the right to terminate this Agreement forthwith, without liability for premature termination; and (c) the Developer shall not at any time during the term of this Agreement hire any Town official, officer, employee, agent, servant or representative who participated to any extent in the negotiations leading to the execution of this Agreement, the

decision to award this Agreement and/or the supervision or oversight of the performance of the Developer of its obligations hereunder. The provisions of this clause shall survive any termination of the Agreement.

24. Subject to Appropriation. Notwithstanding anything in this Agreement or elsewhere to the contrary, payments which the Town is required to make hereunder (if any) shall be subject to appropriation or other availability of funds as certified by the Town Accountant.

25. Statutory Compliance. Wherever applicable law, including, without limitation, G.L. c. 30B regarding public procurement of goods and services, mandates the inclusion of any term or provision in municipal contracts, this Section shall be understood to import such term or provision into this Agreement. To whatever extent any provision of this Agreement may be inconsistent with any statute, regulation, bylaw or other law, such law shall control. The provisions of this clause shall survive any termination of the Agreement.

26. Time of the Essence. The parties agree that time is of the essence in this Agreement. The provisions of this clause shall survive any termination of the Agreement.

(Signatures on following page)

IN WITNESS WHEREOF, the parties have set their hands and seals as of the date first written above.

TOWN OF PRINCETON
By its Select Board

_____,
a _____

Karen Cruise
Chair: Select Board

By: _____
Name: _____
Its: _____

Richard Bisk
Member: Select Board

Matthew Moncreaff
Member: Select Board