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**LIST OF AUTHORIZED SIGNATORIES  
(EXHIBIT B)**

This exhibit must be completed and submitted as part of the application.

Corporation Name: Good Chemistry Massachusetts, Inc.

Application # (if more than one): 1

	<b>Name</b>	<b>Role within the Corporation</b>
<b>1</b>	Jaime Lewis	President/COO
<b>2</b>	Matthew J Huron	Chair/CEO/CFO
<b>3</b>	Joe Beran	Treasure
<b>4</b>	Duncan I Cameron	Clerk
<b>5</b>		

Original

Medical Marijuana Center #1

**APPLICATION RESPONSE FORM COVER PAGE**

Make this the first page of your response

44

**Corporation**

The applicant corporation's legal name, trade name, and any other name under which the bidding entity does business (if any): [Good Chemistry of Massachusetts, Inc.]

Website URL (if applicable): [http:goodchemistrymassachusetts.com]

**Address:**

[50 Congress Street]

[Suite 500]

City: Boston State: [MA] Zip: [02109]

**CEO (Chief Executive Officer)/Executive Director (ED)**

First Name: [Matthew] Last Name: [Huron]

FEIN: [463379588]

**Contact Person**

First Name: [Jaime] Last Name: [Lewis]

Title: [President]

Telephone: (617) 248-2362 FAX: (617) 523-7171 E-Mail: [Jaime@goodchem.org]

**Contact Person Address (if different):**

[416 E 5<sup>th</sup> Street]

[ ]

City: [Boston] State: [MA] Zip: [02127]

**Authorized Signature**

This application must be signed by an authorized signatory of the non-profit corporation who is listed on the corporation's list of authorized signatories (complete and attach exhibit B). The original application must have an original or "wet" signature in blue ink.

**Background Check Authorization**

The Department will conduct a background check on:

1. Each member of the applicant's **Executive Management Team** (those persons listed in exhibit 2.1);
2. Each member of the **Board of Directors** (those persons listed in exhibit 1.4);
3. Each **Member** of the corporation. In the event a **Member** of the corporation is an organization, the

- CEO/ED and Board Officers of that entity will be checked (those persons listed in exhibit 1.5);
4. The CEO/ED and Board Officers of any parent corporation, partially or wholly owned subsidiaries, or related organizations (those persons listed in exhibit 1.8);
  5. And each person contributing 5% or more of the initial capital to operate the proposed RMD. In the event that a contributor is an entity, the CEO/ED and **Board Officers** of that entity will be checked (those persons listed in exhibit 4.2).

Each required individual must complete and sign the attached authorization forms (exhibits A1-A4), with a wet signature in blue ink.

Submit all original signed authorizations (no copies) and list of authorizations (exhibit A5) in one sealed envelope marked "authorization forms" and name of corporation? and include it with the original application.

**Application Fee**

Enclose a bank/cashier's check or money order made payable to the Commonwealth of Massachusetts in the amount of \$30,000. Personal checks will not be accepted. Failure to include a bank/cashier's check or money order will result in disqualification of the application.

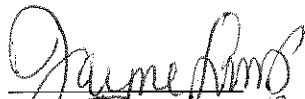
\$30,000 bank/cashier's check attached.

A selection committee established by the Department shall evaluate and score applications for the purpose of granting registrations. Decisions will be based on the thoroughness and quality of the applicants' responses to the required criteria, and the applicants' ability to meet the overall health needs of registered qualifying patients and the safety of the public.

**Required Signatures**


**Failure to provide original "wet" signatures in blue ink will result in disqualification of the application.**

Signed under the pains and penalties of perjury, the authorized signatory (as designated in exhibit B) agrees that all information included in this application is complete and accurate. The hard original application must have an original wet signature in blue ink.

  
 Name: Jaime Lewis  
 Title: President

11/20/13  
 Date

I hereby attest that if the corporation is approved for a provisional RMD certificate of registration, the corporation is prepared to pay a non-refundable registration fee of \$50,000, as specified in 105 CMR 725.000, within two weeks of being notified that the RMD has been selected for a provisional registration. The hard original application must have an original wet signature in blue ink.

  
 Name: Jaime Lewis  
 Title: President

11/20/13  
 Date

## APPLICATION RESPONSE FORM

Enter your response in the gray shaded areas using Microsoft Word.

**A note about the text boxes:** Type or paste text into the gray areas. Text input is limited to a maximum number of characters. MS Word will not allow more than this limit. Spaces, commas, line breaks, etc. are counted as characters. The spell-check feature does not work in a text box.

Example: text input limit 625 characters, 100 words, 1 paragraph

limit 1,250 characters, approximately 200 words, 2 paragraphs

limit 2,500 characters, approximately 400 words, 4 paragraphs

limit 6,000 characters, approximately 1,000 words, one page

Enter text here: example text limit 1,250 characters

If a question includes a text box, a narrative response in the text box is required.

When a question indicates that an exhibit must be included, the response must be included as an attachment, as instructed. The provided exhibit forms are not optional and must not be left blank.

It is the applicant's responsibility to ensure that all responses are consistent with the requirements of 105 CMR 725.000.

### Definitions

**EXECUTIVE MANAGEMENT TEAM** means the individuals who are responsible for the day-to-day operations of the RMD, including the chief executive officer (CEO) or executive director (ED), chief operations officer (COO) or director of operations, chief financial officer (CFO) or director of finance, director of human resources, chief medical officer and any other individuals involved in the oversight and business management of the RMD operations.

**BOARD OF DIRECTORS** means the directors of a corporation, including persons and officers having the powers of directors, with fiduciary responsibility for the RMD.

**BOARD OFFICERS** means the board president/chair, vice president/vice chair, treasurer, and clerk/secretary.

**MEMBER** means an individual having membership rights, whether or not designated as a member, in a corporation in accordance with the provisions of its articles of organization or bylaws.

### Questions

#### 1. Applicant's Corporate Background

1.1 Provide the legal name of the applicant's non-profit corporation/organization and date of incorporation.

Good Chemistry of Massachusetts, Inc. is a non-profit corporation, incorporated on August 9, 2013 for medical and educational purposes per Chapter 180 of the General Laws. It will operate up to three dispensaries and an affiliated cultivation facility to supply medical marijuana to registered qualified patients. An Executive Management Team with twenty-five years of combined experience in the medical marijuana industry will work with a Board of Directors and an Advisory Council of medical, law enforcement, education, patient and community advocates to further the medical and educational purpose of the corporation.

1.2 Describe the organization's mission and vision.

Good Chemistry of Massachusetts, Inc. is guided by four core principles:

- Science: We believe cannabis has significant therapeutic benefits and work to support and expand its study.
- Access: We believe that many barriers exist that fundamentally restrict access to safe and reliable medical grade cannabis. We search for meaningful ways to remove them.
- Dignity: We believe in the fundamental and inalienable right of a person to choose their medical treatment. We recognize that often patients who take cannabis are subjected to unfair treatment under the law. We are committed to defending and protecting the rights of our patients who have entrusted us with their care.
- Compassion: We recognize that medical cannabis is a potent and effective medicine for many patients who cannot afford it. We believe that often it is a critical component of a sustainable treatment plan and are dedicated to providing for those in need.

These principles will guide our non-profit to: provide patients safe and legal access to medical marijuana; improve their quality of life with the therapeutic benefits of medical marijuana; and offer the highest quality medical marijuana products and services possible, including patient and physician education.

1.3 Provide an organizational chart that clearly demonstrates the roles, responsibilities, and relationships of individuals within the organization. Clearly identify the **Executive Management Team** and any management consultants or contractors for the provision of services, and include title, name (if known at the time of submission), and function for each position.

Organizational chart attached as exhibit 1.3

1.4 Provide the name and contact information of each individual on the applicant's **Board of Directors**.

List of Board of Directors attached as exhibit 1.4

1.5 Provide the names and contact information for each **Member** having membership rights in the applicant corporation. In the event a **Member** of the corporation is an organization, provide the names and contact information of the CEO/ED and Board Officers of that entity. If there are no **Members** of the non-profit corporation, indicate N/A on the exhibit.

List of members of the applicant corporation attached as exhibit 1.5

1.6 Attach the corporation's bylaws.

Bylaws attached as exhibit 1.6

1.7 Attach any amendments to the corporation's articles of organization made since August 22, 2013, and explain in the text box the reason(s) for the amendments. If the articles have not been amended, indicate N/A in the text box and on the exhibit.

No amendments to the corporation's articles of organization have been made since August 22, 2013, however, there were some changes to the Board of Directors as follows:

## Exclusions

- James E. Smith resigned from the Board due to a potential conflict of interest.

## Additions

- Herbert P. Gleason of Boston was added to the Board for his experience in the founding of Boston's Community Health Centers and the Neighborhood Health Plan.
- John Paul Marosy of Worcester was added to the Board for his work in the field of elder care. He is president of Bringing Elder Care Home LLC and has served as CEO of numerous non-profit health care organizations.
- Adam Nazzal, M.D. is an instructor and research fellow at Harvard Medical School. He was added to the Board to advise the non-profit on clinical research relating to medical marijuana. He is also experienced in addressing the needs of culturally diverse patients. He is the non-profit's Chief Medical Officer.
- Joseph H. Beran has joined the Board as Treasurer. He brings strong financial credentials to the position.

Amended articles of organization attached as exhibit 1.7

1.8 Provide a list of the names and addresses of any parent corporation, any partially or wholly owned subsidiaries, and any other organizations related to the applicant non-profit corporation, and explain the nature of each relationship.

List of parent corporation, partially or wholly owned subsidiaries, or related organizations attached as exhibit 1.8 (if not applicable indicate N/A on the exhibit)

1.9 Provide three professional references from among those entities with which the applicant's CEO/ED has had business or employment experience within the last three years. DPH may contact these references and any other individual or organization, whether or not identified by the applicant.

List of references attached as exhibit 1.9

## **2. Applicant's Evidence of Business Management Experience**

2.1 Provide a list of the applicant's **Executive Management Team** (as defined above) including each person's name, business address, email, and role within the organization.

List of Executive Management Team attached as exhibit 2.1

2.2 Describe the **Executive Management Team's** experience with running a non-profit organization or other business, including the type of business and its performance. Please indicate how this experience will ensure the success of the proposed registered marijuana dispensary. Attach each Executive Team Member's current résumé.

The Executive Management Team brings well over a decade of experience starting up and operating several medical marijuana-related businesses in California and Colorado.

The experience gained from running these successful companies will provide the knowledge, skills and expertise required to fulfill the medical and educational mission of Good Chemistry of Massachusetts. Members of the Executive Management Team, who have relocated to MA, will play an integral role in on-site day-to-day operations as well as broad oversight of the entire organization. Provided below is a description of the team's experience, starting with the most recent.

### **Good Chemistry of Colorado, Denver, CO**

Team Members: Matthew Huron, Jaime Lewis, Duncan Cameron

Good Chemistry Colorado was founded by Matthew Huron in 2010. It is a licensed medical marijuana center located in Denver, Colorado that cultivates and dispenses medical marijuana to qualified patients in compliance with state and local laws. The company has outperformed hundreds of other dispensaries in the Denver area to become one of the most successful through its offering of high quality products and commitment to patient service and access. Provided below are some highlights of operations:

- Successful business operations with both manufacturing and retail operations in a highly regulated state with 32 employees
- Annual sales of over \$4 million
- Master cultivators of over 40 strains of marijuana with competitive costs per pound based on years of cultivation experience – never had a crop failure
- Skilled in setting up facilities for both the production and retail sale of medical marijuana products – from both an infrastructure and regulatory perspective
- Dispensary services over 2,500 patient transactions per month and has conducted patient surveys on the most effective medicinal characteristics of each strain
- Compassion Care Program provides medical marijuana to hardship patients at low or no cost
- In-house marijuana-infused product operation supplies numerous other dispensaries
- Leader in industry best practices and policymaking on both federal and state levels through active industry trade association and state stakeholder group participation
- A “good neighbor” for its local community organizational support, professional conduct and partnership with local law enforcement to promote neighborhood safety and security

Good Chemistry Colorado recently expanded indoor cultivation operations spans 30,000 square feet over two facilities in the Denver area. From over 10,000 man-hours of cultivation experience, Good Chemistry has mastered the processes of cultivating medical marijuana – propagating, growing, harvesting, drying, trimming, packaging and labeling – to minimize production costs and maximize the highest quality products – including over 40 strains of medical marijuana.

Good Chemistry Colorado's cultivators have in-depth knowledge of indoor farming techniques including the optimization of light schedules, irrigation techniques, humidity control and nutrition. The company has never lost a crop due to pests, disease, mildew or other common agricultural threats. After harvesting, the company uses the leftover plant byproduct to extract medicine to make extracts and marijuana-infused products (MIPs).

Good Chemistry Colorado manufactures and packages its own line of award-winning marijuana-infused products (under the name Mountain Medicine) including edibles, ointments, capsules, tinctures and medicine drinks in a commercial kitchen located at its retail dispensary.

A licensed dispensary in downtown Denver offers a safe, therapeutic environment providing medical marijuana products to registered qualified patients. The dispensary staff is trained in cannabis varieties, their characteristics including the physical, medicinal and psychoactive effects of each variety and application to physical conditions or ailments. The company has also conducted research on medicinal properties of its products through patient surveys. All medical marijuana inventory is tracked from seed-to-sale according to state regulations.

Good Chemistry of Massachusetts' Executive Management Team will apply the experience gained in Colorado dispensary operations, cultivation, regulatory compliance, hardship program implementation, inventory management, and facility build-out and start-up to the proposed RMD.

#### **Wellspring Collective Medical Marijuana Center, Denver, CO**

Team Member: Matthew Huron

In 2009, after serving medical marijuana patients in California for ten years, Matthew Huron moved to Colorado and became a key player in shaping Colorado's Medical Marijuana Code through legislative and regulatory processes. With a business partner, he co-founded the Wellspring Collective Medical Marijuana Center to support patients facing health challenges and to advocate on their behalf. Wellspring is a dispensary that primarily serves seniors with medical marijuana as well as other alternative health services. It also offers a Compassion Care Program to patients with limited income and/or debilitating medical conditions. Matthew lends his expertise to the executive planning and administrative functions of this business.

Good Chemistry of Massachusetts Executive member Matthew Huron will apply this experience gained in dispensary operations, patient services, regulatory compliance, and inventory management to the proposed RMD.

#### **Mountain Medicine, Denver CO**

Team Member: Jaime Lewis

Jaime Lewis, who has now relocated to Boston, founded Mountain Medicine in 2009, which today is an operating company of Good Chemistry Colorado. Mountain Medicine provides high quality, medical marijuana infused edibles and products for patients of Good Chemistry and supplies numerous other Colorado dispensaries. Products include edibles, ointments, capsules, tinctures and medicine drinks. Jaime remains the Executive Chef in charge of product development, quality control, and product consistency of the edibles and other products – a main tenet of the philosophy behind Mountain Medicine.

Good Chemistry of Massachusetts Executive Management Team member Jaime Lewis will apply the experienced gained in MIPs production, packaging, labeling, cooking and baking techniques and recipes, kitchen sanitation, staff training and management to the proposed RMD.



**Elmar Lins Compassion Co-Op, San Francisco, CA**

Team Members: Matthew Huron, Jaime Lewis

Matthew Huron founded this non-profit medical marijuana co-op to serve AIDS patients in hospitals and

Matthew developed a compassion care program to provide medicine to patients at a discount and in many instances at no cost. Over time, the Co-op became a reliable delivery service of medical marijuana in San Francisco.

Jaime Lewis created medical marijuana-infused edibles for the Co-op to provide an alternative method of patient medication. Her MIPs became well known in the medical marijuana patient community for their effectiveness.

Good Chemistry of Massachusetts Executive Management Team members will apply this experience gained in managing a non-profit organization, cultivation, hardship program, and MIPs production.

**Food and Beverage Establishments**

Team Members: Matthew Huron, Jaime Lewis

Prior to founding the above medical marijuana businesses, both Matthew Huron and Jaime Lewis operated food and beverage businesses that honed their business and management skills. Matthew owned and operated the Schnittsetell Bar in Austria for several years and Jaime served as a chef at three, high-volume restaurants in San Francisco including: The Front Porch, BIX Restaurant, and The Fifth Floor.

Good Chemistry of Massachusetts Executive Management Team members will apply the experience gained in business/management, kitchen operations, staff management and training to the proposed RMD.

Current résumé of each Executive Management Team member attached as exhibit 2.2--clearly labeled on each page with the individual's name and title within the applicant's organization

2.3 Describe the **Executive Management Team's** experience, by team member, with providing health care services or services providing marijuana for medical use.

The Executive Management Team has twenty-five years of combined experience in the medical marijuana industry including:

- Unmatched cultivation experience and expertise
- Proven commitment to patient education and wellness
- Proactive leadership in industry policymaking and best practices
- Community relationship building

The Executive Management Team's diversity will help guide the mission and vision of the non-profit by offering culturally appropriate services to the community. Matthew Huron, CEO, is active in the LGBT community. He supports One Colorado, Project Angel Heart and the annual AIDS walk. Jaime Lewis, COO,

has been a strong female leader for the medical marijuana industry, mentoring women in both business and advocacy issues. Duncan Cameron, CPO, is one of the few African American medical marijuana cultivators and strives to hire a diverse workforce at every opportunity.

The team also includes a medical doctor, experienced in clinical research, health care services and medical instruction who will apply those skills to the Massachusetts RMD.

### **Matthew Huron, Chief Executive Officer – 14 years industry experience**

Matthew Huron, 40, the Chief Executive Officer, has fourteen years' experience in the medical marijuana industry including:

- Founder and owner of medical marijuana businesses in California and Colorado
- One of the most experienced cultivators of medical marijuana in the U.S.
- Industry leader in best practices for medical marijuana cultivation and dispensing
- Successful record serving patients compassionately with high quality, medical marijuana from safe, secure, dispensing environments.

[REDACTED]

medical marijuana Co-op that become one the most respected in San Francisco.

After ten years of operating the Co-op, he moved to Colorado to co-found Wellspring Collective Medical Marijuana Center to cater to seniors with health challenges and to provide alternative health services.

In 2010, he started Good Chemistry Colorado, a medical-marijuana dispensary located in Denver. Under his leadership the company has grown to 32 employees with annual revenue of over \$4 million, serving over 2,500 patients a month. His key accomplishments include:

- Development and implementation of best practices
- Development of a Compassion Care Program to enable patients with limited resources to obtain medical marijuana at little or no cost
- Enforcement of policies and procedures to ensure strict compliance with state and local regulations
- Collaborations with local leaders and law enforcement to enhance neighborhood safety and security
- Expansion of cultivation operations in two facilities to a combined total of 30,000sf devoted to production of 40-plus strains of medical marijuana
- Optimization of extracts and MIPs productions including edibles, tinctures, tonics and lotions.

Matthew is a founding board member of the Cannabis Business Alliance (CBA) and a board member of the National Cannabis Industry Association (NCIA). In addition, he has served on the Colorado Department of Revenue's Medical Marijuana Enforcement Division Licensing Authority Advisory Committee charged with advising regulators on the development of tax and other policies pertaining to the use of marijuana.

### **Jaime Lewis, Chief Operating Officer – 8 years of industry experience**

Jaime Lewis, 35, the Chief Operating Officer, who now lives in Boston, has over eight years of experience managing the production of medical marijuana-infused products as well as all facets of managing and operating a medical marijuana dispensary.

A California Culinary Academy graduate, she served as a chef in a Michelin rated 3 star restaurant in San Francisco. She began creating compassion edibles for HIV/AIDS patients and advised the San Francisco health department on proper food handling procedures for medical marijuana edibles manufacturing in the City and County of San Francisco.

In 2009, she moved to Colorado and founded Mountain Medicine, a medical marijuana-infused product manufacturer and current operating company of Good Chemistry Colorado that supplies high quality medical marijuana edibles and products to Good Chemistry Colorado and numerous other dispensaries.

At Good Chemistry Colorado, she oversees retail operations to ensure patients have the highest quality products and services in a safe and secure environment. She is responsible for dispensary seed-to-sale inventory tracking and management, state and local regulatory compliance, policy and procedures development, staff hiring and training. Responsibilities include:

- Developing and implementing policies/procedures for medicine dispensing, quality control, security and inventory management and seed-to-sale tracking
- Hiring dispensary staff and training
- Directing production of marijuana-infused products
- Overseeing education initiatives for patients and physicians
- Administering patient surveys to compile information on medicinal characteristics of marijuana strains
- Responsible for product testing
- Overseeing Hardship Program
- Serving as community liaison to demonstrate corporate citizenship.

Jaime is also a founding member and Chair of the Cannabis Business Alliance (CBA) and a board member of the National Cannabis Industry Association (NCIA). She often serves as a spokesperson and advocate for the medical marijuana industry.

#### **Duncan Cameron, Chief Production Officer – 4 years industry experience**

Duncan Cameron, 40, is the Chief Production Officer with four years of experience in medical marijuana facilities operations and management including: plant husbandry, advanced propagation techniques, grow room design, staff training and management, permitting, regulatory compliance, construction management and environmental compliance.

Duncan, who now lives in Boston, has a degree in Botany. He joined Good Chemistry of Colorado to direct all medical marijuana cultivation facility operations and management. He is responsible for:

- Overseeing all tasks associated with plant cultivation from propagation to harvest, encompassing cloning, seeding, nutrient mixing, pruning, pest control and scheduling of plant cycles
- Managing sophisticated lighting, irrigation and ventilation systems
- Ensuring cultivation of contaminant free medical marijuana
- Managing all cultivation staff including inventory manager, garden manager, gardeners and trimmers, including their hiring, scheduling and training
- Coordinating vendors to ensure timely acquisition of all production materials
- Ensuring compliance with all regulations (Department of Agriculture health regulation compliance as well as state and local medical marijuana cultivation and processing regulations)

He initially managed Good Chemistry's 10,000 ft<sup>2</sup> grow facility with ten employees and then oversaw the expansion of the cultivation facility that doubled operations. More recently under his leadership, he has helped Good Chemistry Colorado to accomplish the following:

- Reduced the time to harvest thereby adding an additional cycle into the calendar year
- Increased the available gene pool from 6 to 40+ strains
- Refined Integrated Pest Management as it pertains to cannabis
- Served as project manager for the construction of the 20,000 ft<sup>2</sup> state-of-the-art grow facility completed in 15 weeks

Duncan, a former teacher, is a member of the International Society of Horticultural Sciences, U.S. Hydroponic Association and National Black Farmers Association.

### **Adam Nazzal, M.D., Chief Medical Officer – 20 years medical experience**

Dr. Nazzal is a research fellow with the Department of Orthopedic Surgery at Massachusetts General Hospital, the teaching hospital of Harvard Medical School. He is currently serving as an instructor of microsurgery and serves as an assistant to Dr. Sang-Gil Lee, an accomplished surgeon and researcher and instructor in orthopedic surgery at Harvard Medical School. Dr. Nazzal is an accomplished medical researcher and has authored dozens of publications and abstracts throughout his career.

Fluent in Arabic and Russian, as well as English, he also serves as an instructor in Multilingual and English Medical Interpretation at Cambridge College. The course provides bilingual students effective interpretation skills in medical, health, or human service terminology and settings to become effective medical interpreters to meet the communications needs of patients of diverse cultures.

Dr. Nazzal will apply his expert medical research skills to Good Chemistry of Massachusetts in furthering patient research on the medicinal properties of medical marijuana. He will apply his teaching skill to guide patient and physician education efforts as well as in the development of interpretation patient services.

- 2.4 Describe the **Executive Management Team's** experience, by each individual team member, with running a financially sound organization/business (including budget size) and indicate which member of the team will be responsible for the financial management and oversight of the organization.

The Executive Management Team has extensive experience operating financially sound businesses. Chief Executive Officer Matthew Huron, who founded and operated several medical marijuana businesses will assume the role of Chief Financial Officer for Good Chemistry of Massachusetts.

In managing the company's finances, Matthew will be supported by a full-time bookkeeper as well as Triad Tax – an accounting firm that has worked with more than 200 medical marijuana centers and is considered to be one of the leading CPAs in the industry. Provided below is the financial experience of each Executive Team Members with the exception of Dr. Adam Nazzal whose accomplished medical career has not involved financial management or business operations.

### **Matthew Huron, Chief Executive Officer**

As the founder and operator of several financially sound businesses and a graduate of University of California, Berkeley, Matthew has a solid foundation in business operations and financial management. In just four years, he expanded Good Chemistry Colorado's operations from 10 to 32 employees and \$4 million in annual revenue.

Below is a summary of his financial management accomplishments:

- Started four profitable, debt-free companies
- Managed day-to-day business operations to maintain strong fiscal growth
- Responsible for all company financial decision-making and investments
- Accountable for ensuring efficient use of resources
- Company self-funded all business expansions – including a \$2.5 million cultivation facility build-out
- Re-invested revenue back into the company to improve business systems, operations and patient outreach
- Conducted financial forecasting to estimate revenue growth
- Managed company bookkeeping and accounting system and procedures to ensure proper record-keeping and tax reporting

Matthew will apply these financial management skills gained over the past decade to guide Good Chemistry of Massachusetts to attain its medical and educational mission in a fiscally responsible manner.

### **Jaime Lewis, Chief Operating Officer**

Jaime honed her financial management skills operating her own medical marijuana-infused product company, Mountain Medicine. Now an operating company of Good Chemistry Colorado, Mountain Medicine products comprise about 5% of Good Chemistry's \$4 million in annual sales and are sold to numerous other dispensaries in Colorado.

In operating Mountain Medicine, she has been responsible for establishing and maintaining budgets for:

- Commercial kitchen build-out
- Equipment and supply purchasing
- Production costs (ingredients, supplies, etc.)
- Staffing and training
- Quality Testing

In overseeing dispensary operations, she was responsible for the financial oversight of:

- All staffing
- Medicine, MIPs and extract sales
- Accessories (vaporizers, etc.)
- Product Labeling, Packaging and Storage
- Website Maintenance
- Product Pricing Lists
- All philanthropic activities

Jaime will apply this financial and business experience to ensure the efficient RMD operation of Good Chemistry of Massachusetts.

### **Duncan Cameron, Chief Production Officer**

At Good Chemistry Colorado, Duncan is responsible for running a financially sound cultivation facility that grows \$4 million in medical marijuana annually. He oversees all staff hiring and management, supply and equipment purchasing, scheduling and inventory management and budgeting.

Most recently, he directed and managed the company's completion of a 20,000 square foot cultivation facility expansion, which cost over \$1.5 million. Due to Duncan's oversight the project came in on budget and on time. He was responsible for strict adherence to the budget and schedule that included:

- Managing architect and contractor work
- Reviewing and approving budget estimates for all construction including demolition, electrical work, lighting, plumbing, HVAC, roofing, masonry, etc.
- Purchasing all cultivation equipment and supplies
- Setting up all new systems in the expanded space including inventory management and security system installation
- Establishing operational protocols to accommodate expanded operations

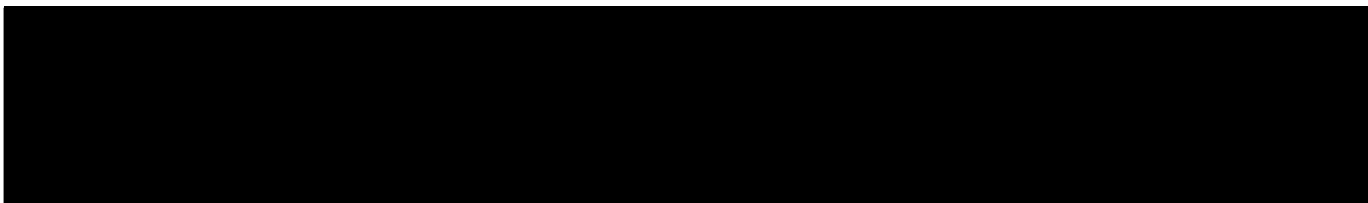
Duncan will apply the financial management skills he acquired from overseeing cultivation operations and the build-out of facility infrastructure to ensure the efficient build-out and operations of Good Chemistry of Massachusetts' cultivation/processing facility.

2.5 Describe the **Executive Management Team's** experience, by team member, with managing financial corrective action measures that they had to undertake as the result of an operational review.

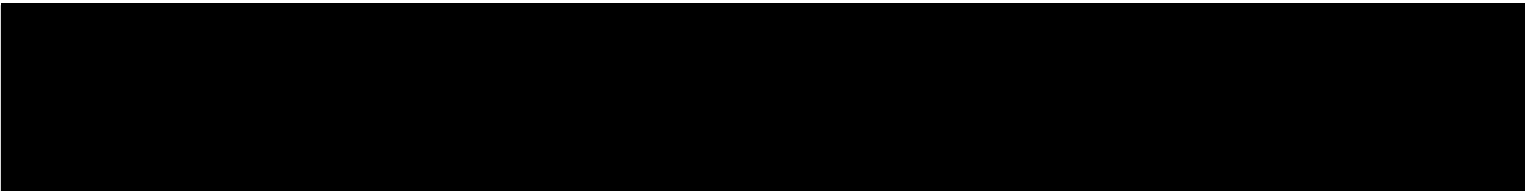
N/A. None of the Executive Management Team members have had to manage financial corrective measures undertaken as a result of an operation review. The team has a proven track record of operating financially sound companies and is committed to operating Good Chemistry of Massachusetts in a fiscally responsible manner. The team is confident it can adjust operations to changing demand or market conditions as needed without adversely impacting patient services or the non-profit's financial stability.

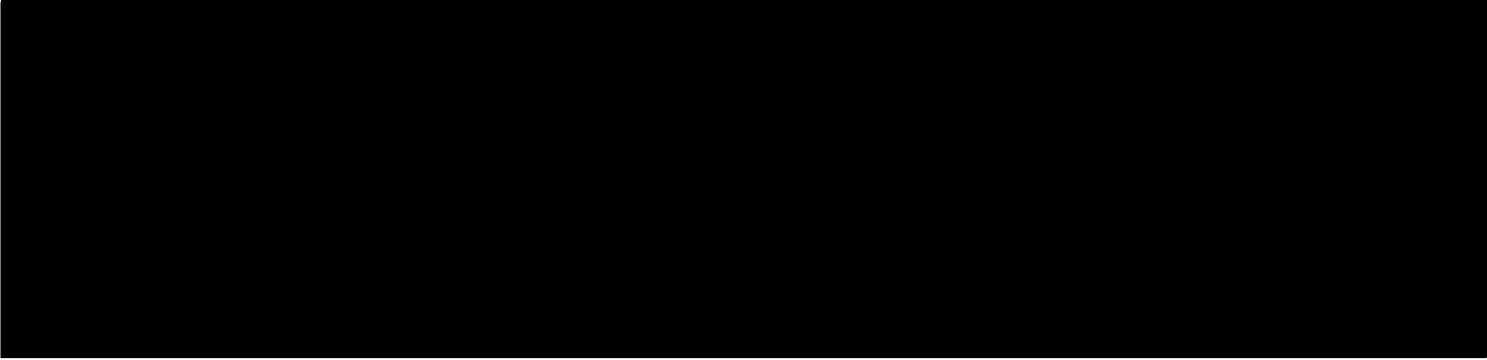
### 3. Applicant's Evidence of Suitability

3.1 Indicate whether is/has been in compliance with all laws of the Commonwealth relating to taxes, child support, and workers' compensation with regard to any business in which the individual has been involved. In cases in which an Executive Management Team member is not in compliance with such a law, indicate which team member is non-compliant and describe the circumstances surrounding that situation. Indicate N/A for each individual with no history of non-compliance.

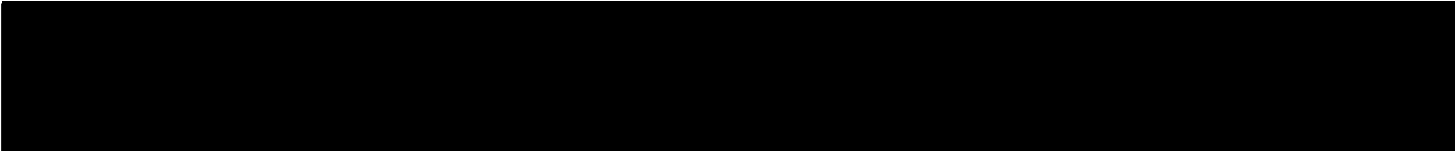


3.2 List and describe any criminal action under the laws of the Commonwealth, or another state, the United States, or a military, territorial, or Indian tribal authority, whether for a felony or misdemeanor, against any member of the **Executive Management Team and Board of Directors, including Board Officers**, including but not limited to action against any health care facility or facility for providing marijuana for medical purposes in which those individuals either owned shares of stock or served as executives, and which resulted in conviction, guilty plea, plea of nolo contendere, or admission of sufficient facts. If no history of such criminal action, indicate N/A.






3.3 List and describe any civil or administrative action under the laws of the Commonwealth, another state, the United States, or a military, territorial, or Indian tribal authority against any member of the **Executive Management Team and Board of Directors, including Board Officers**, including but not limited to actions related to fraudulent billing practices and any attempt to obtain a registration, license, or approval to operate a business by fraud, misrepresentation, or submission of false information. If no history of such civil or administrative action, indicate N/A.



3.4 Indicate and describe whether any member of the **Executive Management Team or Board of Directors, including Board Officers**, has been the subject of any past discipline, or a pending disciplinary action or unresolved complaint, by the Commonwealth, or a like action or complaint by another state, the United States, or a military, territorial, or Indian tribal authority, with regard to any professional license or registration.



3.5 Indicate and describe whether any member of the **Executive Management Team or Board of Directors, including Board Officers**, with respect to any business, has filed (or had filed against it) any bankruptcy or insolvency proceeding, whether voluntary or involuntary, or undergone the appointment of a receiver, trustee, or assignee for the benefit of creditors. If no such history, indicate N/A.



#### 4. Applicant's Evidence of Financial Condition

4.1 Provide a one-page statement in the name of the applicant's non-profit corporation, or in the name of the Corporation's CEO/Executive Director or President of the Board of Directors, from an insured financial institution documenting the available liquid cash balance in a single account (\$500,000 for the first application and \$400,000 for each subsequent application, if invited to submit more than one), dated no earlier than 14 days prior to the response deadline (November 7, 2013). If the Corporation has the required funds in an individual account in the name of the Corporation's CEO/Executive Director or President of the Board of Directors, said individual must provide a completed and signed a notarized Letter of Commitment (in exhibit 4.1).

Proof of liquid funds in an account in the name of the corporation or, if applicable, in an account in the name of the Corporation's CEO/Executive Director or President of the Board of Directors, plus the Letter of Commitment attached as exhibit 4.1

4.2 If applicable, provide the names and addresses of all persons or entities contributing 5% or more of the initial capital to operate the proposed RMD, by application, and specify the actual percentage contributed by each person or entity. Indicate whether the contribution is cash, in-kind, or land or building. When the contributor is an entity include the names and addresses of its CEO/ED and **Board Officers**.

List of persons/entities/creditors contributing more than 5% and what form that capital takes attached as exhibit 4.2

4.3 Provide a narrative summary of projected capital expenses to build out both the proposed dispensary and cultivation or processing facilities, and attach a copy of the proposed capital budget.

Good Chemistry of Massachusetts plans to operate an RMD and a separate cultivation/processing facility that will also house a commercial kitchen for MIPs production and an extract production area. The facilities currently under contract include:

- RMD – approximately 6,200 ft<sup>2</sup> of commercial retail space that requires infrastructure renovation including new floors, doors, ceilings, drywall, plumbing, etc.
- Cultivation – 22,000 ft<sup>2</sup> of industrial/warehouse space that requires significant renovation. Additional space (expanding into a second floor to double square footage) will be added when patient demand increases (not expected until after the third year of RMD operation). The commercial kitchen for MIPs production will be approximately 2,500 ft<sup>2</sup>.

Good Chemistry estimates it will require a combined budget of \$3,103,200 to build-out and start-up both the RMD and cultivation/processing facilities as follows:

- \$1,057,000 for construction build-out costs;
- \$167,600 for design and permitting services;
- \$780,600 for equipment purchases;
- \$371,000 for facility rent during the construction and start-up phase; and
- \$727,000 for payroll and expenses incurred from licensing to dispensary opening.

This budget is based on the Executive Management Team's experience in medical marijuana facility construction and start-up operations in Colorado. Over the past four years, team members have built-out over 30,000 ft<sup>2</sup> of cultivation space. The team has also converted a commercial retail space to house a dispensary and MIPs manufacturing operations. All projects were completed on time and within budget.

The budget also includes input from Good Chemistry's architect and contractor – both of whom worked on medical marijuana construction projects in Colorado. Miller Design Works, a full-service architectural firm, and Mendel and Company, one of Denver's most trusted commercial construction companies, surveyed the facilities under contract to estimate design, permitting and build-out costs. Mendel and Company is licensed in Massachusetts and will serve as the general contractor and will hire and manage local subcontractors to conduct the work.



Exhibit 4.3 contains itemized cost estimates for planning and development, build-out, and equipment for both facilities. These costs are outlined in more detail below.

### **Planning and Development Expenses**

Good Chemistry of Massachusetts estimates \$1,265,600 will be needed for planning and development work as follows:

- Architect and Design Fees: \$54,600 for Miller Design Works to prepare drawings and perform design work on both facilities
- Environmental Survey: \$2,100 for Phase I environmental report for cultivation/processing
- Permits and Fees: \$107,400 for all RMD applications fees, licensing fees and building permits
- Security Assessment: \$3,500 to conduct an assessment by our security consultant, LAN-TEL Communications
- Land/Building Cost: \$371,000 for first-year rent and security deposits for both buildings (per lease agreements)
- Payroll: \$260,000 for staff salaries prior to opening the dispensary (for first crop harvesting and setting up the dispensary including cultivation staff, inventory managers, dispensary managers and cultivation security staff)
- Pre-Licensure Expenses: \$467,000 for all other expenses incurred prior to dispensary start-up including all license application preparation costs and fees, legal and political consultant fees, patient advocacy activities, and loan interest payments.

### **Build-Out Costs**

The company is budgeting \$1,057,000 for build-outs costs including the following:

- Construction Expenses: \$975,000 for the build-out and renovation of both facilities (including demolition, roofing and ceiling work, drywall, flooring, plumbing, concrete sealing, electrical work, fire sprinklers, etc.)
- Painting and finishing: \$17,000 for interior painting and finishing work

- Landscape Work: \$5,000 for any outdoor landscaping that may be needed

### **Equipment Costs**

Good Chemistry of Massachusetts estimated \$780,600 will be required for all equipment, systems and furniture as follows:

- Vehicles and Transportation: \$50,000 for two vehicles with GPS monitoring systems to transport medical marijuana from the cultivation facility to the RMD and for hardship patient deliveries
- Cultivation Equipment: \$375,000 for all equipment required to grow medical marijuana including lighting, climate control and irrigation systems as well as nursery tables, fans and other miscellaneous garden supplies
- Furniture and Storage: \$50,000 for all furniture, wall displays, cabinets and storage vaults/safes for both facilities

- Computer Equipment: \$20,000 to purchase 8 Mac computers, 2 servers, 5 printers and seed-to-sale inventory software
- HVAC: \$210,000 for the cultivation facility (HVAC system requirements for the RMD will be included in the construction cost)
- Kitchen/food prep equipment: \$50,000 for the purchase of all equipment and systems needed to produce edible MIPs including refrigerators, freezers, ovens, sinks, work tables, ranges, shelving, speed racks, robot coupe, blender as well as packaging materials
- Extracts: \$25,600 for the purchase of all equipment and systems required to produce extracts including washer, ice machine, sink, speed rack, supplies, scale, CO<sub>2</sub> machine, vacuum/purge and oven

Good Chemistry is confident the budget estimates for build-out and start-up of both the RMD and cultivation facility are accurate and representative of the best information available to date. Upon licensure, Good Chemistry will have \$4.3 million to fund the project. This provides ample funding to cover any unforeseen contingencies.

Capital expenses attached as exhibit 4.3

4.4 Provide a narrative summary of the proposed year-one RMD operating budget, including projected revenues by sales type, line item operating expenses, and budget assumptions, and include the budget as an attachment.

Good Chemistry of Massachusetts first year operating strategy is to focus on its patients to set the foundation for implementing its mission. As a result, the company does not expect to measure solid financial performance until the second year of operation.

Good Chemistry of Massachusetts projects its first-year revenue from the RMD to be \$3,508,850 with \$3,731,688 in expenses, resulting in net loss of \$222,838. Provided below is a summary of first-year revenue and costs including the assumptions made in forecasting this operating budget.

### **Overview of Assumptions**

To estimate first-year revenue, several assumptions were made regarding:

- Expected number of patients
- Quantity of medical marijuana to be sold
- Types and cost of the medical marijuana sold

#### Expected Number of Patients

To estimate the number of patients during the first year of operation, we considered the experience of other states that have legalized medical marijuana. In Colorado and Arizona, for example, both states had a patient base comprising 0.5% of the total state population by the end of the first year of medical marijuana legalization.

We assumed that the patient market in Massachusetts would be similar to those states, starting off at 0.1% of the population in the first month and gradually increasing to 0.5% by year-end.

For planning purposes, we applied this percentage to the population of the county (rather than the state). We realize that some individuals in the county will not use our dispensary, but could use dispensaries in neighboring counties. Similarly, we anticipate that some residents of neighboring counties will use our

dispensary. After lengthy consideration, we believe that the county population estimate provides a good estimate of demand.

We also assumed that four RMDs would be located in Suffolk County, where the dispensary will be located, with patients evenly distributed among the dispensaries. Given that the population of Suffolk County is about 744,400 we estimated the number of patients Good Chemistry of Massachusetts could potentially serve per month by the end of the first year would be 902.

Quantity of Medical Marijuana to be dispensed

To estimate the amount of medical marijuana to be sold, we relied on our experience in Colorado and assumed the following patient metrics would also apply to Massachusetts:

- Patient visits per month: 4
- Average amount per purchase (in grams): 10
- Average patient purchase per month (in grams): 40

Applying these metrics to the expected patient base, below is the expected amount of medical marijuana to be sold by month during the first year totaling about 585 pounds.

Month	% Patient Population	Patients per Month	Medical Marijuana Sold (lbs.)
1	0.1%	180	16
2	0.1%	180	16
3	0.2%	361	32
4	0.2%	361	32
5	0.3%	541	47
6	0.3%	541	47
7	0.3%	541	47
8	0.4%	722	63
9	0.4%	722	63
10	0.4%	722	63
11	0.5%	902	79
12	0.5%	902	79

Cost of Medical Marijuana

Based on experience in Colorado, we assumed that during the first six months of operation, the price of medical marijuana would be \$13 per gram – and that this price would decline slightly to \$12 per gram after six months due to marketplace competition. Accordingly, we averaged the price to be \$12.50 per gram for the first year of dispensary operation.

**First Year Revenue**

Based on all of the assumptions above, the projected revenue from medical marijuana during the first year of operation is estimated to be \$3,337,000. Also based on our experience, we expect about 5% of gross sales to be attributed to MIPs (edibles) and extracts – totaling \$166,850. We also expect about \$5,000 in annual sales from vaporizers and vape-pens. Combined, total revenue for the first year of dispensary operation is estimated at \$3,508,850.

## First Year Operating Expenses

First year operating expenses were estimated to include staff salaries, supplies, operating expenses, consultant and vendor fees as well as interest to investors from the funds raised for facility build-out and start-up. These expenses are estimated to be \$3,731,688 as follows:

- Payroll: Salaries plus benefits are estimated to be \$1,706,080. This includes salaries for 52 employees (44 FTE) including executive management, bookkeeping, management, operating staff and security guards
- Payroll Taxes: \$170,608
- Consultants: \$50,000 for local and state lobbyists
- Supplies: \$240,000 for RMD, cultivation, MIPs and extract operations
- Office Expenses: \$12,000
- Utilities: \$186,000 for electricity and heating for both the RMD and cultivation/processing facility
- Insurance: \$24,000 for liability and property coverage for both facilities
- Leasehold Expenses: \$336,000
- Accounting: \$15,000 (for CPA)
- Legal: \$120,000
- Marketing: \$12,000 (for website, printed materials)
- Loan Interest: \$860,000 (20% interest on loan for start-up capital)

Year-one operating budget attached as exhibit 4.4

4.5 Provide a detailed summary of a three-year business plan for the proposed RMD, including strategic planning assumptions, utilization projections, growth projections, and projected revenue and expenses. Note that the complete business plan will be reviewed as a component of the provisional inspection process. Include projected revenue and expenses as an attachment.

## Operational Structure

Good Chemistry of Massachusetts is a non-profit corporation that will operate an RMD in Suffolk County and an affiliated cultivation facility in Worcester County to supply medical marijuana, MIPs and extracts to registered qualified patients.

Its Executive Management Team will work with a Board of Directors and an Advisory Council of medical, law enforcement, education, patient and community advocates to further the medical and educational purpose of the corporation.

The RMD will operate on a non-profit basis for the benefit of registered qualifying patients. Once positive financial performance is measured, Good Chemistry will allocate revenue to further its non-profit medical and educational purpose to advance patient access, security, product quality and research and development.

Good Chemistry of Massachusetts will acquire financing through loans to fulfill its corporate mission. Upon licensure, Good Chemistry will have \$4.3 million to build the RMD (and up to two others) and subsequent cultivation, processing, extracts and commercial kitchen for MIPs production. These funds will be loaned to Good Chemistry of Massachusetts at a 20% annual interest rate. Once Good Chemistry of Massachusetts

measures solid financial performance, it will initiate loan payback, expected to commence in the second year of operation.

## **Initial Operations Strategy**

Good Chemistry of Massachusetts has secured a 22,000 ft<sup>2</sup> warehouse to house the cultivation, processing, extracts and kitchen (MIPs) (with eventual plans to expand into two floors and mezzanines which would double square footage to 44,000 ft<sup>2</sup>). To start, we plan on building out the existing 22,000ft<sup>2</sup> of cultivation space that will, when running to full capacity, yield 220 pounds of medical marijuana per month (based on our experience in Colorado, 100 pounds is produced for every 10,000 ft<sup>2</sup>).

At the end of year three, we anticipate selling approximately 160 pounds per month. We will build out cultivation space into a second floor addition if and when demand requires it, not projected to occur until after year three (incorporating the demand from other RMD's if licensed). The site sits on 3.2 acres, and in addition to building a second floor, there is the ability to expand into secure greenhouse production on the additional land.

In the event that we need to adjust to changing demand, we have confidence we can either slow production or quickly build more cultivation space as needed to meet demand. The initial 22,000 ft<sup>2</sup> build-out will be adequate to start production and meet initial market demands.

## **Planning Assumptions**

To estimate revenue for the first three years of operations, several assumptions were made regarding:

- Expected number of patients
- Quantity of medical marijuana to be sold
- Types and cost of the medical marijuana sold

### Expected Number of Patients

As discussed in Section 4.4, we believe the Massachusetts patient market will be 0.5% of the total population by the end of year-one based on actual data from Colorado and Arizona. We also assumed that four RMDs would be located in Suffolk County with patients evenly distributed among the dispensaries. Given that the population of Suffolk County is 744,400, we projected that Good Chemistry of Massachusetts would serve a total of 902 patients per month by the end of year one.

To estimate the patient market for years two and three, the percentage of medical marijuana patients in other states where medical marijuana is legal was considered including:

- California: 2.5% after 17 years
- Oregon: 1.4% after 15 years
- Colorado: 2% after 4 years
- Arizona: 0.5% after 1 year

From our experience in Colorado, patient base grew from 0.5% of the state population by the end of year one, to 1.5% by the end of year two, and then stabilized at 2% in year three thereafter.

We don't believe that the Massachusetts patient market will increase as dramatically as Colorado's due to stricter rules and regulations with patient medical conditions as well as the more stringent doctor-patient

relationship requirements. We also believe that Massachusetts' medical culture is more conservative than Colorado's.

Accordingly, we believe it prudent to assume that the Massachusetts patient market will grow more slowly. We do think after year one that 0.5% of general population (same as Colorado year one) will have licenses due to pent up demand. For years two and three, the percentage of license holders will gradually increase 0.7% by year two, and increasing further to 1% by end of year three.

As discussed in 4.4, for simplified planning purposes, we attributed these growth rates to county population rather than state population, and estimated four dispensaries would be located in Suffolk County. Based on these assumptions, we estimated the number of patients to be served by Good Chemistry of Massachusetts per month by year to be:

<u>Months</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
1	180	902	1263
2	180	902	1263
3	361	902	1263
4	361	902	1263
5	541	902	1263
6	541	1083	1263
7	541	1083	1444
8	722	1083	1444
9	722	1083	1444
10	722	1083	1624
11	902	1263	1624
<b>Year End</b>	<b>902</b>	<b>1263</b>	<b>1805</b>

Based on our experience in Colorado, we assumed that the number of visits per patient per month would be four. By year-end, total number of patient visits per year would be as follows:

Year 1: 26,696  
 Year 2: 49,794  
 Year 3: 67,852

Quantity of Medical Marijuana to be Dispensed

As discussed in 4.4, to estimate the amount of medical marijuana to be dispensed, we relied on our experience in Colorado and assumed the following patient metrics would also apply to Massachusetts:

- Average amount per purchase (in grams): 10
- Average patient purchase per month (in grams): 40

Applying these metrics to the expected patient base, below is the expected amount of medical marijuana to be dispensed over the first three years:

Year 1: 588 pounds  
 Year 2: 1,096 pounds  
 Year 3: 1,495 pounds

## Cost of Medical Marijuana

Based on experience in Colorado, we assumed the average price of medical marijuana during the first year of operation to be \$12.50 per gram – and that this price would decline over time due to marketplace competition. Accordingly, we conservatively averaged the price to be \$10.50 per gram for the second year of dispensary operation, and \$9.00 per gram for the third year of operation.

### **Three Year Revenue**

Based on all of the above assumptions, the projected revenue from medical marijuana during the first three years of operation is estimated to be as follows:

Year 1: \$3,508,850

Year 2: \$5,499,555

Year 3: \$6,427,014

These estimates include medical marijuana sales as well as those from MIPs (edibles) and extracts which are expected to total about 5% of gross sales. Also included is \$5,000(year 1), \$10,000(year 2), \$15,000(year 3) in annual sales from vaporizers and vape-pens, based on Colorado experience.

### **Three Year Operating Expenses**

First year operating expenses itemized in 4.4 were projected to increase annually to accommodate new staff hires and expenses that will be required to accommodate rising patient demand. For example, staffing is projected to increase from 44 FTE in year one, to 54 FTE in year two, and 68 FTE by the end of year three. Staff additions will include human resource staff, a retail general manager, a CFO, social worker, delivery drivers, gardeners, additional dispensing agents and medical research staff.

In addition, the salaries of the Executive Management Team were assumed to increase by \$100,000 per year (total of \$400,000), as the team members initially agreed to start at a lower than marketplace salary of \$50,000 until the company measures solid financial performance. Expenses per year are estimated as follows:

Year 1: \$3,731,688

Year 2: \$5,387,688

Year 3: \$6,156,088

### **Revenues Applied to Advance Company's Medical and Educational Mission**

After expenses, total income for each year is projected to be:

Year 1: (\$222,838)

Year 2: \$111,867

Year 3: \$270,926

In the second and third years, a portion of revenue will be applied to pay back the loan as well as to further the medical and educational mission of the company. Initial goals include:

- Develop medical research capabilities: hire additional staff to conduct clinical studies on medicinal benefits of medical marijuana and the importance of cannabinoids in treating various ailments
- Improve testing capabilities: purchase in-house testing equipment and capabilities to improve product quality and to assist in medical research studies

- Expand Hardship Program: to provide more social workers, delivery services and a means of connecting patients to social and community services
- Conduct plant science research: to improve strain quality and growing techniques
- Improved Electronic Communications: to include better web-based systems to assist patients in tracking use, participation in medical surveys, for educational programs, and scheduling deliveries

Three-year projections attached as exhibit 4.5

4.6 Provide a description of the proposed RMD's plan to obtain a liability insurance policy or otherwise meet the requirements of 105 CMR 725.105(Q).

Good Chemistry of Massachusetts will obtain liability insurance for the RMD and cultivation facility through Cannassure Insurance Services, LLC, a Cleveland, Ohio company that specializes in insurance products and services for the medical marijuana industry. Formed in 2010, Cannassure provides quotes from the leading medical marijuana insurance companies based on the relationships the company has developed providing clients with the broadest selection of terms and conditions.

Based on information from Cannassure dated October 24, 2013, the insurance carrier Lloyd's of London can offer Good Chemistry of Massachusetts the insurance requirements mandated under 105 CMR 725.105 (Q) that includes general liability insurance coverage for \$1,000,000 per occurrence and \$2,000,000 in aggregate annually, and product liability insurance coverage for \$1,000,000 per occurrence and \$2,000,000 in aggregate annually – with no deductible.

Good Chemistry's liability coverage will also include \$1,000,000 for Personal liability and coverage for vehicles (hired and non-owned auto) and medical payments.

In addition to liability insurance, Good Chemistry of Massachusetts will obtain property coverage for both the RMD and cultivation facilities to cover furniture, fixtures, computers, grow equipment along with stock/inventory, living and finished plant material and cargo/transportation/inventory coverage from damage or theft.

Good Chemistry of Massachusetts will document compliance with insurance requirements in a manner and form determined by the DPH pursuant to 105 CMR 725.105(M).

## **5. Location and Physical Structure**

5.1 Provide the physical address of the proposed RMD dispensary site if a location has been secured. If a location has not been secured, indicate N/A in the text box and exhibit. Attach supporting documents as evidence of interest in the property by location. Interest may be demonstrated by (a) a clear legal title to the proposed site; (b) an option to purchase the proposed site; (c) a lease; (d) a legally enforceable agreement to give such title under (a) or (b), or such lease under (c), in the event the Department determines that the applicant qualifies for registration as a RMD; or (e) evidence of binding permission to use the premises.

Good Chemistry of Massachusetts, Inc. has secured a 6,200 ft<sup>2</sup> location for an RMD dispensary site at: 364-368 Boylston Street, Boston, MA 02116.



An option to lease agreement has been signed by Barjen Realty Trust and West End Realty Group LLC. A letter from Barjen Realty Trust permitting an option for West End Realty Group LLC to sublease to Good Chemistry Massachusetts, Inc. has been signed. An option for West End Realty Group LLC to sublease to Good Chemistry of Massachusetts, Inc. has been signed.

Due to federal forfeiture sensitivities, we established West End Realty Group LLC to help protect the property owner.

Evidence of interest attached as exhibit 5.1

5.2 Provide the physical address of the proposed RMD cultivation site if a location has been secured (the response must be the same as the location indicated in the response to 5.1 or 5.3). If a location has not been secured, indicate N/A in the text box and exhibit. Attach supporting documents as evidence of interest in the property by location (see examples of evidence in 5.1).

Since the filing of our Phase I application, our cultivation site has moved from Fitchburg to Worcester. The cultivation site address is: 6 Pullman Street, Worcester, MA 01606.

A lease agreement has been signed by The Estate of Cornelius J Lucey and West End Realty Group LLC. A letter from The Estate of Cornelius J. Lucey permitting West End Realty Group LLC to sublease to Good Chemistry of Massachusetts, Inc. has been signed. A sublease between West End Realty Group LLC and Good Chemistry of Massachusetts, Inc. has been signed.

Due to federal forfeiture sensitivities, we established West End Realty Group LLC to help protect the property owner.

Evidence of interest attached as exhibit 5.2

5.3 Provide the physical address of the proposed RMD processing site if a location has been secured (the response must be the same as the location indicated in the response to 5.1 or 5.2). If a location has not been secured, indicate N/A in the text box and exhibit. Attach supporting documents as evidence of interest in the property by location (see examples of evidence in 5.1).

Since the filing of our Phase I application, our processing/cultivation site has moved from Fitchburg to Worcester. The processing/cultivation site address is: 6 Pullman Street, Worcester, MA 01606.

A lease agreement has been signed by The Estate of Cornelius J Lucey and West End Realty Group LLC. A letter from The Estate of Cornelius J. Lucey permitting West End Realty Group LLC to sublease to Good Chemistry of Massachusetts, Inc. has been signed. A sublease between West End Realty Group LLC and Good Chemistry of Massachusetts, Inc. has been signed.

Due to federal forfeiture sensitivities, we established West End Realty Group LLC to help protect the property owner.

Evidence of interest attached as exhibit 5.3

5.4 Describe efforts to obtain assurances of support or non-opposition from the local municipality(ies) in which the applicant intends to locate a dispensary, cultivation site, and/or processing site and indicate whether the municipality expressed any opposition. If the sites are in different municipalities, provide

information related to each community. If available, include a demonstration of support or non-opposition furnished by the local municipality, by attaching one or more of the following:

- A letter from the Chief Administrative Officer, as appropriate, for the desired municipality, indicating support or non-opposition;<sup>1</sup>
- A letter indicating support or non-opposition by the City Council, Board of Aldermen, or Board of Selectmen for the desired municipality; or
- A letter indicating support or non-opposition by the Board of Health in the desired municipality.

The medical marijuana industry is unique, beset with boundaries, obstacles and false preconceptions that other businesses are not faced with. Thus, gaining local community support requires a significant amount of relationship building. From its experience in siting a Colorado dispensary next to the state capitol building in Denver, the Executive Management Team of Good Chemistry of Massachusetts knows engagement – face-to-face meetings, conversations, information-sharing and education – is key to effective community relationship building that leads to municipal support and good corporate citizenship.

Good Chemistry of Massachusetts' Executive Management Team has extensive experience working with local municipalities on medical marijuana issues. In San Francisco, for example, both Jaime Lewis and Matthew Huron worked closely with the San Francisco Department of Public Health to design responsible and safe regulations for the delivery of medical marijuana products. Additionally, Jaime worked with the San Francisco Department of Public Health to design and create safe, sanitary marijuana-infused edible production regulations for the city.

Jaime also founded the industry trade association Cannabis Business Alliance (CBA) in Colorado, which has been instrumental in helping to create Denver's medical marijuana ordinances. Matthew is a board member and treasurer of CBA and has collaborated closely with Jaime in working with the Denver City Council, the Director of Excise and Licensing, and the Mayor of Denver to maintain responsible rules and regulations and help continue to structure future ordinances surrounding medical marijuana. Jaime serves as a medical marijuana industry spokesperson and has become a reliable information source for the Denver City Council. As COO of Good Chemistry of Massachusetts, she has relocated to Boston and plans to continue her medical marijuana advocacy work.

Through this combined experience working with municipalities and public officials, Good Chemistry of Massachusetts has begun to engage local municipalities and provide medical marijuana expertise as a resource to city governments.

In efforts to obtain assurances of support from Boston, where the proposed RMD will be located, as well as Worcester, where the proposed cultivation/processing facility will be located, Good Chemistry identified municipal leaders and notified them of its intention to locate those facilities in their communities as required by the DPH. In Boston, letters were sent to the Mayor, Chief of Police and Sheriff, and in Worcester to the Mayor, City Manager and Sheriff and Chief of Police.

Good Chemistry of Massachusetts contacted those officials and set up introductory meetings, the purpose of which were two-fold:

- Introduce the mission of Good Chemistry of Massachusetts and its history as one of the most experienced dispensaries and cultivators of medical marijuana in the country; and
- Obtain information on siting barriers and approaches to overcoming them.

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<sup>1</sup> Chief Administrative Officer is the Mayor, Town Manager, Town Administrator, or other municipal office designated to be the chief administrative officer under the provisions of a local charter.

The meetings provided an opportunity for Good Chemistry of Massachusetts to communicate its:

- commitment to the therapeutic role of medical marijuana in improving the quality of life of patients with debilitating medical conditions;
- leadership in best practices and advocacy of strict industry regulations;
- intention to meet the needs of patients in a discrete manner that demonstrates professionalism, best practices, compassionate care, philanthropy, community support and neighborhood safety and security; and
- plan to become an active member of the business community.

The discussions also provided the opportunity to address safety and security concerns with municipal and community leaders and local law enforcement and gain insight on zoning and permissible areas of location within the communities.

Provided below is a summary of those municipal relationship-building efforts which were conducted over a period of several months and continue today to keep open lines of communication. Through these efforts, no municipal opposition was expressed for either the proposed RMD or cultivation/processing site.

### **Boston – RMD Dispensing Location**

Good Chemistry of Massachusetts Team Members:

- Testified at the Boston Public Health Commission hearing in support of its draft regulations
- Communicated with the District Councilor who expressed no opposition to siting a medical marijuana facility in his district
- Met with the majority of state's legislative delegation and received strong encouragement to locate a facility in the city
- Met with President of the Boston City Council who provided a non-opposition letter to Good Chemistry of Massachusetts, Inc.

Good Chemistry is continuing its relationship building within the City of Boston to enhance support and lay the foundation for becoming a good corporate citizen and neighbor.

### **Worcester – Cultivation/Processing Location**

Executive Management Team Members:

- Met with the Mayor, City Manager, State Representative and City Councilor to introduce Good Chemistry of Massachusetts and its intent to site a cultivation/processing facility in Worcester and discuss any safety and security concerns

Items discussed:

- Measures to ensure the security of products and concerns of diversion
- Education on waste management protocols
- Modes and methods of delivery as they pertain to staff and community safety
- Plans to work closely with local law enforcement
- Job creation

As a result of those meetings, Good Chemistry of Massachusetts was able to obtain the following:

- A non-opposition letter from the Mayor of Worcester
- A non-opposition letter from the Worcester City Manager
- Approval of the proposed cultivation/processing site at 6 Pullman St

Good Chemistry's Executive Management Team is continuing its relationship building in Worcester to enhance municipal support.

Letter(s), if any, attached as exhibit 5.4

5.5 Provide a summary chart reflecting answers to questions 5.1 -5.4 indicating evidence of local support or non- opposition for cultivation, processing or dispensing activities of the proposed RMD.

Summary chart attached as exhibit 5.5

5.6 Provide a description of the applicant's plans to ensure that the proposed RMD is or will be compliant with local codes, ordinances, zoning, and bylaws, as well as state requirements for the physical address of the proposed RMD dispensing site and for the physical address of the additional location, if any, where marijuana will be cultivated or processed.

### **Dispensing Location**

Good Chemistry's proposed RMD dispensing site location of 364-368 Boylston Street complies with all applicable local codes, ordinances, zoning and bylaws provided that it obtains a permit for conditional use from the Boston Zoning Board of Appeals under the existing zoning ordinance to operate its business at this site.

The existing City of Boston Zoning Ordinance ("Ordinance") has defined the use regulating the operations of any marijuana medical treatment center ("MMTC") under Article 8 of the Ordinance, which defines the MMTC use as a not-for-profit entity that:

"...acquires, possesses, cultivates, manufactures, delivers, transfers, transports, supplies, sells and/or dispenses marijuana and/or related supplies and educational materials to registered qualifying patients and their registered primary caregivers who have designated it as one of the patient's registered medical treatment center."

Under the Ordinance, MMTCs are forbidden in residentially-zoned districts, but may be allowed through a permit for conditional use in business and industrial-zoned districts. The site of the premises leased by Good Chemistry for operation of its RMD is located in a Business District, and therefore a permit for conditional use by the Boston Zoning Board of Appeals is required.

Under Article 6, Section 6-3, of the Ordinance, the Boston Zoning Board of Appeals shall grant a permit for conditional use if the following conditions, as it pertains to its use and location, are met:

- (a) the specific site is an appropriate location for such use;
- (b) the use will not adversely affect the neighborhood;
- (c) there will be no serious hazard to vehicles or pedestrians from the use;
- (d) no nuisance will be created by the use;
- (e) adequate and appropriate facilitates will be provided for the proper operation of the use;

The proposed RMD dispensing space is located in an existing commercial building with retail businesses. It is adjacent to the Green Line, the most heavily used transit line in the Commonwealth. It is located 0.4 miles from Tufts Medical Center and 0.8 miles from Mass General Hospital. On-street parking is available. There is also a public off-street parking facility located within 800 feet of the business. The site is located over 500 feet from schools and places where children congregate.

### **Cultivation/Processing Location**

The cultivation/processing site will be located in Worcester. The City of Worcester is in the process of approving a Zoning Ordinance amendment relative to registered marijuana dispensaries ("RMD"). On September 4, 2013, the Planning Board of the City of Worcester recommended that RMDs be allowed by-right in Business General, Manufacturing General, Institutional Medical, and Manufacturing Limited Zones, so long as the RMD is not within 300 feet of a residential zone or where children congregate. The Worcester City Council's Economic Development Committee held a public hearing on November 19, 2013, where the committee approved the proposed zoning changes be placed before the City Council for a final vote.

Based on the proposed amended Zoning Ordinance, Good Chemistry's proposed location for its RMD cultivation facility, at 6 Pullman Street, will comply with all applicable local codes, ordinances, zoning and bylaws, under the anticipated Zoning Ordinance to operate its business at the site by-right. Good Chemistry would not have to appear before the Zoning Board of Appeals and instead would obtain all the necessary permits through Inspectional Services without the need for a public hearing.

The facility will help meet community public health needs of the patients through its servicing of a RMD retail facility, and is likely to enhance the City's tax base by occupying a large commercial space and adding employment positions to operate the facility.

The government of the City of Worcester is in support of licensing of an RMD cultivation facility in the City, as reflected by its willingness to site said facilities by-right under many circumstances throughout the City.

Good Chemistry's proposed RMD at 6 Pullman Street in Worcester will cultivate and process medical marijuana on site and will not allow retail dispensing.

Good Chemistry's proposed RMD in Boston will not cultivate or process any medical marijuana on site of the RMD or at other location in Boston.

#### **5.7 Describe the applicant's plan to continue to develop and maintain a positive relationship in each community in which the RMD is/will be located.**

Good Chemistry of Massachusetts is committed to becoming an active and respected member of the Boston and Worcester communities. The Executive Management Team has years of community relations experience that has garnered strong local support for its dispensary in Denver, which will be applied to Massachusetts.

Key members of the team have already relocated to Massachusetts and have spent a great deal of time in Boston and Worcester meeting with community leaders, landlords, political officials, business leaders, and patients that helped shape decision-making in selecting a location for both the dispensing and cultivation/processing sites.

Going forward, the Executive Management Team will adopt a multi-pronged approach summarized below to foster good corporate citizenship, the foundation of which is professionalism, patient advocacy, and compassion.

## **Convey Dedication to Regulatory Compliance, Professionalism and Discretion**

We believe Good Chemistry's professionalism and experience in discretion played a key role in securing non-opposition support in Worcester and will form the basis for good citizenship in Boston. The company will adhere to the following operating principles to convey its dedication to these principles:

- Strictly adhere to state and local regulations and codes
- Focus on patient access and need
- Keep storefront discrete and secure
- Post no signage, graphics or displays on the building exterior, with exception of logo
- Discourage loitering and involve law enforcement when necessary
- Mimic the design and character of the neighborhood
- Be respectful of race, creed, gender, sexual orientation and physical disability
- Ensure staff leads by example with a professional appearance and attitude

## **Educate Community Leaders on Mission**

To help community leaders better understand Good Chemistry's operations and commitment to patient access, neighborhood safety and security, Executive Management Team members will meet (initially and on an ongoing basis) with the following groups and/or officials:

- Neighborhood associations
- Local law enforcement officers and precinct captains
- City council members
- Appropriate municipal staff
- County and state officials and legislators.

## **Establish an Advisory Council with Local Representation**

Good Chemistry of Massachusetts plans to establish an advisory council of medical, law enforcement, education, patient and community advocates that are representative of the RMD community to further the medical and educational purpose of the corporation.

The council will advise Good Chemistry of Massachusetts' Board on issues pertaining to implementing its mission – taking into consideration the community's diversity (both cultural and economic), demographics, and specific patient groups (i.e., seniors, cancer patients, etc.).

## **Become Advocate of Best Industry Practices**

Executive Management Team members founded the Cannabis Business Alliance (CBA), an organization created in Colorado to serve as a resource to the emerging medical marijuana industry and to create industry respect through the adoption of best practices.

Good Chemistry of Massachusetts plans to organize a similar group in Massachusetts that will strive to:

- Encourage policies that hold the industry to the highest standards of operations and compliance;
- Advise industry members on the importance of establishing and adopting industry best practices that promote acceptance and respect;
- Serve as a resource to local, state and national governing bodies; and,
- Create and implement events to enhance the industry's status as a compassionate patient based business

Shaping the industry into one that advocates for strict regulatory compliance in providing patient care will help foster a greater understanding and appreciation for Good Chemistry's mission.

### **Join Chamber of Commerce and Other Business Groups**

Good Chemistry of Massachusetts believes membership in the Greater Boston Chamber of Commerce, the Back Bay Association, the Neighborhood Association of the Back Bay, and the Worcester Chamber of Commerce is essential to establishing a relationship with community business leaders. Such relationships will also enable Good Chemistry to participate in civic projects that will further promote its commitment to the community.

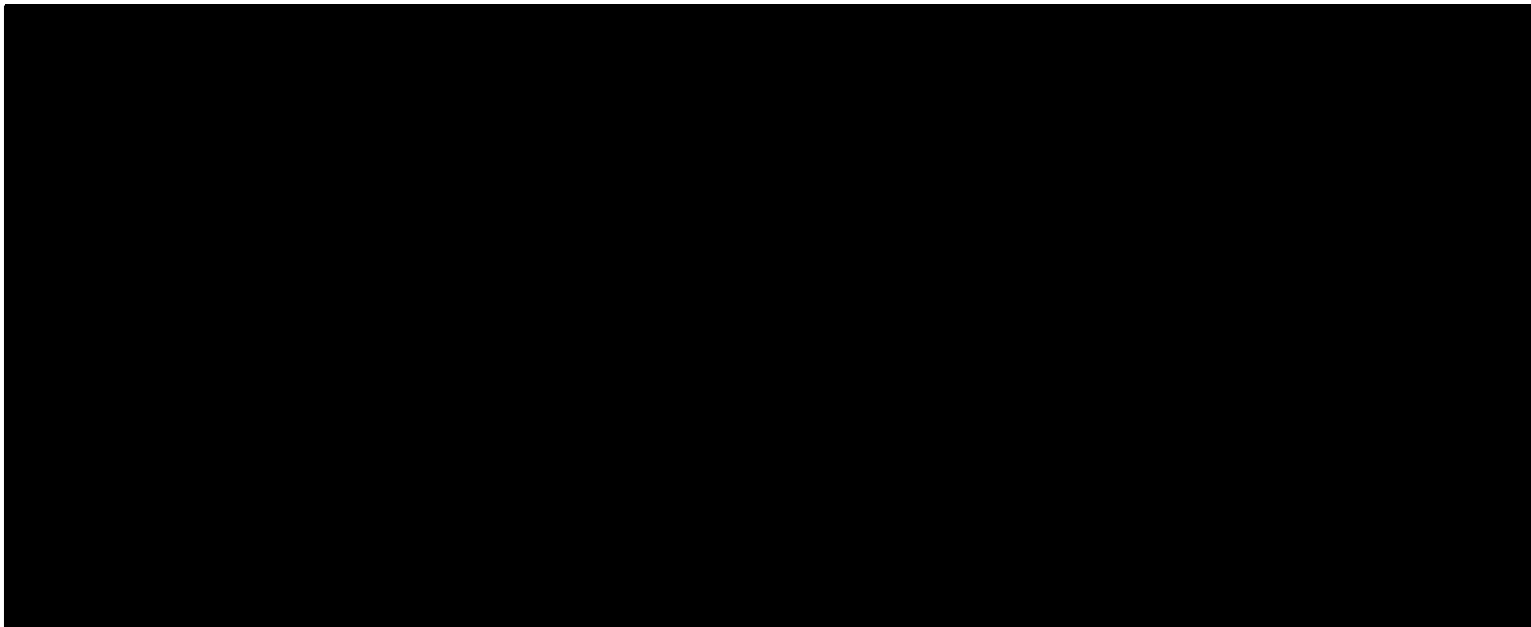
### **Become Neighborhood Group Leader**

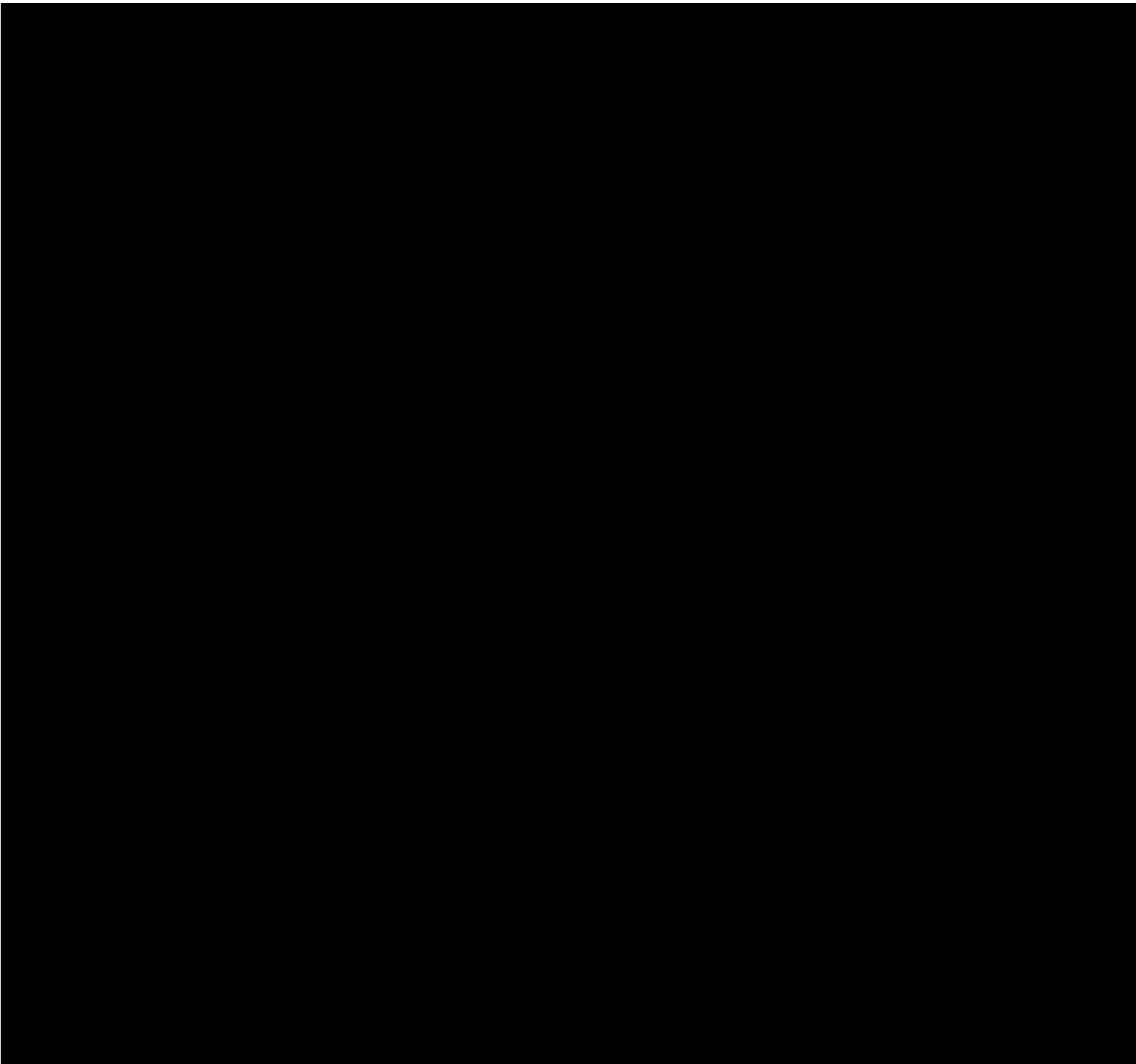
As in Colorado, Good Chemistry will become an active participant in local neighborhood groups to partner with businesses and residents in close proximity to the RMD to address neighborhood issues and concerns. In Colorado, for example, Good Chemistry worked with a local group and law enforcement to improve neighborhood safety, which was a high-crime area before the RMD was opened. Herb Gleason, a Good Chemistry Board member, is an active member of the Back Bay community, where we plan on engaging with community leaders. Good Chemistry of Massachusetts will also join neighborhood groups in Worcester.

### **Reinvest in the Community**

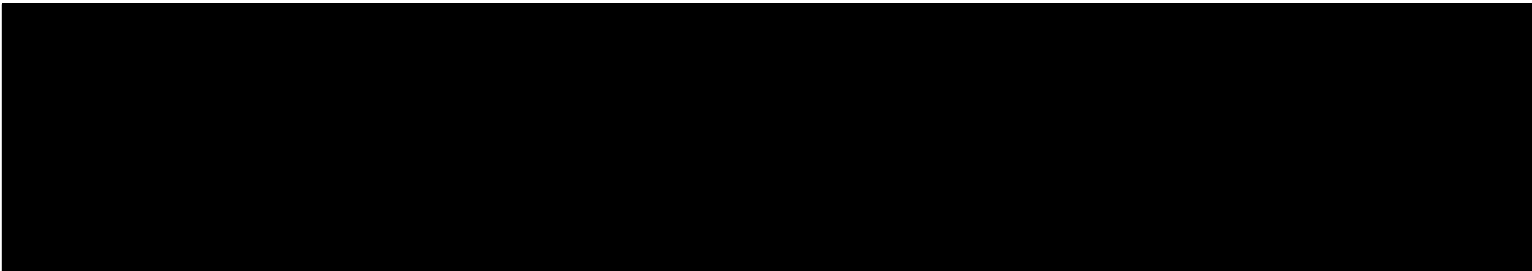
Good Chemistry has a strong commitment to corporate social responsibility. The company will support local civic and community groups through financial donations and volunteer work. In addition, Good Chemistry will further its commitment to compassionate care for low-income patients by working with local social service agencies to reach a broader base of patients that need assistance.

- 5.8 Provide a description of the proposed enclosed, locked facility that would be used for the cultivation and/or processing of marijuana, including steps to ensure that marijuana production is not visible from the street or other public areas. Note that the security plan will be reviewed as a component of the provisional inspection process.

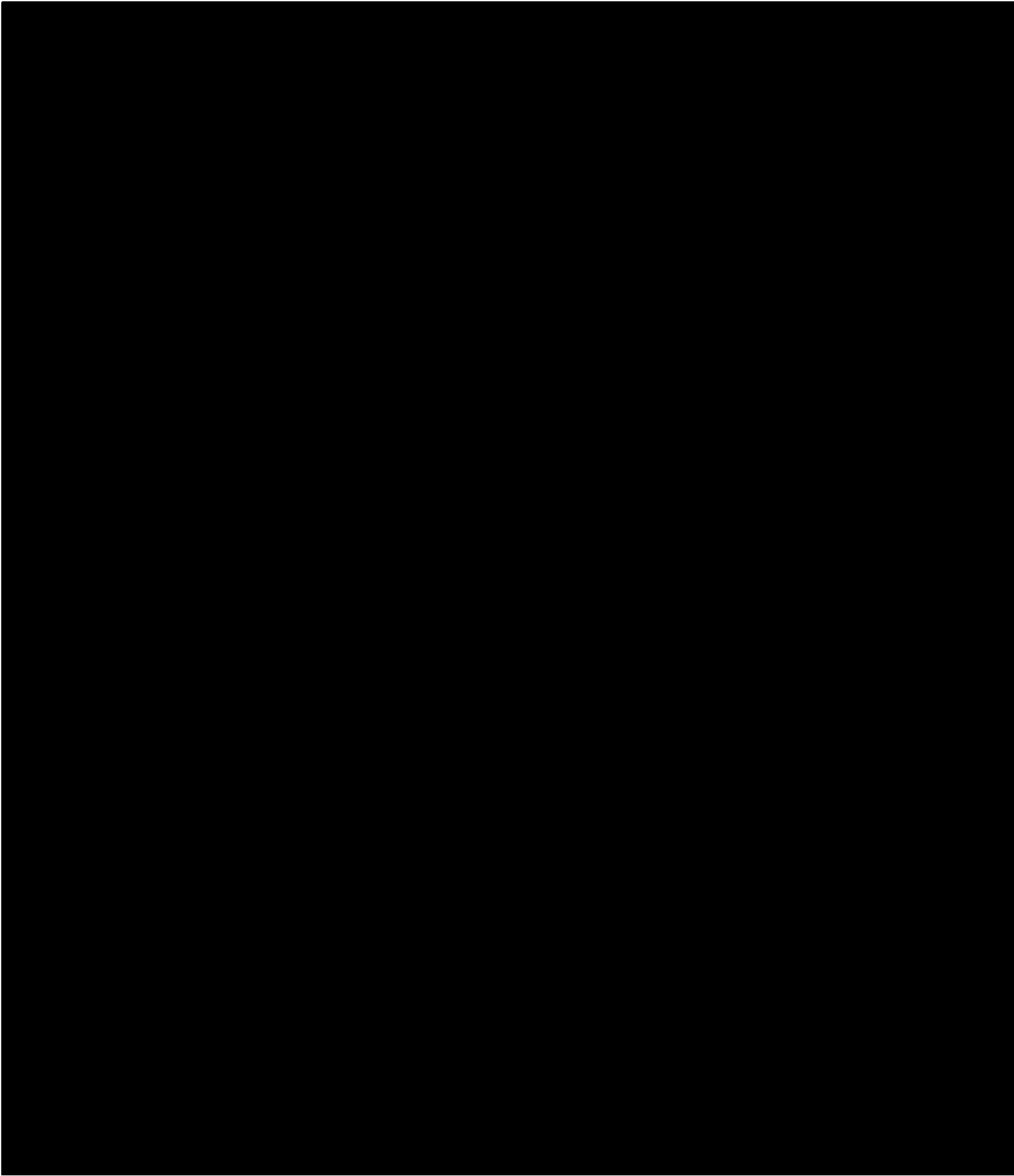




5.9 Describe how the facility's security plan will help deter and prevent unauthorized entrance into areas containing marijuana and/or MIPs and theft of marijuana and/or MIPs at the proposed RMD and the alternate location, if any. Note that the security plan will be reviewed as a component of the provisional inspection process.







## 6. Staffing Plan and Development

6.1 Provide a narrative description of the proposed RMD staffing plan including position description, full time equivalency, and reporting structure. Attach an organizational chart in which you identify all staff and all reporting relationships. If this level of detail is already included in exhibit 1.3, include the same organizational chart in exhibit 6.1.

Provided below are the staff positions required to manage and operate the RMD and cultivation/processing facility and produce MIPs. Included are brief descriptions, followed by the full-time equivalency and staff reporting structure.

### Position Descriptions

The Executive Management Team will be comprised of the following positions:

- Chief Executive Officer (CEO): Provides leadership to the non-profit in carrying out its vision and mission including directing and overseeing operations to ensure patient access, regulatory compliance, product and service quality, security and effective resource management.
- Chief Financial Officer (CFO): Responsible for planning, implementing and managing all financial-related activities including accounting, budgeting, property management, financial negotiations and investor relations. The CFO will be supported by a full-time bookkeeper who will conduct day-to-day bookkeeping. In addition, Triad Tax, an experienced medical marijuana accounting firm will provide oversight and review.
- Chief Operations Officer (COO): Responsible for day-to-day business operations and all functions of dispensary operations and MIP production to ensure regulatory compliance, patient access, inventory management and product/service quality. In addition, the COO will oversee the hardship program, conduct CORI checks and will work with the Board of Directors and advisory council to expand the mission of the non-profit.
- Chief Production Officer (CPO): Oversees the cultivation, processing, tracking, quality control and testing of medical marijuana strains and extracts to ensure the highest quality medicine.

- Chief Medical Officer (CMO): Oversees the patient survey program, patient and physician education efforts, establishes cannabinoid testing protocol and directs R&D studies on the medicinal benefits of marijuana.

The dispensary staff positions will include the following:

- Store Manager: Oversees day-to-day operation of the dispensary including regulatory compliance, security and surveillance, inventory and asset management, community outreach, waste management protocols, staff management and vendor services.
- Assistant Store Manager: Assists store manager in serving patients and day-to-day operations, as well as hardship program administration, HIPPA compliance and the coordination of patient paperwork and hardship patient delivery logistics.
- Inventory Manager: Responsible for the management and seed-to-sale tracking of all store inventory including placing orders with cultivation, MIPs and extracts. Receives deliveries, manages and files information with DPH as needed.
- Dispensing Staff: Responsible for patient check-in, medicine dispensing, patient education, medication storage as well as routine tasks such as answering phones, cleaning, counting inventory and money, updating website and store opening and closing.
- Security Guard: Ensures facility is secure 24 hours a day.

The production of MIPs will require the following three staff positions:

- Executive Chef: Coordinates product inventory and seed-to-sale tracking. Responsible for production and packaging of all MIPs, staff training and kitchen's compliance with sanitation and food handling requirements as outlined in 105CMR 300/500.
- Sous Chef: Responsible for filling product orders, overall cleanliness of kitchen and waste management protocols as it pertains to ServSafe, and prepares medicine for recipes.
- Cooks: Responsible for making and packaging products, stocking and cleaning kitchen.

The cultivation facility will be staffed with the following eight positions:

- Garden Manager: Oversees plant propagation, pest control, organic practices and security and surveillance. Oversees daily operations and staff to ensure compliance with DPH and Department of Agriculture Regulations in 7CFR part 205.
- Assistant Garden Manager: Assists garden manager and gardeners in cloning, irrigation, transplanting, cycle transition, nutrient mixing and equipment maintenance.
- Gardeners: Responsible for the day-to-day physical labor of gardening including transplanting plants, pruning and application of organic pesticides.

- **Inventory Manager:** Responsible for the seed-to-sale tracking of all materials produced at the cultivation facility and coordinates with the dispensary inventory manager to facilitate prepacking of medical marijuana units for RMD delivery. Also responsible for waste management, product testing and quality control.
- **Assistant Inventory Manager:** Responsible for inventory data management, delivering product to dispensary and for delegating work to trimmers
- **Extraction Operator:** Responsible for manufacturing all extracts, maintaining equipment and ensuring the quality of products in accordance with NSF and 105CMR300/500.
- **Trimmers:** Responsible for manicuring all flower materials as well as packaging.
- **Security Guard:** Ensures security of facility 24 hours a day.

### **Full Time Equivalents**

Good Chemistry of Massachusetts plans to hire 16 dispensary employees, 24 cultivation employees and 5 chef/cooks to manufacture MIPs. All positions will be full-time, with the exception of the cooks (part-time) and dispensary agents and trimmers (which will be a combination of part- and full-time positions). Including the Executive Management Team, total Good Chemistry of Massachusetts staff will comprise 52 employees with a full time equivalency of 44.

### **Reporting Structure**

The CEO will lead the company in implementing its mission under the direction of the Board of Directors. The CFO, COO, CPO and CMO will report to the CEO in managing company operations.

The COO will oversee all dispensary and MIPs production operations. The CPO will direct all cultivation operations, including extracts. The CMO and the CFO will oversee operations in their specific disciplines. Dispensary and Cultivation staff will report to their respective managers at those facilities.

Organizational chart attached as exhibit 6.1

- 6.2 Explain the hiring plan for the RMD staff by role, including qualifications and experience by position description. Include a description of the applicant's process to complete a Criminal Offender Record Information (CORI) check on each staff member working at the RMD at hire and on an ongoing basis.

Good Chemistry of Massachusetts will initiate staff hiring shortly after issuance of a certificate of registration by DPH. The Company will make every effort to hire a diverse workforce. A total of 48 employees will be hired by the Executive Management Team over an eight-month start-up phase prior to dispensary opening. The Executive Team Members have already relocated and will manage every aspect of company start-up from day one.

Below is the general timeframe for filling staff positions during the company start-up phase. First priority will be given to filling cultivation and management positions. All positions are full-time unless noted.

By Month 3 of Company Start-up Phase (add 1 employee)

- Garden Manager (CPO will initially assume this role)
- Assistant Garden Manager

By Month 5 of Company Start-up Phase (add 11 employees)

- Gardeners (2)
- Inventory Manager
- Assistant Inventory Manager
- Store Manager
- Assistant Store Manager
- Store Inventory Manager
- Cultivation Facility Security Guards (4)

By Month 8 of Company Start-up Phase (add 36 employees)

- Dispensary Staff (10) (Combination of full- and part-time positions)
- Executive Chef
- Sous Chef
- Cooks (3) (Part-time positions)
- Extraction Operator
- Trimmers (15) (Combination of full- and part-time positions)
- RMD Security Guards (4)
- Bookkeeper

The Chief Operation Officer (COO) will hire RMD agents for the dispensary and MIPs, the company bookkeeper and security guards. The Chief Production Officer (CPO) will hire cultivation, processing and extraction employees. CORI checks will be conducted with consent on each employee by the COO prior to hiring and will be performed every six months thereafter. All management staff hires will be approved by the Chief Executive Officer (CEO).

In terms of qualifications, for dispensary positions, the company will seek candidates with patient or social work experience (hospital, medical office or hospice), strong customer/patient service expertise, proficient computer skills and bilingual abilities in English and Spanish. For inventory related positions, experience in IT and inventory management will be mandatory. Cultivation staff should have varying degrees of agriculture, botany, or commercial gardening experience. MIPs staff should have commercial kitchen or catering experience.

In filling the positions, Good Chemistry of Massachusetts will rely on community relationships, employment agencies and culinary schools. Every effort will be made to hire locally

Provided below is a summary of qualifications by staff position.

Dispensary Positions

Store Manager: Experienced in high volume retail management and/or patient or social services required along with staff management experience, bilingual abilities and a four-year college degree. Compliance experience with regulations/codes and security procedures preferred.

Assistant Store Manager: Qualifications are similar to the store manager in terms of retail sales/customer or patient service experience. Medical office background preferred. Minimum of two year college degree is required.

Inventory Manager: Requires IT background with inventory tracking system experience in high volume businesses. Proficient in logistics, Excel and familiar with inventory tracking systems similar to industry standard seed-to-sale medical marijuana software. Degree in IT/computer science preferred.

Dispensing Staff: Experienced in high retail sales environment and/or patient services. Work experience in medical office preferred (doctor's office/hospital/hospice). Requires excellent customer/patient skills. Must be computer proficient with good attention to detail. Bilingual in English and Spanish preferred.

### MIPs Positions

Executive Chef: Minimum five years' experience in managing a commercial kitchen or catering business with ServSafe certification and/or equivalent required. Basic computer skills and experience with clientele with special dietary needs preferred (hospital, elder care, etc.)

Sous Chef: Minimum two years' of experience in a commercial kitchen or catering business with ServSafe certification or equivalent required.

Cooks: Experienced kitchen help with basic cooking skills and maintenance of a sanitary kitchen environment required.

### Cultivation Positions

Garden Manager: Position will require a minimum of two years' experience in commercial medical marijuana cultivation with knowledge of basic botany, nutrient profiles, irrigation techniques, pesticides, fungicides, and organic standards. Basic computer skills required. Experience in indoor growing operations, agricultural management practices and staff management required.

Assistant Garden Manager: Background in commercial gardening, including but not limited to medical marijuana. Must be mechanically inclined with experience in staff management.

Gardener: Experienced in botany, commercial gardening or agriculture.

Inventory Manager: Minimum of five years IT experience in inventory management involving tracking software and logistics. Experience in high risk production or manufacturing facility preferred. A four-year degree in computer and/or supply chain management preferred.

Assistant Inventory Manager: Experience in inventory management required. Skilled at data entry. Proficient in Excel with good attention to detail. Responsible driving record and minimum two-year college degree required.

Extraction Operator: Requires experience and/or educational background in chemistry. Must be adept at machinery operation and maintenance. Degree in Chemistry or related discipline preferred.

Trimmers: Experience in manual labor required.

## Other

Security Guards: Must be trained and experienced in surveillance of high volume, high risk retail operations. Former or current law enforcement employed by a licensed, bonded security company preferred.

Bookkeeper: Experienced in bookkeeping or accounting in high volume businesses.

Proof of enrollment with Department of Criminal Justice Information Systems (DCJIS) to complete CORI checks attached as exhibit 6.2

6.3 Provide a detailed summary of the RMD's personnel policies, including proposed wages, opportunities for advancement, the benefits package, and any employment provision required by law that will be offered to employees. Note that the Department will review the RMD's personnel policies as a component of the provisional inspection process.

Good Chemistry of Massachusetts' Personnel Policies Manual will contain information on: employee requirements; protection of individual rights; employee benefits; and compliance with state employment mandates. At a minimum, the manual will contain the following policies summarized below.

### **Hiring Practices**

When hiring, the Company will rely on the accuracy of the information contained in the employment application as well as other data presented during the employment process. Any misrepresentations, falsification or material omission may result in exclusion from further consideration or termination. The Company will require consent to conduct a CORI background, with hiring contingent on satisfactory results. All new employees will be hired on a thirty (30) day trial period.

### **Equal Employment Opportunity**

The Company is an equal opportunity employer and makes employment decisions on the basis of merit. The Company does not discriminate and does not permit its employees to discriminate against other employees or applicants because of race, color, religion, sex, sexual orientation, gender identity or expression, pregnancy, marital status, national origin, citizenship, veteran status, ancestry, age, physical or mental disability, medical condition, or genetic characteristics. Equal employment opportunity will be extended to all aspects of the employer-employee relationship, including recruitment, hiring, training, promotion, discipline, termination.

### **Compensation**

The goal of Good Chemistry of Massachusetts' compensation program is to attract qualified employees and encourage well-performing employees to stay with the company. The company will pay wages and salaries that are competitive, fair and equitable with other employers in Massachusetts. Staff categories will include:

- Non-Exempt Employees: subject to the provisions of law requiring the payment of overtime (hourly employees)
- Exempt Employees: not subject to the provisions of law requiring the payment of overtime (salaried)

Below are proposed salary ranges for each category of employees. For non-exempt employees, all hours worked in excess of 40 hours in any workweek or 8 hours in any workday shall be paid at 1 ½ times each employee's straight-time hourly rate. Double-time will be paid for all hours worked in excess of 12 hours in

any one workday or on a holiday. Employees shall be paid a livable wage that is comparable to prevailing practices in other industries within Massachusetts.

Exempt Employee (Salaried)

Executive \$50K

Managers \$50-75K

Assistant Managers \$40-45K

Chefs \$40-50K

Extraction Operator \$45K

Non-exempt (hourly)

Dispensary Agents \$15/hr

Security Guards \$15/hr

Cooks \$15/hr

Gardeners \$17.50/hr

Trimmers \$15/hr

Bookkeeper \$20/hr

**Employee Benefits (salaried)**

The following benefits will be offered along with any others mandated by Massachusetts:

- Health Insurance
- Disability Insurance
- Paid leaves of absences: family, jury-duty, medical, military, bereavement, etc.
- Paid vacation, holidays, sick time

**Opportunities for Advancement within the Company**

Annual evaluations will be made to determine individual progress, training needs and pay increases. Pay increases will be dependent on factors such as the employee's demonstrated job proficiency and the company's financial situation. The chance to advance is important. By promoting from within the organization, when present employees are qualified and as justified by company needs and growth, the company offers as many opportunities for advancement as possible.

In addition, a tuition reimbursement program will be available for employees to take classes that would be a benefit to both the employee and the company.

**General Code of Conduct**

Every employee shall conduct themselves in such a manner as to be an asset to the company and its mission and to its patients. Employees shall not engage in any activity that affects or interferes with the assigned job responsibilities, distracts or impairs job performance or reflects negatively on Good Chemistry.

**Non-Harassment**

Harassment in employment, including sexual, racial and ethnic harassment as well as any other harassment forbidden by law is strictly prohibited by the Company. Employees who violate this policy are subject to termination.



## Safety and Security

Good Chemistry has a vital interest in maintaining a safe, healthful and secure environment for employees and patients. Disrespect toward any staff or patient will not be tolerated nor will disruptive behavior, fighting and use of profanity. Information about staff members and patients must be kept strictly confidential. It is the company's policy to comply with all State and Federal laws relating to the use/abuse of alcohol and drugs.

### Termination Policies

At a minimum, the Company deems the following offenses as grounds for dismissal:

- Incompetence, failure to report or perform
- Habitual absenteeism, tardiness, or unreliability
- Any act of dishonesty, including falsification of records
- Destruction or theft of property belonging to a patient, employee or Company
- Substance abuse
- Unlawful possession, distribution or sale of narcotics, drugs or controlled substance
- Fighting, intimidating, coercive, disrespectful or threatening behavior
- Vulgarity or profanity in front of patients
- Insubordination and/or refusal to follow direction/instructions
- Disregard of any of the company's policies
- Harassment of a sexual or any type of illegal nature

6.4 If known at the time of submission, provide the name and the role/title of each dispensary agent that the proposed RMD intends to employ. If the identity of dispensary agents is unknown at the time of application, indicate N/A.

Completed list of known RMD staff attached as exhibit 6.4

6.5 Describe the applicant's staff development plan, including a detailed description of all proposed training(s) for dispensary agents.

Good Chemistry of Massachusetts' success is dependent on having a knowledgeable, productive and efficient staff. Since the industry is evolving – and new to Massachusetts – we plan to invest a significant amount of time and resources on training, prior to dispensary opening. A structured training and development program will ensure our employees have a consistent knowledge base to perform their jobs to best meet patient needs.

Once the dispensary is operating, ongoing training will continue to advance staff skills, capabilities and knowledge as needed.

### Training Methods

Two types of training methods will be used:

- **Group Training:** is the most effective and efficient method of training new employees. Information will be presented in a classroom or seminar type format with both visual and written instructional materials. This training will provide general overviews of topics such as organizational mission, vision, rules, operations, products, testing and regulatory compliance.

- **On-the job training:** will be used to train individual or groups of employees in actual work scenarios related to job specific duties. Employees will “learn by doing”.

Good Chemistry of Massachusetts will develop the curriculum and training materials based on its Executive Management Team’s experience. All training will be performed internally by Executive Team Members and management. Experienced management staff from Colorado operations will also travel to Massachusetts to initially work with employees to provide training on job specific duties or processes. In some instances, specialized training will take place in Colorado at actual operating medical marijuana facilities.

## Training Programs

Initially, four mandatory staff training programs will be conducted:

### Group Training (to be conducted prior to dispensary opening)

- **Orientation:** This training will familiarize all employees with the organization, mission, vision, rules, regulations, working conditions and overview of the state law 105 CMR 725, regulatory compliance and the benefits, uses and effects of medical marijuana.
- **Management Training:** This will be a more in-depth training program for managers and assistant managers. It will be comprised of a five-day comprehensive program on medical marijuana cultivation, MIPs, extracts and dispensary operations focusing on regulatory compliance, inventory management, testing, patient access, hardship program, food protection, safety and security. Also provided will be company specific information on codes of conduct, rules, and roles and responsibilities to provide a foundation for effective company management.
- **Compliance Training:** Employees at all levels will learn about the importance and legal implications of regulatory compliance regarding seed to sale tracking, labeling, documentation, confidentiality, waste management, record-keeping, roles and responsibilities.
- **Security Training:** All staff will be trained in both the physical security measures (surveillance, alarms, signage, safes, vaults, etc.) as well as procedures that must be followed to ensure a safe and secure working environment for both employees and patients. This training session will be conducted with assistance from the LAN-TEL Security Company.

### Staff Position Training (to be conducted prior to and during initial operations)

- **Job Specific Training:** All staff will receive training on position-specific duties and responsibilities either in Massachusetts or Colorado. This will include a combination of classroom and hands-on training in the facility.
- **On-the-Job Training:** For most employees, this will be an ongoing process as staff will be continuously coached by management during the initial operational phase.

## Training Curriculum

Provided below are training topics to be covered with company managers and assistant managers.

## Management Training Topics

- MA Regulatory Compliance
- Employee Policies/Procedures
- Medical Marijuana Overview
- Dispensing of Medical Marijuana
- Medicine Strains/Properties
- Methods of Medicating
- Overview of MIPs
- Hardship Program
- Patient and Physician Education
- Patient Record Keeping/Confidentiality Requirements
- Cultivation/Processing
- Extractions
- Inventory Management and Control
- Seed to sale tracking systems
- Product Testing and Quality Control
- Waste Disposal/Storage Protocols
- Product Labeling and Packaging
- Transportation/Deliveries
- Security/Safety Systems and Procedures

## Job-Specific Training Topics by Area

Staff in the following areas will receive varying degrees of training tailored to position:

- **Dispensary:** Dispensing procedures, security measures, testing methods and protocols, strain training, MIPs, confidentiality requirements, inventory compliance, hardship program, seed-to-sale inventory system, patient deliveries, patient education, waste management, phone etiquette, patient service and sensitivities, record-keeping, web-site maintenance, store opening and closing procedures
- **MIPs:** Extraction and cooking methods, packaging and delivery systems, recipe testing, supply ordering, kitchen sanitary procedures, security, compliance testing, handling of medical marijuana, waste disposal, inventory management, and seed-to-sale inventory systems.
- **Inventory:** Day-to-day inventory procedures, seed-to-sale system operations, security measures, testing methods and protocols, coordination between dispensary, cultivation and extraction, delivery scheduling and protocols, logistics, Excel spreadsheets, order tracking
- **Cultivation/Processing:** Grow facility rules and regulations, garden systems including lighting, irrigation, ventilation, nutrient mixes, organic pesticide and fungicide application, growth cycles, waste management, security, proper material handling and packaging, compliance and tracking procedures, storage methods, plant strain characteristics, extract products and processes.

## **7. Operations and Programmatic Response Requirements**

7.1 Explain the RMD start-up timeline, including evidence that the RMD will be ready to dispense within that proposed timeline if the RMD receives a provisional certificate of registration by the Department.

The timeline must detail, by location, the start up period, including key benchmarks, leading up to the Department's final inspection.

Good Chemistry of Massachusetts plans to start dispensing medicine to patients at its Boston dispensary nine months after receiving a provisional certificate of registration from the DPH. This schedule is driven by the time required to:

- Build the cultivation facility and install indoor garden systems (four months); and
- Harvest the first crop of marijuana and produce marijuana-infused products and extracts (four months).

Good Chemistry of Massachusetts is confident it will meet the schedule illustrated in Exhibit 7.1 based on the Executive Management Team's experience in the efficient set-up and operation of medical marijuana cultivation and dispensary facilities in Colorado and California. The Executive management team has relocated to Massachusetts and are currently working with architects and contractors in Massachusetts.

Management team members recently managed the construction of an indoor cultivation facility expansion in Colorado which now spans 30,000 square feet over two facilities. In addition, from over 10,000 man-hours of cultivation experience, the team has mastered the efficient set-up process involved in growing medical marijuana and producing products and extracts. This expertise will contribute to an efficient, well managed start-up process.

Good Chemistry of Massachusetts has taken several proactive measures pertaining to location, facility infrastructure and operations that will expedite its timeline to provide patient access to medical marijuana in a timely manner. These include the following:

#### **Location Specific Measures**

**Securing Real Estate:** Signed leases for both cultivation and the dispensary spaces have been secured

**Obtaining Community Support:** Efforts to build community support in the municipalities are ongoing

**Preparing for Permitting:** An Assessment of local codes, ordinances, zoning and bylaws has been conducted to aid in a timely permitting process

#### **Facility Infrastructure Measures**

The following contractors have been retained so that work can start immediately upon approval to proceed – all of which have worked with Executive Management Team members on other medical marijuana facility construction projects:

- Miller Design Works, a full-service architectural firm with experience across a broad range of project types, including medical marijuana facilities, has prepared architectural design drawings of both cultivation and dispensary facilities.
- Mendel and Company, one of Denver's most trusted and well respected names in commercial construction (including medical marijuana facilities) will oversee construction of both the cultivation facility and dispensaries. Mendel and Company is licensed in Massachusetts and will serve as Good Chemistry of Massachusetts's general contractor and will hire and manage local subcontractors to conduct the work.

- LK Creative Solutions: An interior designer with medical marijuana dispensary design experience.
- LAN-TEL Communications: A security firm with experience in the installation and maintenance of security including lighting, physical security, video surveillance, alarm and other controls to ensure the security and safety of both cultivation and dispensary facilities.

### **Operational Measures**

Lastly, the following measures will enable prompt start-up of operations:

- Executive Management Team day-to-day management of all construction, set-up and start-up efforts
- Expedient development of operational policies/procedures
- Proficiency and experience in setting up and using the seed to sale inventory tracking software for medical marijuana inventory tracking, patient management and point-of-sale.
- Partnership with a third-party independent lab to test products for quality and potency.

Provided below are benchmarks of the start-up period by location (by month from certification to final inspection prior to dispensary opening).

### **Cultivation Facility Benchmarks**

- Facility Construction Completion: Month 4
- Initial Staffing: Month 3
- Inventory Management System Installation: Month 5
- Security System Installation: Month 1-5
- First Harvest Completion: Month 8 (includes propagation, vegetative cycle, flower cycle, harvest, curing)
- Product Testing and Packaging: Month 8-9
- Medicine Shipment to Dispensary: Month 9

### **MIPs Production Benchmarks (to be located in Cultivation Facility)**

- Kitchen Construction Completion: Month 7
- Equipment Purchases: Month 6
- Initial Staffing: Month 7
- Product Development & Packaging: Month 8-9
- Product Shipment to Dispensary: Month 9

### **Extracts (Processing) Benchmarks (to be located in Cultivation Facility)**

- Equipment Set-up Completion: Month 9
- Staffing: Month 8
- Extract Production: Month 9
- Product Shipment to Dispensary: Month 9

## Dispensary Facility Benchmarks

- Facility Construction Completion: Month 4
- Initial Staffing: Month 6
- Interior Design Completion: Month 6
- Supplies/Furniture/Set-Up: Month 6
- Security System Installation: Month 7
- Inventory Management System Installation: Month 7
- Website Development: Month 8
- Store Opening: Month 9

Start-up timeline with clear benchmarks and dates attached as exhibit 7.1

7.2 Provide a detailed summary of the year-one operating plan, including key business check-in points over the year that will inform business practice improvements.

Good Chemistry of Massachusetts' first year operating plan will set the foundation for: implementing its mission to provide patients safe and legal access to medical marijuana; improve patient quality of life with the therapeutic benefits of medical marijuana; and offer the highest quality medical marijuana products and services as possible, including patient and physician education.

This plan summary provides an overview of first year objectives, activities to be undertaken to meet those objectives, as well as business check-in points throughout the year that will guide improvements to the company's non-profit medical and educational purpose.

### First Year Objectives

Good Chemistry of Massachusetts' first year objectives will focus on patient and staff education, fine-tuning patient services, and laying the groundwork to advance research on the therapeutic value of medical marijuana.

#### Build Patient Access

- Conduct outreach to medical community including physicians, hospices, hospitals
- Develop/Implement Compassion Program to provide medicine to patients in need
- Connect with social service and patient service agencies
- Demonstrate effective interpersonal patients skills
- Earn patient trust with knowledge, professionalism and quality medicine and support
- Offer bilingual services and display respect for diversity

#### Foster Education Initiatives

- Focus on patient education
- Conduct ongoing training of dispensary staff to better serve patients
- Conduct outreach to medical community to educate on therapeutic benefits
- Build relationships with community leaders to increase understanding of medical marijuana and support local charities and groups

#### Initiate Research on Medicinal Properties of Cannabis

- Conduct patient surveys on medicinal effects of various strains

- Evaluate test results to better study cannabinoids
- Outline potential medical research studies for the RMD

Advocate for policies that continue to safeguard safe, legal medical marijuana patient access

- Initiate/join Massachusetts medical marijuana associations/business groups
- Serve as industry spokesperson/advocate when needed
- Participate in industry policymaking as a stakeholder
- As industry experts, serve as a source of information to communities, legislature, policymakers

### **Business Check-in Points on Monthly Basis**

The following operational metrics will be monitored and assessed on a monthly basis to determine whether adjustments to business practices are needed: patient activity and satisfaction, safety, security, product quality, compliance, Hardship Program performance, and staff performance.

In addition, Good Chemistry of Massachusetts will rely on the knowledge and experience of its Board of Director's and Advisory Council to help identify and recommend improvements to operating practices to best meet the non-profit's first year objectives.

7.3 Describe the applicant's knowledge of (and experience with) growing methods to be used in the cultivation of medical marijuana. Note that a copy of the marijuana cultivation and management plan will be reviewed as a component of the provisional inspection process.

Good Chemistry of Massachusetts has some of the most successful medical-marijuana cultivators in the United States on its management team with a combined 18 years' experience growing over 50 distinct strains in California and Colorado. The Chief Production Officer, Duncan Cameron, has relocated to Massachusetts in order to spearhead the operation. In-depth knowledge of light-schedule optimization, irrigation techniques, humidity control and nutrition application account for over 10,000 man-hours of cultivation experience without the loss of a single crop due to pests, disease, mildew, or any other common agricultural threat.

Using our proven and established indoor commercial cultivation knowledge, Good Chemistry of Massachusetts will grow a wide variety of medical marijuana strains, using byproducts to manufacture extracts and marijuana-infused products (MIPs).

Some best practices Good Chemistry of Massachusetts will employ include the following:

- **Lighting** – Given that lighting is the most energy intensive part of indoor, hydroponic, medical marijuana growth, we will employ high-powered fluorescent, metal halide and high-pressure sodium lights, their focus on the crop canopy maximized by reflectors, to meet photosynthesis needs at each stage of growth. It is critical to have experience in grow lighting design as the positioning of lights is fundamental to maximizing yields and cultivation facility safety.
- **Climate Control Systems** – To monitor and operate devices that maintain proper temperature, humidity, CO<sub>2</sub> levels and air flow. Climate control is essential for continuous, optimal plant growth. In addition climate control is essential for managing pests and diseases inherent to marijuana. Having the experience to build and maintain these systems is vital to medical marijuana cultivation.
- **Irrigation Systems** – Hydroponics, by definition, provides nutrients through direct uptake via water. Irrigation system design is a critical component in providing accurate fertigation. Knowledge of proper EC (electrical conductivity) and pH is necessary to analyze the effectiveness and design of this systems.

With these systems in place, built by our experienced cultivation team, Good Chemistry of Massachusetts will be poised for indoor cultivation success – quick, disease-free, maximized development at each stage of cannabis plant growth:

**Propagation** – To produce rooted clones that preserve desired genetic traits, including plant sex, and create the next generation of cannabis plants, cuttings from known phenotypes will be dipped in rooting hormone and placed in a growing medium for about 14 days, under high temperature and humidity, until roots start to show.

**Vegetative Growth** – Next, high-powered T5 fluorescent lights bathe transplanted clones with more intense light for one to three months. To enhance late growth during this phase, we combine 600-watt, high intensity discharge (HID) lighting as well as increase the nutrient-levels. Pruning before flowering redirects growth hormones to help control plant size and shape, and in turn, the entire garden canopy.

**Flowering** – Being a photoperiod-sensitive plant, cannabis requires 12 hours of total darkness followed by 12 hours of light in the red spectrum to flower. Plants are moved to more intense 1000W HID lighting. They are fed less nitrogen and more phosphorus and potassium to accommodate their intensely flowering needs. At the end of the eight-week flowering cycle, plants are subjected to seven to 10 days of clean-water flushing to remove all fertilizer residues in preparation for harvest.

**Harvest** – Cut plants are initially hung in a very warm, dry room to lower moisture to a desired content, followed by a period of closely monitored 65 °F and 50% humidity. These conditions slowly release remaining water in the delicate, flower material and allow proper curing (i.e., not dried so slowly mold becomes a threat, or so fast crisp, crumbly product results).

**Pests** – Prevention is the first step to controlling such pests common to cannabis as spider mites, aphids, whiteflies, fungus gnats and root maggots. Climate control is a key component in that prevention. Tight humidity and temperature control (75F/50% daytime and 65F/50% nighttime) is the first line of defense. We keep grow room floors clean of debris. Regular tool cleaning and disinfecting helps keep tools from becoming vectors for disease. Growers wear clean clothes and gloves to further diminish any possibility of infestation. Should pests appear, an integrated, organic pest management program goes immediately into effect, often using neem-tree oil, a proven, natural treatment for most cannabis pests. Whiteflies and fungus gnats can be managed with sticky traps.

**Fungi and Diseases** – Correct temperature and humidity levels keep powdery mildew and the bud mold known as botrytis at bay. Damp grow rooms – those where humidity remains above 50% – with little air flow pose prime, disease-breeding grounds. Simple practices such as removing dead and decaying leaves and buds that show the first signs of mold can deal with these problems effectively. In extreme cases, burning sulfur can alleviate the spread of botrytis and powdery mildew. Powdery mildew is also susceptible to sprays that contain sodium bicarbonate, or baking soda, and potassium bicarbonate.

These cultivation best practices will be tailored to the more humid climate of Massachusetts and will meet all cultivation requirements in 105 CMR 725.105 (B).

- 7.4 Describe steps that will be taken to ensure the quality of the medical marijuana, including purity and consistency of dose and the presence of potential contaminants. Include a description of the testing process and frequency, quality standards, and plans to engage with a lab to conduct the testing. Note that a copy of the RMD's quality control plan will be reviewed as a component of the provisional inspection process.



Good Chemistry of Massachusetts will test all flowers and wholesale byproduct prior to packaging, MIPs manufacturing and extraction production to ensure contaminant-free purity and correct medicinal dosage and potency. Testing will be performed by a laboratory that is: 1) accredited by the International Organization for Standardization (ISO) 17025 by a third-party accrediting body; or 2) is certified, registered, or accredited by an organization approved by the DPH.

Medical marijuana's cannabinoid profile and potency is fundamental to helping patients choose the correct medicine for their conditions. We will test for cannabinoids and THC, along with mold, mildew, heavy metals, plant-growth regulators and the presence of non-organic pesticides required by the DPH.

Tested wholesale byproduct will be received by the MIPs kitchen and extraction department to undergo further testing. Based on years of experience, the MIPs kitchen and extraction department will further test at each stage (decarboxylation and infusion into bases) to ensure accurate dosing and potency.

The third-party laboratory will use high performance testing equipment. A mass spectrometer and other sophisticated lab equipment will be used in the testing process. Testing will be performed every harvest via random sampling, or at such frequency as DPH may require. The results will be maintained for a minimum of one year.

Testing for contaminant-free purity will be performed from a sample of each harvest in the cultivation facility assuring the safety through all chains of production (MIPs and extracts). Testing for correct potency and cannabinoid makeup will be strain specific and occur frequently. A homogenized mix (top, middle and bottom of plant) per strain will be used for the potency sample. From our experience, conducting testing on lower, middle and upper parts of the plant is vital to getting an accurate read of THC and cannabinoid analysis.

This information will be used to advise patients on the best medicine for their condition. Good Chemistry's medical staff will also use test results to further research and conduct clinical trials.

## **Preventative Measures**

**Cultivation** – Given that the single most effective deterrent of common cannabis diseases is a well-controlled, grow-room environment, our rigid quality control begins with cultivation. We maintain and monitor climatic conditions that severely limit pests and disease as well as dramatically lower their chances of proliferation. Our controls inhibit the molds and mildew that thrive in high humidity environments and the most common, indoor pest, spider mites. By keeping each grow room at optimum conditions, we reduce the need for additional control measures. Well-maintained drainage and keeping floors free of plant matter eliminate the breeding grounds for fungus gnats and whiteflies.

**Processing** – Trimmers must adhere to rigid safety and cleanliness measures to ensure product integrity. Surgical gloves are always worn when handling the product. Long hair must be tied back. Food is not allowed on the processing room. All product processing rooms and work surfaces are regularly disinfected. All products are prepackaged (flowers, MIPs and extracts) in individual units and will not be subject to further handling prior to patient purchase.

## **Contamination Protocols**

If test results ever indicate contamination, they will be made available to qualified patients and caregivers followed by the immediate implementation of policies and procedures based on a description of the contamination and assessment of its source. Should a random sample of flowers, edibles, or extracts be returned

contaminated, the entire harvest or batch that the sample originated from is quarantined. All strains and batches associated with that harvest or MIPS will immediately be tested. Depending on the subsequent results, we will discard any batches associated with positive samples following strict waste management protocols.

7.5 Describe the applicant's plan to dispose of excess or damaged plants or products, including security and plans to avoid diversion. Note that a copy of the RMD's marijuana disposal plan will be reviewed as a component of the provisional inspection process.

Medical marijuana waste will be stored, secured and disposed of in accordance with state statutes and regulations as per 105 CMR 725.105 (J) (5).

Waste material at the cultivation, MIPS kitchen and extraction area will be placed in trash bins clearly marked "MMJ Waste". Trash bins containing the medical marijuana waste will be stored in a locked, isolated area under video surveillance to prevent cross contamination and/or diversion. In addition, we will limit the chain of custody to the Garden Manager, Inventory Manager, Executive Chef and Extraction Operator in their respective departments. It will then be shredded with plastic and/or paper waste and disposed of in a solid waste management facility that holds a permit issued by the DEP.

### **Cultivation Facility**

All plant waste removed during pruning as well as damaged plant material will be weighed under video surveillance. This information will be entered into the company's seed-to-sale inventory tracking system.

Prior to final disposal, the Garden Inventory Manager will weigh the waste again under video surveillance. This information will be recorded in a waste log and seed-to-sale tracking system to be kept on file for two years. The waste will be removed daily by no less than two dispensary agents to be ground up with a mix of 60% plastic, cardboard or paper material. From our 4 years of waste management experience in the regulated medical marijuana industry in Colorado, this ratio renders the material unusable. Where applicable, all water and wastewater will be disposed of in accordance with 314 CMR 3.00 (surface water), 314 CMR 5.00 (ground water), 314 CMR 7.0 (sewers) and 314 CMR 18.00 (industrial waste water holding tank).

### **MIPs and Extraction Areas**

All product containing medical marijuana deemed unusable will be removed from the kitchen or extraction area as a waste. It will be weighed by the Executive Chef, Sous Chef, or Extraction Operator under video surveillance. This information will be recorded in a kitchen or extraction waste log and seed-to-sale tracking system that will be kept on file for two years. The waste will be removed from the kitchen or extraction area by the Executive Chef, Sous Chef or Extraction Operator on a daily basis. It will be weighed again, stored and ground up (under video surveillance) with a mix of 60% plastic, cardboard or paper material to render it unusable.

### **Dispensary**

Because of Good Chemistry's policy of prepacking individual units for sale at the cultivation/processing facility, there will be very little waste at the dispensary. Any medical marijuana waste from countertops, floors, patient returns or expired products will be weighed and disposed in locked bins labeled "MMJ waste".

[REDACTED] on a waste log and seed-to-sale tracking system to be kept on file for two years. Every day, the log will be fact-checked

against seed-to-sale inventory tracking system information. Any product that is returned from a patient/caregiver will be noted in the inventory tracking system, documented by batch number and by patient information.

The dispensary waste will be picked up by our delivery team from the cultivation facility with a chain of custody shipping manifest including the date, dispensary agent name, weight of waste and signatures of both delivery drivers and the Inventory Manager. The Dispensary Inventory Manager will send an electronic copy of the manifest to the Garden Inventory Manager at the cultivation facility prior to arrival. A hard copy will also be sent with delivery drivers.

Upon arrival at the cultivation facility and after check-in protocols, the Garden Inventory Manager will weigh the waste under video surveillance and log the information. The waste will then be disposed of according to the cultivation waste protocol. An electronic scan of the shipping manifest will then be sent back to the dispensary for record keeping.

7.6 If the proposed RMD intends to produce MIPs, describe the types and forms of MIPs that the RMD intends to produce, the methods of production (including sanitation and food protection processes), and procedures for labeling, storing, disposing, dispensing, and tracking MIPs. Note that a copy of the MIPs production plan will be reviewed as a component of the provisional inspection process. If the RMD does not plan to produce MIPs, indicate N/A.

Good Chemistry of Massachusetts will prepare MIPs in a state-of-the-art, commercial kitchen to be located in the cultivation facility. Chief Operating Officer, Jaime Lewis, who has relocated to Massachusetts, is a professionally trained chef and has developed a line of high-quality, medical marijuana products that are currently available in multiple dispensaries in Colorado. Good Chemistry of Massachusetts' MIPs production operations will mirror those in Colorado which have been fine-tuned to produce award-winning products that are highly ranked by patients.

The products to be produced in Massachusetts will include the following:

- Edible Products
- Drinks
- Aerosols
- Lotions
- Capsules and lozenges
- Elixirs and tinctures

### **Methods of Production**

Good Chemistry of Massachusetts will produce MIPs from time-tested recipes and cooking methods using only the highest quality ingredients. A cannabis mix developed specifically for MIPs products based on years of experience will be used, tested first for quality and potency. It will then undergo a process called "decarboxylation" which uses heat to activate the medicine. The medicine is then infused into a variety of bases for several hours and tested for potency. The bases (butter, oils, etc.) are then used in a variety of product recipes. Finished products are tested again for consistent dosage and potency.

All MIPs products will be prepared, handled and stored in compliance with all sanitation, food and product handling requirements included in 105 CMR 725.105 (C) (6), 105 CMR 500.000 and 105 CMR 300.000. All kitchen staff will be required to complete a ServSafe Food Handling Program (or equivalent) to ensure proficiency in safe and sanitary food preparation and production. Daily procedures will be enforced for product storage as well as maintaining cleanliness of kitchen and all equipment.

## **Labeling Procedures**

Good Chemistry of Massachusetts will package its MIPS in individual, opaque, tamper-proof and child-proof packaging that cannot be mistaken for commercial food or candy. All products will be packaged in thick plastic bags that require scissors for opening before placement in boxes. Labeling will include the following information:

- Patient's name
- Good Chemistry's name, registration number, telephone number, address and website
- Product name
- Quantity of product in ounces
- List of ingredients and cannabinoid profile
- Date of creation and expiration date
- Batch number for inventory tracking purposes
- Directions for use
- Quality testing results
- Warnings: Allergen, product has not been approved by the FDA and list possible side effects, and keep product away from children

## **Procedures for Storing**

All kitchen inventory and products containing medical marijuana will be stored under video surveillance in a locked, limited access area (in compliance with RMD Storage Requirements) accessible only to authorized staff. Products or ingredients that require refrigeration will be stored in locked refrigerators. In fact, the entire

## **Procedures for Disposing**

All inventory or ingredients that are outdated, expired or damaged that contain medical marijuana will be disposed of according to 105 CMR 725.105 (J) (5) in order to prevent theft or diversion.

These procedures, detailed in response to Question 7.5, include weighing the waste, recording the information in the seed-to-sale inventory tracking system and placing it in a trash bin clearly marked "MMJ Waste" located

## **Procedures of Dispensing**

All MIPS will be transported to the dispensary for patient dispensing. As detailed in response to Question 7.8, Good Chemistry of Massachusetts will comply with all RMD transportation requirements contained in 725.110 (E) and 725.105 (F) for dispensing.

## **Procedures for Tracking/Testing**

Good Chemistry of Massachusetts' inventory tracking system will track MIPS from ingredient to finished product at five different stages—

- Kitchen Arrival: Marijuana medicine blend will arrive with a manifest that contains strain name, date, batch number, weight and test results. The Executive Chef will verify and document the information in the inventory system.
- Decarboxylation – The blend will be weighed and cooked and then weighed again after processing and recorded in the inventory system.
- Bases –Each base (butter, oil, etc.) is weighed, cooked and then weighed again and recorded in the system. The base product is dated, assigned a batch number and stored in a safe and sanitary manner.
- Products – when the base is used to make a product, it is noted in the inventory system and assigned a new batch number. Units are counted, weighed, packaged and stored with all info recorded into the system.
- Delivery – All finished products are recorded in the inventory system and put into a shipping manifest to be transported to the dispensary which includes date/batch number/number of units/RMD license number/route to be traveled/time of expected delivery and applicable signatures. The Executive Chef confirms the shipping information and the delivery driver signs the manifest to confirm receipt. Once at the dispensary, the shipping manifest is signed again, inventory confirmed and an electronic form is sent to the Kitchen to confirm delivery receipt.

7.7 Describe the applicant’s inventory management program, including seed-to-sale tracking procedures, prevention of diversion, and storage of marijuana products. Note that a copy of the inventory management program policies and procedures will be reviewed as a component of the provisional inspection process.

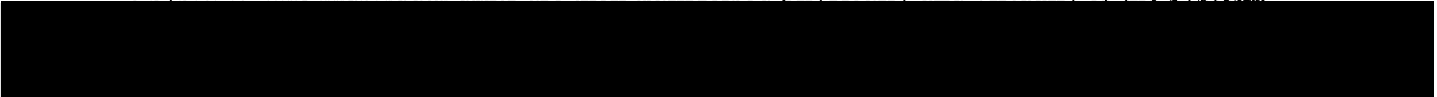
Good Chemistry of MA will track marijuana plants and products using a seed-to-sale software tracking system. Our experience in Colorado with MJ Freeway and BioTrackTHC will allow for a seamless transition to the Massachusetts seed-to-sale tracking system. Currently in Colorado, we use BioTrackTHC and the required Marijuana Enforcement Division (DOR) MITS tracking system. Our experience allows for the ability to use internal and State seed-to-sale tracking system simultaneously. Executive Team Members have extensive experience setting up and implementing this system in Colorado. In relocating to MA, the Executive team is confident these systems will be designed correctly.

From the time a plant is propagated to when the individual unit of product is sold to a patient as medicine, its location and identifying information (such as strain, weight, waste and quantity) is documented in the system.

[REDACTED] This process: enables plant material/products to remain secure from theft; allows the Executive Management Team to analyze inventory and crops; provides the DPH with a transparent data system from seed-to-sale; and provides information for patient supply analysis, and specific sales reports for financial accounting

Below is an overview of how Good Chemistry of MA will track marijuana by location/process on a day-to-day basis using a seed-to-sale inventory tracking system (referred to as “the system”) under the direction of


## **Cultivation**

- Clippings/Seedlings through Harvest: Once plants are viable, they are individually tagged and recorded in the system. They remain tagged for identification through harvest.
  - Dry Room: Plants are cut down and combined into individual batches each with a unique ID. All batch weights are documented including: total wet weight, discarded waste, and percent of waste.
  - Curing: During this process, the cured flowers are removed from the stems (called de-boning). Metrics documented include: weight before deboning, stem waste after deboning, untrimmed flowers and moisture loss.
  - Trimming: All product weight is documented including: untrimmed flowers, trimmed flowers, and wholesale byproduct created from the trimming process. All metrics are added up to confirm no diversion took place.
  - Packaging: Marijuana is weighed prior to packaging in individual units. Units are then reweighed and returned to match initial weights. Any waste or wholesale byproduct produced is weighed and accounted for in the system. The individual units are then transferred physically and virtually to the system.
- 

## **MIPs and Extract Production**

- Shipping - Marijuana will arrive with a shipping manifest that contains strain name, date, batch number, quantities and test results. This information is verified and documented.
- Processing – Batched marijuana will be weighed before and after each process and documented in the system. Interim products such as bases (butters, oils, etc.) will be assigned batch numbers in the system.
- Products – when base products are used, it will be noted in the system. All finished products will be assigned batch numbers. Units are counted, weighed, packaged with all info recorded in the system.

## **Dispensary**


- Upon inventory arrival at the store, the Retail Inventory Manager will confirm shipping manifest information regarding inventory (strains, quantity, weights).
  - Dispensary staff will print out labels for the pre-packaged inventory. Labels will be color coded by package size (ounce, half-ounce, etc.)
- 

- When inventory is needed on the dispensary sales floor, management will remove strain amounts from the vault and record information in the system and bring it to Dispensing Agent(s).
- Dispensing Agents will record medicine sales by patient in the system (point-of-sale).
- During mandatory nightly audits, Dispensing Agents will conduct a floor count of all products. The Store Manager will compare this information to the vault inventory count as well as point-of-sale information recorded in the system to ensure all inventory is accounted for.

In addition to the above day-to-day inventory management operations, Good Chemistry of MA will conduct a weekly inventory audit of all departments as well as a comprehensive monthly inventory audit. All inventory systems, procedures, requirements and audits will comply with 105 CMR 725.105 (G).

## **Storage of Marijuana Products**

Good Chemistry of MA will store all marijuana, MIPs and extracts in compliance with 105 CMR 725.105 (D)



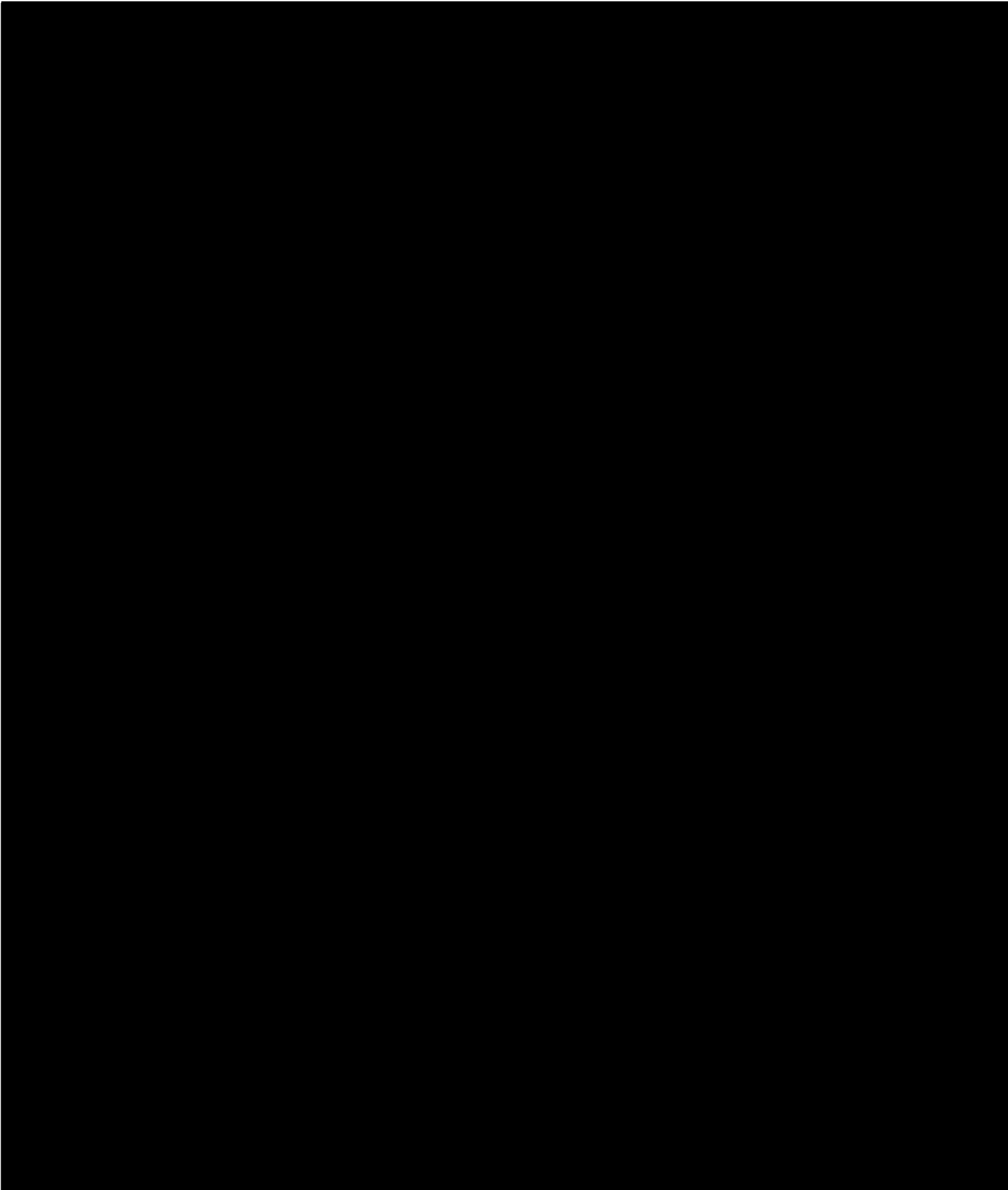
access. Signage will clearly convey warning messages - "Do Not Enter – Limited Access – Access Limited to Authorized Personnel Only".

### **Prevention of Diversion**

To prevent diversion surveillance systems and the restrictive inventory management procedures described

MA will institute a "buddy" system whereby employees are not allowed to be in the presence of inventory alone. Policies for dismissal of employees guilty of diversion will be instituted including reporting to law enforcement and the DPH.

7.8 Describe how the applicant will transport marijuana, whether between the cultivation and dispensing site or between the dispensing site and a patient's home, including provisions for preventing diversion and tracking inventory during transport. Include a description of the RMD's proposed home delivery protocol, including an identification check of the registered patient or registered personal caregiver and record keeping. Note that a copy of the transportation program policies and procedures will be reviewed as a component of the provisional inspection process.





7.9 Define the applicant's service area and provide an analysis of the projected patient population and projected need in the service area of the proposed RMD, including the applicant's strategy for delivering culturally competent and linguistically appropriate services.

Good Chemistry of Massachusetts is applying to operate a registered marijuana dispensary (RMD) in the City of Boston, Suffolk County. Boston has the largest patient base in the state, is the anchor of a large metropolitan area (4.5 million) and is a world renowned medical center with a high concentration of hospitals, cancer treatment facilities and medical centers.

There are many diseases, which would benefit from marijuana. Based on an analysis of eight major diseases, prevalence estimates project there are approximately 54,569 residents of Suffolk County who would benefit from a RMD. This projected patient population is based on the following number of estimated patients in Suffolk County. Estimates are calculated from national or state prevalence figures, which have been weighted based on the county population.

**Suffolk County- Total population (744,426)**

**Patient Population Estimates**

Cancer	30,601
Hepatitis C	12,321
Glaucoma	5,168
Parkinson's	2,349
HIV/AIDS	2,068
Crohn's	1,109
M.S.	940
A.L.S.	15

Based on our experience in Colorado, approximately 2% of the state population has registered for a state issued medical marijuana identification card. However, there is the possibility that the Massachusetts patient market will not increase as dramatically as Colorado due to stricter regulations and a more conservative medical community. Accordingly, in our business planning (Section 4.5) we conservatively assumed that the state's population base would total only one percent by the end of the third year of dispensary operation.

Using our assessment of the patient need in Suffolk County, we estimate that there will be approximately 7,444 patients who will register with the state for a medical marijuana identification card. This estimate is based on total population of Suffolk County and represents about 13% of the aforementioned projected patient population.

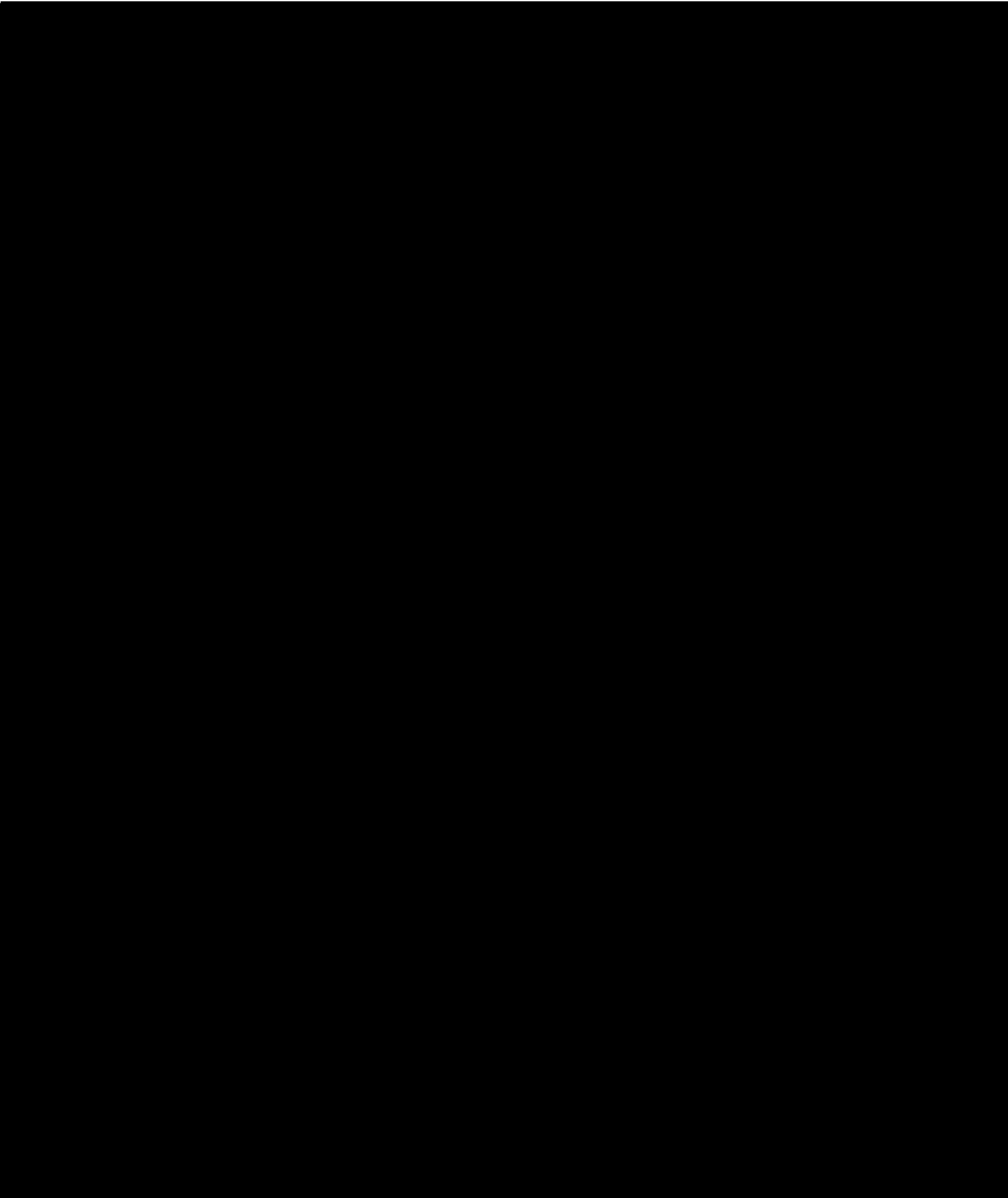
We will undertake every effort to address patients' unique needs in alignment with our mission to provide high quality, culturally competent care. We have developed a handbook that will educate staff on understanding cultural differences and the role that culture plays in their treatment outcomes. As part of our standard protocol, staff will commit to ensuring that patients are treated in a culturally competent manner. Staff will also be required to understand and be responsive to the different attitudes, values, verbal cues, and body language that patients expect, by virtue of their heritage. Specifically, our staff will be trained to enhance their ability to:

- Understand the different ways patients act in a clinical setting based on their culture
- Understand the cultural differences of patients to improve treatment outcomes and patient satisfaction
- Ensure the best possible clinical outcome of patients of all cultures

Good Chemistry is planning to hire bilingual dispensing agents. However if needed, the company will use *CyraCom* to provide interpretation services. *CyraCom* provides immediate interpretation services via conference call or video remote interpretation with qualified interpreters for almost every spoken language. We will provide these services to individuals with limited English proficiency and/or other communication needs free of charge.

These services will also help facilitate timely access to all health care services, not just those provided by Good Chemistry. As part of the patient registration process, we will inform all individuals of the availability of language assistance services and note their preferred language in their medical record. Additionally, we will provide consumer-friendly printed materials in the languages most commonly used by the population in our service area.

7.10 Describe the RMD's procedures for safely dispensing medical marijuana to registered qualifying patients or their registered personal caregiver, including a process for identifying patients/caregivers, ensuring their safety, and protecting their privacy.



7.11 Describe the RMD's patient record keeping system and planned use of technology to support business operations, including use of the Department's electronic registration and dispensing tracking system. Note that a copy of the patient record keeping policies and procedures will be reviewed as a component of the provisional inspection process.

Good Chemistry of MA's Executive team members, who have relocated to Massachusetts, will institute and train dispensing staff on the principles of good record keeping to help safeguard the health and well-being of patients as well as their confidentiality. The executive team has vast experience in patient record keeping and seed-to-sale tracking and point-of-sale systems from the company's Colorado operations.

Record keeping will serve several important functions such as:

- Ensuring patient eligibility and maintaining updated patient information in the DPH database
- Documenting and tracking purchases
- Supporting patient care and communications
- Identifying abuse and early detection of patient issues

An electronic file for each qualified patient will include:

- Patient registration information that will be checked against DPH database information and updated as needed
- Medical marijuana purchases which will be documented in the DPH tracking system
- Other information pertaining to participation in Hardship Program, strain surveys and any educational initiatives

Paper files or hardcopy forms to be stored onsite may include:

- Hardship Program application and information
- Signed copy of Patient Code of Conduct
- Paperwork associated with participation in strain surveys
- Signed Rules & Regulation agreement forms

### **Patient Record Keeping Systems and Procedures**

Good Chemistry of Massachusetts is well versed in patient record keeping practices, systems and protocols from its experience in Colorado. A patient record will be established and maintained for each qualifying patient who obtains medical marijuana from the dispensary and will be maintained for as long as required by the DPH. This information will be stored electronically in the DPH database and tracking system.

At patient check-in, a dispensing agent will log into the DPH electronic registration database to check patient status, input updated patient data if needed, and check purchase history. Once information is verified both in the DPH database, the patient's ID and registration card are scanned and filed electronically in Good Chemistry's system. Each time a patient makes a purchase, the sale is tracked and recorded in the system. All weights, purchase dates, and times of sale and name of dispensing agent will be recorded in real-time. If a patient is refused medical marijuana for any reason, that will be noted as well.

All sales are entered into the DPH tracking system to maintain real-time inventory of the patient's allotment of medical marijuana based on physician recommendation.

The dispensary will have several secure computers with back-up systems as well as a high-speed internet connection for connecting to the DPH database and tracking system.

## Principles of Record Keeping

Dispensary staff will be trained to be proficient on the use of the DPH database and tracking system as well as any seed to sale systems to be used by the company. In addition, all staff will be trained on record keeping protocols such as:

- All electronic files will be stored on a secure server located on site that is passcode protected. All hardcopy records will be stored in a locked safe or vault
- A qualifying patient record is only accessed by a dispensary agent authorized by RMD policies and procedures
- All patient paperwork that is not needed will be shredded. The trash at the RMD will be locked and secured
- All records will be accurate and recorded clearly
- No records will be destroyed or altered without authorization
- Records will be readable when photocopied or scanned
- Records will not be falsified

## Confidentiality

All Good Chemistry of Massachusetts dispensary employees will be trained on the importance of the HIPAA Privacy rule that assures the confidentiality, integrity and availability of electronic protected health information.

7.12 Provide a detailed summary of the proposed RMD's policies and procedures for the provision of marijuana to registered qualifying patients with verified financial hardship at no cost or reduced cost, including a sliding fee scale. Note that a copy of these policies and procedures will be reviewed as a component of the provisional inspection process.

A Hardship Program modeled after a successful voluntary program that Good Chemistry developed in Colorado will be implemented in Massachusetts to registered qualified patients with verified financial hardship in compliance with 105 CMR 725.100 (A) (6).

It will be founded on Good Chemistry's four guiding principles: Science, Dignity, Access and Compassion. Due to the prohibitive cost of medical-grade marijuana, Good Chemistry of Massachusetts understands some patients may lack access to the dosage required for a sustainable and effective treatment plan. Because we believe medical marijuana should be available to all who need it – not just to those who can afford it – Good Chemistry will provide quality medicine at no cost or at a discount to patients. Hardship patients will have access to every product we provide based on the needs of the patient. We do not discriminate on available products for compassion patients.

Patient needs will be determined by taking into account medical conditions along with financial need – using 300% of FPL as the standard. A Hardship Program Plan will be made available to the DPH during the provisional inspection process. Provided below is a summary of key components.

Below are the financial qualification parameters and program discounts:

<b>FPL</b>	<b>Discount</b>
300%	25%
250%	50%
200%	75%
199% and below	100%

Good Chemistry of Massachusetts will connect hardship patients with a variety of medical and social services in the community. We have experienced with our compassion program in Colorado that many hardship patients have little resources and the inability to connect with medical and social services. In addition to providing affordable or no cost medical marijuana, we will use financial and personnel resources to help connect our hardship patients with medical and social services they may need. Based off our Colorado experience, linking patients with transportation services, counselling, public assistance, job programs, and general medical practitioners has greatly enhanced patient's quality of life. This will be beneficial to the overall wellbeing of our hardship patients, as well as foster positive local community relationships.

Patients who demonstrate verified hardship in accordance to DPH rules will be monitored for potential abuses. We are sensitive to patients receiving discount and/or free medication in regards to diversion. It is our intention to provide a meaningful hardship program with strict monitoring in order to prevent abuse of the program. To this end, the company will conduct monthly reviews of all hardship patient activity and continue to correspond with DPH concerning any irregularities.

Hardship Patient records will be stored in the dispensary vault and will be updated on each patient visit. Each patient is required to sign a transaction log which is kept in their folder. Good Chemistry of Massachusetts will keep track of the patient's medicine benefits from their signed paperwork as well as through the point-of-sale inventory system (all to be kept strictly confidential). The system will block the patient from receiving more medicine he or she is eligible for.

Each participant will be re-assessed every six months, on a case-by-case basis, in order to determine continued eligibility. Patients must comply with Good Chemistry of Massachusetts' Patient Code of Conduct.

The Hardship Program will be directed by Good Chemistry's Chief Operating Officer, Jaime Lewis, who has experience in overseeing the Compassion Program in Colorado and will train Good Chemistry of Massachusetts' managers to operate the program. Once operational and in good financial standing, Good Chemistry of Massachusetts will hire a social worker to manage the program.

Proposed sliding price scale attached as exhibit 7.12

7.13 Describe the proposed plans to provide counseling and educational materials to registered qualifying patients and their personal caregivers related to methods of marijuana administration and information about the health effects of marijuana use.

Good Chemistry of Massachusetts believes patient education is an essential component of achieving a healthy treatment plan and will provide accurate information on the health benefits and effects of medical marijuana. This information will be presented to the patient/caregiver during a one-on-one consultation with a Dispensary Agent on the first visit. The patient will also receive a Patient Guide to take home summarizing the information to be covered. Bilingual services will be provided as needed.

This information will be provided for educational purposes and will not be used for diagnosing or treating any health issue and will not serve as a substitute for professional medical care. While the dispensary cannot prescribe specific strains, dosages, methods or types of marijuana to be used for a given medical condition, we can provide recommendations to best meet patient needs.

Over the past four years, Good Chemistry of Massachusetts' Executive management team has conducted extensive patient surveys identifying the benefits of each specific strain we cultivate. This information has been compiled into a strain guide which will be made available as an educational resource to help serve our patients.

Below is an outline of the information Dispensary Agents will discuss with patients during consultations (also to be contained in the Patient Resource Guide), most of which is intended for those new to using medical marijuana. This information will be supplemented with materials displayed at the dispensary including pamphlets, fact sheets and FAQs on various medical marijuana topics. In developing patient education materials, Good Chemistry of Massachusetts will rely on previous experience of its Executive Management Team, respected industry organizations and medical association resources as well as the expertise of its Chief Medical Officer.

If additional patient counseling support is needed, Good Chemistry of Massachusetts will refer patients to appropriate social service agencies and/or patient advocacy groups.

## **Summary of Patient Resource Guide**

### About Good Chemistry of Massachusetts

An overview of our vision and mission as well as key information about the dispensary:

- Hours of operation
- Patient Code of Conduct
- Hardship Program

### Medication Methods

Several methods in which to medicate to experience the beneficial effects of marijuana:

- Vaporizing – a recommended healthier alternative to smoking
- Ingestion – edibles, tinctures and extracts including their characteristics and dosages
- Smoking – a less preferred form of medicating

### Medical Marijuana Strains

An overview of the different marijuana strains and their properties:

- The differences between indica, sativa and hybrid strains
- The differences between individual strains (i.e., properties and effects)
- Strains available at Good Chemistry of Massachusetts

### Medicinal Compounds

Description of organic compounds found within marijuana plants classified as cannabinoids which have medicinal qualities:

- THC, THCV, CBN, CBD, CBC and CBG and the medicinal usefulness of each
- Testing for cannabinoids and how to interpret and apply results

### Choosing the Right Medicine

Guidelines on finding the right strains for each medical condition and the best route of administration:

- Knowing the side effects of various strains
- Keeping a medicine log
- Taking into consideration patient survey results on various strains

## Abuse Prevention

Overview of research on preventing abuse:

- Risks and signs of dependency
- Treatment options and support
- Withdrawal symptoms

## Guidelines for Safe Use

Recommendations for using the medicine responsibly:

- Rely on doctor for advice
- Determine medicine that is right for medical condition
- Informed about side effects
- Illegal to drive when medicating
- Carry medical marijuana patient ID card

## Massachusetts Medical Marijuana Possession Law

Overview of how much medicine a patient can possess and patient legal protection guidelines

## References and Resources

Where to go for more information or assistance

7.14 Describe the RMD's proposed marketing and advertising plan, including the company logo, printed materials and flyers, external signage, advertising practices, and outreach and promotional materials. Note that a copy of the marketing and advertising plan will be reviewed as a component of the provisional inspection process. Do not include reproductions or representations of the logo, printed materials, or flyers.

Good Chemistry of Massachusetts will take a minimalist approach when marketing and advertising to patients in accordance with 105 CMR 725 105(L).

We believe our dispensary location, patient base and high quality products and services will benefit patients. We will work with the DPH to ensure the list of all RMDs including location and contact information is made available to patients so they can research dispensaries that best meet their needs.

Any marketing or advertising that will be done will be discrete, professional and focused on patient need. A sample of such promotional efforts are summarized below.

### **Logo**

Good Chemistry of Massachusetts has designed an unadorned logo that will be used on labels, signage, and written materials. It is simply a lower case "g" with the words Good Chemistry underneath – all in black lettering. The logo offers no visual references to marijuana or its use.

### **External Signage**

Good Chemistry of Massachusetts will discretely display its logo on the front door of the dispensary with the store hours listed. There will be no other signage, graphics or displays posted on the exterior of the building. In Colorado, Good Chemistry's dispensary is discretely located just steps from the Colorado State Capitol Building in Denver.



## **Website**

The website will be our main information resource for our patients. It will contain information about the company, its products, location and contact information. There will be no prices listed on the website. The design will be simplistic, user-friendly and professional.

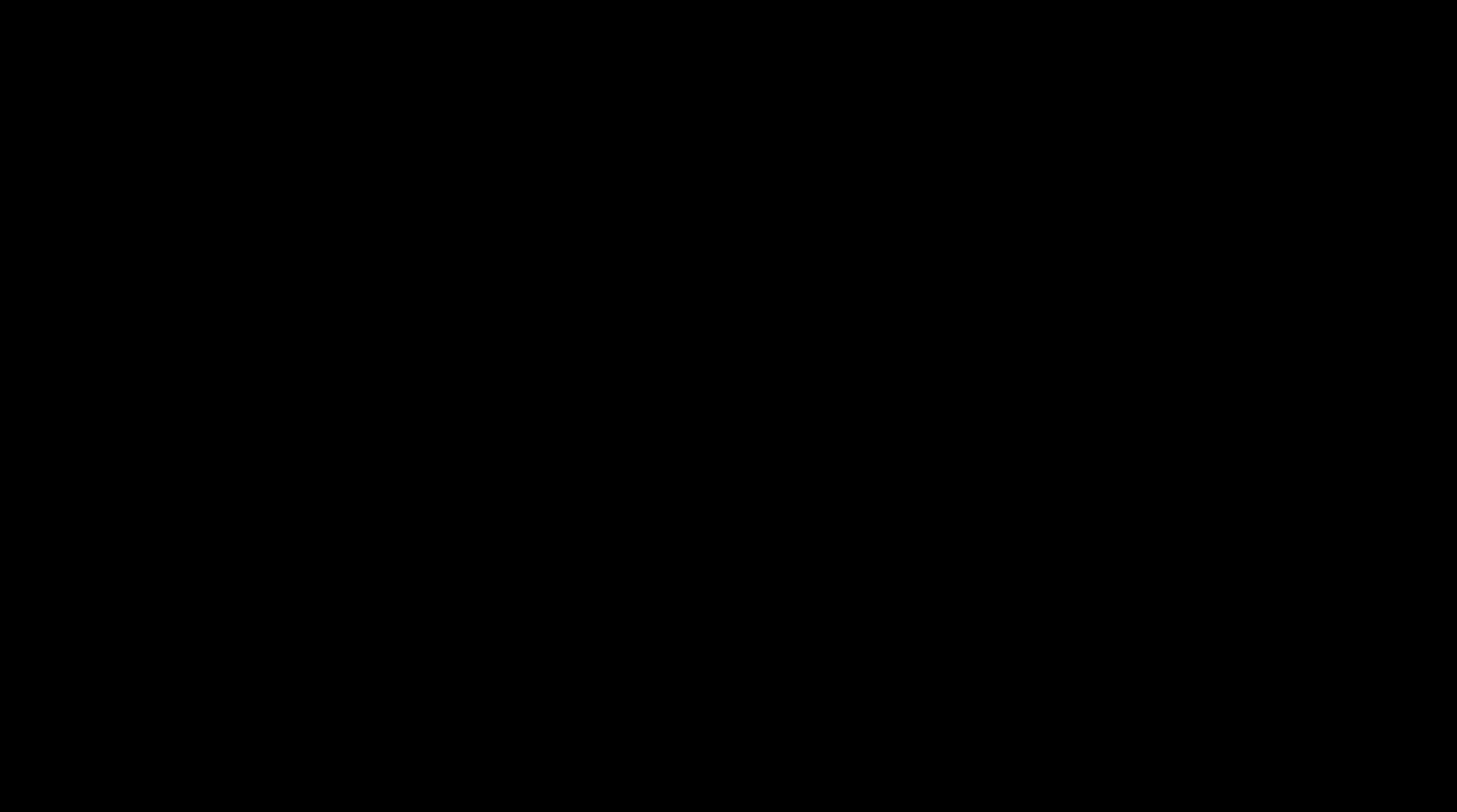
## **Printed Materials**

Good Chemistry of Massachusetts will have printed patient education materials as well as product catalogs with prices available at the dispensary upon request. They will be designed to look professional and educational rather than promotional.

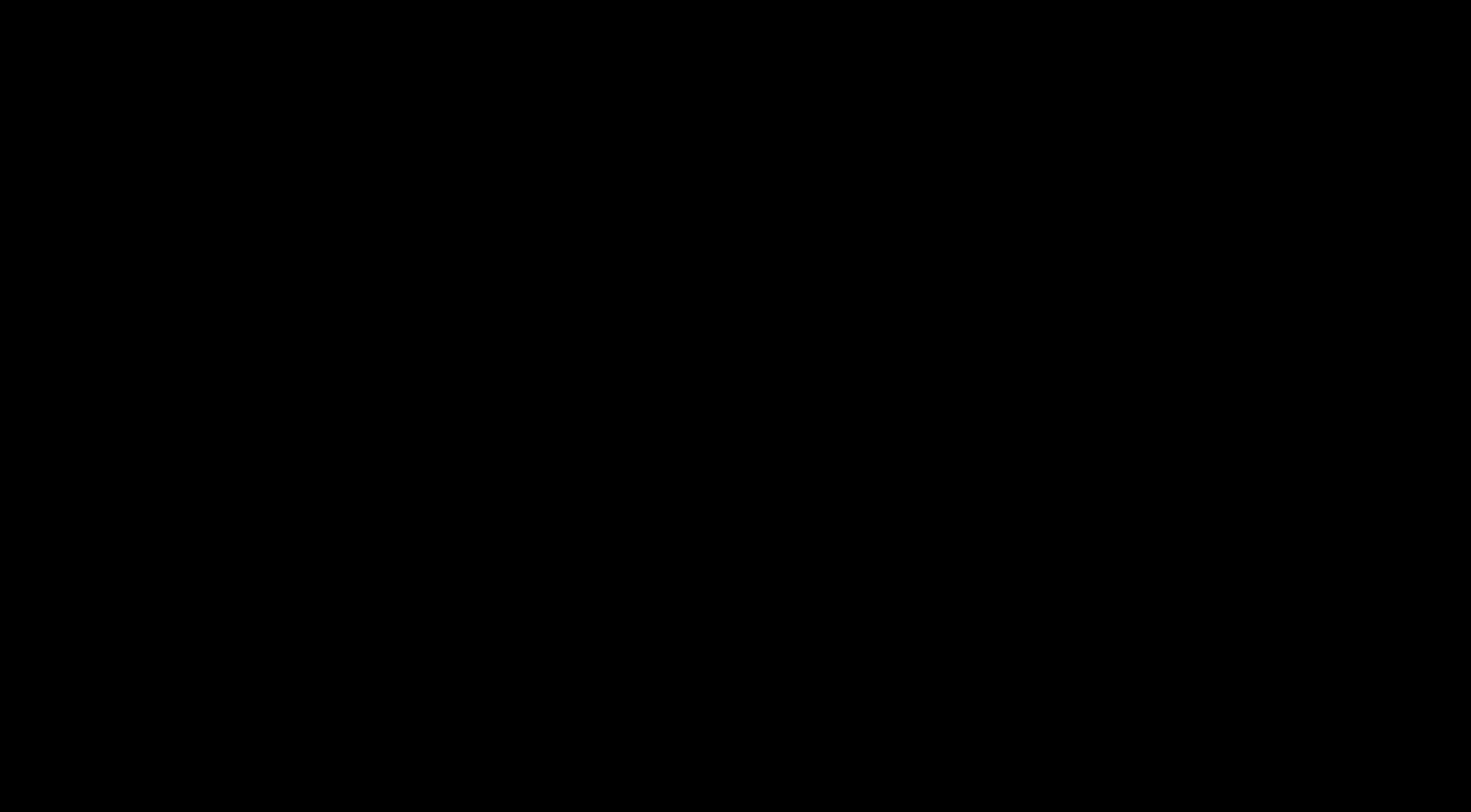
## **Interior Displays**

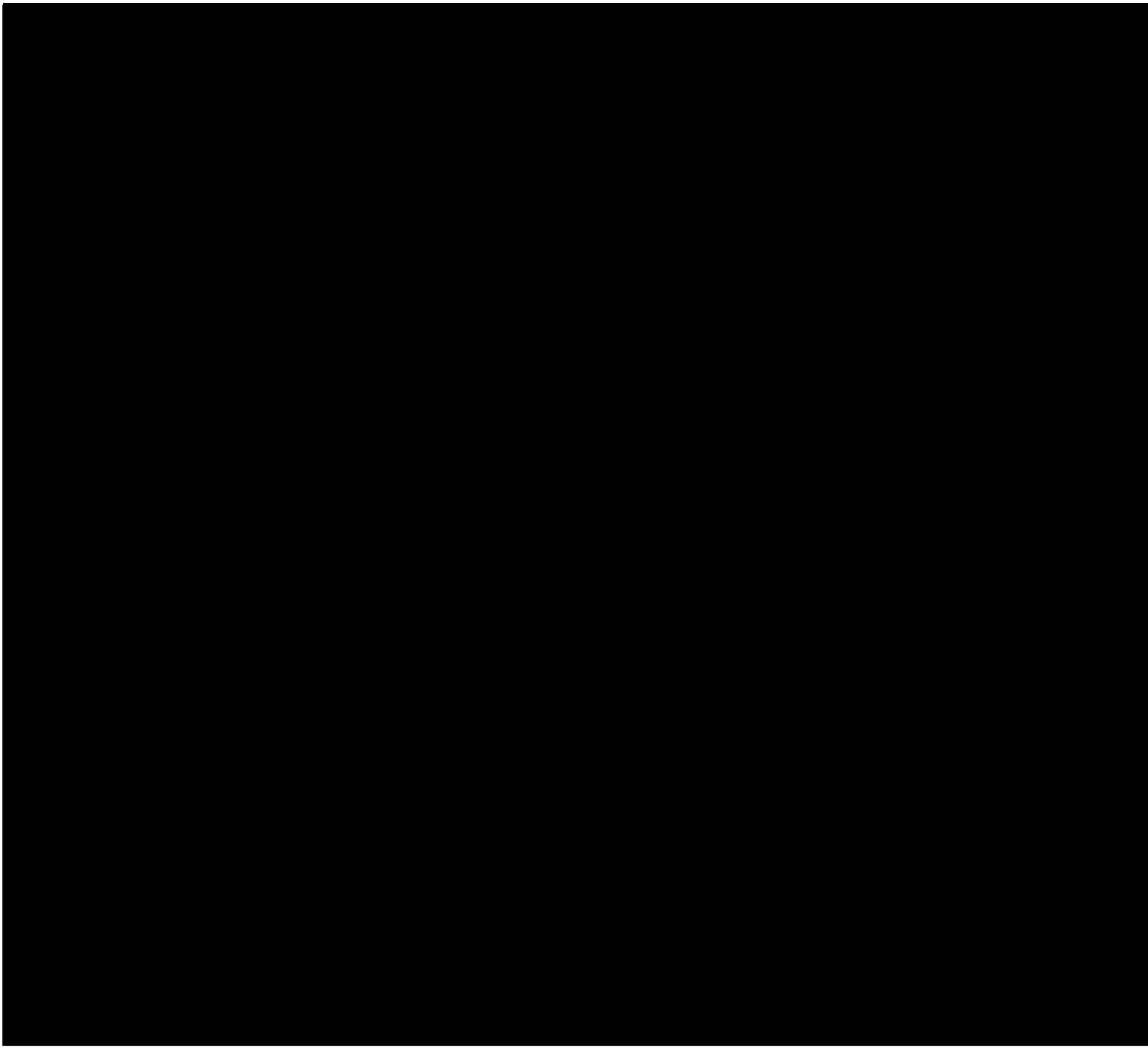
The dispensary will be designed to resemble a vintage “apothecary”. No more than one sample of select products will be displayed in secure, locked transparent cases. No product will be visible from the exterior of the RMD. There will be no promotional gifts or novelty items to be given away or sold at the RMD.

- 7.15 Describe the RMD’s emergency preparedness procedures, including a disaster plan with procedures to be followed in case of fire or other emergency. Note that a copy of the safety and security procedures will be reviewed as a component of the provisional inspection process.



7.16 Describe the RMD's employee security policies, such as an employee ID/badge system and personal safety. Note that a copy of employee security policies will be reviewed as a component of the provisional inspection process.





7.17 Describe the RMD's incident management program, including policies and procedures to document, report, and manage adverse incidents, consumer complaints, operational concerns, and issues that will be reported to law enforcement and/or the Department. Note that a copy of the incident management program policies will be reviewed as a component of the provisional inspection process.

Incident management will be an important component of Good Chemistry of Massachusetts' operations. Having an incident management and response program in place to detect incidents quickly, contain them, mitigate impact, and restore patient services in a trusted, safe and secure manner will be essential to Good Chemistry's mission.

## **Incident Prevention**

The cornerstone of effective incident management is prevention. Good Chemistry of Massachusetts will implement operating procedures and training programs to prevent reportable and other undesirable incidents. All staff will be knowledgeable about incidents that will warrant dismissal and reporting to both law enforcement and the DPH, such as:

- Inventory or plant theft
- Falsification or alteration of patient records
- Tampering of inventory records
- Breach of confidentiality protocols
- Weapon possession
- Inebriation
- Workplace violence
- Manifest destruction
- Traffic accidents
- Altercation with patient or caregiver
- Breach of transportation protocols
- Unauthorized access to “Limited Access Areas”

Some unforeseen incidents may occur even when all protocols are followed such as:

- Robbery
- Breaking and Entering
- Patient information falsification
- Patient/caregiver purchase of medical marijuana with the intention of illegal distribution
- Extended electrical power loss that disables security systems

## **Incident Management**

If a staff member is aware of or witnesses a reportable incident such as those listed above, an Upper Management Team member must be notified. If a crime is being committed, the staff will be instructed to call law enforcement immediately. Upper Management Team members must be reachable 24/7. The security guards hired by Good Chemistry will be trained in high volume retail operations. Accordingly, they will play a key role in responding to any incidents.

## **Incidents to be Reported**

A designated Upper Management Team Member will immediately notify appropriate law enforcement authorities and the DPH as required by 150 CMR 725.110 (F) after discovering the following:

- Discrepancies identified during inventory, diversion, theft, loss, and any criminal action involving the RMD or dispensary agent
- Any suspicious act involving the sale, cultivation, distribution, processing, or production of marijuana by any person
- Unauthorized destruction of marijuana
- Any loss or unauthorized alteration of records related to marijuana, registered qualified patients, personal caregivers or dispensary agents
- An alarm activation or other event that requires response by public safety personnel

- The failure of any security alarm system due to a loss of electrical power or mechanical malfunction that is expected to last longer than eight hours
- Any breach of security

As required, within ten calendar days, Good Chemistry will provide written notice to the DPH of any incident described above by submitting an incident report in the form and manner determined by the department which details the circumstances of the event, any corrective actions taken and confirmation that the appropriate law enforcement authorities were notified. The report will be prepared by the Executive Management Team with assistance from management and security staff as needed and signed by the CEO.

Any documentation related to an incident that is reportable as per above, shall be maintained for no less than one year and made available to the Department and to law enforcement authorities acting within their lawful jurisdiction upon request.

### **Patient Complaints and Operational Concerns**

Procedures for addressing patient complaints will depend on whether the complaint is product, service or staff related. In such instances, management will reassure the patient that the situation will be remedied. If the complaint cannot be resolved at the management level, the Chief Operating Officer must be notified and a solution developed. After resolution of the complaint, Good Chemistry will review procedures, products and policies and staffing to determine whether modification are warranted.

For other incidents that do not require notification of DPH or law enforcement, Good Chemistry management will notify an Executive Management Team member who will conduct a review of the incident to determine whether changes to staffing, procedures, systems or policies are required including termination of employment.

**APPLICATION RESPONSE FORM SUBMISSION PAGE**

**CERTIFICATION OF ASSURANCE OF COMPLIANCE:  
ADA and NON-DISCRIMINATION BASED ON DISABILITY**

Applicants must certify that they will comply with all state and federal requirements regarding equal employment opportunity, nondiscrimination, and civil rights for persons with disabilities. The Applicant must complete a Certification of Assurance of Compliance: ADA and Non-Discrimination based on Disability. By signing, the Applicant formally notifies the Department that the Applicant is in compliance and shall maintain compliance with all applicable requirements.

- I certify, that the Applicant is in compliance and shall maintain compliance with all applicable federal and state laws protecting the rights of persons with disabilities, including but not limited to the Americans with Disabilities Act ("ADA"), 42 U.S.C. §§ 12131-12134; Article CXIV of the Massachusetts Constitution; and; Chapter 93, § 103; Chapter 151B; and Chapter 272, §§ 98 and 98A of the Massachusetts General Laws.
  
- I understand that federal and state laws prohibit discrimination in public accommodations and employment based solely on disability. I recognize that to make goods, services, facilities, privileges, advantages, or accommodations readily accessible to and usable by persons with disabilities, the Applicant, under the ADA, must:
  - remove architectural and communication barriers in existing facilities, when readily achievable and, if not readily achievable, must use alternative methods;
  - purchase accessible equipment or modify equipment;
  - modify policies and practices; and
  - furnish appropriate auxiliary aids and services where necessary to ensure effective communication.

I understand that reasonable accommodation is required in both program services and employment, except where to do so would cause an undue hardship or burden. I also understand that the Massachusetts Constitution Article CXIV provides that no otherwise qualified individual shall, solely by reason of disability, be excluded from the participation in, denied the benefits of, or be subject to discrimination under any program or activity within the Commonwealth.

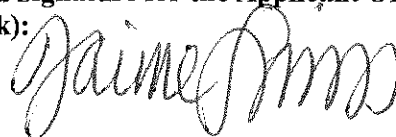
- I agree that the Applicant shall cooperate in any compliance review and shall provide reasonable access to the premises of all places of business and employment and to records, files, information, and employees therein for reviewing compliance with the ADA, the Massachusetts Constitution, other applicable state and federal laws, and this Contractual Agreement.
  
- I agree that any violation of the specific provisions and terms of this Assurance or of the ADA, and/or of any Corrective Action Plan shall be deemed a breach of a material provision of the Registered Facility registration between DPH and the Registered Facility. Such a breach shall be grounds for cancellation, termination, or suspension, in whole or in part, of the registration by the Department.

**I affirm that I will comply with the requirements of this proposal.**

**Authorized Signatory (as designated in exhibit B):**  
First Name: [Jaime] Last Name: [Lewis]

Title: [President]

**Authorized Signature for the Applicant Organization**  
(in blue ink):



**ORGANIZATIONAL CHART**  
**(Exhibit 1.3)**

**This exhibit must be completed and attached to a required document and submitted as part of the application.**

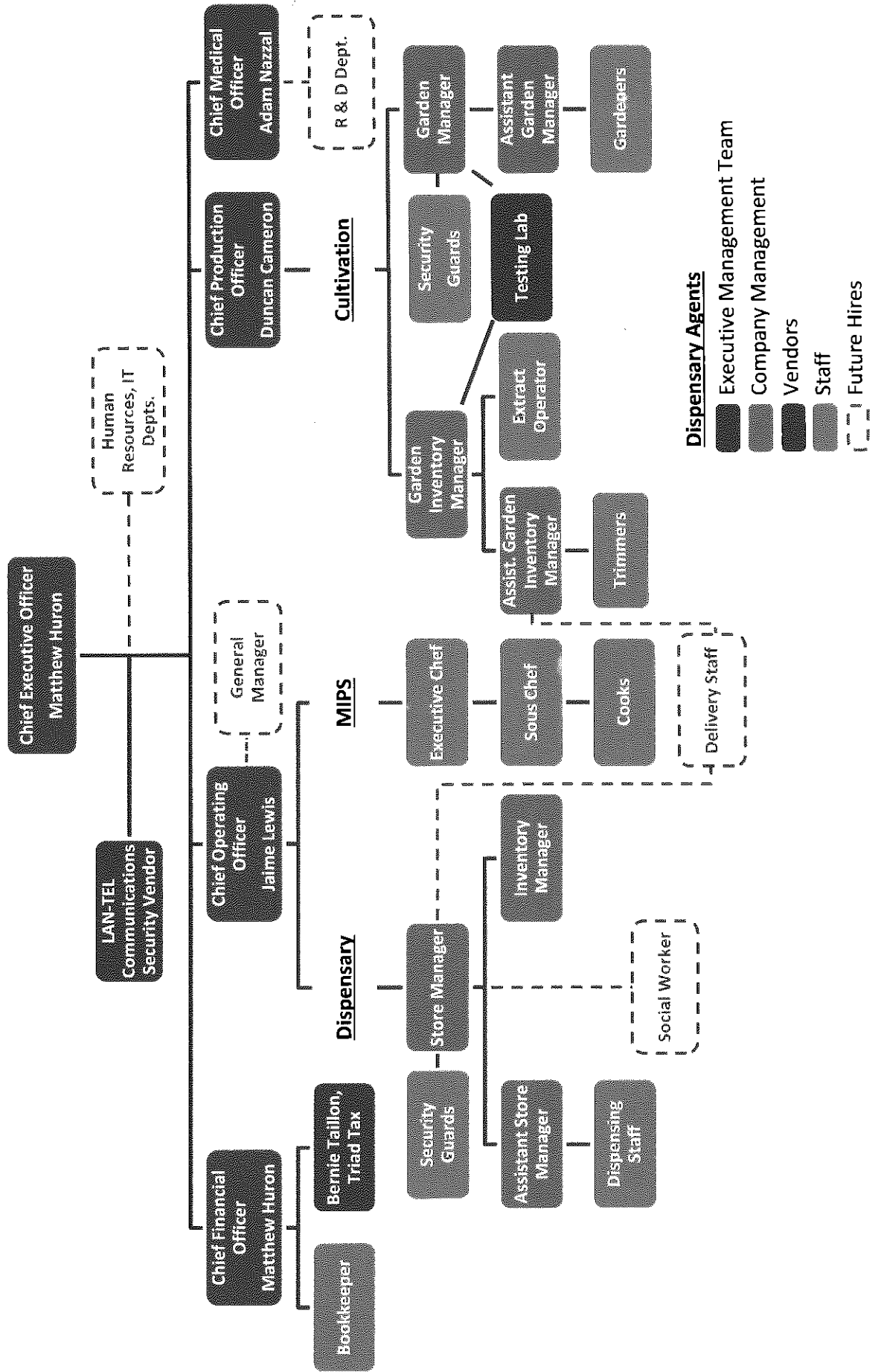
Corporation Name: Good Chemistry of Massachusetts, Inc.

Application # (if more than one): 1

Attach organizational chart.

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Exhibit 1.3 Good Chemistry of Massachusetts, Inc. RMD Organizational Chart





**BOARD OF DIRECTORS  
(Exhibit 1.4)**

This exhibit must be completed and submitted as part of the application.

Corporation Name: Good Chemistry of Massachusetts, Inc.

Application # (if more than one): 1

	Board Role	Name	Date of Birth	Business Email	Business Address
1	President	Jaime C. Lewis		Jaime@goodchem.org	416 E 5 <sup>th</sup> Street Boston, MA 02127
2	Chair	Matthew J. Huron		Matt@goodchem.org	1550 Larimer Street, #296 Denver, CO 80202
3	Treasurer	Joseph H. Beran		jhberan@redwoodwireless.com	6538 Killarney Park Drive Wentworth, SD 57075
4	Clerk	Duncan I. Cameron		Duncan@goodchem.org	416 E 5 <sup>th</sup> Street Boston, MA 02127
5	Director	Adam Nazzal, M.D.		Adam_Nazzal@hms.harvard.edu	9 Fayette Street, #13 Boston, MA 02116
6	Director	John Paul Marosy		Jpmarosy@presbyterianseniorliving.org	52 Holden Street Worcester, MA 01603
7	Director	Herbert P. Gleason		hgleason@publicpolicylaw.com	12 Byron Street Boston, MA 02108

Original

Marijuana Center #1

**MEMBERS OF THE CORPORATION**  
**(Exhibit 1.5)**

**This exhibit must be completed or marked N/A and submitted as part of the application.**

Corporation Name: Good Chemistry of Massachusetts, Inc.

Application # (if more than one): 1

**A. Member as Individuals**

Individual Name	Business Address	Type of Membership Rights	If Member of Other RMD, Which One?
1 Matthew J. Huron	1550 Larimer Street, #296 Denver, CO 80202	As set in the bylaws, the corporation has one class of membership and Mr. Huron is currently the sole member. Currently, per the bylaws, the powers of the membership are to determine who the directors of the corporation are and to confirm changes to the bylaws.	N/A
2			
3 Add more rows as needed.....			

**B. Member as Corporations**

Corporate Name/ Business Address	Leadership	Type of Membership Rights	If Member of Other RMD, Which One?
1 N/A	CEO/ED: President/Chair: Treasurer: Clerk/Secretary:		
2	CEO/ED: President/Chair: Treasurer: Clerk/Secretary:		

**CORPORATE BYLAWS**  
**(Exhibit 1.6)**

**This exhibit must be completed and attached to a required document and submitted as part of the application.**

Corporation Name: Good Chemistry of Massachusetts, Inc.

Application # (if more than one): 1

Attach bylaws.

**BY-LAWS**  
**OF**  
**GOOD CHEMISTRY OF MASSACHUSETTS, INC.<sup>1</sup>**

**ARTICLE I**

**Name and Organization**

1. The name of this corporation is Good Chemistry of Massachusetts, Inc., hereinafter called the “corporation” or “Good Chemistry.”
2. The corporation has been organized as a not-for-profit corporation under Chapter 180 of the General Laws of the Commonwealth of Massachusetts.

**ARTICLE II**

**Purposes**

The purposes for which the corporation has been formed are those set forth in its Articles of Organization.

**Mission and Vision**

The corporation will be guided by four core principles:

- Science: We believe cannabis has significant therapeutic benefits and we will work to support and expand its study.

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<sup>1</sup> Restated on November 9, 2013 following a special meeting of the Board of Directors on the same date where Article II was amended by adding a Mission and Vision text and where Article III was amended to show the current address of the sole member of the corporation. See attestation of the Clerk of the Corporation following the text of these By-Laws.

- **Access:** We believe that many barriers exist that fundamentally restrict access to safe and reliable grade cannabis. We will search for meaningful ways to remove them.
- **Dignity:** We believe in the fundamental and inalienable right of a person to choose their medical treatment. We recognize that often patients who take cannabis are subjected to unfair treatment under the law. We are committed to defending and protecting the rights of our patients who have entrusted us with their care.
- **Compassion:** We recognize that medical cannabis is a potent and effective medicine for many patients who cannot afford it. We believe that often it is a critical component of a sustainable treatment plan and are dedicated to providing for those needs.

These principles will guide this corporation to provide qualified patients safe and legal access to medical marijuana; improve their quality of life with the therapeutic benefits of medical marijuana; offer the highest quality medical marijuana products and services possible, including patient and physician education.

### **ARTICLE III**

#### **Membership**

The sole member of the corporation shall be Matthew J. Huron (the “Member”) who currently resides at 1550 Larimer Street, #296, Denver, CO 80202.

### **ARTICLE IV**

#### **Board of Directors**

1. **Powers.** The affairs of the corporation shall be managed by a Board of Directors who may exercise all the powers of the corporation except as otherwise provided by law, the Articles of Organization or these By-Laws. The Board shall initially consist of the

Directors named as such by the incorporator in the Articles of Organization. In the event of any vacancy in the Board of Directors, the remaining Directors, except as otherwise provided by law, may exercise the powers of the full Board until such vacancy is filled. The Board of Directors shall fix the compensation and duties of all officers of the corporation.

2. Selection. A Board of Directors of such number, not less than three (3) nor more than fifteen (15), as shall be fixed by the Directors, shall be elected by the Member at the annual meeting of the corporation. Any Director may succeed himself or herself in office. Any competent individual aged 18 or over, may serve as a Director.
3. Enlargement of the Board. The number of Directors may be increased and one or more additional Directors elected at any special meeting or at the annual meeting of the corporation, provided that the Directors may not increase the number of Directors to more than fifteen (15).
4. Vacancies. Any vacancy in the Board of Directors, including a vacancy resulting from the enlargement of the Board, may be filled by the Member.
5. Tenure. Except as otherwise provided by law, the Articles of Organization or these By-Laws, Directors shall hold office until the next annual meeting of the corporation and thereafter until their successors are chosen and qualified. Any Director may resign by delivering his or her written resignation to the corporation at its principal office or to the President or Clerk. Such resignation shall be effective upon receipt unless it is specified to be effective at some other time or upon the occurrence of some other event.

6. Removal. A Director may be removed from office with or without cause by the Member. A Director may be removed for cause only after reasonable notice and an opportunity to be heard before the body proposing to remove him or her.

7. Meetings. The Board of Directors of the corporation shall meet as provided under Article VI of the By-Laws.

8. Committees. The Directors may, by vote of a majority of the Directors then in office, elect from their number an executive or other committees and may by a like vote delegate thereto some or all of their powers except those which by law, the Articles of Organization or these By-Laws they are prohibited from delegating. The Directors may also create advisory or other committees which are not made up of then-serving Directors. Except as the Directors may otherwise determine, any such committee may make rules for the conduct of its business, but unless otherwise provided by the Directors or in such rules, its business shall be conducted as nearly as may be in the same manner as is provided by these By-Laws for the Directors.

## ARTICLE V

### Officers

1. Enumeration. The officers of the corporation shall consist of a President, a Treasurer, a Clerk and such other officers, including but not limited to a Chairman of the Board, a Secretary and one or more Executive Vice Presidents, Vice Presidents, Assistant Treasurers, Assistant Clerks and Assistant Secretaries, as may be elected or appointed as provided below.

2. Election. The President, Treasurer and Clerk shall be elected annually by the Directors at the annual meeting of the corporation or any special meeting in lieu thereof. Other officers may be chosen by the Directors at such meeting or at any other meeting, or (except for a Chairman of the Board) appointed from time to time by the President.
3. Qualification. The President may, but need not be, a Director. No other officer need be a Director. Any two or more offices may be held by the same person. The Clerk shall be a resident of Massachusetts unless the corporation has a resident agent appointed for the purpose of service of process. Any officer may be required by the Directors to give bond for the faithful performance of his or her duties to the corporation in such amount and with such sureties as the Directors may determine.
4. Tenure. Except as otherwise provided by law, the Articles of Organization or these By-Laws, the President, Treasurer, Clerk and all other officers shall each hold office until removed by the Directors, or until his or her successor is chosen and qualified, unless a shorter term is specified in the vote choosing or appointing him or her. Any officer may resign by delivering his or her written resignation to the corporation at its principal office or to the President or the Clerk, and such resignation shall be effective upon receipt unless it is specified to be effective at some other time or upon the happening of some other event.
5. Removal. The Directors may remove any officer with or without cause by a vote of a majority of the Directors then in office, provided that an officer may be removed for cause only after reasonable notice and opportunity to be heard by the Board of Directors prior to action thereon.



6. President and Vice Presidents; Chairman. If the Directors elect or appoint a Chairman of the Board, he or she shall, when present, preside at all meetings of the corporation and shall have such other authority and duties as may be designated by the Directors. The Chairman of the Board, if the Directors so provide from time to time, shall be the chief executive officer of the corporation and shall transact such other business as may be set forth herein or as usually appertains to such office.

He or she shall be authorized to execute agreements or contracts to further the purposes of the corporation, and may sign checks and other orders for the payment, transfer or withdrawal of funds of the corporation.

He or she shall appoint all committees except as may be otherwise provided herein, and shall be an ex-officio member of all committees.

The Chairman of the Board shall exercise general supervision over the affairs of the corporation. If the Chairman shall be absent from any meeting, the Directors shall elect from their number who are present a temporary chairman to preside.

The President, unless the Directors provide otherwise, shall be the chief executive officer ("CEO") of the corporation and shall, subject to the direction of the Directors, have general supervision and control of its business. The President shall preside, when present, at all meetings of the corporation, unless a Chairman shall be present and acting or unless the Directors provide otherwise. The President shall have such other authority and discharge such further duties as the Directors may from time to time specify.

Any Vice President, or if there shall be more than one, the Vice Presidents, in the order determined by the Directors, shall, in the absence or disability of the President or a vacancy in that office, perform the duties and exercise the authority of the President and

shall perform such other duties and shall have such other authority as the Directors may from time to time designate.

7. Treasurer and Assistant Treasurers. The Treasurer shall, subject to the direction of the Directors, have general charge of the financial affairs of the corporation. He or she shall have custody of all funds, securities and valuable documents of the corporation, except as the Directors may otherwise provide.

He or she may endorse for deposit or collection all cash, checks, notes, and other instruments payable to the corporation or its order and may accept drafts on behalf of the corporation. He or she shall cause to be kept accurate accounts of the corporation's transactions.

Any Assistant Treasurer shall have such powers as the Directors or the President or the Treasurer may from time to time designate.

8. Clerk and Assistant Clerks. The Clerk shall keep a record of the meetings of the corporation. In the absence of the Clerk from any meeting of the Directors, an Assistant Clerk, the Secretary or Assistant Secretary, if one is chosen, otherwise a Temporary Clerk designated by the person presiding at the meeting, shall perform the duties of the Clerk.

9. Other Powers and Duties. Each officer shall, subject to these By-Laws, have in addition to the duties and powers specifically set forth in these By-Laws, such other duties and powers as the Directors may from time to time designate.

10. Indemnification. The corporation, acting through its Board of Directors, shall be authorized to indemnify each person who now or thereafter serves as a Director, officer, employee or agent of the corporation or who serves at its request as a Director, officer, employee or agent of any other organization, or who serves at the corporation's request in

any capacity with respect to any employee benefit plan (“Corporate Service”), and the heirs, executors, administrators and other legal representatives of each such person from and against all expenses and losses reasonably incurred or suffered by them in connection with any claim, action, suit or proceeding, civil or criminal, actual or threatened, in which he or she may be involved by reason of his or her Corporate Service, regardless of whether he or she is such a Director, officer, employee or agent, or involved with any employee benefit plan, at the time of incurring such expenses and losses, except with respect to any matter as to which he or she shall have been adjudicated in any proceeding not to have acted in good faith in the reasonable belief that his or her action was in the best interest of the corporation. The corporation, acting through its Board of Directors, may compromise and settle any such claim, action, suit or proceeding and pay such expenses and losses, if such settlement and payment appear to be in the best interest of the corporation.

Such indemnification may include payment by the corporation of expenses incurred in defending a civil or criminal action or proceeding in advance of its final disposition, upon receipt of an undertaking by the person indemnified to repay such payment if he or she shall be adjudicated to be not entitled to indemnification (which undertaking may be accepted without reference to the financial ability of such person to make repayment).

The corporation, acting through its Board of Directors, shall have the power to purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or other agent of the corporation or is or was serving at the request of the corporation as a Director, officer, employee or other agent of another organization, or

who is or was serving in any capacity with respect to any employee benefit plan, against any liability incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the corporation would have the power to indemnify him or her against such liability.

The foregoing provisions of this Section 10, Article V, are in addition to certain provisions concerning Directors' liabilities which may be contained in the Articles of Organization.

## ARTICLE VI

### Meetings of the Corporation

1. Annual Meeting. The annual meeting of the corporation commencing in 2014, shall be held on the first day of April in each year (or, if that is a legal holiday in the place where the meeting is to be held, on the next succeeding full business day) at 10:00 A.M. unless a different hour is fixed by the Directors or the President and stated in the notice of the meeting. The purposes for which the annual meeting is to be held, in addition to those prescribed by law, the Articles of Organization or these By-Laws, may be specified by the Directors or the President. If no annual meeting is held in accordance with the foregoing provisions, a special meeting may be held in lieu thereof, and any action taken at such meeting shall have the same effect as if taken at the annual meeting.
2. Special Meetings. Special meetings of the corporation may be called at any time by the President or the Directors. It shall be the duty of the Clerk, or in case of the death, absence, incapacity or refusal of the Clerk, or any other officer, to call a special meeting

of the Directors upon the written request of ten percent (10%) or more of the Directors of the corporation.

3. Place of Meetings. All meetings shall be held at the principal office of the corporation unless a different place (within the United States of America) is fixed by the Directors or the President and stated in the notice of the meeting.
4. Notice of Meetings. A written notice of every meeting of the corporation stating the place, date and hour thereof, and the purposes for which the meeting is to be held, shall be given by the Clerk or by the person calling the meeting at least seven (7) days before the meeting to each person entitled to vote thereat and to each person who by law, the Articles of Organization or these By-Laws is entitled to such notice, by leaving such notice with him or her or at his or her residence or usual place of business, or by mailing it postage prepaid and addressed to such person at his or her address as it appears on the books of the corporation. Providing a notice of such meeting by electronic means to the usual electronic address of a person entitled to vote at such meeting is an acceptable means of providing notice. No notice need be given to any person if a written waiver of notice, executed before or after the meeting by the person or his or her attorney thereunto authorized, is filed with the records of the meeting.
5. Quorum. The Board of Directors shall determine the number of Directors or other persons necessary to constitute a quorum at any meeting.
6. Action at Meeting. Each Director shall have one vote. When a quorum is present at any meeting, a majority of the votes properly cast by the Directors present, in person or duly represented, shall decide any question, including election to any office, unless otherwise provided by law, the Articles of Organization or these By-Laws.

7. Action without a Meeting. Any action to be taken may be taken without a meeting if all Directors entitled to a vote on the matter consent to the action in writing and the written consents are filed with the records of the meetings of the corporation. Such consents shall be treated for all purposes as a vote at a meeting.

Unless the Articles of Organization or these By-Laws otherwise provide, the Directors or any committee designated thereby may participate in a meeting of the Board or such committee by means of a conference telephone connection or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time, and participation by such means shall constitute presence in person at a meeting.

## **ARTICLE VII**

### **Finances**

The revenues of the corporation shall be derived from revenue, gifts, grants and contributions received by the corporation. The Board of Directors, by unanimous vote of the Directors then in office amending these By-Laws, may also establish membership and classes thereof, and membership dues, fees or assessments as a condition of membership, provided such amendments regarding membership shall not be effective until 60 days after the unanimous vote of the Directors. Notice of any changes in dues, fees or assessments, if any, shall be given in writing to the members, if any, affected at least sixty (60) days before such change becomes effective.

## **ARTICLE VIII**

### Miscellaneous Provisions

1. Fiscal Year. Except as from time to time otherwise determined by the Directors, the fiscal year of the corporation shall be the twelve (12) months ending the last day of December.
2. Seal. The seal of the corporation shall, subject to alteration by the Directors, bear its name, the word "Massachusetts" and year of its incorporation.
3. Execution of Instruments. All deeds, leases, transfers, instruments or contracts, bonds, notes, tax returns, tax reports and other obligations authorized to be executed by an officer of the corporation on its behalf shall be signed by the President, the Executive Vice President or the Treasurer except as the Directors may generally or in particular cases otherwise determine.
4. Voting of Securities. Except as the Directors may otherwise designate, the President, the Executive Vice President or the Treasurer may waive notice of, and appoint any person or persons to act as proxy or attorney in fact for this corporation (with or without power of substitution) at any meeting of members or stockholders of any other corporation or organization, the securities of which may be held by this corporation.
5. Corporate Records. The original or attested copies of the Articles of Organization, the By-Laws and the records of all meetings of the incorporator and the Directors (and members, if any) shall be kept in Massachusetts at the principal office of the corporation. Such copies and records need not all be kept in the same office.
6. Articles of Organization. All references in these By-Laws to the Articles of Organization refer to the Articles of the Organization of the corporation, as amended or restated, and in effect from time to time.

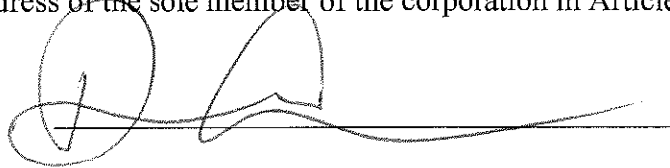
7. Amendments. These By-Laws may at any time be amended by the unanimous vote of the Directors, provided that any such amendment shall not be effective until 60 days after the Directors unanimous vote, but may be effective sooner if the Member agrees to the amendment of the By-Laws unanimously voted by the Directors.
8. Relationship. Nothing contained in these By-Laws or in the Articles of Organization shall constitute the Directors of the corporation as partners or agents of one another for any purpose. No officer, Director, committee member, employee or agent of the corporation shall be liable for any acts or omission to act on the part of any other member, officer, Director, committee member, employee or agent of the corporation. No member, officer, Director, committee member, employee or agent shall be liable for his or her acts or omission to act under these By-Laws or under the Articles of Organization, except for acts or omissions to act arising out of his or her willful negligence or intentional misconduct. All officers, Directors, and committee members will participate in the affairs of the corporation individually, and not as representatives or agents of their respective employers (except where the corporation is the employer), and such employers shall have no liability for any acts or omissions relating to the affairs of the corporation.



November 9, 2013

**Attestation of Clerk/Secretary of the Corporation**

I hereby certify that the forgoing By-Laws are a restatement of the corporation's By-Law reflecting two amendments adopted unanimously by the Board of Directors at a special meeting on November 9, 2013. The two amendments are: (1) addition of a mission and vision statement in Article II, and (2) correction of the address of the sole member of the corporation in Article III.

A handwritten signature in black ink, appearing to read 'Duncan Cameron', written over a horizontal line.

Duncan Cameron

Clerk of the Corporation

**AMENDED ARTICLES OF ORGANIZATION**  
**(Exhibit 1.7)**

**This exhibit must be completed and attached to a required document (if applicable) and submitted as part of the application.**

Corporation Name: Good Chemistry of Massachusetts, Inc.

Application # (if more than one): 1

Please check box if articles have changed since Phase 1:

YES

NO

**PARENT OR SUBSIDIARY CORPORATIONS  
(Exhibit 1.8)**

This exhibit must be completed and submitted as part of the application.

Corporation Name: Good Chemistry of Massachusetts, Inc. Application # (if more than one): 1

	Corporation Name	Chief Executive Officer	CEO Business Phone & Email	Corporation's Board Officers	Corporate Relationship to Applicant
1	Buddy Real Estate LLC	Matthew J. Huron Managing Member	415-254-6616 Matt@goodchem.org	President/Chair: N/A Treasurer: N/A Clerk/Secretary: N/A	Lender
2	MGC LLC	Matthew J. Huron Managing Member	415-254-6616 Matt@goodchem.org	President/Chair: N/A Treasurer: N/A Clerk/Secretary: N/A	Lender
3	West End Realty LLC	Matthew J. Huron Managing Member	415-254-6616 Matt@goodchem.org	President/Chair: N/A Treasurer: N/A Clerk/Secretary: N/A	Real Estate Acquisition Entity
4					
5					

Original

RMD Phase 2 application- October 7, 2013

**REFERENCES  
(Exhibit 1.9)**

This exhibit must be completed and submitted as part of the application.

Corporation Name: Good Chemistry of Massachusetts, Inc. Application # (if more than one): 1

Name of Reference	Business Phone & Email	Relationship to Applicant	Dates of Relationship
1 Robert A. Dill	303-777-3737 Bobdill@dillanddill.com	Attorney	May 2010 to present
2 Meg Collins	720-201-2870 meg@cannabisalliance.org	Executive Director (Good Chemistry is a founding member)	November 2012 to present
3 Robert Ruddock	617-834-6363 RRuddock@publicpolicylaw.com	Attorney	September 2012 to present

Original

**EXECUTIVE MANAGEMENT TEAM**  
**(Exhibit 2.1)**

This exhibit must be completed and submitted as part of the application.

Corporation Name: Good Chemistry of Massachusetts, Inc.

Application # (if more than one): 1

	Management Role	Name	Date of Birth	Business Email and Phone Number	Business Address
1	Chief Executive Officer	Matthew J. Huron	[REDACTED]	<u>Matt@goodchem.org</u> 415-254-6616	1550 Larimer Street, #296 Denver, CO 80202
2	Chief Financial Officer	Matthew J. Huron		<u>Matt@goodchem.org</u> 415-254-6616	1550 Larimer Street, #296 Denver, CO 80202
3	Chief Operating Officer	Ms. Jaime C. Lewis		<u>Jaime@goodchem.org</u> 617-248-2362	416 E 5 <sup>th</sup> Street Boston, MA 02127
4	Chief Production Officer	Duncan I. Cameron		<u>Duncan@goodchem.org</u> 212-920-7087	416 E 5 <sup>th</sup> Street Boston, MA 02127
5	Chief Medical Officer	Adam Nazzal, M.D.		<u>Adam_Nazzal@hms.harvard.edu</u> 617-721-7238	9 Fayette Street, #13 Boston, MA 02116
6					

**RESUMES FOR EXECUTIVE MANAGEMENT TEAM  
(Exhibit 2.2)**

**This exhibit must be completed and attached to the required documents and submitted as part of the application.**

Corporation Name: Good Chemistry of Massachusetts, Inc.  
Application # (if more than one): 1

List the résumés attached:

	Title	Name
1	Chief Executive Officer	Matthew J. Huron
2	Chief Financial Officer	Matthew J. Huron
3	Chief Operating Officer	Ms. Jaime C. Lewis
4	Chief Production Officer	Duncan I. Cameron
5	Chief Medical Officer	Adam Nazzal, M.D.
6		

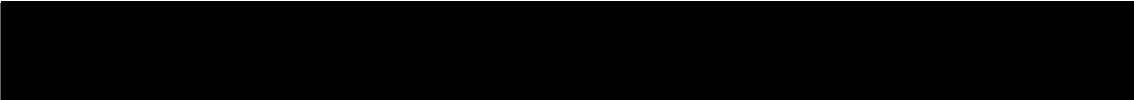
**Matthew J. Huron**  
**Chief Executive Officer**

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**Qualifications Brought to Good Chemistry of Massachusetts**

- Founder and Owner of medical-marijuana businesses in California and Colorado
- Expert cultivator of commercial-grade, medical marijuana
- Industry leader in best practices for medical marijuana cultivation and dispensing
- Successful 14-year record serving patients compassionately with high quality, medical marijuana from safe, secure dispensing environments

**Additional Relevant Background for Good Chemistry of Massachusetts**

- 
- Began growing medical marijuana for AIDS patients in 2000
- Shepherded San Francisco business into one of area's largest, medical marijuana delivery services
- Founded two, Colorado-based, medical-marijuana businesses that became industry leaders in patient service
- Took part in regulatory process, ensuring patient access, dignity and safety remained its overriding focus

**Medical Marijuana Industry Experience**

Founder and CEO, Good Chemistry, Denver, CO

2009 – Present

Founded medical-marijuana dispensary located close to state capitol building in Denver. Directly handled all strategic and financial planning. Oversaw business operations and administration. Managed business growth to 32 employees, with annual revenue of over \$4 million, serving over 2,500 patient transactions a month – one of the busiest dispensaries statewide. Key accomplishments included the following:

- Planned facility infrastructure design and construction, acquired financing needed, and directed the resulting work
- Developed and implemented best-practice policies, procedures, and systems for safe, secure cultivation, processing and dispensing of medical marijuana
- Developed Compassion Care Program to enable patients with limited resources to obtain medical marijuana at little to no cost
- Enforced policies and procedures to ensure strict compliance with state and local regulations
- Collaborated with local leaders and law enforcement to enhance neighborhood safety and security

- 
- Expanded cultivation operation in two facilities to a combined total of 30,000 square feet devoted to production of 40-plus strains of medical marijuana
  - Optimized development of extracts and MIPS products including edibles, tinctures, tonics and lotions

Co-Founder, Co-Owner, Wellspring Collective Medical Marijuana Center, Denver, CO 2009 - Present

To support patients facing certain health challenges and advocate on their behalf, co-founded a local, safe dispensary to provide commercial-grade, medical marijuana as well as other alternative health services. Continues to share executive planning and administration functions of the business.

Founder and Owner, Elmar Lins Compassion Co-op, San Francisco, CA 2000 - 2009

Founded the non-profit medical marijuana co-op to serve AIDS patients in hospitals and hospices, with these highlights:

- Developed a compassion program to provide medicine at a discount or no cost
- Cultivated medical marijuana in an industrial warehouse
- Became the largest delivery service of medical marijuana in San Francisco, serving over 1,000 patients weekly

### **Other Business Experience Beneficial to Good Chemistry of Massachusetts**

Owner and Operator, Schnittstelle Bar, Austria, Europe 1997 - 2000

Founder and Publisher, "Klub Magazine," a San Francisco music magazine 1992 - 1995

### **Education and Professional Development**

Bachelor of Arts, Public Policy, University of California, Berkeley

### **Professional Affiliations**

- Colorado Department of Revenue's Medical Marijuana Enforcement Division Licensing Authority Advisory Committee, Member
- National Cannabis Industry Association, Board Member
- Cannabis Business Association, Founding Member



**Jaime Lewis**  
**Chief Operating Officer**

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**Qualifications Brought to Good Chemistry of Massachusetts**

- Founder of successful California- and Colorado-based medical-marijuana businesses
- Manufacturer of high-quality, award-winning medical-marijuana edibles and products, sold from over 20 medical marijuana dispensaries
- Proven medical-marijuana dispensary management skills encompassing operations, policies and procedures, staff hiring and training, and community relations
- Administrator of patient research on medicinal efficacy of various cannabis strains

**Additional Relevant Background for Good Chemistry of Massachusetts**

- As a professional chef, collaborated with a California medical-marijuana cooperative serving the special dietary needs of AIDS patients
- Created edible, marijuana-infused products and extracts for patients, also advising health department on proper medical-marijuana food-handling procedures
- Strong sense of personal dedication to bettering patients' quality of life
- Spokesperson and advocate on behalf of the medical-marijuana industry

**Medical Marijuana Industry Experience**

Chief Operating Officer, Good Chemistry, Denver, CO

2009 – Present

Manages medical-marijuana, retail dispensary operations, including production of all marijuana-infused products. Ensures the highest quality products and complementary patient services, both in full compliance with the spirit and letter of state regulations. Acts as community liaison for company's philanthropic efforts. Key responsibilities encompass the following:

- Developing policies and implementing corresponding procedures for medicine processing, dispensing quality control, security, and inventory management
- Hiring dispensary staff, and developing and implementing programs to train them
- Directing production of marijuana-infused products, from their development and quality control through their packaging and testing for dosage consistency
- Overseeing education initiatives for patients and physicians alike
- Administering patient surveys to collect and compile information on medicinal characteristics of 40 medical-marijuana strains
- Overseeing discrete marketing and advertisement online and by other channels
- Community liaison work to demonstrate company's genuine sense of corporate citizenship

---

Founder and Executive Chef, Mountain Medicine, Denver, CO 2009 – Present

Founded company, today an operating company of Good Chemistry, which provides high quality, medical-marijuana-infused edibles and products for patients of Good Chemistry as well as multiple Colorado dispensaries. Handles product development, quality control, and product consistency. Implements and upholds all kitchen policies and procedures. Hires and trains kitchen staff. Oversees all product marketing. Milestones on behalf of the company include the following:

- Designed commercial kitchen and supervised its start-to-finish construction
- Developed recipes leading to a variety of product lines to meet patients' individual needs
- Developed product packaging that favors discrete design on behalf of patient confidentiality and safety

Executive Chef, Elmar Lins Compassion Co-op, San Francisco, CA 2006 – 2009

Prepared marijuana-infused products for AIDs patients.

### **Other Experience Beneficial to Good Chemistry of Massachusetts**

Executive Chef, The Front Porch, San Francisco, CA 2006 – 2008

Helped open and run this restaurant's high-volume, fast-paced kitchen, under a tight budget and with a small staff.

Sous-Chef de Cuisine, BIX Restaurant, San Francisco, CA 2003 – 2006

Started as a line cook. Promoted to Sous-Chef de Cuisine, managing staff and ordering.

Line Cook, The Fifth Floor, San Francisco, CA 2002 – 2003

Performed a wide variety of cooking in this high-end, high-volume restaurant.

### **Education and Professional Development**

Professional Chef Training, California Culinary Academy

### **Professional Affiliations**

- Founding Member and Chair of the B of D, Cannabis Business Alliance,
- Board Member, National Cannabis Industry Association
- Education Series Speaker, National Cannabis Industry Association

**Duncan I. Cameron**  
**Chief Production Officer**

---

**Qualifications Brought to Good Chemistry of Massachusetts**

- Commercial grower of medical marijuana for over four years, with firsthand knowledge of all current best practices/techniques in marijuana farming
- Managed 30,000 square feet of indoor, medical marijuana cultivation of over 40 strains, including their processing, extract/concentrate creation, inventory management, packaging and transportation, as well as related staff hiring and training
- Project director for cultivation facility expansion, which included budgeting, scheduling, space optimization, system design, building infrastructure, and compliance with local codes and ordinances

**Additional Relevant Background for Good Chemistry of Massachusetts**

- Botanist, employed as a teacher and prop stylist, before applying plant-sciences background to medical marijuana cultivation on behalf of patients in need
- Expert in all aspects of medical marijuana cultivation, including cloning, growing, harvesting, drying, trimming, packaging and labeling

**Medical Marijuana Industry Experience**

Chief Production Officer, Good Chemistry, Denver, CO

2010 – Present

Responsible for all medical marijuana cultivation facility operations and management, comprising the following: plant husbandry, advanced propagation techniques, grow-room design, permitting, construction management, environmental compliance, facility security, plant tracking, inventory management, packaging and transportation. Key accomplishments include reducing harvest time to enable an additional growing cycle in calendar year, increasing plant gene pool from six to 40-plus strains, and overseeing a doubling of cultivation space as project manager. Responsibilities cover a variety of key areas:

- Oversees all tasks associated with plant cultivation, from beginning of life through harvest, encompassing cloning, seeding, nutrient mixing, pruning, pest control, and scheduling of plant cycles
- Manages assistant manager, inventory manager, gardeners and trimmers, including their hiring, scheduling and training
- Coordinates vendors to ensure timely acquisition of all vetted, high-quality materials necessary for production
- Ensures compliance with all federal and agricultural regulatory requirements and state and local medical marijuana cultivation and processing regulations

**Other Experience Beneficial to Good Chemistry of Massachusetts**

Prop Stylist, Fashion Photography, New York, NY 2004 – 2009

Worked as a Prop Stylist in fashion photography in New York City and Miami. Designed, constructed and dressed sets, dealt with ad agencies and clients in very demanding environment.

Teacher of middle and high school students, Broward County, FL 1996 – 2004

**Education and Professional Development**

- B.A., Botany, Florida Atlantic University, 1996
- Certification, Tissue Culture, University of Florida, 2011

**Professional Memberships**

- International Society of Horticultural Sciences (ISHS)
- Eastern Massachusetts Urban League
- US Hydroponic Association (USHA)
- National Black Farmers Association (NBFA)

**Adam Nazzal, M.D.**  
**Chief Medical Officer**

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**Medical Role at Good Chemistry of Massachusetts**

- Direct patient surveys on the effects of medical marijuana strains
- Guide patient and physician education efforts
- Perform clinical research on the medicinal properties of cannabinoids
- Monitor and adjust third-party lab testing protocols to ensure accurate and sufficient strain-data collection necessary for meaningful medical research
- Develop patient interpreter services

**Qualifications Brought to Good Chemistry of Massachusetts**

- Microsurgery Instructor, Department of Orthopedic Surgery and Plastic Surgery, Massachusetts General Hospital, Harvard Medical School, Boston, MA, 2000 to 2008
- M.D. Assistant to hand surgeon Dr. Sang-Gil Lee, Boston Orthopedic and Spine Specialists, 2000 to present
- Multilingual and English Medical Interpretation, Anatomy and pathophysiology Instructor, Cambridge College, Cambridge, MA, June 2003 to present
- Interpreter, Interpreter Services, Massachusetts General Hospital, 1998 – 2002
- Staff Member, Emergency and Out-Patient Surgical Clinic, Al-Razi Hospital, Jenin, Israel, 1995 – 1996

**Medical Education Background**

- Research Fellow, Department of Orthopedic Surgery, Massachusetts General Hospital, Harvard Medical School, Boston, MA, 2002 to present
- Research Fellow, Department of Plastic Surgery, Massachusetts General Hospital, Harvard Medical School, Boston, MA, 2000 – 2003
- Doctor of Medicine Degree, Stavropol Medical Institute, Stavropol, Russia, 1987 – 1993

**Post Graduate Training**

- The Nazareth Hospital E.M.M.S., Nazareth, Israel 1993 – 1995

**Professional Certification and Affiliations**

- **License and Certification** – Doctor of Medicine, Russia, 1993,  
Registered Medical Practitioner, Jordanian Ministry of Health, 1993
- **Professional Organizations** – Jordan Medical Association Jerusalem, Israel

### **Awards and Honors**

- Plastic Surgery Education Foundation Basic Science Research Award 2001
- 2001 Benard G. Sarnat MD Senior Award-Basic Science, Plastic Surgery Educational Foundation Contest. *Producing a flexible tissue-engineered framework using expanded polytetrafluoroethylene (ePTFE) membranes as a pseudoperichondrium.* Xu J.W., Peretti G.M., Randolph M.A., **Nazzal J.A.**, Roses R.E., Morse K.R., Yaremchuk M.J.

### **Grants**

- The American Association of Hand Surgery, 2002 Junior Investigator Research Grant, Primary Investigator, *Transplantation of limb allografts without chronic immunosuppression: Inducing tolerance to the cutaneous tissue.*
- Plastic Surgery Educational Foundations Research Grant 2002. Inducing tolerance to the cutaneous portion of limb allografts

### **Research Funding Information**

- National Institutes of Health (R03 AR25791) Co-investigator; Tissue Engineered Cartilage (1997-2000)
- American Foundation for Surgery of the Hand. Limb transplantation without chronic immunosuppression; can mixed chimerism induce tolerance? Hettiaratchy S.P., Huang C, Randolph M. A., Petit F, Mathes D.W., **Nazzal J.A.**, Svennevik E. 2001 Research grants funded
- American Foundation for Surgery of the Hand. Transplantation of limb allografts without chronic immunosuppression: inducing tolerance to cutaneous tissue. Petit F, Randolph M.A., Hettiaratchy S.P., Mathes D.W., **Nazzal J.A.**, Svennevik E. 2001 Research grants funded

### **Publications**

Dr. Nazzal has co-authored papers in the *Journal of Hand Surgery*, *Journal of Reconstructive Microsurgery*, *Plastic Reconstructive Surgery*, *Annals of Plastic Surgery* and *Transplantation, Composite Tissue Allografts*

### **Abstracts Presented at National and International Meetings**

Dr. Nazzal has presented abstracts at the following meetings:

- Northeastern Society of Plastic Surgeons, Montreal, Quebec, Canada, 2000
- Tissue Engineering Society, Orlando, Florida, 2000
- Orthopaedic Research Society Meeting, San Francisco, California, 2001
- American Society of Transplant Surgeons and American Society of Transplantation, Chicago, Illinois, 2001
- New England Society of Plastic and Reconstructive Surgeons, Mystic, Connecticut, 2001
- Plastic Surgery Research Council, Milwaukee, Wisconsin, 2001
- Northeastern Society of Plastic Surgeons, Philadelphia, Pennsylvania, 2001
- Plastic Surgery Research Council, Boston, Massachusetts, 2002
- Thirteenth Annual Richard J. Smith, M.D. Lecture in Hand Surgery. Massachusetts General Hospital, May 23, 2002
- Fourteenth Annual Richard J. Smith, M.D. Lecture in Hand Surgery. Massachusetts General Hospital, May 15, 2003
- AO ASIF Craniomaxillofacial Advanced Symposium, Steamboat Springs, Colorado, 2002
- 70th Annual Scientific Meeting of ASPS-PSEF-ASMS, 2001
- Third Biennial Tissue Engineering International Society Meeting, 2000

### **Languages**

- English, Arabic, Russian

**EVIDENCE OF CAPITAL**  
**(Exhibit4.1)**

**This exhibit must be completed and attached to a required document and submitted as part of the application.**

Corporation Name: Good Chemistry of Massachusetts, Inc.

Application # (if more than one): 1

Total Capital needed for this application: \$ 500,000.00

Attach one-page bank statement.



**Letter of Commitment**

**This letter must be completed when the Corporation has its liquid operating capital in an individual account in the name of the Corporation's CEO/Executive Director or President of the Board of Directors instead of in the name of the Corporation. If this letter is not applicable, indicate N/A.**

Date: N/A

Name of the Corporation:

Name of CEO/Executive Director of the Corporation:

Name of Account Holder:  
-----

This Letter of Commitment is to ensure access to the required liquid capital to support the operations of [NAME OF CORPORATION] if so approved by the Department of Public Health. The total required capital needed for this application equals \$\_\_\_\_\_.

As Chief Executive Officer/Executive Director or President of the Board of Directors of [NAME OF CORPORATION], I affirm that these funds will remain in [ACCOUNT #] with [FINANCIAL INSTITUTION NAME] for the sole purpose of supporting the operations of the Corporation. Exhibit 4.1 of this application includes a one-page copy of the bank statement referenced here.

Signature of CEO/Executive Director or President of the Board of Directors: \_\_\_\_\_

Print Name \_\_\_\_\_

Date: \_\_\_\_\_  
-----

**Notary Public**

On this (insert date) day of (insert month), 20\_\_ before me, the undersigned notary public, personally appeared (insert name of document signer), proved to me through satisfactory evidence of identification, which were (insert type of ID presented), to be the person whose name is signed on the preceding or attached document, and acknowledged to me that (insert he/she/they) signed it voluntarily for its stated purpose.

*If applicable, add:*

- (as partner for (insert name of partnership), a partnership)
- (as (title) for (name of corporation), a corporation)
- (as attorney in fact for (name of principal), the principal)
- (as (title) for (name of entity/person), (a) (the) (type/description))

\_\_\_\_\_  
Signature of Notary Public



**Renato Quiroga**  
Personal Banker

**Wells Fargo**  
1090 N Collier Blvd  
Marco Island FL 34145  
239-389-3001  
239-389-3005

11/13/2013

To Whom it may concern :

This official bank letter serves the purpose to proof that Good Chemistry of Massachusets Inc has an account at Wells Fargo bank , the account has a possitive balance of \$ 1.300,085.00 as of 11/13/2013.

**WELLS FARGO BANK, N.A.**  
**MARCO ISLAND**  
**1090 N COLLIER BLVD**  
**MARCO ISLAND, FL 34145**

A handwritten signature in black ink, appearing to be "Renato Quiroga", written over a horizontal line.

Search | Sales | Banker Toolbox | Administration | Main | Sign Off

Quick Profile | Customer List (0) |

Clear List

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# Customer

**GOOD CHEMISTRY OF MASSACHUSETTS, INC**

Customer Number [REDACTED]

[Profile](#) | [Accounts](#) | [Addresses](#) | [Referrals](#) | [Contact Events](#) | [Banker Notes](#) | [Rewards](#) | [Transfers](#) | [Packages](#)  
[Related Customers](#) | [Business Relationships](#) | [Recommendations](#) | [Snapshot](#) | [Customer Tools](#) | [Customized Summary](#)

## Accounts

### Consumer Accounts

[Consumer](#) | [Business](#) | [Brokerage](#) | [Other](#) | [Services](#)  
[Wells Fargo Financial](#) | [Wells Fargo Insurance](#)

Product / Account Title	Account / Status	Relationship / Transaction Authority	Ledger Balance
None			

### Business Accounts

[Consumer](#) | [Business](#) | [Brokerage](#) | [Other](#) | [Services](#)  
[Wells Fargo Financial](#) | [Wells Fargo Insurance](#)

Product / Account Title	Account / Status	Relationship / Transaction Authority	Ledger Balance
Business Market Rate Savings GOOD CHEMISTRY OF MASSACHUSETTS, INC	[REDACTED]		
Gold Business Services Package GOOD CHEMISTRY OF MASSACHUSETTS, INC	[REDACTED]	Sole Owner Yes	\$1,300,085.00

### Brokerage

This list may include Business and/or Consumer products

[Consumer](#) | [Business](#) | [Brokerage](#) | [Other](#) | [Services](#)  
[Wells Fargo Financial](#) | [Wells Fargo Insurance](#)

Product / Account Title	Account / Status	Relationship / Transaction Authority	Ledger Balance
None			

### Other

This list may include Business and/or Consumer products

[Consumer](#) | [Business](#) | [Brokerage](#) | [Other](#) | [Services](#)  
[Wells Fargo Financial](#) | [Wells Fargo Insurance](#)

Product / Account Title	Account / Status	Relationship / Transaction Authority	Ledger Balance
None			

### Services

[Consumer](#) | [Business](#) | [Brokerage](#) | [Other](#) | [Services](#)  
[Wells Fargo Financial](#) | [Wells Fargo Insurance](#)

Product	Status
None	

### Wells Fargo Financial Relationships

[Consumer](#) | [Business](#) | [Brokerage](#) | [Other](#) | [Services](#)  
[Wells Fargo Financial](#) | [Wells Fargo Insurance](#)

Product	Account / Status	Relationship
None		

### Wells Fargo Insurance Relationships

[Consumer](#) | [Business](#) | [Brokerage](#) | [Other](#) | [Services](#)  
[Wells Fargo Financial](#) | [Wells Fargo Insurance](#)

Product	Account / Status	Relationship
None		

Search | Sales | Banker Toolbox | Administration | Main | Sign Off

cci-al-app13/prod\_svp\_253.0.5-svn\_d  
ca.custAcctList

**INDIVIDUALS/ENTITIES CONTRIBUTING 5% OR MORE OF INITIAL CAPITAL  
(Exhibit 4.2)**

This exhibit must be completed and submitted as part of the application.

Corporation Name: Good Chemistry of Massachusetts, Inc. Application # (if more than one): 1

Individual Name	Business Address	\$ amount and % of Initial Capital Provided	Type of Contribution (cash, land, building, in-kind)	Role in Dispersary Operations	Terms of Agreement (if any)
1 N/A		\$ %			
2		\$ %			
3 Add more rows as needed.....		\$ %			

Entity Name/ Business Address	Leadership Names	\$ amount and % of Initial Capital Provided	Type of Contribution (cash, land, building, in-kind)	Role in Dispersary Operations	Terms of Agreement (if any)
1 MGC LLC 82 Broad Street #397 Boston, MA 02110	Managing Member: Matthew J. Huron	\$ 1,300,000 % 93	Loan	None	Promissory note between MGC LLC and Good Chemistry of Massachusetts, Inc. for \$1,300,000 at 20% annual interest maturing on 2/28/14, when additional financing will be available from MGC LLC. This replaces the pledge of credit to Good Chemistry of Massachusetts, Inc. from WellMAss LLC shown in the Phase I application

2	Buddy Real Estate LLC 1550 Larimer Street, #296 Denver, CO 80202	Managing Member: Matthew J. Huron	\$ 94,500 % 7	Loan	None	Promissory note between Buddy Real Estate LLC and Good Chemistry of Massachusetts, Inc. for \$94,500 at 20% annual interest maturing on February 28, 2014
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Original

Marijuana Center #1

**CAPITAL EXPENSES**  
**(Exhibit 4.3)**

This exhibit must be completed and submitted as part of the application.

Corporation Name: Good Chemistry of Massachusetts, Inc.

Application # (if more than one): 1

	Expense Type	Costs	Explanation of Expense
	<b>Planning and Development</b>		
1	Architect and design fees	\$54,600.00	Fees for the RMD, Cultivation, Processing, MIPS, Extracts
2	Environmental survey	\$2,100.00	Phase 1 survey for RMD, Cultivation, Processing, MIPS, Extracts
3	Permits and Fees	\$107,400.00	RMD Application Fees, Licensing Fees, building permits for RMD, Cultivation, Processing, MIPS, Extracts
4	Security assessment	\$3,500.00	RMD security assessment and Cultivation, Processing, MIPS, Extracts, security assessment
5	Land/building cost	\$371,000.00	First year rent and security deposit for the RMD, Cultivation, Processing, MIPS, Extracts
6	Site clean-up and preparation	N/A	
7	Payroll	\$260,000.00	Payroll from Licensure until the RMD, Cultivation, Processing, MIPS, Extracts,
8	Pre Licensure	\$467,000.00	Travel and Lodging, Legal, Lobbyist, Patient Advocacy, Rent, Interest
9		\$	
	<b>Build-out Costs</b>		
1	Construction expenses	\$975,000.00	Construction for the RMD, Cultivation, Processing, MIPS, Extracts
2	Painting and finishes	\$17,000.00	Painting and finishes for the RMD, Cultivation, Processing, MIPS, Extracts
3	Security system	\$60,000.00	Security system for the RMD, Cultivation, Processing, MIPS, Extracts
4	Landscape work	\$5,000.00	Landscaping for the RMD, Cultivation, Processing, MIPS, Extracts
5	Parking facility	N/A	
6	Other- describe	\$	
7		\$	
8		\$	
9		\$	
	<b>Equipment Costs</b>		
1	Vehicles and transportation	\$50,000.00	Vehicles and GPS monitoring for the RMD, Cultivation, Processing, MIPS, Extracts
2	Cultivation equipment	\$375,000.00	Lighting systems, climate control systems, irrigation, nursery tables, fans, misc.
3	Furniture and storage needs	\$50,000.00	RMD Décor and Furniture
4	Computer equipment	\$20,000.00	Computer equipment for the RMD, Cultivation, Processing, MIPS, Extracts

5	HVAC	\$210,000.00	HVAC for the cultivation only. The HVAC for the RMD, MIPS, and Extracts are in the construction expenses.
6	Kitchen/food prep equipment	\$50,000.00	Refrigerators, Freezers, Gas Oven, Sinks, Work table, Gas Range, Shelves, Hobart, Speed Racks, Robot coupe, Blender, Kitchen Basic, Packaging
7	Extracts	\$25,600.00	Bags, Washer, Ice Machine, Sink, Speed Rack, Supplies, Scale, CO2 Machine, Vacuum/Purge, Oven
	<b>TOTAL</b>	<b>\$3,103,200.00</b>	

**YEAR-ONE OPERATING BUDGET**  
**(Exhibit 4.4)**

This exhibit must be completed and submitted as part of the application.

Corporation Name: Good Chemistry of Massachusetts, Inc.  
Budget Period: **October 1, 2014 to September 30, 2015**  
Projected Number of Patients: **902** and Number of Visits: **26696**

Application # (if more than one): 1

			Year ONE Budget	Budget Notes <sup>i</sup>
<b>REVENUE</b>				
1	Medical Marijuana sales		\$ 3,337,000.00	Medical Marijuana Flower Sales
2	Other supplies sold		\$ 166,850.00	Edibles (MIPS) and Extracts
3	Other revenue sources		\$ 5,000.00	Vaporizers and Vape Pens
A	<b>TOTAL REVENUE:</b>		<b>\$ 3,508,850.00</b>	
<b>PAYROLL EXPENSES</b>				
	<b>Personnel Category</b>	<b>44 # FTE</b>		
1	Executive Management	4	\$ 200,000.00	CEO, CFO, COO, CPO, CMO
2	Executive Support	1	\$ 40,000.00	Bookkeeping
3	Managers	10	\$ 510,000.00	RMD, Cultivation, MIPS (Edibles), Extracts
4	Staff	22	\$ 694,000.00	RMD, Cultivation, MIPS (Edibles), Extracts
5	Security	4	\$ 262,080.00	RMD, Cultivation, MIPS (Edibles), Extracts
B	<b>TOTAL SALARIES</b>		<b>\$ 1,706,080.00</b>	
C	Fringe Rate and Total	%	\$	Included in total salary amount
D	<b>TOTAL SALARIES PLUS FRINGE (B+C)</b>		<b>\$ 1,706,080.00</b>	
<b>OTHER EXPENSES</b>				
1	Consultants		\$ 50,000.00	Political both locally and State
2	Equipment		N/A	All Equipment will be bought as capital expenses
3	Supplies		\$ 240,000.00	RMD, Cultivation, MIPS (Edibles), Extracts
4	Office Expenses		\$ 12,000.00	RMD, Cultivation, MIPS (Edibles), Extracts
5	Utilities		\$ 186,000.00	RMD, Cultivation, MIPS (Edibles), Extracts
6	Insurance		\$ 24,000.00	RMD, Cultivation, MIPS (Edibles), Extracts
7	Interest		\$ 860,000.00	20% Interest on Loan for start-up capital
8	Depreciation/Amortization		N/A	
9	Leasehold Expenses		\$336,000.00	RMD, Cultivation, MIPS (Edibles), Extracts
10	Legal		\$ 120,000.00	
11	Accounting		\$ 15,000.00	CPA
12	Marketing		\$ 12,000.00	Website
13	Payroll Taxes		\$ 170,608.00	
E	<b>TOTAL OTHER EXPENSES</b>		<b>\$ 1,989,608.00</b>	
	<b>TOTAL EXPENSES: (D+E)</b>		<b>\$3,731,688.00</b>	
	<b>DIFFERENCE</b>		<b>\$(222,838.00)</b>	

<sup>i</sup> Enter short explanation of expenses



**THREE-YEAR BUSINESS PLAN BUDGET PROJECTIONS  
(Exhibit 4.5)**

This exhibit must be completed and submitted as part of the application.

Corporation Name: Good Chemistry of Massachusetts, Inc. Application # (if more than one): 1

Fiscal Year Time Period: **October 1 – September 30** Projected Start Date for the First Full Fiscal Year: **October 1, 2014**

	FIRST FULL FISCAL YEAR PROJECTIONS 2015	SECOND FULL FISCAL YEAR PROJECTIONS 2016	THIRD FULL FISCAL YEAR PROJECTIONS 2017
Projected Revenue	\$ 3,508,850.00	\$ 5,499,555.00	\$ 6,427,014.00
Projected Expenses	\$3,731,688.00	\$ 5,387,688.00	\$ 6,156,088.00
TOTAL :	\$(222,838.00)	\$ 111,867.00	\$ 270,926.00
Number of Patients	902	1263	1805
Number of Patient Visits	26696	49794	67852
Projected % of growth rate annually	0.00%	55.00%	17.00%
Total FTE in staffing	44 FTE	54 FTE	68 FTE
Projected Medical Marijuana Inventory	588 Lbs.	1096 Lbs.	1495 Lbs.

**EVIDENCE OF INTEREST IN DISPENSARY SITE  
(Exhibit 5.1)**

This exhibit must be completed or marked N/A and attached to required documents and submitted as part of the application.

Corporation Name: Good Chemistry of Massachusetts, Inc.                      Application # (if more than one): 1

Physical Address	County	Type of Evidence Attached
364 – 368 Boylston Street Boston, MA 02116	Suffolk	Option lease from Barjen Realty Trust LLC to West End Realty Group LLC  Letter from Barjen Realty Trust LLC to permitting sublease from West End Realty Group LLC to Good Chemistry of Massachusetts Inc.  Lease from West End Realty Group LLC to Good Chemistry of Massachusetts Inc.
N/A	N/A	N/A

Original

**OPTION TO LEASE AGREEMENT**

This **OPTION TO LEASE AGREEMENT** (the "Agreement") is made and is effective as of November 18, 2013 between Arnold Zenker, as Trustee of Barjen Realty Trust, u/d/t of September 1, 1981, recorded in the Suffolk County Registry of Deeds in Book 9840, Page 299, **AND NOT INDIVIDUALLY** ("Landlord") and West End Realty LLC, a Massachusetts Limited Liability Corporation ("Tenant").

**THE BUILDING:** The office/commercial building known and numbered as 364-368 Boylston Street, Boston, MA 02116 (the "Building")

**LEASED SPACE:** The retail space on the first floor of the Building, consisting of approximately 6,200 rentable square feet (the "Space").

**LAND:** The land on which the Building is located.

Landlord and Tenant hereby agree to the following terms:

In consideration of the amount of \$44,833.34, paid by the Tenant to the Landlord, the receipt of which is hereby acknowledged, the Landlord hereby grants to the Tenant the exclusive option ("Option") to effect the Lease (attached) for the Space upon the following terms and conditions.

**TERM OF OPTION.** This Option, and all rights and privileges pertaining thereto, shall be four months in duration, credited at a rent at \$11,458.34 per month, beginning on December 1, 2013 and expiring on March 31, 2014. Tenant may extend this Option for an additional two months by paying Landlord an additional amount of \$16,666.67 monthly on the first day of each extension month.

**NOTICE OF EXERCISE OF OPTION.** Tenant must exercise this Option no later than seventy-two (72) hours after receiving all state and local permits, licenses and registrations required to open a medical marijuana dispensary in the Building and the Space by delivering to Landlord written notice of said exercise by certified or registered mail within the time limit specified in Paragraph 1 herein. Notice should be delivered to Arnold Zenker, 301 Wellesley St., Weston, MA 02493. Upon receipt of written notice to Landlord, the attached Lease will become effective, and be the sole Agreement between the parties.

**APPLICATION OF OPTION PAYMENT.** In the event Tenant does not receive applicable permits and cannot exercise this Option as provided in Paragraph 2 herein, all sums paid by Tenant on account thereof shall be retained by the Landlord in consideration of the rights granted herein, and neither party shall have any claims or rights against the other.

**EFFECT OF EXERCISING OPTION.** In the event Tenant can exercise this Option, as provided in the paragraph above headed ("NOTICE OF EXERCISE OF OPTION"), any sums paid on account of the Option but not yet credited as rent earned, shall be applied on a pro-rata basis to the first month's rent under the attached Lease agreement, and the terms, covenants and conditions of the Lease shall become the contract between the parties. As an example only, if Tenant exercises its Option effective February 1, 2013, then the amount of \$22,916.68 shall be applied to the first month's rent under the lease; if Tenant exercises this Option effective March 1, 2013, the amount of \$11,458.34 shall be applied to the first month's rent under the Lease; and so on.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date above written.

LANDLORD

Barjen Realty Trust

By: Arnold Zenker, Trustee

TENANT

West End Realty LLC

By: Matthew Huron, Manager

BARJEN ASSOCIATES  
BOSTON, MASSACHUSETTS

The Landlord and the Tenant identified in Paragraph 1 hereof hereby agree to the following Lease:

1.1 Fundamental Lease Conditions—Defined Terms

DATE OF EXECUTION: November 18, 2013

LANDLORD: Arnold Zenker, as Trustee of Barjen Realty Trust, u/d/t of September 1, 1981, recorded in the Suffolk County Registry of Deeds in Book 9840, Page 299, AND NOT INDIVIDUALLY. (Rent hereunder is payable to BARJEN ASSOCIATES, a Massachusetts limited partnership).

ADDRESS OF LANDLORD: c/o Arnold Zenker  
301 Wellesley St.  
Weston, MA 02493

TENANT: West End Realty LLC  
(a Massachusetts Limited Liability Corporation)  
82 Broad St.  
Suite 397  
Boston, MA 02110

THE BUILDING: The office/commercial building known and numbered as 364-368 Boylston Street, Boston, MA 02116 (the "Building")

LEASED SPACE: The retail space on the first floor of the Building, consisting of approximately 6,200 rentable square feet (including interior mezzanine); the "Space".

LAND: The land on which the Building is located.

LEASE TERM: An Initial Term of five (5) years commencing on the "Exercise Date" of the OPTION TO LEASE AGREEMENT, as defined in the Paragraph headed ("NOTICE OF EXERCISE OF OPTION"), between Landlord and Tenant, dated November 18, 2013 (attached herewith), plus one, five (5) year extension option.

BASE RENT: Subject to the provisions of Paragraph 3.1 hereof, first twelve (12) months at the annual rate of \$275,000.00 or \$22,916.67 per month.

ADDITIONAL RENT: Real estate taxes, operating expenses, and other additional rent as provided below in this Lease.

SECURITY DEPOSIT: The security deposit shall be \$68,750.00 in U.S. dollars by irrevocable bank Letter of Credit, cash, certified check or money order in the first two (2) years of the Lease Term. The security deposit for the last three (3) years of the Lease Term shall be increased to the amount of \$137,500.00, commencing with the beginning of the third year of the Lease Term.

TENANT'S AUTHORIZED REPRESENTATIVE: Matthew Huron

LANDLORD'S AUTHORIZED  
REPRESENTATIVE:

Arnold Zenker

1.2 Leased Space. Landlord hereby leases to Tenant, and Tenant hereby leases and hires from Landlord, upon and subject to all the terms and provisions of this Lease, the premises described as the "Space" in Paragraph 1.1.

1.3 Building System and Utilities. Landlord hereby excepts and reserves space for, access to and the right to maintain in their present location in the Space and the Building and, from time to time, to construct, repair, maintain, replace and change the location of the same, in such manner as shall not unreasonably interfere with Tenant's use of the space, all pipes, wires, conduits, ducts, shaftways, heating, ventilating, air conditioning and other equipment, machinery, meters and other apparatus and fixtures for the transmission of light, heat, power, water, ventilation, air conditioning and other utilities. Subject to Massachusetts Regulation, 105 CMR 725.110, Landlord reserves the right of access to the Space by Landlord, its agents and employees at all reasonable times upon reasonable notice to Tenant. Landlord agrees that a representative of Tenant may be present for the aforesaid purposes except in an emergency situation.

2.1 Lease Term. The term of this Lease shall be a period of five (5) years, commencing on the Exercise Date of the OPTION TO LEASE AGREEMENT, as defined in the Paragraph headed ("NOTICE OF EXERCISE OF OPTION"), between Landlord and Tenant, dated November 18, 2013 (attached herewith), the "Lease Term", which expression shall, as the context may require, include any period of extension of the term. The initial five (5) years of the Lease Term is sometimes called the "Initial Term". During any period prior to the Lease Term, commencing upon the first entry by Tenant or its agents for the purpose of performing any work and ending upon the commencement of the Lease Term, Tenant shall comply with all the provisions of this Lease except rental obligation as if such period were part of the Lease Term.

2.2 Extension of Lease Term. So long as Tenant shall not, at the time it exercises such right, be in default hereunder, after the giving of any required notice and the expiration of any applicable grace period, Tenant shall have the right to extend the Lease Term for one period of five (5) years dating from the expiration of the Initial Term, (the "Extension Term"), subject to the provisions of Paragraph 3.2 hereof, by sending Landlord written notice thereof not less than six months prior to the expiration of the Initial Term.

2.3 Holding Over. If Tenant or anyone claiming under Tenant shall hold over in the space beyond the lease Term without any agreement in writing between Landlord and Tenant with respect thereto, the person remaining in possession shall, prior to acceptance of rent by Landlord, be deemed a tenant at sufferance and after acceptance of rent by Landlord a tenant at will from month to month, pursuant to all the other terms and conditions of this Lease, except that the monthly payments for each month or portion thereof of any period of holding over shall be 200% of the total monthly payment (including the Monthly Installment Payments of Base Rent together with Additional Rent and all other amounts payable by Tenant hereunder) for the last month of the Lease Term prior to termination or expiration thereof.

3.1 Base Rent—Initial Lease Term. Provided there has been no Uncured Monetary Default by Tenant, Landlord will accept payment of the Base Rent in monthly installments as follows:

On the first day of each calendar month of the Lease Term, at the place to which notices to Landlord are required to be sent (or at such other place or places as Landlord may, by notice in writing to Tenant, from time to time direct), Tenant shall pay to Landlord equal monthly installments of Base Rent ("Monthly Installment Payments of Base Rent") in advance at the annual rates indicated below, which annual rates are subject to the annual increases also indicated below. Tenant shall make payment in advance of the appropriate fractions of a monthly payment for any portion of a month at the beginning or end of the Lease Term.

The parties agree that the entire base rent is due upon execution of this Lease, and that Landlord's agreement to accept payment of the Base Rent in monthly installments is for the sole benefit and convenience of Tenant, and is contingent upon the absence of any Uncured Monetary Default at the time payment of the monthly installment is made.

A. For the first twelve (12) months of the Lease Term, the Base Rent shall be at the rate of \$275,000.00 per annum or \$22,916.67 per month.

B. For the second twelve (12) months of the Lease Term, the Base Rent shall be at the rate of \$275,000.00 per annum or \$22,916.67 per month.

C. For the third twelve (12) months of the Lease Term, the Base Rent shall be at the rate of \$350,000.00 per annum or \$29,166.67 per month.

D. For the fourth twelve (12) months of the Lease Term, the Base Rent shall be at the rate of \$360,500.00 per annum or \$30,041.67 per month.

E. For the fifth twelve (12) months of the Lease Term, the Base Rent shall be at the rate of \$371,315.00 per annum or \$30,942.92 per month.

In the event Tenant shall fail to pay a monthly installment within ten (10) days of the due date, a late charge of five (5%) of the monthly Base Rent, with a minimum of fifty (\$50.00) per month shall be added to the Base Rent and paid to Landlord for each such late payment, and the same shall be treated as Additional Rent. Should Tenant present a check to Landlord that is returned from Tenant's bank for any reason, Tenant shall pay to Landlord as Additional Rent thirty-five (\$35.00) dollars as a charge due as a result of said return, and Landlord reserves the right to demand that all future rent checks be certified Bank checks.

**3.2 Base Rent for Extension Terms.** Base Rent for the Extension Term, if any, and the procedure for determining whether the Lease Term shall be extended (in coordination with the provisions of Paragraph 2.2 hereof) shall be governed by the balance of this Paragraph 3.2.

If Tenant shall elect to extend the term of this Lease beyond the Initial Term, Landlord and Tenant shall, promptly after Tenant shall have sent such written notice, enter into good faith negotiations in order to reach an agreement on the amount of rent to be paid by Tenant for such Extension Term, based upon a standard of one hundred (100%) percent of Fair Market Value, as such phrase is used and understood within the Boston real estate industry, for each year of the Extension Term. If Landlord and Tenant shall fail to reach agreement within one month following the sending of such notice by Tenant, then the amount of rent for the Extension Term shall be determined by a single arbitrator, agreed to by Landlord and Tenant, who shall be an independent certified real estate appraiser having not less than five (5) years' experience in the appraisal of commercial properties in the Boston area, and who shall conduct an arbitration proceeding relating thereto, at which both Landlord and Tenant shall have the right to be represented by counsel and to present evidence. Such arbitration proceeding shall be held in the City of Boston as promptly as possible, and the parties shall share equally in the cost of such proceeding. In any such proceeding, the arbitrator, in determining the amount of rent to be paid shall, in no event, establish an annual rental charge less than the annual rental charge paid by Tenant to Landlord during the final lease year of the Initial Term.

Regardless of whether the Base Rent for the Extension Term is determined by agreement or through arbitration, it will be due in full upon the commencement of the Extension Term. However, as was the case with the Base Rent for the Initial Term, Landlord, for the sole benefit and convenience of Tenant and contingent upon the absence of any Uncured Monetary Default at the time payment is made, shall accept payment in equal monthly installments, payable in advance.

**4. Additional Rent---Taxes and Operating Expenses.** Tenant covenants and agrees to pay to Landlord, twenty-five (25%) percent of Landlord's Taxes in excess of those for the fiscal year 2013-2014, and twenty-five (25%) percent of Landlord's Operating Expenses in excess of those for the calendar year 2013..

(b) The annual amount of Additional Rent payable under this Paragraph 4 shall be paid on the

first day of each month in monthly installments in amounts reasonably estimated by Landlord. From time to time, upon the request of Tenant, Landlord will provide Tenant with the information upon which such estimates are based. Landlord shall, from time to time, revise such estimates as actual current costs become known. Within ninety (90) days after the end of each calendar year, Landlord will provide Tenant with an accounting of Landlord's Taxes and Operating Expenses prepared in accordance herewith. Upon request by Tenant, from time to time, Landlord shall make available for inspection copies of Landlord's paid bills and other evidences of Landlord's Taxes and Operating Expenses. Such accounting shall be conclusive unless Tenant can demonstrate that such accounting is incorrect in any material respect. Tenant's dispute of such accounting shall not be considered a default as defined in Paragraph 10.1(i). Thereupon there shall be a cash adjustment between Landlord and Tenant for the year or period covered by such accounting so that Landlord shall have received the exact amount of Additional Rent due hereunder. If the Lease Term terminates other than on December 31, the adjustment shall be prorated for the portion of the final year prior to the termination of the Lease Term, but shall take place nevertheless at the time provided in the preceding sentence.

(c) "Landlord's Taxes" as used herein means all real estate taxes and assessments on the Land and the Building and includes other governmental charges, taxes or capital levies in lieu thereof, assessed or imposed by any governmental authority upon the Building and the Land or upon the owner thereof by virtue of its ownership or the renting thereof. Landlord's Taxes shall not include any income, franchise, inheritance, estate or other similar taxes payable by Landlord. If tax assessments may be paid in installments, Landlord shall elect to pay such installments over the longest period available, and Tenant shall be responsible for only such installments (together with any interest payable thereon which is imposed as a result of Landlord's election to pay such taxes in installments, but not including any interest attributable to the late payment of such taxes) as are allocable to the Lease Term. Landlord's Taxes, calculated hereunder for any year, shall be adjusted on account of the net amount (after deduction of all expenses and fees associated therewith) of any tax abatements or reductions which Landlord seeks and obtains.

(d) "Landlord's Operating Expenses" as used herein means all reasonable costs of Landlord in owning, operating, maintaining and managing the Building and the Land, including but not limited to the costs of the following: (i) supplies, materials and equipment purchased or rented and wages, salaries and fees paid to all persons and entities engaged in (or under contract for) the operation, maintenance, cleaning and repair of the Building and the Land, including so-called "fringe benefits"; (ii) operation, maintenance and upkeep of the Building and the Land, performed by employees or agents of Landlord or by independent contractors, including repairs and replacements of worn elements, equipment and facilities thereof and therein; (iii) utilities consumed and expenses incurred in the operation, maintenance, and upkeep of the Building and the Land, including, but not limited to, oil, gas, electricity (not otherwise directly metered), water, sewer, and ice and snow removal (but not including any utility charges directly metered to tenants); (iv) insurance of the types customarily carried in the ownership and operation of office and commercial properties; and (v) Building Management, whether or not actually paid if the Property is managed by Landlord or an affiliate of Landlord. Operating expenses in any year shall be deemed further increased by an amount equal to the cost (amortized, with interest, on such reasonable basis as Landlord shall determine) of any capital improvement to the Building. "Landlord's Operating Expenses" shall not include any costs of Landlord for interest or amortization on any mortgage indebtedness on the Building or the Land, nor any other costs incurred by Landlord in connection with obtaining such mortgage financing or refinancing, nor any costs or expenses chargeable to and recovered from Tenant or other occupants of the Building, nor any costs which are reimbursed to Landlord by insurance or other third parties, nor any salaries of the officers and employees of the corporation or firm providing Building management, nor any leasing commissions or fees, nor alterations to another tenant's space in connection with Landlord's renting of that space to that tenant.

**5. Use of Leased Space.** The Space shall be used exclusively for the conduct of a legal and fully licensed dispensary of medical marijuana as defined under applicable laws. Tenant shall use the Space only for said business purposes and not for any illegal purpose, or violate any statute, regulation, rule, or order of any governmental body, or create or allow to exist any nuisance, or trespass, or cause discomfort or annoyance to any other tenants or occupants of the Building or affect the reputation or appearance of the Building or degrade the economic status of the Building or do any act in or about the Space, or bring anything onto or in the Space or the Building which will in any way increase the rate of insurance on the Space or said Building or deface or injure the Space or such Building. Additionally, Tenant shall inform all of its employees (and all other agents and contractors who regularly occupy the Space) that smoking is prohibited in the Space and all Common Areas of the Building, and of the foregoing restrictions set forth in this paragraph. If a smoking nuisance is generated in the Building or the Space, Landlord shall notify Tenant, and Tenant shall have five (5) days from the date of receipt of Landlord's notice to eliminate the smoking nuisance.

Tenant shall not permit the Space to be utilized by anyone other than Tenant or Good Chemistry of Massachusetts, Inc. or for any use or purpose other than as stated in this Paragraph 5 hereof without written consent of Landlord.

The listing of any name other than that of Tenant, whether on the doors of the Space, or otherwise, shall not operate to vest any right or interest in this Lease or in the Space to such named person or be deemed to be the written consent of Landlord.

**6.1 Landlord's Covenants.** The Building's operating hours are Monday through Saturday from 7:00 A.M. until 9:00 P.M. (excluding Federal legal public holidays). Tenant acknowledges that limited building services, are provided by the Building outside of the operating hours, and Tenant's use of the Building and the Space outside of operating hours are at its own risk and on its own responsibility.

Landlord shall, without additional cost to Tenant, except as the same affect Landlord's Operating Expenses:

- (a) supply heat during the appropriate seasons to the Space in an amount adequate to keep the Space at a reasonable temperature at least during the hours of 8:00 A.M. until 8:00 P.M. on Monday through Saturday (excluding Federal legal public holidays).
- (b) intentionally Omitted.
- (c) intentionally Omitted.

(d) Landlord will not be under any duty to supply or continue at any time any service to the Space, except as expressly agreed herein; and, Landlord shall not be held liable to anyone for cessation by it or by anyone serving the Space with any agreed service due to fire or other casualty, however caused, to the making of repairs or to remodeling, to strikes, labor difficulties or (unless caused by unreasonable action or inaction of Landlord or those for whose conduct the Landlord is responsible) inability in obtaining services or supplies from the sources) for the Space or the Building, or to any cause beyond Landlord's control, or to any law or any regulation of any public authority, acts of God, war, or civil commotion.

If Tenant requests additional services of Landlord of the type listed in subparagraphs (a) (b) and (c) above, Landlord shall use reasonable efforts to supply such services but at Tenant's expense. Further, if Tenant's use of the Space involves higher than average consumption of any utilities (not directly metered or billed to Tenant) or services, due to the operation of heavy equipment or computers or otherwise, Tenant shall pay to Landlord as Additional Rent, an equitable amount, as estimated by Landlord to cover the cost of such utilities or services which exceeds average consumption.

(e) Tenant specifically agrees that its obligation to pay Total Rent (Base Rent and Additional Rent) without deduction or offset is separate and distinct from Landlord's obligations under this Lease, and that Tenant has no right to withhold Total Rent or to terminate the Lease because of a Landlord default.

**6.2 Condition of the Space.** The Space is being leased as is, without representation or warranty by Landlord. Tenant acknowledges that it has inspected the Space and common areas of the Building, and has found the same to be satisfactory for their intended uses. Promptly after delivery of possession of Space to Tenant, Tenant shall equip the Space with all trade fixtures and personal property appropriate for the regular and normal operation of the type of business in which Tenant is engaged.

**6.3 Exterior and Structure.** Except as otherwise provided in this Lease (and except for damage caused by used by work done or omitted by Tenant), Landlord shall keep the exterior and structure and all structural members of the Space and the Building, and all non-structural portions of the Building such as electrical and plumbing, heating, elevators and other Building systems which service in common both the Space and other areas in the Building in good order, repair and condition, excepting only Tenant's obligations under Paragraph 7, reasonable wear and tear, damage by fire or casualty, and takings by eminent domain, and Landlord shall also keep in such condition, clean and reasonably illuminated, at all times during normal business hours of the Building, all common areas, passageways, corridors, stairways, halls, entrance ways, elevators and all other common facilities in the Building giving access to the floor on which the Space is located; provided, however, that Landlord shall not be under any such duty and shall not be liable to anyone for cessation by it or by anyone serving the Space with any agreed service due to fire or other casualty, however caused, to the making of repairs or to remodeling, to strikes, labor difficulties or (unless caused by unreasonable action or inaction of the landlord or those for whose conduct Landlord is responsible) inability in obtaining services or supplies from the sources from which they are usually obtained, (or reasonable alternate sources) or to any cause beyond the Landlord's control, or due to any law or regulation of any public au-



thority, acts of God, war or civil commotion; and provided further that Landlord shall not be deemed to have committed a breach of any obligation to make repairs or alterations or perform any other act unless (i) it shall have made such repairs or alterations or performed such other act negligently, or (ii) it shall have received proper notice from Tenant designating the particular repairs or alterations needed or the other act of which there has been failure of performance and shall have failed to make such repairs or alterations or performed such other act within a reasonable time after the receipt of such notice, and in the latter event, Landlord's liability shall be limited to the cost of making such repairs or alterations or performing such other act.

6.4 Release of Liability. Landlord and Tenant hereby release each other from all liability (to each other and to anyone claiming under either of them, by subrogation or otherwise) for any damage caused by any event against which this Lease requires insurance to be maintained by a party, even if such damage resulted from the fault of the released party or of one for whom such party is responsible. This release shall not be effective with respect to damage not covered by the releasor's insurance. The release provided for in this Paragraph 6.4 is limited to liability for damage to or loss of property or interruption of business, and there is specifically excluded therefrom liability for personal injury or wrongful death. Each party shall cause its insurance carrier to endorse all applicable policies waiving the carrier's rights of recovery under subrogation or otherwise against the other party. If either party is not reasonably able, without material extra costs to obtain insurance coverage which will not be impaired by this release, such party shall give the other written notice thereof and the other shall have the right to pay such cost in which event such party shall obtain fire insurance coverage which will not be impaired by this release.

6.5 Damage or Theft of Personal Property. Tenant agrees that all personal property brought into the Space shall be at the risk of Tenant only, and that the Landlord shall not be liable for the loss thereof or any damages thereto occasioned from any act of any co-tenant or other occupants of said Building or any other person

7. Tenant Covenants. Tenant covenants and agrees with Landlord as follows:

7.1 To pay when due during the Lease Term and for such further time as Tenant shall hold the Space or any part thereof, all Base Rent, Additional Rent and other charges payable by Tenant to Landlord, at the time and in the manner herein provided

7.2 At Tenant's expense: to keep the Space clean, damage by fire or casualty, takings by public authorities, and reasonable wear and tear only excepted; to keep the interior of the Space (including but not limited to all window and door frames, doors and windows and all glass including that in windows and doors, and all wires, pipes, plumbing and utility conduits serving the Space exclusively, and all fixtures and equipment therein, and erections and additions thereto), free of rodents and in good order, repair and condition; to make all repairs, alterations additions and replacements to the interior of the Space required by any law or ordinance or any order or regulation of any public authority or Board of Fire Underwriters or the like, because of the manner of use made of the Space by Tenant, including without limitation the Americans with Disabilities Act and/or any similar state act; to keep the Space equipped with all safety appliances which may be required because of such use; not to place or leave obstructions in the hallways, corridors or other common areas of the Building without Landlord's prior written consent thereto; to comply with the orders and regulations of all governmental authorities affecting the use of the space and to conform in such use to all rules and regulations of the local Board of Fire Underwriters and Landlord's insurer with respect to fire prevention; to procure any licenses and permits required for any use made of the Space by Tenant; to repair all non-structural damage caused by the bursting or leaking of pipes or connections or by water, steam gas or electricity, or other utilities, or the pipes, wires or fixtures thereof.

7.3 To place all trash or garbage in proper receptacles located within the Space, bagged or otherwise prepared for removal as Landlord may from time to time require and, at Tenant's expense, to provide all necessary or desired cleaning and trash removal service required at the Space; and not to burn or otherwise dispose of or process any trash or garbage of any kind in or about the Space or the Building. Tenant, at Tenant's expense, shall keep clean the exterior portions of all windows and doors which service the Space exclusively; and shall keep the sidewalks in the front and rear of the Space swept clean, and clean of all ice and snow.

7.4 Not to place any load upon any floor of the Space which exceeds its floor load capacity. If Tenant shall install machines or mechanical equipment, such installation shall be made in such manner as to prevent vibration and noise and annoyance to other occupants of the Building. The moving and installation of such machines and equipment shall be at the sole risk and hazard of Tenant, and Tenant agrees to indemnify and save

Landlord harmless against and from all liability, loss, injury, claim or suit resulting directly or indirectly from the installation or maintenance of such machines and equipment.

7.5 Not to conduct any auction, fire, bankruptcy, going out of business or similar sale in the Space without Landlord's prior written consent thereto; not to strip, injure, overload or deface the Space or any other portions of the Building or the Land; not to make any use thereof which is improper, offensive or contrary to any law, ordinance or regulation of any public authority; not to permit any act or thing to be done in the Space which shall constitute a nuisance or which may interfere with the quiet enjoyment of other tenants of the Building or which may make void or voidable any insurance on the Space or the Building against fire and casualties, or public liabilities, or which may render any increased or extra premium payable for any such insurance; to pay promptly to Landlord as additional rent the cost of any increased premium for fire, casualty or liability insurance (either with or without extended coverage endorsement) payable with respect to the Space or the Building as a result of anything done or business conducted in the Space, including without limitation any or all of the uses described in Paragraph 5; not to permit any holes to be drilled or made in the stone or brickwork of the Space or of the Building; and not to cause or permit the unreasonable emission of any noise or odor from the Space. In the event of a conflict between Federal and State law the use of Space should be governed by State law.

7.6 Tenant agrees that any and all remodeling and improvements to the Space (the "Work") shall be at Tenant's sole expense and subject to prior approval of Landlord, which shall not be unreasonably withheld or delayed. Tenant, before its Work is started, shall secure all licenses and permits necessary therefor, and cause each contractor and subcontractor to carry workmen's compensation insurance in statutory amounts covering all the contractor's and subcontractor's employees, and Tenant shall obtain and maintain in effect, at Tenant's expense, until the Work is completed, comprehensive public liability insurance with limits of \$2,000,000 and property damage insurance with limits of \$1,000,000 (all such insurance to be written in reputable companies and insuring Landlord, Landlord's mortgagees, of which Tenant has been given written notice, and Tenant as well as the contractors and subcontractors). Tenant shall pay promptly, when due, the entire costs of all Work done at the Building by Tenant and its contractors, subcontractors, agents and employees, and shall not cause or permit any liens for labor or materials performed or furnished in connection therewith to attach to the Building, and Tenant shall, within thirty (30) days after the filing thereof, discharge any such liens, by payment, bonding or otherwise, which may so attach. The Work shall be performed in a good and workmanlike manner, using materials of good quality, and shall be in compliance with all applicable laws, ordinances, orders and regulations of governmental authorities. Subject to Massachusetts Regulation, 105 CMR 725.110, Landlord and Landlord's representatives may enter the space and inspect the Work at reasonable times and upon reasonable notice to Tenant and shall promptly give notice to Tenant of any observed defects, but without any liability on Landlord for failing to do so. Tenant shall, after notice from time to time from Landlord, take all action reasonable and necessary to remedy and repair or replace any incomplete, defective or malfunctioning aspects of the Work, such action to occur as soon as possible. Tenant shall save Landlord harmless and indemnified from any injury, loss, claim or damage to any person or property occasioned by or growing out of such Work, including, but not limited to, damage to the roof, walls or other exterior or structural parts of the Building, or the sidewalks and curbs adjacent to the Building.

Tenant, at Tenant's expense, shall make all repairs to any portion of the Building, sidewalks or curbs resulting from or occasioned by the performance by Tenant of any of such Work or the failure of Tenant to complete any such Work, as contemplated hereby.

7.7 Not to make any material structural alterations or additions to the Space except as herein specifically provided, or to paint or place any signs, awning, aerials, or flagpoles or the like in the Space (including windows and areas visible through the windows from outside the building) or on the building. However, Tenant may place its name on its retail window and/or door in a manner consistent with signage for a retail establishment on Boylston Street.

7.8 That Tenant shall not, without on each occasion first obtaining the prior written consent of Landlord, which consent shall not be unreasonably withheld, assign this Lease or make any sublease or license of all or any portion of the Space or permit any other person to occupy all or any portion of the Space; to remain fully and primarily obligated under this Lease notwithstanding any assignment, sublease or similar arrangement, or any indulgence at any time granted by Landlord to Tenant or to any assignee, sublessee or licensee, or any agreement between Landlord and any such assignee, sublessee or licensee. Tenant shall give Landlord written notice of any proposed assignment of Tenant's interest in this Lease or any proposed subletting or licensing of all or any portion of the Space except Good Chemistry of Massachusetts, Inc., setting forth in such notice the name and address of the

proposed assignee, subtenant or licensee, such information as to its financial responsibility and standing as Landlord may reasonably require, and all economic and legal terms of the proposed transaction.

In determining whether to consent or withhold consent to a proposed Assignment, Landlord and Tenant agree that Landlord may withhold its consent to any proposed Assignment, and such withholding of consent by Landlord will not be unreasonable, if: (1) if the proposed assignee or subtenant is a party who would, or whose use would, detract from the character of the Building, or (2) if the proposed assignee or subtenant proposes to engage in a business in the Space which is not consistent with the standards of the Building or similar retail uses on Boylston Street or is not permitted by or would contravene the provisions of this Lease; or (3) if the lease to, or use of the Space or any portion thereof by, such subtenant or assignee will cause Landlord to be in violation of any restrictive use covenants granted by Landlord to any other tenant in the Building in such tenant's lease; or (4) if, in the case of a proposed assignment, the proposed assignee is not of sufficient financial worth to perform its obligations under this Lease as such obligations become due; or (5) the proposed assignee or subtenant is then a tenant in the Building, or is then negotiating with Landlord to become a tenant in the Building; provided, however, it is understood and agreed that bases set forth above upon which Landlord may reasonably withhold its consent to a proposed Assignment are not intended, and shall not be construed, to be an exclusive list of reasonable bases upon which Landlord may withhold its consent" and Landlord reserves the right to withhold its consent to any proposed Assignment by virtue of any other reasonable basis.

Any such assignee, sublessee or licensee shall agree in writing with Landlord to be bound by and comply with the provisions of this Lease to be paid and performed by Tenant. It is understood that any consent of Landlord under this Section 7.8 requires the consent of the current mortgage lender on the Building and Tenant agrees that Landlord shall not be deemed to have withheld or delayed any such consent unreasonably, if, after using its best effort, it has been unable to obtain any required consent of a mortgagee. For purposes of this Section 7.8, any sale or transfer of stock or other securities, or merger, consolidation, liquidation or other corporate reorganization that results in fifty (50%) percent or more of the voting equity of Tenant being held by parties other than Matthew Huron shall be deemed an assignment by Tenant of its interest in this Lease. Notwithstanding any consent, or any agreement of another person or firm with Landlord, Tenant shall remain directly and primarily liable to Landlord for the payment and performance of all Tenant's obligations under this Lease. Tenant shall pay to Landlord, as additional rent, all reasonable legal fees and disbursements, incurred by Landlord in connection with any proposed assignment, sublease or license, including fees for review of documents. In no event shall Landlord's consent to one assignment be deemed to constitute consent to any subsequent assignment.

In the event that Landlord consents to an assignment of the Lease for the entire Space pursuant to this Article, if the rent and other sums (including without limitation the fair value of any services provided by such subtenant for Tenant) on account of any such assignment exceed the Base Rent and any Additional Rent allocable to the Space, Tenant shall pay to Landlord, as an additional charge, 100% of such excess, such amount to be paid monthly with payment by Tenant of the Monthly Installment Payments Base Rent hereunder.

In the event that landlord consents to any sublease of a portion of the Space during the first two (2) years of the Initial Lease Term, Tenant agrees to pay Landlord, upon execution of the sublease, an additional \$6,250.00 monthly as consideration for granting such sublease. The \$6,250.00 monthly payments shall cease after the 24th month of the Initial Lease Term.

7.9 To permit Landlord and Landlord's agents to inspect the Space at reasonable times and to show the Space to prospective mortgagees, purchasers and lessees; to permit Landlord and its agents to enter, at reasonable times so as not to interfere unreasonably with Tenant's business, and at any time in case of emergencies, to make such repairs, improvements, alterations or additions as Landlord may be required or permitted to make hereunder, and Tenant shall not be entitled to any abatement or reduction of rent or damages by reason of any of the foregoing.

7.10 That all such general rules and regulations as the Landlord from time to time hereafter may make, being in the judgment of the Landlord needful for the reputation, safety, care or cleanliness of the Building and Space or the operation and maintenance of the Building and its equipment, or for the comfort of the tenants, shall be faithfully observed and performed by Tenant and by the agents, employees, servants, licensees, invitees, and visitors of Tenant, and all such rules and regulations are hereby made a part of this Lease as fully, to all intents and purposes, as if herein set forth. The Landlord shall have the right to change said rules and to waive any or all of said rules in the case of any one or more tenants, nor shall the Landlord be responsible to Tenant, or to Tenant's agents, employees, servants, licensees, invitees or visitors, for failure to enforce any of the rules and regulations or for the non-observance or violation of any of said rule or regulations by any other tenant or by any other person, or for the non-

observance or violation of or failure to enforce or to perform the provisions of any other lease of any part of the Building.

7.11 To pay to the providers thereof, as and when due, all charges against the Space or for Tenant's use at the Space, pursuant to separate metering or other direct billing arrangements to Tenant, for electricity, and other utilities.

7.12 To pay all taxes and impositions of whatever kind or nature levied, imposed, or assessed by any governmental authority on or against the fixtures, equipment, whether interior or exterior, stock in trade or any other property of Tenant, and to reimburse Landlord forthwith upon request, if Landlord shall have paid any such tax in the first instance.

7.13 That no flammable, combustible, explosive or otherwise hazardous fluid, material, chemical or substance shall be brought, stored or treated in or on the Space or Building provided that Tenant may handle, store, use or dispose of; products containing small quantities of Hazardous Materials (the term "Hazardous Materials" means any substance, material, or waste which is now or hereafter classified or considered to be hazardous, toxic, or dangerous under any Environmental Law relating to pollution or the protection or regulation of human health, natural resources or the environment, or poses or threatens to pose a hazard to the health or safety of persons in the Building), which products are of a type customarily found in offices and households (such as aerosol cans containing insecticides, toner for copiers, paint, paint remover, and the like), provided further that Tenant shall handle, store, use and dispose of any such Hazardous Materials in a safe and lawful manner and shall not allow such Hazardous Materials to contaminate the Space or the environment. Tenant shall comply with all federal, state and local laws and ordinances relating to the protection of the environment or the keeping, use or disposition of environmentally hazardous materials, substances, or wastes, presently in effect or hereafter adopted, all amendments to any of them, and all rules and regulations issued pursuant to any of such laws or ordinances (collectively "Environmental Laws").

8.1 Liability. All goods, equipment, merchandise and other property of Tenant, its agents, employees, customers, invitees, or anyone else claiming under Tenant which may at any time be in the Space or in or about the Building shall be at its or their own risk and liability to the maximum extent permitted by law.

8.2 Indemnity. Tenant shall hold Landlord harmless and indemnified from and against, to the maximum extent permitted by law, any and all injury, loss, damage, liability, claims and expense, of any nature whatsoever in connection with loss of life, personal injury and damage to property arising out of or resulting from: (a) any occurrence in, about, or at the Space (unless caused by the negligence or intentional act of the Landlord); and, (b) anywhere if occasioned wholly or in part by any act, neglect or failure to perform the obligations imposed upon Tenant, by this Lease or by any act, omission, or neglect of Tenant, or anyone else for whom Tenant may or shall be legally responsible; provided, however, that in any case in which the principles of comparative negligence apply, Tenant's responsibility shall be limited to the proportion of negligence which is attributed to Tenant et al. Tenant agrees that Landlord shall not be liable to Tenant, or anyone claiming under Tenant, for any injury, loss or damage which may be caused by or result from the fault or negligence of any persons occupying or visiting any other part of the Building.

8.3 Tenant's Insurance. Tenant shall maintain, with respect to the Space and the Building, comprehensive public liability insurance with limits of \$2,000,000 per occurrence, and property damage insurance in limits of \$1,000,000 per occurrence, in responsible companies qualified to do business in Massachusetts and in good standing therein, insuring Landlord as well as Tenant and any mortgagees of Landlord as additional named insured parties, as their interests may appear, against injury to persons or damage to property, and Tenant shall deposit certificates for such insurance or copies of the policies at or prior to the commencement of the Lease Term, and thereafter within thirty (30) days prior to the expiration of any such policies, with Landlord. All such insurance policies shall provide that such policies shall not be canceled without at least twenty (20) days advance written notice to each insured name therein.

9.1 Fire or Casualty. If the Space or the Building are destroyed or damaged by fire or other casualty or are taken under the power of eminent domain, but the conduct of Tenant of its business in the Space is not substantially interfered with, the Base Rent and Additional Rent herein reserved shall not be abated. If by reason of such destruction, damage or taking, the conduct by Tenant of its business in the Space is substantially interfered with, Base Rent shall be abated proportionately according to the nature and extent of such interference until such time as the Space or that part of the Building affecting the use of or access to the Space shall have been substantially repaired and re-

stored to the same condition as prior to such damage or destruction subject, however, to the provisions of section 9.2. It is agreed that any abatement of Base Rent due to "substantial interference" with the conduct by Tenant of its business in the Space shall not begin until after seven business days from the time such interference occurs. If such damage is due to the willful fault of Tenant, Tenant's servants, employees, agents, visitors or licensees, the damage shall be repaired by Landlord, but there shall be no apportionment or abatement of rent. If such repair and restoration will require more than one hundred eighty (180) days from the date of said damage, Tenant may terminate the Lease upon ninety (90) days prior written notice to Landlord.

9.2 If the Building is substantially damaged or destroyed by fire or other casualty to such extent that continued operation thereof as an office building (with retail space at the street level) would be uneconomical, then Landlord shall have the right to terminate this Lease by written notice to Tenant given within sixty (60) days after the occurrence of such damage or destruction, and upon the giving of such notice, this Lease and all rights and obligations of the parties not then accrued shall cease and terminate. It is further agreed and understood that if, during the last year of the Lease Term, the Space shall be damaged or destroyed as aforesaid to the extent of fifteen-percent (15%) or more of its insurable value, or the building shall be damaged or destroyed to the extent of fifteen-percent (15%) or more of its insurable value, Landlord, at its election, may terminate this Lease by written notice to Tenant within sixty (60) days after the occurrence of such damage or destruction. If Landlord does not elect to terminate as aforesaid, Landlord shall forthwith commence, and thereafter diligently prosecute to completion, all repairs to the Space, the Building, or both, as the case may be; provided that Landlord shall not be obligated hereby to spend for such repairs an amount in excess of any insurance proceeds paid to Landlord with respect to such damage or destruction, or an amount in excess of that permitted under the provisions of any mortgage on the Land and the Building.

9.3 Taking. If the Space or any part thereof or if the Building or any part thereof shall be taken for any street or other public use, or shall be destroyed or damaged by the exercise of the power of eminent domain, or shall receive any direct or consequential damage for which Landlord or Tenant shall be entitled to compensation by reason of anything done in pursuance of any action by any public authority, after the execution thereof and before the expiration of the Lease Term, this Lease and the Lease Term shall terminate at the election of either party, and such election shall be made in such a case of any such taking notwithstanding that the entire interest of Landlord may have been divested by such taking, such election to be made by notice in writing to the other party given within sixty (60) days after such damage, destruction or taking. Upon termination as aforesaid, this Lease and all rights and obligations of the parties hereto hereunder not then accrued shall cease and terminate.

9.4 Landlord's Rights. Landlord reserves to itself, and Tenant hereby assigns and grants to Landlord, all rights to damages accruing on account of any taking of the Space, or the Building, or the leasehold hereby created or by reason of any act of any public authority for which damages are payable, and Tenant shall execute and deliver to Landlord such other and further instruments of assignments thereof as Landlord may from time to time request. There is specifically excepted from the foregoing reservation, and Tenant shall be entitled to receive from the taking authority, (but not from Landlord or Landlord's share of such award), "relocation expenses", so-called, and payments, if any, on account of Tenant's fixtures.

10.1 Conditions of Lease. Default. This Lease is made on the express condition that:

(i) If Tenant shall default in the payment of any Monthly Installment of Base Rent, the payment of any Additional Rent or any other payment required of Tenant and if Tenant shall fail to cure such default within five (5) days of Landlord having given written notice thereof to Tenant (an "Uncured Monetary Default"), or if Tenant shall default in the performance or observance of any other agreement or condition on its part to be performed or observed hereunder and if Tenant shall fail to cure said default within ten (10) days of Landlord having given written notice thereof to Tenant (or, if such default may not reasonably be cured within such ten (10) day period, shall not within such ten (10) day period commence to cure the same and thereafter prosecute the curing thereof to completion with due diligence);

(ii) if the estate hereby created shall be taken on execution or by other process of law;

(iii) if Tenant shall commit an act of bankruptcy or be declared bankrupt or insolvent according to law, or if any assignment shall be made of its property for the benefit of creditors, or if proceedings shall be commenced by or against Tenant under any bankruptcy or insolvency law now or hereafter enacted (and, if involuntary, such proceedings are not dismissed within thirty (30) days after their commencement);

(iv) if a receiver, guardian, conservator, trustee, or assignee, or any other or any similar officer or person shall be appointed to take charge of all or any part of Tenant's property (and, if involuntary, shall not be removed with thirty (30) days); or,

(v) if any court shall enter an order with respect to Tenant providing for the modification or alteration of the rights of creditors,

then, and in any of such cases (notwithstanding any former breach of covenant or waiver of the benefit hereof or consent in a former instance), Landlord may, immediately or at any time thereafter, and without any further notice or demand, enter into and upon the Space, or any part thereof in the name of the whole, by force or otherwise, and hold the Space as if this Lease had not been made, and expel Tenant and those claiming under it and remove its or their property (forcibly if necessary), without being taken or deemed to be guilty in any manner of trespass (or Landlord may send written notice to Tenant of the termination of the term of the Lease), and upon entry as aforesaid (or in the event that Landlord shall send to Tenant notice of termination as above provided, on the tenth (10<sup>th</sup>) day next following the date of the sending of the notice), the term of this Lease shall terminate. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being evicted or dispossessed for any cause, or in the event Landlord terminates this Lease as provided in this Section 10.1.

#### 10.2. Landlord's Remedies and Tenant's Continuing Obligations.

(a) Landlord's rights and remedies upon any termination or breach (whether established under Section 10 or elsewhere in this lease or by operation of law, either at law or in equity) shall be distinct, separate, and cumulative. They shall not be deemed inconsistent with each other; and no one of them, whether or not exercised by Landlord, shall be deemed to be in exclusion of any other. To the maximum extent allowed by Massachusetts law, Landlord's rights and remedies may be exercised at the same time. Mention in this Lease of any particular remedy shall not preclude Landlord from any other remedy in law or in equity.

(b) Tenant covenants and agrees that, notwithstanding any termination of this lease (whether by notice, entry, reentry, summary process or any other means), or any entry or reentry by the Landlord:

(i) In the event of an Uncured Monetary Default, and because both parties agree that Tenant's nonpayment when due of sums required by this Lease to be paid is a significant breach of the lease, and because the payment of Base Rent in monthly installments is for the sole benefit and convenience of Tenant, then, in addition to the remedies provided in section 10.1 and elsewhere, the entire balance of rent due at the time of termination together with the aggregate amount of Base Rent, Additional Rent and other payments provided herein to be paid by Tenant to Landlord during the period between the time of termination and the time when the term of this Lease would have expired but for the default by Tenant shall become immediately due and payable as liquidated damages.

For the purposes of computing these liquidated damages, it is agreed that aggregate amount of Additional Rent shall be comprised of the product of the aggregate of the tax adjustment, insurance and common area adjustment, heat and electricity adjustment, and any minimum economic adjustment for the immediately preceding year multiplied by the number of years remaining of the full term hereby granted. Tenant hereby expressly agrees that such amount represents a reasonable forecast of the Additional Rent expected to occur in the event of a breach for each subsequent year of the full term hereby granted.

(ii) In the event of a termination not requiring payment of liquidated damages under section 10.2(b)(i), Tenant shall indemnify Landlord each month against all loss of Base Rent and Additional Rent and all obligations which Landlord may incur by reason of any such termination between the time of termination and the expiration of the term of this Lease. Any suit brought to collect the amount of deficiency for any month shall not prejudice in any way the right of Landlord to collect the deficiency for any subsequent month by similar proceeding.

In addition to any amounts then due, at the election of the Landlord exercised at the time of the termination or at any time thereafter, Tenant shall pay to Landlord as damages the aggregate amount of Base Rent, Additional Rent and other payments provided herein to be paid by Tenant to Landlord during the period between the election and the time when the term of this Lease would have expired but for the default by Tenant. It is agreed that there shall be payable to Landlord as part of such accelerated damages the product of the aggregate of the tax adjustment, insurance and common area adjustment, heat and electricity adjustment, and any minimum economic adjustment for the immediately preceding year times multiplied by the number of years remaining of the full term hereby granted. Ten-

ant hereby expressly agrees that such amount represents a reasonable forecast of the Additional Rent expected to occur in the event of a breach for each subsequent year of the full term hereby granted.

(c) Tenant agrees to indemnify and save Landlord harmless from and against all expenses, including, without limitation, costs and attorneys' fees, incurred in connection with or arising out of any breach of, termination of, or dispute concerning this lease, including, without limitation, any costs and attorney's fees incurred by Landlord in obtaining possession of the Space and/or damages (liquidated or otherwise).

(d) Tenant agrees to indemnify and save Landlord harmless from and against all reasonable expenses incurred in connection with re-letting the Space, including, without limitation, brokerage fees, and the cost of putting the Space in good order or preparing same for rental.

(e) The failure of or refusal of Landlord to re-let the Leased Space or any part or parts thereof or, if the Leased Space is re-let, the failure to collect the rent thereof under such re-letting, shall not release or affect Tenant's liability for damage; and Tenant hereby waives, to the extent permitted by applicable law, any obligation the Landlord may have to mitigate the Landlord's damages. Landlord at Landlord's option may make such reasonable alterations, repairs, replacements and decorations on the Leased Space as Landlord in Landlord's sole judgment considers advisable and necessary for the purpose of re-letting the Leased Space and the making of such alterations or decorations shall not operate or be construed to release Tenant from liability hereunder. It is specifically understood and agreed that Landlord shall not be required to prefer the re-letting of the Leased Space over other premises, and Landlord shall be entitled to take into account in connection with any re-letting of the Leased Space all relevant factors which would be taken into account by a sophisticated landlord in securing a re-placement tenant for the Leased Space, such as, but not limited to, the type of businesses then being operated in the building in which the Leased Space is located and adjacent buildings, matters of tenant mix, the type of operation proposed to be conducted by any such replacement tenant, and the financial responsibility of any such replacement tenant.

(f) To induce Landlord to enter into this lease, (i) Tenant confirms and agrees that this transaction is a commercial and not a consumer transaction, (ii) To the maximum extent permitted by law, Tenant hereby expressly waives any notice to quit possession of the demised premises prior to the institution of summary proceedings, (iii) Tenant hereby waives any right to trial by jury in any lawsuit, action, or proceeding between Landlord and Tenant on any matters whatsoever arising out of or in any way connected with this lease, the relationship of Landlord and Tenant, Tenant's use or occupancy of the Space, and/or any claim of injury or damage, and (iv) Tenant agrees not to interpose any "non-compulsory" counterclaim of whatever nature or description in any proceeding commenced by Landlord for nonpayment of rent, minimum rent or any other amount due hereunder, provided the foregoing shall not be construed as a waiver of the right of Tenant to assert such claims in any separate action brought by Tenant.

10.3 Removal of Goods etc. If Landlord or Tenant shall terminate this Lease, or if Landlord shall repossess the Space under the provisions hereof, and Tenant and those holding under Tenant shall fail forthwith to remove their goods and effects from the Space, Landlord may, without liability to Tenant or to those claiming under Tenant, remove such goods and effects as aforesaid, and Landlord may store the same for the account of the owner thereof in any place selected by Landlord or, at Landlord's sole election, after at least thirty (30) days' advance written notice to Tenant, Landlord may sell the same at public auction or private sale on such terms and conditions as to price, payment and otherwise as Landlord, in its sole judgment, may deem reasonable. Tenant shall pay all costs of such removal, storage and sale, and the net proceeds, if any, after deducting all sums due Landlord, shall be paid to Tenant.

10.4 Surrender of Space, etc. Upon the expiration of the Lease Term or any other termination of this Lease, Tenant shall yield up peaceably to Landlord the Space in neat and clean condition and good order, condition and repair, together with all alterations, additions and improvements which may have been made or installed in, on, or to the Space prior to or during the Lease Term, excepting only ordinary wear and use, items of repair for which Landlord is responsible hereunder, damage by fire or other casualty for which, under other provisions of this Lease, Tenant has no responsibility of repair or restoration and takings by exercise of the power of eminent domain. Tenant shall remove, to the extent specified by Landlord, any alterations, additions and partitions made by Tenant, and repair any damages to the Space or the Building caused by such removal. Upon expiration of the Lease Term or any other termination of this Lease, Tenant and those holding under Tenant shall forthwith remove their goods and effects from the Space. Any of Tenants' goods and effects which shall remain in the Building or in the Space after the expiration or termination of the Lease Term shall be deemed conclusively to have been abandoned, and either may be retained by Landlord as its property or may be disposed of in such a manner as Landlord may see fit, at Tenant's

sole cost and expense. During the Lease Term, any trade fixtures installed in or attached to the Space, by and at the expense of Tenant, shall remain the property of Tenant and Tenant shall, except as otherwise provided herein or by agreement of the parties, have the right during the Lease Term to remove any and all of its trade fixtures and personal property which it may have installed in or attached to the Space; but Tenant shall promptly repair in a workmanlike manner any damage resulting from such removal, shall plug or close in an approved manner any connection to sources of gas, air, water, electricity or heat or to cooling ducts and shall do whatever is necessary so as to leave the Space undefaced in appearance and not in any state of depreciation as a result of such removal. If Landlord or Tenant shall terminate this Lease, or if Landlord shall repossess the Space under the provisions hereof, all trade fixtures shall become the property of Landlord.

11. Subordination. This Lease and all rights of Tenant hereunder with respect to the Space are, and shall be, subject and subordinate to all bona fide mortgages which may now or hereafter be placed upon the Building and the Land, and to all advances made or to be made under such mortgages, and to the interest thereon, and all renewals, extensions and consolidations thereof. Tenant agrees, at Landlord's request from time to time, to confirm the subordination of this Lease as aforesaid by appropriate recordable instruments. This section 11 shall be self-operative, but, in confirmation thereof, Tenant agrees that if it shall fail within two weeks from the time requested to do so by Landlord, to execute, acknowledge or deliver any such instrument requested by Landlord, Landlord may, in addition to any other remedies available to it, execute, acknowledge and deliver such instrument as the attorney-in-fact of Tenant, and in Tenant's name; and Tenant hereby makes, constitutes and irrevocably appoints Landlord as its attorney-in-fact for such purpose. The word "mortgage" as used herein includes mortgages, deeds of trust, long term ground leases and other similar instruments and modifications, consolidations, extensions, renewals, replacements and substitutes thereof. Whether the lien of any mortgage upon the Space or any property of which the Space is a part shall be superior or subordinate to this Lease and the lien hereof, Tenant agrees that it will, upon request, attend to the holder of such mortgage or anyone claiming under such holder, and their respective successors and assigns, in the event of foreclosure of or similar action taken under such mortgage.

12.1 Assignment for Financing. If, at any time and from time to time, Landlord assigns this Lease or the rents payable hereunder to the holder of any mortgage on the Building and the land or to any other party for the purpose of securing financing (the holder of any such mortgage and any other such financing party are referred to herein as the "Financing Party"), whether such assignment is conditional in nature or otherwise, the following provisions shall apply:

(i) Such assignment to the Financing Party shall not be deemed an assumption by the Financing Party of any obligations of Landlord hereunder unless such Financing Party shall, by written notice to Tenant, specifically otherwise elect;

(ii) Except as provided in (i) above, the Financing Party shall be treated as having assumed Landlord's obligations hereunder only upon foreclosure of its mortgage (or voluntary conveyance by deed in lieu thereof) and the taking of possession of the Building and the Land;

(iii) The Financing Party shall be responsible for only such breaches under this Lease by Landlord which occur during the period of ownership by the Financing Party after such foreclosure (or voluntary conveyance of deed in lieu thereof) and taking of possession, as aforesaid: and,

(iv) Tenant shall not be entitled to terminate the Lease Term or this Lease on account of an event in the nature of default or a non-performance by Landlord without first notifying the Financing Party and providing the Financing Party a reasonable opportunity to correct or cure such event.

In furtherance of the foregoing, Tenant hereby agrees to enter into such agreements or instruments as may, from time to time, be requested in confirmation of the foregoing.

12.2 Estoppel Certificates. At Landlord's or any mortgagee's request at any time after the date hereof, Tenant agrees with reasonable promptness to execute and deliver to the requesting party a written certificate which acknowledges Tenant's tenancy and possession of the Space, expressly stipulates whether any party to this Lease is engaged in or has engaged in the treatment of any hazardous material upon, in, from or affecting the Building and whether such party has caused a spill and whether, to the best of Tenant's knowledge, a spill has otherwise occurred, and which states such other facts concerning provisions of this Lease and payments made hereunder which are reasonably requested. Tenant agrees that if it shall fail within two weeks from the time requested to do so by Landlord, to execute, acknowledge or deliver any such certificate requested by Landlord, Landlord may, in addition



to any other remedies available to it, execute, acknowledge and deliver such instrument as the attorney-in-fact of Tenant, and in Tenant's name; and Tenant hereby makes, constitutes and irrevocably appoints Landlord as its attorney-in-fact for such purpose

13. No Waiver. No consent or waiver, express or implied, by Landlord or Tenant to or of any breach of any covenant, condition or duty of the other shall be construed as a consent or waiver to or of any other breach of the same or of any other covenant, condition or duty. No payment by Tenant or receipt by Landlord of a lesser amount than the Base Rent, Additional Rent and other charges herein reserved shall be deemed to be other than on account of the stipulated amount. If any action by Tenant or Landlord shall require the consent or approval of the other, such consent to or approval of such action on any one occasion shall not be deemed a consent to or approval of such action on any subsequent occasion or a consent to or approval of any other action on the same or any subsequent occasion. All rights and remedies which Landlord or Tenant may have under this Lease or by operation of law, either at law or in equity, upon any breach, shall be distinct, separate and cumulative, and shall not be deemed inconsistent with each other; and no one of them, whether or not exercised by Landlord or Tenant, shall be deemed to be in exclusion of any other; and any two or more or all of such rights and remedies may be exercised by Landlord or Tenant at the same time.

14. Landlord's Right to Cure Defaults. If Tenant shall default in the performance or observance of any agreement or condition in this Lease contained on its part to be performed or observed other than an obligation to pay money, and shall not cure such default within ten (10) days after notice from Landlord specifying the default (or shall not within such period commence to cure such default and thereafter diligently prosecute the curing thereof to completion), Landlord may, at its option, without waiving any claim for damages for breach of agreement, at any time thereafter cure such default for the account of Tenant, and any paid or any contractual liability incurred by Landlord in so doing shall be deemed paid or incurred for the account of Tenant, and Tenant agrees to reimburse Landlord therefor and hold Landlord harmless therefrom; provided, that Landlord may cure any such default as aforesaid prior to the expiration of the aforesaid waiting period, but after notice to Tenant, if the curing of such default prior to the expiration of such waiting period is reasonably necessary to protect the Building or the Land of the Landlord's interest therein, or to prevent injury or damage to persons or property. If Tenant shall fail to reimburse Landlord upon demand for any amount paid for the account of Tenant hereunder, such amount shall be added to and become due as a part of the next payment of rent due hereunder. Landlord's entry onto the Space shall be subject to Massachusetts Regulation, 105 CMR 725.110.

15. Definitions. The words "Landlord" and "Tenant" and the pronouns referring thereto, as used in this Lease, shall mean, where the context requires or admits, the persons named herein, as Landlord and as Tenant, respectively, and their respective heirs, legal representatives, successors and assigns, irrespective of whether singular or plural, masculine, feminine or neuter. Except as herein provided otherwise, the agreements and conditions in this Lease contained on the part of Landlord to be performed and observed shall be binding upon Landlord and its heirs, legal representatives, successors and assigns and shall inure to the benefit of Tenant and its heirs, legal representatives, successors and assigns; and, the agreements and conditions on the part of Tenant to be performed and observed shall be binding upon Tenant and its heirs, legal representatives, successors and assigns and shall inure to the benefit of Landlord and its heirs, legal representatives, successors and assigns. If Tenant shall consist of more than one person or if there shall be a guarantor of Tenant's obligations under this Lease, then the liability of all such persons, including the guarantor, if any, shall be joint and several, and the word "Tenant" as used in clauses (iii), (iv) and (v) of section 10.1 of this Lease shall be deemed to mean any one of such persons. The word "Landlord", as used herein, means only the owner for the time being of Landlord's interest in this Lease; that is, in the event of any transfer of Landlord's interest in this Lease, the transferor shall cease to be liable, and shall be released from all liability for the performance or observance of any agreements or conditions on the part of the Landlord to be performed or observed subsequent to the time of such transfer, it being understood and agreed that from and after such transfer the transferee shall be liable for the performance and observance of such agreements and conditions. If all or any part of Landlord's interest in this Lease shall be held by a trust, no trustee, shareholder or beneficiary of such trust shall be personally liable for any of the covenants or agreements express or implied, hereunder. Landlord's covenants and agreements shall be binding upon the trustees of such trust, as trustees as aforesaid and not individually, upon the trust estate. Subject to the limitations of Landlord's insurance coverage, Tenant specifically agrees to look solely to Landlord's interest in the Land and the Building of which the Space is a part for recovery of any judgment from Landlord, it being specifically agreed that Landlord shall never otherwise be personally liable for any such judgment.

16. Notice. Any notice hereunder shall be in writing and shall be deemed duly served if mailed

by certified, registered, postage prepaid, overnight mail, return receipt requested, postage paid, addressed:

- A. If to Tenant at the Building and West End Realty LLC at 82 Broad Street, Suite 397, Boston, Massachusetts 02110; and Good Chemistry of Massachusetts, Inc. at 50 Congress Street, Suite 500, Boston, Massachusetts.
- B. If to Landlord, at 301 Wellesley St., Weston, Massachusetts 02493.

A certified or registered mail receipt shall be conclusive evidence of such service.

17. Quiet Enjoyment. Landlord covenants and agrees that Tenant, upon paying the Total Rent herein provided for and observing and keeping all the covenants, agreements and conditions of this Lease on its part to be kept, shall lawfully and quietly hold, occupy and enjoy the Space during the Lease Term, without hindrance or disturbance by anyone claiming by, through or under Landlord, subject however, to the terms of this Lease and any instruments or other matters having a prior lien.

18. Assemblage. In the event that the Land and the Building shall be acquired for the purpose of the demolition of the Building and development or re-development of the Building, and/or assembled together with adjoining real estate for the purpose of the demolition of one or more of the buildings located thereon and development or re-development of the buildings on the assembled parcels, then Landlord shall have the right to terminate this Lease by written notice to Tenant given at least one hundred and eighty (180) days prior to such termination date, which shall be designated in such notice.

19. Final Agreement. The parties acknowledge that in the course of negotiating this Lease their respective representatives have gradually reached preliminary agreement on the several terms set forth in this instrument. The parties acknowledge and agree that at all times they have intended that none of such preliminary agreements (either singly or in combination) shall be binding on either party until and unless a single, formal comprehensive document containing all the agreements of the parties, in final form, has been executed by Landlord and by Tenant. This Lease is that document.

20. Severability. If any provision of this Lease shall be determined to be void or unenforceable by a court of competent jurisdiction, the remaining provisions shall not thereby be affected.

21. No Consequential Damage. In no event shall Landlord be liable to Tenant for any indirect or consequential damages from any cause whatsoever, unless caused by willful action of Landlord in breach of this Lease.

22. Security Deposit. Concurrently with the exercise date of the Option Agreement and delivery of the Space hereof, Tenant is delivering a bank Letter of Credit, acceptable to Landlord, in favor of Landlord, or certified check, cash or money order in the sum of \$68,750.00 as a security deposit to be held by Landlord for the duration of the Lease Term as security for the performance by Tenant of all obligations of Tenant to be kept and performed hereunder. Tenant's security deposit shall be increased to the amount of \$137,500.00 for the last three (3) years of the Lease Term, commencing with the beginning of the third year of the Lease Term. At the termination of the Lease Term and the surrender of possession of the Space by Tenant to Landlord, if Tenant is not then in default hereunder, Landlord shall authorize the release of the Bank Letter of Credit or return to Tenant a certified check, cash or money order, or so much of it as shall not have theretofore been applied in accordance with the terms of this section 22. If Landlord conveys its interest under this Lease, such deposit supported by the Bank Letter of Credit, or any part thereof not previously applied, may be assigned by Landlord to Landlord's grantee, and if so assigned, Tenant agrees to look solely to such grantee for proper release of such deposit guarantee in accordance with the terms of this section 22.

23. Brokerage. Tenant hereby represents and warrants to Landlord and Landlord hereby represents and warrants to Tenant that neither has dealt with any broker or finder in connection with this Lease other than Thomas R. Blakely of TRB Associates payment of whose commission is Landlord's responsibility. Tenant hereby agrees to hold Landlord, and Landlord agrees to hold Tenant, harmless from and indemnified against, all loss or damage, brokerage commissions or finder's fees, arising from any claim by any other broker or finder claiming to have dealt with Tenant or Landlord.

24. Expenses. Tenant will pay all of Landlord's expenses, including reasonable attorney's fees and costs, incurred in successfully enforcing any rights, any delinquencies, or any remedies for any defaults under this Lease.

25. Modifications. If any holder or prospective holder of any mortgage, as hereinbefore defined, which includes the Space as part of the mortgaged premises, shall request any modification of any of the provisions of this Lease not substantially affecting Tenant's rights, other than a provision directly related to the rents payable hereunder, the duration of the Lease Term or the size, use or location of the Space, Tenant agrees that Tenant will enter into a written agreement in recordable form with such holder or prospective holder which shall effect such modification and provide that such modification shall become effective and binding upon Tenant and shall have the same force and effect as an amendment to this Lease in the event of foreclosure or other similar action taken by such holder or prospective holder.

26. Late Fees and Interest on Overdue Payments. All payments agreed to be made by Tenant hereunder, including Base Rent, additional rent and other sums or charges and Landlord's expenses and attorney's fees, if not paid by Tenant when due shall bear interest for each month and any portion thereof from the original due date (without regard to any notice equal to 1 1/2% per month. In addition, in the event Tenant shall fail to pay a monthly installment within ten (0) days of the due date, a Late Fee of five (5%) of the Monthly Installment Payment of Base Rent, with a minimum of fifty (\$50.00) dollars per month, shall be added to the Monthly Installment Payment of Base Rent and paid to Landlord for each such late payment, and the same shall be treated as Additional Rent. Should Tenant present a check to Landlord that is returned from Tenant's bank for any reason, Tenant shall pay to Landlord as Additional Rent thirty-five (\$35.00) dollars as a charge due as a result of said return, and Landlord reserves the right to demand that all future rent checks be certified Bank checks.

27. Labor Disputes. While any addition, replacement or other work to the Building or the Land may be under construction, Tenant agrees that all repairs, alterations, additions, improvements, installations and other work (including, without limitation, the Work) other than its ordinary course of business done upon or about the Space by it or anyone claiming under it will be under or carried on in such manner as to avoid or prevent any labor disputes.

28. Counterpart and Headnotes. This Lease is executed in multiple counterparts, all copies of which are identical, and any one of which is to be deemed to be complete in itself and may be introduced in evidence or used for any purpose without the production of any other copies. The headnotes throughout this Lease are for convenience and reference only, and shall in no way be held or deemed to define, limit, explain, describe, modify or add to the interpretation, construction or meaning of any provision of this Lease.

IN WITNESS WHEREOF Landlord and Tenant have caused this Lease to be executed as a sealed instrument as of the day and year first above written.

LANDLORD:

BARJEN ASSOCIATES

By \_\_\_\_\_  
Arnold Zenker  
Trustee

TENANT:

West End Realty LLC

By \_\_\_\_\_  
Matthew Huron  
Manager

## RULES AND REGULATIONS

### ATTACHED TO AND MADE A PART OF THIS LEASE IN ACCORDANCE WITH SECTION 7.10

1. The sidewalks, entrances, courts, sidewalks or halls shall not be obstructed or encumbered by any Tenant or used for any purpose other than for ingress to and egress from the Space and for delivery of merchandise and equipment in a prompt and efficient manner using elevators and passageways designated for such delivery by Landlord. If said Space is situated on the ground floor of the Building, Tenant shall, at its own expense, keep the sidewalks and curb in front of said Space clean and free from ice, snow, dirt and rubbish, according to the city ordinances.
2. The water and wash closets, plumbing fixtures and waste pipes shall not be used for any purposes other than those for which they were designed or constructed and no sweepings, rubbish, rags, acids, grease or other substances shall be deposited therein, and the expense of any breakage, stoppage, or damage resulting from the violation of this rule shall be borne by Tenant who, or whose clerks, agents, employees or visitors, shall have caused it.
3. No carpet, rug or other article shall be hung or shaken out of any window of the Building; and no Tenant shall sweep or throw or permit to be swept or thrown from the Space any dirt or other substances into any of the corridors or halls. Tenant shall not use, keep or permit to be kept any foul or noxious gas or substance in the Space or permit or suffer the Space to be occupied or used in a manner offensive or objectionable to Landlord or other occupants of the Building by reason of noise, odors, and/or vibrations, or interfere in any way with other Tenants or those having business therein, nor shall any animals or birds be kept in or about the Building.
4. No awnings or other projections shall be attached to the outside walls of the Building without the prior written consent of Landlord.
5. No sign, advertisement, notice or other lettering shall be exhibited, inscribed, painted or affixed by any Tenant on any part of the outside of the Space or the Building or on the inside of the demised Space if the same is visible from the outside of the Space without the prior written consent of Landlord, which consent shall not be unreasonably withheld. In the event of the violation of the foregoing by Tenant, Landlord may remove same without any liability, and may charge the expense incurred by such removal to Tenant or Tenants violating this rule.
6. No Tenant shall mark, paint, drill into, or in any way deface any part of the Space or the Building of which they form a part. No boring, cutting or stringing of wires shall be permitted, except with the prior written consent of Landlord, which consent shall not be unreasonably withheld and as Landlord may direct. No Tenant shall lay linoleum, or other similar floor covering, so that the same shall come in direct contact with the floor of the Space, and, if linoleum or similar floor covering is desired to be used, an interlining of builder's deadening felt shall be first affixed to the floor, by a paste or other material, soluble in water, the use of cement or other similar adhesive material being expressly prohibited.
7. Each Tenant must, upon the termination of its tenancy, restore to Landlord all keys of stores, offices, toilet rooms, either furnished to, or otherwise procured by, such Tenant, and in the event of the loss of any keys, so furnished, such Tenant shall pay to Landlord the cost thereof.
8. Freight, furniture, business equipment, merchandise and bulky matter of any description shall be delivered to and removed from the Space only during hours and in any manner approved by Landlord. Landlord reserves the right to inspect all freight to be brought into the Building and to exclude from the Building all freight which violates any of these Rules and Regulations or the Lease of which these Rules and Regulations are a part.
9. Landlord shall have the right to prohibit any advertising by Tenant which, in Landlord's opinion, tends to impair the desirability of the Building or Space, and upon written notice from Landlord, Tenant shall refrain from or discontinue such advertising.
10. No flammable, combustible, explosive or otherwise hazardous fluid, material, chemical or substance shall be brought, stored or treated in or on the Space or Building, nor shall any odors or cooking or other processes, or any unusual or objectionable odors be permitted to permeate in or emanate from the Space provided that Tenant

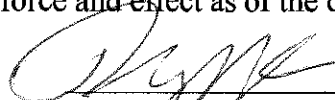
may handle, store, use or dispose of; products containing small quantities of Hazardous Materials, which products are of a type customarily found in offices and households (such as aerosol cans containing insecticides, toner for copiers, paint, paint remover, and the like), provided further that Tenant shall handle, store, use and dispose of any such Hazardous Materials in a safe and lawful manner and shall not allow such Hazardous Materials to contaminate the Premises or the environment.

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CERTIFICATE OF VOTE

I, Matthew Huron, Manager of West End Realty LLC (the "Company"), do hereby certify that by the unanimous vote of the Board of Managers at a meeting held on 11/15, 2013, the Board authorized Matthew Huron to execute the foregoing Lease in his capacity as Manager of the Company. And I certify that Matthew Huron is Manager of the Company and further certify that the foregoing vote is in full force and effect as of the date hereof.

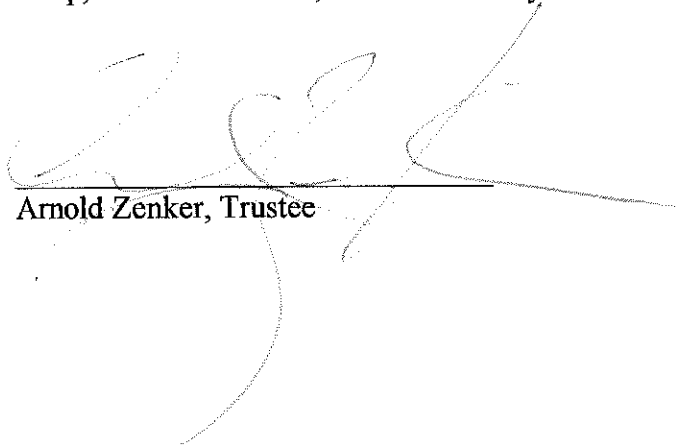
  
\_\_\_\_\_, Manager  
Matthew Huron

November 18, 2013

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Dated November 18, 2013.

The undersigned, Arnold Zenker, as Trustee of Barjen Realty Trust, owner of the property located at 364-368 Boylston St. Boston, MA 02116, hereby agrees to permit the sub-lease of the property from the current Lessee, West End Realty Group, to the Sub-lessee, Good Chemistry of Massachusetts, Inc.



A handwritten signature in black ink, appearing to read 'Arnold Zenker', is written over a horizontal line. The signature is stylized and extends to the right of the line.

Arnold Zenker, Trustee

The Landlord and the Tenant identified in Paragraph 1 hereof hereby agree to the following Lease:

1.1 Fundamental Lease Conditions—Defined Terms

DATE OF EXECUTION: November 19, 2013

LANDLORD: West End Realty Group, LLC, a Massachusetts limited liability company with an address of 82 Broad Street, Suite 397, Boston, MA 02110

TENANT: Good Chemistry of Massachusetts, Inc.  
50 Congress Street, Suite 500  
Boston, MA 02109

THE BUILDING: The office/commercial building known and numbered as 364-368 Boylston Street, Boston, MA 02116 (the "Building")

LEASED SPACE: The retail space on the first floor of the Building, consisting of approximately 6,200 rentable square feet (including interior mezzanine); the "Space".

LAND: The land on which the Building is located.

LEASE TERM: An Initial Term of five (5) years commencing on the "Exercise Date" of the OPTION TO LEASE AGREEMENT as defined in the Paragraph headed ("NOTICE OF EXERCISE OF OPTION" ) between Landlord and Tenant, dated November 20, 2013 (attached herewith), plus one, five (5) year extension option.

BASE RENT: Subject to the provisions of Paragraph 3.1 hereof, first twelve (12) months at the annual rate of \$275,000.00 or \$22,916.67 per month.

ADDITIONAL RENT: Real estate taxes, operating expenses, and other additional rent as provided below in this Lease.

SECURITY DEPOSIT: The security deposit shall be \$68,750.00 in U.S. dollars by irrevocable bank Letter of Credit, cash, certified check or money order in the first two (2) years of the Lease Term. The security deposit for the last three (3) years of the Lease Term shall be increased to the amount of \$137,500.00, commencing with the beginning of the third year of the Lease Term.

TENANT'S AUTHORIZED REPRESENTATIVE: Jaime C. Lewis

LANDLORD'S AUTHORIZED REPRESENTATIVE: Matthew J. Huron



1.2 Leased Space. Landlord hereby leases to Tenant, and Tenant hereby leases and hires from Landlord, upon and subject to all the terms and provisions of this Lease, the premises described as the "Space" in Paragraph 1.1.

1.3 Building System and Utilities. Landlord hereby excepts and reserves space for, access to and the right to maintain in their present location in the Space and the Building and, from time to time, to construct, repair, maintain, replace and change the location of the same, in such manner as shall not unreasonably interfere with Tenant's use of the space, all pipes, wires, conduits, ducts, shaftways, heating, ventilating, air conditioning and other equipment, machinery, meters and other apparatus and fixtures for the transmission of light, heat, power, water, ventilation, air conditioning and other utilities. Subject to Massachusetts Regulation, 105 CMR 725.110, Landlord reserves the right of access to the Space by Landlord, its agents and employees at all reasonable times upon reasonable notice to Tenant. Landlord agrees that a representative of Tenant may be present for the aforesaid purposes except in an emergency situation.

2.1 Lease Term. The term of this Lease shall be a period of five (5) years commencing on the Exercise Date of the OPTION TO LEASE AGREEMENT, as defined in the Paragraph headed ("NOTICE OF EXERCISE OF OPTION"), between Landlord and Tenant, dated November 20, 2013 (attached herewith), the "Lease Term", which expression shall, as the context may require, include any period of extension of the term. The initial five (5) years of the Lease Term is sometimes called the "Initial Term". During any period prior to the Lease Term, commencing upon the first entry by Tenant or its agents for the purpose of performing any work and ending upon the commencement of the Lease Term, Tenant shall comply with all the provisions of this Lease except rental obligation as if such period were part of the Lease Term.

2.2 Extension of Lease Term. So long as Tenant shall not, at the time it exercises such right, be in default hereunder, after the giving of any required notice and the expiration of any applicable grace period, Tenant shall have the right to extend the Lease Term for one period of five (5) years dating from the expiration of the Initial Term (the "Extension Term") subject to the provisions of Paragraph 3.2 hereof, by sending Landlord written notice thereof not less than six months prior to the expiration of the Initial Term.

2.3 Holding Over. If Tenant or anyone claiming under Tenant shall hold over in the space beyond the lease Term without any agreement in writing between Landlord and Tenant with respect thereto, the person remaining in possession shall, prior to acceptance of rent by Landlord, be deemed a tenant at sufferance and after acceptance of rent by Landlord a tenant at will from month to month, pursuant to all the other terms and conditions of this Lease, except that the monthly payments for each month or portion thereof of any period of holding over shall be 200% of the total monthly payment (including the Monthly Installment Payments of Base Rent together with Additional Rent and all other amounts payable by Tenant hereunder) for the last month of the Lease Term prior to termination or expiration thereof.

3.1 Base Rent—Initial Lease Term. Provided there has been no Uncured Monetary Default by Tenant, Landlord will accept payment of the Base Rent in monthly installments as follows:

On the first day of each calendar month of the Lease Term, at the place to which notices to Landlord are required to be sent (or at such other place or places as Landlord may, by notice in writing to Tenant, from time to time direct), Tenant shall pay to Landlord equal monthly installments of Base Rent ("Monthly Installment Payments of Base Rent") in advance at the annual rates indicated below, which annual rates are subject to the annual increases also indicated below. Tenant shall make payment in advance of the appropriate fractions of a monthly payment for any portion of a month at the beginning or end of the Lease Term.

The parties agree that the entire base rent is due upon execution of this Lease, and that Landlord's agreement to accept payment of the Base Rent in monthly installments is for the sole benefit and convenience of Tenant, and is contingent upon the absence of any Uncured Monetary Default at the time payment of the monthly installment is made.

A. For the first twelve (12) months of the Lease Term, the Base Rent shall be at the rate of \$275,000.00 per annum or \$22,916.67 per month.

B. For the second twelve (12) months of the Lease Term, the Base Rent shall be at the rate of \$275,000.00 per annum or \$22,916.67 per month.

C. For the third twelve (12) months of the Lease Term, the Base Rent shall be at the rate of \$350,000.00 per annum or \$29,166.67 per month.

D. For the fourth twelve (12) months of the Lease Term, the Base Rent shall be at the rate of \$360,500.00 per annum or \$30,041.67 per month.

E. For the fifth twelve (12) months of the Lease Term, the Base Rent shall be at the rate of \$371,315.00 per annum or \$30,942.92 per month.

In the event Tenant shall fail to pay a monthly installment within ten (10) days of the due date, a late charge of five (5%) of the monthly Base Rent, with a minimum of fifty (\$50.00) per month shall be added to the Base Rent and paid to Landlord for each such late payment, and the same shall be treated as Additional Rent. Should Tenant present a check to Landlord that is returned from Tenant's bank for any reason, Tenant shall pay to Landlord as Additional Rent thirty-five (\$35.00) dollars as a charge due as a result of said return, and Landlord reserves the right to demand that all future rent checks be certified Bank checks.

**3.2 Base Rent for Extension Terms.** Base Rent for the Extension Term, if any, and the procedure for determining whether the Lease Term shall be extended (in coordination with the provisions of Paragraph 2.2 hereof) shall be governed by the balance of this Paragraph 3.2.

If Tenant shall elect to extend the term of this Lease beyond the Initial Term, Landlord and Tenant shall, promptly after Tenant shall have sent such written notice, enter into good faith negotiations in order to reach an agreement on the amount of rent to be paid by Tenant for such Extension Term, based upon a standard of one hundred (100%) percent of Fair Market Value, as such phrase is used and understood within the Boston real estate industry, for each year of the Extension Term. If Landlord and Tenant shall fail to reach agreement within one month following the sending of such notice by Tenant, then the amount of rent for the Extension Term shall be determined by a single arbitrator, agreed to by Landlord and Tenant, who shall be an independent certified real estate appraiser having not less than five (5) years' experience in the appraisal of commercial properties in the Boston area, and who shall conduct an arbitration proceeding relating thereto, at which both Landlord and Tenant shall have the right to be represented by counsel and to present evidence. Such arbitration proceeding shall be held in the City of Boston as promptly as possible, and the parties shall share equally in the cost of such proceeding. In any such proceeding, the arbitrator, in determining the amount of rent to be paid shall, in no event, establish an annual rental charge less than the annual rental charge paid by Tenant to Landlord during the final lease year of the Initial Term.

Regardless of whether the Base Rent for the Extension Term is determined by agreement or through arbitration, it will be due in full upon the commencement of the Extension Term. However, as was the case with the Base Rent for the Initial Term, Landlord, for the sole benefit and convenience of Tenant and contingent upon the absence of any Uncured Monetary Default at the time payment is made, shall accept payment in equal monthly installments, payable in advance.

**4. Additional Rent--Taxes and Operating Expenses.** Tenant covenants and agrees to pay to Landlord, twenty-five (25%) percent of Landlord's Taxes in excess of those for the fiscal year 2013-2014, and twenty-five (25%) percent of Landlord's Operating Expenses in excess of those for the calendar year 2013..

(b) The annual amount of Additional Rent payable under this Paragraph 4 shall be paid on the first day of each month in monthly installments in amounts reasonably estimated by Landlord. From time to time, upon the request of Tenant, Landlord will provide Tenant with the information upon which such estimates are based. Landlord shall, from time to time, revise such estimates as actual current costs become known. Within ninety (90) days after the

end of each calendar year, Landlord will provide Tenant with an accounting of Landlord's Taxes and Operating Expenses prepared in accordance herewith. Upon request by Tenant, from time to time, Landlord shall make available for inspection copies of Landlord's paid bills and other evidences of Landlord's Taxes and Operating Expenses. Such accounting shall be conclusive unless Tenant can demonstrate that such accounting is incorrect in any material respect. Tenant's dispute of such accounting shall not be considered a default as defined in Paragraph 10.1(i). Thereupon there shall be a cash adjustment between Landlord and Tenant for the year or period covered by such accounting so that Landlord shall have received the exact amount of Additional Rent due hereunder. If the Lease Term terminates other than on December 31, the adjustment shall be prorated for the portion of the final year prior to the termination of the Lease Term, but shall take place nevertheless at the time provided in the preceding sentence.

(c) "Landlord's Taxes" as used herein means all real estate taxes and assessments on the Land and the Building and includes other governmental charges, taxes or capital levies in lieu thereof, assessed or imposed by any governmental authority upon the Building and the Land or upon the owner thereof by virtue of its ownership or the renting thereof. Landlord's Taxes shall not include any income, franchise, inheritance, estate or other similar taxes payable by Landlord. If tax assessments may be paid in installments, Landlord shall elect to pay such installments over the longest period available, and Tenant shall be responsible for only such installments (together with any interest payable thereon which is imposed as a result of Landlord's election to pay such taxes in installments, but not including any interest attributable to the late payment of such taxes) as are allocable to the Lease Term. Landlord's Taxes, calculated hereunder for any year, shall be adjusted on account of the net amount (after deduction of all expenses and fees associated therewith) of any tax abatements or reductions which Landlord seeks and obtains.

(d) "Landlord's Operating Expenses" as used herein means all reasonable costs of Landlord in owning, operating, maintaining and managing the Building and the Land, including but not limited to the costs of the following: (i) supplies, materials and equipment purchased or rented and wages, salaries and fees paid to all persons and entities engaged in (or under contract for) the operation, maintenance, cleaning and repair of the Building and the Land, including so-called "fringe benefits"; (ii) operation, maintenance and upkeep of the Building and the Land, performed by employees or agents of Landlord or by independent contractors, including repairs and replacements of worn elements, equipment and facilities thereof and therein; (iii) utilities consumed and expenses incurred in the operation, maintenance, and upkeep of the Building and the Land, including, but not limited to, oil, gas, electricity (not otherwise directly metered), water, sewer, and ice and snow removal (but not including any utility charges directly metered to tenants); (iv) insurance of the types customarily carried in the ownership and operation of office and commercial properties; and (v) Building Management, whether or not actually paid if the Property is managed by Landlord or an affiliate of Landlord. Operating expenses in any year shall be deemed further increased by an amount equal to the cost (amortized, with interest, on such reasonable basis as Landlord shall determine) of any capital improvement to the Building. "Landlord's Operating Expenses" shall not include any costs of Landlord for interest or amortization on any mortgage indebtedness on the Building or the Land, nor any other costs incurred by Landlord in connection with obtaining such mortgage financing or refinancing, nor any costs or expenses chargeable to and recovered from Tenant or other occupants of the Building, nor any costs which are reimbursed to Landlord by insurance or other third parties, nor any salaries of the officers and employees of the corporation or firm providing Building management, nor any leasing commissions or fees, nor alterations to another tenant's space in connection with Landlord's renting of that space to that tenant.

5. Use of Leased Space. The Space shall be used exclusively for the conduct of a legal and fully licensed dispensary of medical marijuana as defined under applicable laws. Tenant shall use the Space only for said business purposes and not for any illegal purpose, or violate any statute, regulation, rule, or order of any governmental body, or create or allow to exist any nuisance, or trespass, or cause discomfort or annoyance to any other tenants or occupants of the Building or affect the reputation or appearance of the Building or degrade the economic status of the Building or do any act in or about the Space, or bring anything onto or in the Space or the Building which will in any way increase the rate of insurance on the Space or said Building or deface or injure the Space or such Building. Additionally, Tenant shall inform all of its employees (and all other agents and contractors who regularly occupy the Space) that smoking is prohibited in the Space and all Common Areas of the Building, and of the foregoing restrictions set forth in this paragraph. If a smoking nuisance is generated in the Building or the Space, Landlord shall notify Tenant, and Tenant shall have five (5) days from the date of receipt of Landlord's notice to eliminate the smoking nuisance.

Tenant shall not permit the Space to be utilized by anyone other than Tenant or Good Chemistry of Massachusetts, Inc. or for any use or purpose other than as stated in this Paragraph 5 hereof without written consent of Landlord, the listing of any name other than that of Tenant, whether on the doors of the Space, or otherwise, shall not operate to vest any right or interest in this Lease or in the Space to such named person or be deemed to be the written consent of Landlord.

6.1 Landlord's Covenants. The Building's operating hours are Monday through Saturday from 7:00 A.M. until 9:00 P.M. (excluding Federal legal public holidays). Tenant acknowledges that limited building services, are provided by the Building outside of the operating hours, and Tenant's use of the Building and the Space outside of operating hours are at its own risk and on its own responsibility.

Landlord shall, without additional cost to Tenant, except as the same affect Landlord's Operating Expenses:

(a) supply heat during the appropriate seasons to the Space in an amount adequate to keep the Space at a reasonable temperature at least during the hours of 8:00 A.M. until 8:00 P.M. on Monday through Saturday (excluding Federal legal public holidays).

(b) intentionally Omitted.

(c) intentionally Omitted.

(d) Landlord will not be under any duty to supply or continue at any time any service to the Space, except as expressly agreed herein; and, Landlord shall not be held liable to anyone for cessation by it or by anyone serving the Space with any agreed service due to fire or other casualty, however caused, to the making of repairs or to remodeling, to strikes, labor difficulties or (unless caused by unreasonable action or inaction of Landlord or those for whose conduct the Landlord is responsible) inability in obtaining services or supplies from the sources) for the Space or the Building, or to any cause beyond Landlord's control, or to any law or any regulation of any public authority, acts of God, war, or civil commotion.

If Tenant requests additional services of Landlord of the type listed in subparagraphs (a) (b) and (c) above, Landlord shall use reasonable efforts to supply such services but at Tenant's expense. Further, if Tenant's use of the Space involves higher than average consumption of any utilities (not directly metered or billed to Tenant) or services, due to the operation of heavy equipment or computers or otherwise, Tenant shall pay to Landlord as Additional Rent, an equitable amount, as estimated by Landlord to cover the cost of such utilities or services which exceeds average consumption.

(e) Tenant specifically agrees that its obligation to pay Total Rent (Base Rent and Additional Rent) without deduction or offset is separate and distinct from Landlord's obligations under this Lease, and that Tenant has no right to withhold Total Rent or to terminate the Lease because of a Landlord default.

6.2 Condition of the Space. The Space is being leased as is, without representation or warranty by Landlord. Tenant acknowledges that it has inspected the Space and common areas of the Building, and has found the same to be satisfactory for their intended uses. Promptly after delivery of possession of Space to Tenant, Tenant shall equip the Space with all trade fixtures and personal property appropriate for the regular and normal operation of the type of business in which Tenant is engaged.

6.3 Exterior and Structure. Except as otherwise provided in this Lease (and except for damage caused by used by work done or omitted by Tenant), Landlord shall keep the exterior and structure and all structural members of the Space and the Building, and all non-structural portions of the Building such as electrical and plumbing, heating, elevators and other Building systems which service in common both the Space and other areas in the Building in good order, repair and condition, excepting only Tenant's obligations under Paragraph 7, reasonable wear and tear, damage by fire or casualty, and takings by eminent domain, and Landlord shall also keep in such condition, clean and reasonably illuminated, at all times during normal business hours of the Building, all common areas, passageways, corridors, stairways, halls, entrance ways, elevators and all other common facilities in the Building giving access to the floor on which the Space is located; provided, however, that Landlord shall not be under any such duty and shall not be liable to anyone for cessation by it or by anyone serving the Space with any agreed service due to fire or other casualty, however caused, to the making of repairs or to remodeling, to strikes, labor difficulties or (unless caused by unreasonable action or inaction of the landlord or those for whose conduct Landlord is responsible) inability in obtaining services or supplies from the sources from which they are usually obtained, (or reasonable alternate sources) or to any cause beyond the Landlord's control, or due to any law or regulation of any public authority, acts of God, war or civil commotion; and provided further that Landlord shall not be deemed to have committed a breach of any obligation to make repairs or alterations or perform any other act unless (i) it shall have made such

repairs or alterations or performed such other act negligently, or (ii) it shall have received proper notice from Tenant designating the particular repairs or alterations needed or the other act of which there has been failure of performance and shall have failed to make such repairs or alterations or performed such other act within a reasonable time after the receipt of such notice, and in the latter event, Landlord's liability shall be limited to the cost of making such repairs or alterations or performing such other act.

6.4 Release of Liability. Landlord and Tenant hereby release each other from all liability (to each other and to anyone claiming under either of them, by subrogation or otherwise) for any damage caused by any event against which this Lease requires insurance to be maintained by a party, even if such damage resulted from the fault of the released party or of one for whom such party is responsible. This release shall not be effective with respect to damage not covered by the releasor's insurance. The release provided for in this Paragraph 6.4 is limited to liability for damage to or loss of property or interruption of business, and there is specifically excluded therefrom liability for personal injury or wrongful death. Each party shall cause its insurance carrier to endorse all applicable policies waiving the carrier's rights of recovery under subrogation or otherwise against the other party. If either party is not reasonably able, without material extra costs to obtain insurance coverage which will not be impaired by this release, such party shall give the other written notice thereof and the other shall have the right to pay such cost in which event such party shall obtain fire insurance coverage which will not be impaired by this release.

6.5 Damage or Theft of Personal Property. Tenant agrees that all personal property brought into the Space shall be at the risk of Tenant only, and that the Landlord shall not be liable for the loss thereof or any damages thereto occasioned from any act of any co-tenant or other occupants of said Building or any other person

7. Tenant Covenants. Tenant covenants and agrees with Landlord as follows:

7.1 To pay when due during the Lease Term and for such further time as Tenant shall hold the Space or any part thereof, all Base Rent, Additional Rent and other charges payable by Tenant to Landlord, at the time and in the manner herein provided

7.2 At Tenant's expense: to keep the Space clean, damage by fire or casualty, takings by public authorities, and reasonable wear and tear only excepted; to keep the interior of the Space (including but not limited to all window and door frames, doors and windows and all glass including that in windows and doors, and all wires, pipes, plumbing and utility conduits serving the Space exclusively, and all fixtures and equipment therein, and erections and additions thereto), free of rodents and in good order, repair and condition; to make all repairs, alterations additions and replacements to the interior of the Space required by any law or ordinance or any order or regulation of any public authority or Board of Fire Underwriters or the like, because of the manner of use made of the Space by Tenant, including without limitation the Americans with Disabilities Act and/or any similar state act; to keep the Space equipped with all safety appliances which may be required because of such use; not to place or leave obstructions in the hallways, corridors or other common areas of the Building without Landlord's prior written consent thereto; to comply with the orders and regulations of all governmental authorities affecting the use of the space and to conform in such use to all rules and regulations of the local Board of Fire Underwriters and Landlord's insurer with respect to fire prevention; to procure any licenses and permits required for any use made of the Space by Tenant; to repair all non-structural damage caused by the bursting or leaking of pipes or connections or by water, steam gas or electricity, or other utilities, or the pipes, wires or fixtures thereof.

7.3 To place all trash or garbage in proper receptacles located within the Space, bagged or otherwise prepared for removal as Landlord may from time to time require and, at Tenant's expense, to provide all necessary or desired cleaning and trash removal service required at the Space; and not to burn or otherwise dispose of or process any trash or garbage of any kind in or about the Space or the Building. Tenant, at Tenant's expense, shall keep clean the exterior portions of all windows and doors which service the Space exclusively; and shall keep the sidewalks in the front and rear of the Space swept clean, and clean of all ice and snow.

7.4 Not to place any load upon any floor of the Space which exceeds its floor load capacity. If Tenant shall install machines or mechanical equipment, such installation shall be made in such manner as to prevent vibration and noise and annoyance to other occupants of the Building. The moving and installation of such machines and equipment shall be at the sole risk and hazard of Tenant, and Tenant agrees to indemnify and save Landlord harmless against and from all liability, loss, injury, claim or suit resulting directly or indirectly from the installation or maintenance of such machines and equipment.

7.5 Not to conduct any auction, fire, bankruptcy, going out of business or similar sale in the Space without Landlord's prior written consent thereto; not to strip, injure, overload or deface the Space or any other portions of the Building or the Land; not to make any use thereof which is improper, offensive or contrary to any law, ordinance or regulation of any public authority; not to permit any act or thing to be done in the Space which shall constitute a nuisance or which may interfere with the quiet enjoyment of other tenants of the Building or which may make void or voidable any insurance on the Space or the Building against fire and casualties, or public liabilities, or which may render any increased or extra premium payable for any such insurance; to pay promptly to Landlord as additional rent the cost of any increased premium for fire, casualty or liability insurance (either with or without extended coverage endorsement) payable with respect to the Space or the Building as a result of anything done or business conducted in the Space, including without limitation any or all of the uses described in Paragraph 5; not to permit any holes to be drilled or made in the stone or brickwork of the Space or of the Building; and not to cause or permit the unreasonable emission of any noise or odor from the Space. In the event of a conflict between Federal and State law the use of Space should be governed by State law.

7.6 Tenant agrees that any and all remodeling and improvements to the Space (the "Work") shall be at Tenant's sole expense and subject to prior approval of Landlord, which shall not be unreasonably withheld or delayed. Tenant, before its Work is started, shall secure all licenses and permits necessary therefor, and cause each contractor and subcontractor to carry workmen's compensation insurance in statutory amounts covering all the contractor's and subcontractor's employees, and Tenant shall obtain and maintain in effect, at Tenant's expense, until the Work is completed, comprehensive public liability insurance with limits of \$2,000,000 and property damage insurance with limits of \$1,000,000 (all such insurance to be written in reputable companies and insuring Landlord, Landlord's mortgagees, of which Tenant has been given written notice, and Tenant as well as the contractors and subcontractors). Tenant shall pay promptly, when due, the entire costs of all Work done at the Building by Tenant and its contractors, subcontractors, agents and employees, and shall not cause or permit any liens for labor or materials performed or furnished in connection therewith to attach to the Building, and Tenant shall, within thirty (30) days after the filing thereof, discharge any such liens, by payment, bonding or otherwise, which may so attach. The Work shall be performed in a good and workmanlike manner, using materials of good quality, and shall be in compliance with all applicable laws, ordinances, orders and regulations of governmental authorities. Subject to Massachusetts Regulation, 105 CMR 725.110, Landlord and Landlord's representatives may enter the space and inspect the Work at reasonable times and upon reasonable notice to Tenant and shall promptly give notice to Tenant of any observed defects, but without any liability on Landlord for failing to do so. Tenant shall, after notice from time to time from Landlord, take all action reasonable and necessary to remedy and repair or replace any incomplete, defective or malfunctioning aspects of the Work, such action to occur as soon as possible. Tenant shall save Landlord harmless and indemnified from any injury, loss, claim or damage to any person or property occasioned by or growing out of such Work, including, but not limited to, damage to the roof, walls or other exterior or structural parts of the Building, or the sidewalks and curbs adjacent to the Building.

Tenant, at Tenant's expense, shall make all repairs to any portion of the Building, sidewalks or curbs resulting from or occasioned by the performance by Tenant of any of such Work or the failure of Tenant to complete any such Work, as contemplated hereby.

7.7 Not to make any material structural alterations or additions to the Space except as herein specifically provided, or to paint or place any signs, awning, aerials, or flagpoles or the like in the Space (including windows and areas visible through the windows from outside the building) or on the building. However, Tenant may place its name on its retail window and/or door in a manner consistent with signage for a retail establishment on Boylston Street.

7.8 That Tenant shall not, without on each occasion first obtaining the prior written consent of Landlord, which consent shall be in Landlord's absolute discretion, assign this Lease or make any sublease or license of all or any portion of the Space or permit any other person to occupy all or any portion of the Space; to remain fully and primarily obligated under this Lease notwithstanding any assignment, sublease or similar arrangement, or any indulgence at any time granted by Landlord to Tenant or to any assignee, sublessee or licensee, or any agreement between Landlord and any such assignee, sublessee or licensee. Tenant shall give Landlord written notice of any proposed assignment of Tenant's interest in this Lease or any proposed subletting or licensing of all or any portion of the Space except Good Chemistry of Massachusetts, Inc., setting forth in such notice the name and address of the

proposed assignee, subtenant or licensee, such information as to its financial responsibility and standing as Landlord may reasonably require, and all economic and legal terms of the proposed transaction.

In determining whether to consent or withhold consent to a proposed Assignment, Landlord and Tenant agree that Landlord may withhold its consent to any proposed Assignment, and such withholding of consent by Landlord will not be unreasonable, if: (1) if the proposed assignee or subtenant is a party who would, or whose use would, detract from the character of the Building, or (2) if the proposed assignee or subtenant proposes to engage in a business in the Space which is not consistent with the standards of the Building or similar retail uses on Boylston Street or is not permitted by or would contravene the provisions of this Lease; or (3) if the lease to, or use of the Space or any portion thereof by, such subtenant or assignee will cause Landlord to be in violation of any restrictive use covenants granted by Landlord to any other tenant in the Building in such tenant's lease; or (4) if, in the case of a proposed assignment, the proposed assignee is not of sufficient financial worth to perform its obligations under this Lease as such obligations become due; or (5) the proposed assignee or subtenant is then a tenant in the Building, or is then negotiating with Landlord to become a tenant in the Building; provided, however, it is understood and agreed that bases set forth above upon which Landlord may reasonably withhold its consent to a proposed Assignment are not intended, and shall not be construed, to be an exclusive list of reasonable bases upon which Landlord may withhold its consent" and Landlord reserves the right to withhold its consent to any proposed Assignment by virtue of any other reasonable basis.

Any such assignee, sublessee or licensee shall agree in writing with Landlord to be bound by and comply with the provisions of this Lease to be paid and performed by Tenant. It is understood that any consent of Landlord under this Section 7.8 requires the consent of the current mortgage lender on the Building and Tenant agrees that Landlord shall not be deemed to have withheld or delayed any such consent unreasonably, if, after using its best effort, it has been unable to obtain any required consent of a mortgagee. For purposes of this Section 7.8, any sale or transfer of stock or other securities, or merger, consolidation, liquidation or other corporate reorganization that results in fifty (50%) percent or more of the voting equity of Tenant being held by parties other than Matthew Huron shall be deemed an assignment by Tenant of its interest in this Lease. Notwithstanding any consent, or any agreement of another person or firm with Landlord, Tenant shall remain directly and primarily liable to Landlord for the payment and performance of all Tenant's obligations under this Lease. Tenant shall pay to Landlord, as additional rent, all reasonable legal fees and disbursements, incurred by Landlord in connection with any proposed assignment, sublease or license, including fees for review of documents. In no event shall Landlord's consent to one assignment be deemed to constitute consent to any subsequent assignment.

In the event that Landlord consents to an assignment of this Lease pursuant to this Article, if the rent and other sums (including without limitation the fair value of any services provided by such subtenant for Tenant) on account of any such assignment exceed the Base Rent and any Additional Rent allocable to the Space, Tenant shall pay to Landlord, as an additional charge, 100% of such excess, such amount to be paid monthly with payment by Tenant of the Monthly Installment Payments Base Rent hereunder.

In the event that landlord consents to any sublease of the Space during the first two (2) years of the Initial Lease Term, Tenant agrees to pay Landlord, upon execution of the sublease, an additional \$6,250.00 monthly as consideration for granting such sublease. The \$6,250.00 monthly payments shall cease after the 24th month of the Initial Lease Term.

7.9 To permit Landlord and Landlord's agents to inspect the Space at reasonable times and to show the Space to prospective mortgagees, purchasers and lessees; to permit Landlord and its agents to enter, at reasonable times so as not to interfere unreasonably with Tenant's business, and at any time in case of emergencies, to make such repairs, improvements, alterations or additions as Landlord may be required or permitted to make hereunder, and Tenant shall not be entitled to any abatement or reduction of rent or damages by reason of any of the foregoing.

7.10 That all such general rules and regulations as the Landlord from time to time hereafter may make, being in the judgment of the Landlord needful for the reputation, safety, care or cleanliness of the Building and Space or the operation and maintenance of the Building and its equipment, or for the comfort of the tenants, shall be faithfully observed and performed by Tenant and by the agents, employees, servants, licensees, invitees, and visitors of Tenant, and all such rules and regulations are hereby made a part of this Lease as fully, to all intents and purposes, as if herein set forth. The Landlord shall have the right to change said rules and to waive any or all of said rules in the case of any one or more tenants, nor shall the Landlord be responsible to Tenant, or to Tenant's agents, employees, servants, licensees, invitees or visitors, for failure to enforce any of the rules and regulations or for the non-observance or viola-

tion of any of said rule or regulations by any other tenant or by any other person, or for the non-observance or violation of or failure to enforce or to perform the provisions of any other lease of any part of the Building.

7.11 To pay to the providers thereof, as and when due, all charges against the Space or for Tenant's use at the Space, pursuant to separate metering or other direct billing arrangements to Tenant, for electricity, and other utilities.

7.12 To pay all taxes and impositions of whatever kind or nature levied, imposed, or assessed by any governmental authority on or against the fixtures, equipment, whether interior or exterior, stock in trade or any other property of Tenant, and to reimburse Landlord forthwith upon request, if Landlord shall have paid any such tax in the first instance.

7.13 That no flammable, combustible, explosive or otherwise hazardous fluid, material, chemical or substance shall be brought, stored or treated in or on the Space or Building provided that Tenant may handle, store, use or dispose of; products containing small quantities of Hazardous Materials (the term "Hazardous Materials" means any substance, material, or waste which is now or hereafter classified or considered to be hazardous, toxic, or dangerous under any Environmental Law relating to pollution or the protection or regulation of human health, natural resources or the environment, or poses or threatens to pose a hazard to the health or safety of persons in the Building), which products are of a type customarily found in offices and households (such as aerosol cans containing insecticides, toner for copies, paint, paint remover, and the like), provided further that Tenant shall handle, store, use and dispose of any such Hazardous Materials in a safe and lawful manner and shall not allow such Hazardous Materials to contaminate the Space or the environment. Tenant shall comply with all federal, state and local laws and ordinances relating to the protection of the environment or the keeping, use or disposition of environmentally hazardous materials, substances, or wastes, presently in effect or hereafter adopted, all amendments to any of them, and all rules and regulations issued pursuant to any of such laws or ordinances (collectively "Environmental Laws").

8.1 Liability. All goods, equipment, merchandise and other property of Tenant, its agents, employees, customers, invitees, or anyone else claiming under Tenant which may at any time be in the Space or in or about the Building shall be at its or their own risk and liability to the maximum extent permitted by law.

8.2 Indemnity. Tenant shall hold Landlord harmless and indemnified from and against, to the maximum extent permitted by law, any and all injury, loss, damage, liability, claims and expense, of any nature whatsoever in connection with loss of life, personal injury and damage to property arising out of or resulting from: (a) any occurrence in, about, or at the Space (unless caused by the negligence or intentional act of the Landlord); and, (b) anywhere if occasioned wholly or in part by any act, neglect or failure to perform the obligations imposed upon Tenant, by this Lease or by any act, omission, or neglect of Tenant, or anyone else for whom Tenant may or shall be legally responsible; provided, however, that in any case in which the principles of comparative negligence apply, Tenant's responsibility shall be limited to the proportion of negligence which is attributed to Tenant et al. Tenant agrees that Landlord shall not be liable to Tenant, or anyone claiming under Tenant, for any injury, loss or damage which may be caused by or result from the fault or negligence of any persons occupying or visiting any other part of the Building.

8.3 Tenant's Insurance. Tenant shall maintain, with respect to the Space and the Building, comprehensive public liability insurance with limits of \$2,000,000 per occurrence, and property damage insurance in limits of \$1,000,000 per occurrence, in responsible companies qualified to do business in Massachusetts and in good standing therein, insuring Landlord as well as Tenant and any mortgagees of Landlord as additional named insured parties, as their interests may appear, against injury to persons or damage to property, and Tenant shall deposit certificates for such insurance or copies of the policies at or prior to the commencement of the Lease Term, and thereafter within thirty (30) days prior to the expiration of any such policies, with Landlord. All such insurance policies shall provide that such policies shall not be canceled without at least twenty (20) days advance written notice to each insured name therein.

9.1 Fire or Casualty. If the Space or the Building are destroyed or damaged by fire or other casualty or are taken under the power of eminent domain, but the conduct of Tenant of its business in the Space is not substantially interfered with, the Base Rent and Additional Rent herein reserved shall not be abated. If by reason of such destruction, damage or taking, the conduct by Tenant of its business in the Space is substantially interfered with, Base Rent shall be abated proportionately according to the nature and extent of such interference until such time as the Space or that part of the Building affecting the use of or access to the Space shall have been substantially repaired and restored to the same condition as prior to such damage or destruction subject, however, to the provisions of section 9.2. It is agreed that any abatement of Base Rent due to "substantial interference" with the conduct by Tenant of its



business in the Space shall not begin until after seven business days from the time such interference occurs. If such damage is due to the willful fault of Tenant, Tenant's servants, employees, agents, visitors or licensees, the damage shall be repaired by Landlord, but there shall be no apportionment or abatement of rent. If such repair and restoration will require more than one hundred eighty (180) days from the date of said damage, Tenant may terminate the Lease upon ninety (90) days prior written notice to Landlord.

9.2 If the Building is substantially damaged or destroyed by fire or other casualty to such extent that continued operation thereof as an office building (with retail space at the street level) would be uneconomical, then Landlord shall have the right to terminate this Lease by written notice to Tenant given within sixty (60) days after the occurrence of such damage or destruction, and upon the giving of such notice, this Lease and all rights and obligations of the parties not then accrued shall cease and terminate. It is further agreed and understood that if, during the last year of the Lease Term, the Space shall be damaged or destroyed as aforesaid to the extent of fifteen-percent (15%) or more of its insurable value, or the building shall be damaged or destroyed to the extent of fifteen-percent (15%) or more of its insurable value, Landlord, at its election, may terminate this Lease by written notice to Tenant within sixty (60) days after the occurrence of such damage or destruction. If Landlord does not elect to terminate as aforesaid, Landlord shall forthwith commence, and thereafter diligently prosecute to completion, all repairs to the Space, the Building, or both, as the case may be; provided that Landlord shall not be obligated hereby to spend for such repairs an amount in excess of any insurance proceeds paid to Landlord with respect to such damage or destruction, or an amount in excess of that permitted under the provisions of any mortgage on the Land and the Building.

9.3 Taking. If the Space or any part thereof or if the Building or any part thereof shall be taken for any street or other public use, or shall be destroyed or damaged by the exercise of the power of eminent domain, or shall receive any direct or consequential damage for which Landlord or Tenant shall be entitled to compensation by reason of anything done in pursuance of any action by any public authority, after the execution thereof and before the expiration of the Lease Term, this Lease and the Lease Term shall terminate at the election of either party, and such election shall be made in such a case of any such taking notwithstanding that the entire interest of Landlord may have been divested by such taking, such election to be made by notice in writing to the other party given within sixty (60) days after such damage, destruction or taking. Upon termination as aforesaid, this Lease and all rights and obligations of the parties hereto hereunder not then accrued shall cease and terminate.

9.4 Landlord's Rights. Landlord reserves to itself, and Tenant hereby assigns and grants to Landlord, all rights to damages accruing on account of any taking of the Space, or the Building, or the leasehold hereby created or by reason of any act of any public authority for which damages are payable, and Tenant shall execute and deliver to Landlord such other and further instruments of assignments thereof as Landlord may from time to time request. There is specifically excepted from the foregoing reservation, and Tenant shall be entitled to receive from the taking authority, (but not from Landlord or Landlord's share of such award), "relocation expenses", so-called, and payments, if any, on account of Tenant's fixtures.

10.1 Conditions of Lease. Default. This Lease is made on the express condition that:

(i) if Tenant shall default in the payment of any Monthly Installment of Base Rent, the payment of any Additional Rent or any other payment required of Tenant and if Tenant shall fail to cure such default within five (5) days of Landlord having given written notice thereof to Tenant (an "Uncured Monetary Default"), or if Tenant shall default in the performance or observance of any other agreement or condition on its part to be performed or observed hereunder and if Tenant shall fail to cure said default within ten (10) days of Landlord having given written notice thereof to Tenant (or, if such default may not reasonably be cured within such ten (10) day period, shall not within such ten (10) day period commence to cure the same and thereafter prosecute the curing thereof to completion with due diligence);

(ii) if the estate hereby created shall be taken on execution or by other process of law;

(iii) if Tenant shall commit an act of bankruptcy or be declared bankrupt or insolvent according to law, or if any assignment shall be made of its property for the benefit of creditors, or if proceedings shall be commenced by or against Tenant under any bankruptcy or insolvency law now or hereafter enacted (and, if involuntary, such proceedings are not dismissed within thirty (30) days after their commencement);

(iv) if a receiver, guardian, conservator, trustee, or assignee, or any other or any similar officer or person shall be appointed to take charge of all or any part of Tenant's property (and, if involuntary, shall not be removed with thirty (30) days); or,

(v) if any court shall enter an order with respect to Tenant providing for the modification or alteration of the rights of creditors,

then, and in any of such cases (notwithstanding any former breach of covenant or waiver of the benefit hereof or consent in a former instance), Landlord may, immediately or at any time thereafter, and without any further notice or demand, enter into and upon the Space, or any part thereof in the name of the whole, by force or otherwise, and hold the Space as if this Lease had not been made, and expel Tenant and those claiming under it and remove its or their property (forcibly if necessary), without being taken or deemed to be guilty in any manner of trespass (or Landlord may send written notice to Tenant of the termination of the term of the Lease), and upon entry as aforesaid (or in the event that Landlord shall send to Tenant notice of termination as above provided, on the tenth (10<sup>th</sup>) day next following the date of the sending of the notice), the term of this Lease shall terminate. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being evicted or dispossessed for any cause, or in the event Landlord terminates this Lease as provided in this Section 10.1.

#### 10.2. Landlord's Remedies and Tenant's Continuing Obligations.

(a) Landlord's rights and remedies upon any termination or breach (whether established under Section 10 or elsewhere in this lease or by operation of law, either at law or in equity) shall be distinct, separate, and cumulative. They shall not be deemed inconsistent with each other; and no one of them, whether or not exercised by Landlord, shall be deemed to be in exclusion of any other. To the maximum extent allowed by Massachusetts law, Landlord's rights and remedies may be exercised at the same time. Mention in this Lease of any particular remedy shall not preclude Landlord from any other remedy in law or in equity.

(b) Tenant covenants and agrees that, notwithstanding any termination of this lease (whether by notice, entry, reentry, summary process or any other means), or any entry or reentry by the Landlord:

(i) In the event of an Uncured Monetary Default, and because both parties agree that Tenant's nonpayment when due of sums required by this Lease to be paid is a significant breach of the lease, and because the payment of Base Rent in monthly installments is for the sole benefit and convenience of Tenant, then, in addition to the remedies provided in section 10.1 and elsewhere, the entire balance of rent due at the time of termination together with the aggregate amount of Base Rent, Additional Rent and other payments provided herein to be paid by Tenant to Landlord during the period between the time of termination and the time when the term of this Lease would have expired but for the default by Tenant shall become immediately due and payable as liquidated damages.

For the purposes of computing these liquidated damages, it is agreed that aggregate amount of Additional Rent shall be comprised of the product of the aggregate of the tax adjustment, insurance and common area adjustment, heat and electricity adjustment, and any minimum economic adjustment for the immediately preceding year multiplied by the number of years remaining of the full term hereby granted. Tenant hereby expressly agrees that such amount represents a reasonable forecast of the Additional Rent expected to occur in the event of a breach for each subsequent year of the full term hereby granted.

(ii) In the event of a termination not requiring payment of liquidated damages under section 10.2(b)(i), Tenant shall indemnify Landlord each month against all loss of Base Rent and Additional Rent and all obligations which Landlord may incur by reason of any such termination between the time of termination and the expiration of the term of this Lease. Any suit brought to collect the amount of deficiency for any month shall not prejudice in any way the right of Landlord to collect the deficiency for any subsequent month by similar proceeding.

In addition to any amounts then due, at the election of the Landlord exercised at the time of the termination or at any time thereafter, Tenant shall pay to Landlord as damages the aggregate amount of Base Rent, Additional Rent and other payments provided herein to be paid by Tenant to Landlord during the period between the election and the time when the term of this Lease would have expired but for the default by Tenant. It is agreed that there shall be payable to Landlord as part of such accelerated damages the product of the aggregate of the tax adjustment, insurance and common area adjustment, heat and electricity adjustment, and any minimum economic adjustment for the immediately preceding year times multiplied by the number of years remaining of the full term hereby granted. Tenant hereby

expressly agrees that such amount represents a reasonable forecast of the Additional Rent expected to occur in the event of a breach for each subsequent year of the full term hereby granted.

(c) Tenant agrees to indemnify and save Landlord harmless from and against all expenses, including, without limitation, costs and attorneys' fees, incurred in connection with or arising out of any breach of, termination of, or dispute concerning this lease, including, without limitation, any costs and attorney's fees incurred by Landlord in obtaining possession of the Space and/or damages (liquidated or otherwise).

(d) Tenant agrees to indemnify and save Landlord harmless from and against all reasonable expenses incurred in connection with re-letting the Space, including, without limitation, brokerage fees, and the cost of putting the Space in good order or preparing same for rental.

(e) The failure of or refusal of Landlord to re-let the Leased Space or any part or parts thereof or, if the Leased Space is re-let, the failure to collect the rent thereof under such re-letting, shall not release or affect Tenant's liability for damage; and Tenant hereby waives, to the extent permitted by applicable law, any obligation the Landlord may have to mitigate the Landlord's damages. Landlord at Landlord's option may make such reasonable alterations, repairs, replacements and decorations on the Leased Space as Landlord in Landlord's sole judgment considers advisable and necessary for the purpose of re-letting the Leased Space and the making of such alterations or decorations shall not operate or be construed to release Tenant from liability hereunder. It is specifically understood and agreed that Landlord shall not be required to prefer the re-letting of the Leased Space over other premises, and Landlord shall be entitled to take into account in connection with any re-letting of the Leased Space all relevant factors which would be taken into account by a sophisticated landlord in securing a re-placement tenant for the Leased Space, such as, but not limited to, the type of businesses then being operated in the building in which the Leased Space is located and adjacent buildings, matters of tenant mix, the type of operation proposed to be conducted by any such replacement tenant, and the financial responsibility of any such replacement tenant.

(f) To induce Landlord to enter into this lease, (i) Tenant confirms and agrees that this transaction is a commercial and not a consumer transaction, (ii) To the maximum extent permitted by law, Tenant hereby expressly waives any notice to quit possession of the demised premises prior to the institution of summary proceedings, (iii) Tenant hereby waives any right to trial by jury in any lawsuit, action, or proceeding between Landlord and Tenant on any matters whatsoever arising out of or in any way connected with this lease, the relationship of Landlord and Tenant, Tenant's use or occupancy of the Space, and/or any claim of injury or damage, and (iv) Tenant agrees not to interpose any "non-compulsory" counterclaim of whatever nature or description in any proceeding commenced by Landlord for non-payment of rent, minimum rent or any other amount due hereunder, provided the foregoing shall not be construed as a waiver of the right of Tenant to assert such claims in any separate action brought by Tenant.

10.3 Removal of Goods etc. If Landlord or Tenant shall terminate this Lease, or if Landlord shall repossess the Space under the provisions hereof, and Tenant and those holding under Tenant shall fail forthwith to remove their goods and effects from the Space, Landlord may, without liability to Tenant or to those claiming under Tenant, remove such goods and effects as aforesaid, and Landlord may store the same for the account of the owner thereof in any place selected by Landlord or, at Landlord's sole election, after at least thirty (30) days' advance written notice to Tenant, Landlord may sell the same at public auction or private sale on such terms and conditions as to price, payment and otherwise as Landlord, in its sole judgment, may deem reasonable. Tenant shall pay all costs of such removal, storage and sale, and the net proceeds, if any, after deducting all sums due Landlord, shall be paid to Tenant.

10.4 Surrender of Space, etc. Upon the expiration of the Lease Term or any other termination of this Lease, Tenant shall yield up peaceably to Landlord the Space in neat and clean condition and good order, condition and repair, together with all alterations, additions and improvements which may have been made or installed in, on, or to the Space prior to or during the Lease Term, excepting only ordinary wear and use, items of repair for which Landlord is responsible hereunder, damage by fire or other casualty for which, under other provisions of this Lease, Tenant has no responsibility of repair or restoration and takings by exercise of the power of eminent domain. Tenant shall remove, to the extent specified by Landlord, any alterations, additions and partitions made by Tenant, and repair any damages to the Space or the Building caused by such removal. Upon expiration of the Lease Term or any other termination of this Lease, Tenant and those holding under Tenant shall forthwith remove their goods and effects from the Space. Any of Tenants' goods and effects which shall remain in the Building or in the Space after the expiration or termination of the Lease Term shall be deemed conclusively to have been abandoned, and either may be retained by Landlord as its property or may be disposed of in such a manner as Landlord may see fit, at Tenant's sole cost and expense. During the Lease Term, any trade fixtures installed in or attached to the Space, by and at the expense

of Tenant, shall remain the property of Tenant and Tenant shall, except as otherwise provided herein or by agreement of the parties, have the right during the Lease Term to remove any and all of its trade fixtures and personal property which it may have installed in or attached to the Space; but Tenant shall promptly repair in a workmanlike manner any damage resulting from such removal, shall plug or close in an approved manner any connection to sources of gas, air, water, electricity or heat or to cooling ducts and shall do whatever is necessary so as to leave the Space undefaced in appearance and not in any state of depreciation as a result of such removal. If Landlord or Tenant shall terminate this Lease, or if Landlord shall repossess the Space under the provisions hereof, all trade fixtures shall become the property of Landlord.

11. Subordination. This Lease and all rights of Tenant hereunder with respect to the Space are, and shall be, subject and subordinate to all bona fide mortgages which may now or hereafter be placed upon the Building and the Land, and to all advances made or to be made under such mortgages, and to the interest thereon, and all renewals, extensions and consolidations thereof. Tenant agrees, at Landlord's request from time to time, to confirm the subordination of this Lease as aforesaid by appropriate recordable instruments. This section 11 shall be self-operative, but, in confirmation thereof, Tenant agrees that if it shall fail within two weeks from the time requested to do so by Landlord, to execute, acknowledge or deliver any such instrument requested by Landlord, Landlord may, in addition to any other remedies available to it, execute, acknowledge and deliver such instrument as the attorney-in-fact of Tenant, and in Tenant's name; and Tenant hereby makes, constitutes and irrevocably appoints Landlord as its attorney-in-fact for such purpose. The word "mortgage" as used herein includes mortgages, deeds of trust, long term ground leases and other similar instruments and modifications, consolidations, extensions, renewals, replacements and substitutes thereof. Whether the lien of any mortgage upon the Space or any property of which the Space is a part shall be superior or subordinate to this Lease and the lien hereof, Tenant agrees that it will, upon request, attorn to the holder of such mortgage or anyone claiming under such holder, and their respective successors and assigns, in the event of foreclosure of or similar action taken under such mortgage.

12.1 Assignment for Financing. If, at any time and from time to time, Landlord assigns this Lease or the rents payable hereunder to the holder of any mortgage on the Building and the land or to any other party for the purpose of securing financing (the holder of any such mortgage and any other such financing party are referred to herein as the "Financing Party"), whether such assignment is conditional in nature or otherwise, the following provisions shall apply:

(i) Such assignment to the Financing Party shall not be deemed an assumption by the Financing Party of any obligations of Landlord hereunder unless such Financing Party shall, by written notice to Tenant, specifically otherwise elect;

(ii) Except as provided in (i) above, the Financing Party shall be treated as having assumed Landlord's obligations hereunder only upon foreclosure of its mortgage (or voluntary conveyance by deed in lieu thereof) and the taking of possession of the Building and the Land;

(iii) The Financing Party shall be responsible for only such breaches under this Lease by Landlord which occur during the period of ownership by the Financing Party after such foreclosure (or voluntary conveyance of deed in lieu thereof) and taking of possession, as aforesaid: and,

(iv) Tenant shall not be entitled to terminate the Lease Term or this Lease on account of an event in the nature of default or a non-performance by Landlord without first notifying the Financing Party and providing the Financing Party a reasonable opportunity to correct or cure such event.

In furtherance of the foregoing, Tenant hereby agrees to enter into such agreements or instruments as may, from time to time, be requested in confirmation of the foregoing.

12.2 Estoppel Certificates. At Landlord's or any mortgagee's request at any time after the date hereof, Tenant agrees with reasonable promptness to execute and deliver to the requesting party a written certificate which acknowledges Tenant's tenancy and possession of the Space, expressly stipulates whether any party to this Lease is engaged in or has engaged in the treatment of any hazardous material upon, in, from or affecting the Building and whether such party has caused a spill and whether, to the best of Tenant's knowledge, a spill has otherwise occurred, and which states such other facts concerning provisions of this Lease and payments made hereunder which are reasonably requested. Tenant agrees that if it shall fail within two weeks from the time requested to do so by Landlord, to execute, acknowledge or deliver any such certificate requested by Landlord, Landlord may, in addition to any other remedies available to it, execute, acknowledge and deliver such instrument as the attorney-in-fact of Tenant, and in

Tenant's name; and Tenant hereby makes, constitutes and irrevocably appoints Landlord as its attorney-in-fact for such purpose

13. No Waiver. No consent or waiver, express or implied, by Landlord or Tenant to or of any breach of any covenant, condition or duty of the other shall be construed as a consent or waiver to or of any other breach of the same or of any other covenant, condition or duty. No payment by Tenant or receipt by Landlord of a lesser amount than the Base Rent, Additional Rent and other charges herein reserved shall be deemed to be other than on account of the stipulated amount. If any action by Tenant or Landlord shall require the consent or approval of the other, such consent to or approval of such action on any one occasion shall not be deemed a consent to or approval of such action on any subsequent occasion or a consent to or approval of any other action on the same or any subsequent occasion. All rights and remedies which Landlord or Tenant may have under this Lease or by operation of law, either at law or in equity, upon any breach, shall be distinct, separate and cumulative, and shall not be deemed inconsistent with each other; and no one of them, whether or not exercised by Landlord or Tenant, shall be deemed to be in exclusion of any other; and any two or more or all of such rights and remedies may be exercised by Landlord or Tenant at the same time.

14. Landlord's Right to Cure Defaults. If Tenant shall default in the performance or observance of any agreement or condition in this Lease contained on its part to be performed or observed other than an obligation to pay money, and shall not cure such default within ten (10) days after notice from Landlord specifying the default (or shall not within such period commence to cure such default and thereafter diligently prosecute the curing thereof to completion), Landlord may, at its option, without waiving any claim for damages for breach of agreement, at any time thereafter cure such default for the account of Tenant, and any paid or any contractual liability incurred by Landlord in so doing shall be deemed paid or incurred for the account of Tenant, and Tenant agrees to reimburse Landlord therefor and hold Landlord harmless therefrom; provided, that Landlord may cure any such default as aforesaid prior to the expiration of the aforesaid waiting period, but after notice to Tenant, if the curing of such default prior to the expiration of such waiting period is reasonably necessary to protect the Building or the Land of the Landlord's interest therein, or to prevent injury or damage to persons or property. If Tenant shall fail to reimburse Landlord upon demand for any amount paid for the account of Tenant hereunder, such amount shall be added to and become due as a part of the next payment of rent due hereunder. Landlord's entry onto the Space shall be governed by state law.

15. Definitions. The words "Landlord" and "Tenant" and the pronouns referring thereto, as used in this Lease, shall mean, where the context requires or admits, the persons named herein, as Landlord and as Tenant, respectively, and their respective heirs, legal representatives, successors and assigns, irrespective of whether singular or plural, masculine, feminine or neuter. Except as herein provided otherwise, the agreements and conditions in this Lease contained on the part of Landlord to be performed and observed shall be binding upon Landlord and its heirs, legal representatives, successors and assigns and shall inure to the benefit of Tenant and its heirs, legal representatives, successors and assigns; and, the agreements and conditions on the part of Tenant to be performed and observed shall be binding upon Tenant and its heirs, legal representatives, successors and assigns and shall inure to the benefit of Landlord and its heirs, legal representatives, successors and assigns. If Tenant shall consist of more than one person or if there shall be a guarantor of Tenant's obligations under this Lease, then the liability of all such persons, including the guarantor, if any, shall be joint and several, and the word "Tenant" as used in clauses (iii), (iv) and (v) of section 10.1 of this Lease shall be deemed to mean any one of such persons. The word "Landlord", as used herein, means only the owner for the time being of Landlord's interest in this Lease; that is, in the event of any transfer of Landlord's interest in this Lease, the transferor shall cease to be liable, and shall be released from all liability for the performance or observance of any agreements or conditions on the part of the Landlord to be performed or observed subsequent to the time of such transfer, it being understood and agreed that from and after such transfer the transferee shall be liable for the performance and observance of such agreements and conditions. If all or any part of Landlord's interest in this Lease shall be held by a trust, no trustee, shareholder or beneficiary of such trust shall be personally liable for any of the covenants or agreements express or implied, hereunder. Landlord's covenants and agreements shall be binding upon the trustees of such trust, as trustees as aforesaid and not individually, upon the trust estate. Subject to the limitations of Landlord's insurance coverage, Tenant specifically agrees to look solely to Landlord's interest in the Land and the Building of which the Space is a part for recovery of any judgment from Landlord, it being specifically agreed that Landlord shall never otherwise be personally liable for any such judgment.

16. Notice. Any notice hereunder shall be in writing and shall be deemed duly served if mailed by certified, registered, postage prepaid, overnight mail, return receipt requested, postage paid, addressed:

A. If to Tenant at the Building and Good Chemistry of Massachusetts, Inc. at 50 Congress Street, Suite 500, Boston, Massachusetts 02109.

B. If to Landlord, at West End Realty, LLC, 82 Broad Street, Suite 397, Boston, Massachusetts 02110.

A certified or registered mail receipt shall be conclusive evidence of such service.

17. Quiet Enjoyment. Landlord covenants and agrees that Tenant, upon paying the Total Rent herein provided for and observing and keeping all the covenants, agreements and conditions of this Lease on its part to be kept, shall lawfully and quietly hold, occupy and enjoy the Space during the Lease Term, without hindrance or disturbance by anyone claiming by, through or under Landlord, subject however, to the terms of this Lease and any instruments or other matters having a prior lien.

18. Assemblage. In the event that the Land and the Building shall be acquired for the purpose of the demolition of the Building and development or re-development of the Building, and/or assembled together with adjoining real estate for the purpose of the demolition of one or more of the buildings located thereon and development or re-development of the buildings on the assembled parcels, then Landlord shall have the right to terminate this Lease by written notice to Tenant given at least one hundred and eighty (180) days prior to such termination date, which shall be designated in such notice.

19. Final Agreement. The parties acknowledge that in the course of negotiating this Lease their respective representatives have gradually reached preliminary agreement on the several terms set forth in this instrument. The parties acknowledge and agree that at all times they have intended that none of such preliminary agreements (either singly or in combination) shall be binding on either party until and unless a single, formal comprehensive document containing all the agreements of the parties, in final form, has been executed by Landlord and by Tenant. This Lease is that document.

20. Severability. If any provision of this Lease shall be determined to be void or unenforceable by a court of competent jurisdiction, the remaining provisions shall not thereby be affected.

21. No Consequential Damage. In no event shall Landlord be liable to Tenant for any indirect or consequential damages from any cause whatsoever, unless caused by willful action of Landlord in breach of this Lease.

22. Security Deposit. Concurrently with the exercise date of the Option Agreement and delivery of the Space hereof, Tenant is delivering a bank Letter of Credit, acceptable to Landlord, in favor of Landlord, or certified check, cash or money order in the sum of \$68,750.00 as a security deposit to be held by Landlord for the duration of the Lease Term as security for the performance by Tenant of all obligations of Tenant to be kept and performed hereunder. Tenant's security deposit shall be increased to the amount of \$137,500.00 for the last three (3) years of the Lease Term, commencing with the beginning of the third year of the Lease Term. At the termination of the Lease Term and the surrender of possession of the Space by Tenant to Landlord, if Tenant is not then in default hereunder, Landlord shall authorize the release of the Bank Letter of Credit or return to Tenant a certified check, cash or money order, or so much of it as shall not have theretofore been applied in accordance with the terms of this section 22. If Landlord conveys its interest under this Lease, such deposit supported by the Bank Letter of Credit, or any part thereof not previously applied, may be assigned by Landlord to Landlord's grantee, and if so assigned, Tenant agrees to look solely to such grantee for proper release of such deposit guarantee in accordance with the terms of this section 22.

23. Brokerage. Tenant hereby represents and warrants to Landlord and Landlord hereby represents and warrants to Tenant that neither has dealt with any broker or finder in connection with this Lease other than Thomas R. Blakely of TRB Associates payment of whose commission is Landlord's responsibility. Tenant hereby agrees to hold Landlord, and Landlord agrees to hold Tenant, harmless from and indemnified against, all loss or damage, brokerage commissions or finder's fees, arising from any claim by any other broker or finder claiming to have dealt with Tenant or Landlord.

24. Expenses. Tenant will pay all of Landlord's expenses, including reasonable attorney's fees and costs, incurred in successfully enforcing any rights, any delinquencies, or any remedies for any defaults under this Lease.

25. Modifications. If any holder or prospective holder of any mortgage, as hereinbefore defined, which includes the Space as part of the mortgaged premises, shall request any modification of any of the provisions of this Lease not substantially affecting Tenant's rights, other than a provision directly related to the rents payable hereunder, the duration of the Lease Term or the size, use or location of the Space, Tenant agrees that Tenant will enter into a written agreement in recordable form with such holder or prospective holder which shall effect such modification and provide that such modification shall become effective and binding upon Tenant and shall have the same force and effect as an amendment to this Lease in the event of foreclosure or other similar action taken by such holder or prospective holder.

26. Late Fees and Interest on Overdue Payments. All payments agreed to be made by Tenant hereunder, including Base Rent, additional rent and other sums or charges and Landlord's expenses and attorney's fees, if not paid by Tenant when due shall bear interest for each month and any portion thereof from the original due date (without regard to any notice equal to 1 1/2% per month. In addition, in the event Tenant shall fail to pay a monthly installment within ten (0) days of the due date, a Late Fee of five (5%) of the Monthly Installment Payment of Base Rent, with a minimum of fifty (\$50.00) dollars per month, shall be added to the Monthly Installment Payment of Base Rent and paid to Landlord for each such late payment, and the same shall be treated as Additional Rent. Should Tenant present a check to Landlord that is returned from Tenant's bank for any reason, Tenant shall pay to Landlord as Additional Rent thirty-five (\$35.00) dollars as a charge due as a result of said return, and Landlord reserves the right to demand that all future rent checks be certified Bank checks.

27. Labor Disputes. While any addition, replacement or other work to the Building or the Land may be under construction, Tenant agrees that all repairs, alterations, additions, improvements, installations and other work (including, without limitation, the Work) other than its ordinary course of business done upon or about the Space by it or anyone claiming under it will be under or carried on in such manner as to avoid or prevent any labor disputes.

28. Counterpart and Headnotes. This Lease is executed in multiple counterparts, all copies of which are identical, and any one of which is to be deemed to be complete in itself and may be introduced in evidence or used for any purpose without the production of any other copies. The headnotes throughout this Lease are for convenience and reference only, and shall in no way be held or deemed to define, limit, explain, describe, modify or add to the interpretation, construction or meaning of any provision of this Lease.

IN WITNESS WHEREOF Landlord and Tenant have caused this Lease to be executed as a sealed instrument as of the day and year first above written.

LANDLORD:

West End Realty Group, LLC

By: 

Matthew J. Huron, Manager

TENANT:

Good Chemistry of Massachusetts, Inc.

By: 

Jaime Lewis  
President

Jaime C. Lewis, President



## RULES AND REGULATIONS

ATTACHED TO AND MADE A PART OF THIS LEASE IN ACCORDANCE WITH SECTION 7.10

1. The sidewalks, entrances, courts, sidewalks or halls shall not be obstructed or encumbered by any Tenant or used for any purpose other than for ingress to and egress from the Space and for delivery of merchandise and equipment in a prompt and efficient manner using elevators and passageways designated for such delivery by Landlord. If said Space is situated on the ground floor of the Building, Tenant shall, at its own expense, keep the sidewalks and curb in front of said Space clean and free from ice, snow, dirt and rubbish, according to the city ordinances.

2. The water and wash closets, plumbing fixtures and waste pipes shall not be used for any purposes other than those for which they were designed or constructed and no sweepings, rubbish, rags, acids, grease or other substances shall be deposited therein, and the expense of any breakage, stoppage, or damage resulting from the violation of this rule shall be borne by Tenant who, or whose clerks, agents, employees or visitors, shall have caused it.

3. No carpet, rug or other article shall be hung or shaken out of any window of the Building; and no Tenant shall sweep or throw or permit to be swept or thrown from the Space any dirt or other substances into any of the corridors or halls. Tenant shall not use, keep or permit to be kept any foul or noxious gas or substance in the Space or permit or suffer the Space to be occupied or used in a manner offensive or objectionable to Landlord or other occupants of the Building by reason of noise, odors, and/or vibrations, or interfere in any way with other Tenants or those having business therein, nor shall any animals or birds be kept in or about the Building.

4. No awnings or other projections shall be attached to the outside walls of the Building without the prior written consent of Landlord.

5. No sign, advertisement, notice or other lettering shall be exhibited, inscribed, painted or affixed by any Tenant on any part of the outside of the Space or the Building or on the inside of the demised Space if the same is visible from the outside of the Space without the prior written consent of Landlord, which consent shall not be unreasonably withheld. In the event of the violation of the foregoing by Tenant, Landlord may remove same without any liability, and may charge the expense incurred by such removal to Tenant or Tenants violating this rule.

6. No Tenant shall mark, paint, drill into, or in any way deface any part of the Space or the Building of which they form a part. No boring, cutting or stringing of wires shall be permitted, except with the prior written consent of Landlord, which consent shall not be unreasonably withheld and as Landlord may direct. No Tenant shall lay linoleum, or other similar floor covering, so that the same shall come in direct contact with the floor of the Space, and, if linoleum or similar floor covering is desired to be used, an interlining of builder's deadening felt shall be first affixed to the floor, by a paste or other material, soluble in water, the use of cement or other similar adhesive material being expressly prohibited.

7. Each Tenant must, upon the termination of its tenancy, restore to Landlord all keys of stores, offices, toilet rooms, either furnished to, or otherwise procured by, such Tenant, and in the event of the loss of any keys, so furnished, such Tenant shall pay to Landlord the cost thereof.

8. Freight, furniture, business equipment, merchandise and bulky matter of any description shall be delivered to and removed from the Space only during hours and in any manner approved by Landlord. Landlord reserves the right to inspect all freight to be brought into the Building and to exclude from the Building all freight which violates any of these Rules and Regulations or the Lease of which these Rules and Regulations are a part.

9. Landlord shall have the right to prohibit any advertising by Tenant which, in Landlord's opinion, tends to impair the desirability of the Building or Space, and upon written notice from Landlord, Tenant shall refrain from or discontinue such advertising.

10. No flammable, combustible, explosive or otherwise hazardous fluid, material, chemical or substance shall be brought, stored or treated in or on the Space or Building, nor shall any odors or cooking or other processes, or any unusual or objectionable odors be permitted to permeate in or emanate from the Space provided that Tenant may handle, store, use or dispose of; products containing small quantities of Hazardous Materials, which products are of a type customarily found in offices and households (such as aerosol cans containing insecticides, toner for copies, paint, paint remover, and the like), provided further that Tenant shall handle, store, use and dispose of any such Hazardous Materials in a safe and lawful manner and shall not allow such Hazardous Materials to contaminate the Premises or the environment.

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Original

Marijuana Center #1

**EVIDENCE OF INTEREST IN CULTIVATION SITE  
(Exhibit 5.2)**

This exhibit must be completed or marked N/A and attached to required documents and submitted as part of the application.

Corporation Name: Good Chemistry of Massachusetts, Inc.      Application # (if more than one): 1

Physical Address	County	Type of Evidence Attached
6 Pullman Street Worcester, MA 01604	Worcester	Lease from the Estate of Cornelius J. Lucey to West End Realty Group LLC  Letter from the Estate of Cornelius J. Lucey permitting sublease from West End Realty Group LLC to Good Chemistry of Massachusetts Inc.  Lease from West End Realty Group LLC to Good Chemistry of Massachusetts Inc.
N/A	N/A	N/A

## GROUND LEASE

This Ground Lease (hereinafter called "Lease") is made and entered into as of the 15th day of November, 2013 by and between **DANIEL LUCEY and KAREN BUSENBURG, CO-EXECUTORS OF THE ESTATE OF CORNELIUS J. LUCEY**, see Worcester Probate Court docket no. 07PC9176PI ("Landlord"), and **WEST END REALTY GROUP, LLC**, a Massachusetts limited liability company with an address of 82 Broad Street, #397, Boston, MA 02110 ("Tenant")

### RECITALS

This Lease is entered into upon the basis of the following facts, understandings and intentions of Landlord and Tenant:

Whereas, Landlord is the owner of certain parcels of land situated in Worcester County, Massachusetts, known commonly as 6 Pullman Street and shown as Lot 2 on the plan attached hereto as **Exhibit A** attached hereto and made a part hereof, and the buildings, structures, parking areas, improvements and fixtures now located thereon, (collectively the "Property" or sometimes referred to as "Premises"); and

Whereas, Landlord and Tenant desire to enter into a leasing arrangement for the term and at the rental price herein set forth; and

NOW, THEREFORE, Landlord and Tenant, each for itself, its successors and assigns, do hereby agree to perform all of the terms, covenants, conditions and agreements herein provided to be kept and performed by Landlord and Tenant, respectively.

### ARTICLE I: DEFINITIONS

1.1. Definitions. The terms defined below shall, have the meanings specified, unless the context clearly indicates otherwise:

**"Default Rate"** shall mean ten (10%) percent per annum.

**"Existing Improvements"** shall mean the currently existing commercial building of approximately 22,500 square feet and its appurtenances located on the Premises and owned by Landlord.

**"Extension Term"** shall be as defined in **Section 2.2.3.**

**"Improvements"** shall mean the Existing Improvements and the Tenant's Improvements.

**"Lease"** shall mean this Ground Lease, including the following Exhibits attached hereto and made a part hereof:



Exhibit A:

Plan of Property Surveyed for MNL/CJL, Inc., by Jarvis Land Survey, Inc., dated June 6, 2003 and recorded in the Worcester District Registry of Deeds at Plan Book 810, Plan 109 (the "Plan")

**"Lease Commencement Date"** shall be as defined in **Section 2.2.1.**

**"Legal Requirements"** shall mean all laws, ordinances, rules, regulations, statutes, bylaws, court decisions and orders and requirements of all public authorities which are applicable to the Premises or any Improvements.

**"Premises"** shall mean the Property as shown on the Plan as Lot 2, together with all rights, benefits, easements, appurtenances and hereditaments attaching, belonging or pertaining thereto and all buildings, structures and improvements now or hereafter from time to time located thereon, including but not limited to the Existing Improvements and the Tenant's Improvements.

**"Property"** shall be defined in the Recitals.

**"Rent"** shall be as defined in **Section 3.1.**

**"Landlord's Reserved Rights"** shall be defined as in Article XVII.

**"Tenant's Equipment"** shall mean any items of movable machinery, trade fixtures, furniture, furnishings, equipment, counters, shelving, show cases or other personal property that are capable of being moved without substantial damage to the Premises, whether or not attached to any building or other improvement, and any freestanding sign and/or sign panel attached to any freestanding sign, to the extent any of the same were installed by Tenant or any permitted Subtenant.

**"Tenant's Improvements"** shall mean all buildings, landscaping, driveways, parking areas, sidewalks and other improvements (excluding Tenant's Equipment) that from time to time are placed, constructed or located by Tenant upon the Premises beginning on the Lease Commencement Date and continuing throughout the Term of this Lease.

**"Term"** shall be as defined in **Article 2.**

**ARTICLE II: DEMISE AND TERM**

2.1. Demise. Landlord hereby demises and leases the Premises for the Term unto Tenant, and Tenant hereby takes and accepts the same from Landlord, upon the terms and conditions hereinafter set forth, in such "AS IS, WHERE IS" condition as exists as of the date of this Lease, without representation or warranty, express or implied, by Landlord or its agents, and subject to all easements, covenants, restrictions and other encumbrances in effect as of the date of this Lease.

2.2. Term.

Handwritten signatures in black ink, appearing to be initials or names, located in the lower right quadrant of the page.

2.2.1. Initial Term. TO HAVE AND TO HOLD the Premises for a period (the "**Initial Term**") commencing on the date hereof (the "**Lease Commencement Date**") and ending at 11:59 P.M. on the last day of the tenth (10<sup>th</sup>) full Lease Year thereafter. For purposes of this Lease, "**Term**" shall mean the Initial Term, and if exercised in strict accordance with the terms of Section 2.2.2 of this Lease, any applicable Extension Term (as herein defined), as the case may be. As used herein the term "**Lease Year**" shall mean each period of twelve (12) consecutive full calendar months commencing on the Commencement Date and each anniversary thereof, plus, in the case of the first Lease Year hereunder, the partial month, if any, next succeeding the Lease Commencement Date, *provided* that the term Lease Year shall include any partial Lease Year at the end of the Term as may be applicable.

2.2.2. Extension Terms.

(a) Provided Tenant is not then in default pursuant to the terms hereof, Tenant shall have the right, at its option, to extend the Term for up to two (2) consecutive periods of five (5) Lease Years each upon the same terms and conditions applicable during the Term then in effect, unless specifically indicated otherwise herein (each such 5 year period being herein an "**Extension Term**"). Tenant's option to extend the Term shall be deemed automatically exercised without the necessity of any further action by Landlord or Tenant, subject to all of the terms and conditions herein expressed (including without limitation clause (b) immediately below), and *provided* that Tenant may override such automatic extension by giving Landlord written notice thereof (a "**Termination Notice**") not later than the date (the "**Notice Date**") that is twelve (12) months prior to the last day of the Initial Term or Extension Term then in effect (the "**Natural Termination Date**"), and in such event the Term shall come to an end on the Natural Termination Date.

(b) At the request of either party, the parties shall execute a document in recordable form setting forth the status of the Tenant's extension rights under this Lease, in a form mutually agreeable to the parties. The exercise of an option for one Extension Term shall not imply the exercise of subsequent options. If this Lease is canceled or terminated by agreement of the parties or as otherwise provided herein prior to the expiration of the Initial Term or any Extension Term, then the end of the Term shall be on the date this Lease is so canceled or terminated.

2.3. Ground Lease. Tenant acknowledges that this is and shall for all purposes be considered a ground lease with Landlord retaining fee title ownership to the Property, including all rights and privileges relating thereto, but all Existing Improvements, Tenant's Equipment and Tenant's Improvements, subject to the terms of this Lease, are and shall remain the property of the Tenant.

2.4. Covenant of Quiet Enjoyment. Landlord covenants that, subject to Landlord's remedies under **Article XIII** below due to breach of this Lease by Tenant and subject to Article XVI below, Tenant and any permitted subtenants shall have and enjoy quiet and undisturbed possession of the Premises during the Term without hindrance or ejection by any act of Landlord or persons claiming under Landlord.



2.5 Lessee Right to Terminate. Lessee has the right to terminate this agreement upon determination of their total project expenses and construction timeline. Should the total project expenses exceed their business plan financial model and/or the construction time line exceed the operational date they require, Lessee has the right to terminate this agreement.

**ARTICLE III: PAYMENTS**

3.1. Rent. Tenant agrees to pay rent ("**Base Rent**") to Landlord, in advance, without demand, abatement, offset or deduction, except as otherwise specifically provided in this Lease or by a court of competent jurisdiction, at the address of Landlord set forth in **Section 17** below, or such other place as Landlord may by notice to Tenant from time to time direct, at the following rates and times:

	<i>Period of Term</i>	<i>Annual Rent (per Lease Year)</i>	<i>Monthly Installment of Rent</i>
Lease Commencement Date through fifth (5 <sup>th</sup> ) full Lease Year		\$ 60,000.00	\$ 5,000.00
The commencement of the sixth (6 <sup>th</sup> ) full Lease Year through the tenth (10 <sup>th</sup> ) Lease Year		\$ 60,000.00	\$ 5,000.00
The commencement of the eleventh (11th) full Lease Year through the fifteenth (15 <sup>th</sup> ) Lease Year		\$60,000.00	\$5,000.00
The commencement of the sixtieth (16th) full Lease Year through the twentieth (20 <sup>th</sup> ) Lease Year		\$60,000.00	\$5,000.00

3.2. Rent During Extension Terms. The Base Rent to be paid during each Extension Term shall be the Base Rent as set forth above.

3.3. Payment of Rent. Monthly installments of Base Rent shall be payable on the first day of each month during the Term; *provided however*, if the Lease Commencement Date occurs on a day other than the first day of a calendar month, then that month's Rent shall be prorated on a daily basis and shall be paid on the Lease Commencement Date; and *provided, further*, that if the Lease Commencement Date occurs during the last five (5) days of a calendar month then Rent due on the Lease Commencement Date shall also include the monthly Rent for the first full calendar month following the Lease Commencement Date. Rent shall be prorated on a daily basis with respect to any partial calendar month subsequently occurring during the Term. The obligation to pay Base Rent shall not begin until one day after the Tenant receives a license from the Massachusetts Department of Public Health to operate a Registered Marijuana Dispensary.



3.4. Additional Rent. The rents reserved under this Lease (collectively, "Rent") shall consist of (i) Base Rent and (ii) all other sums as shall become due and payable by Tenant to Landlord under this Lease (such other sums being herein referred to collectively as "Additional Rent").

3.5. Net Lease.

3.5.1. This Lease shall be deemed and construed to be a "net lease" and Tenant shall pay to Landlord the Rent free of any charges, assessments, impositions or deductions of any kind and without abatement, deduction or setoff except as expressly set forth herein, and Landlord shall have no obligation to pay any Taxes (as defined in Section 5.1 hereof), insurance premiums, and expenses or undertake any obligations of any kind and nature whatsoever relating to the Premises and the Improvements which may arise or become due during or otherwise with respect to any period contained within the Term of the Lease except as expressly set forth herein.

3.5.2. Tenant covenants hereunder are independent of any Landlord covenants and Tenant shall not be entitled to quit, terminate or surrender this Lease, and shall not be relieved from its obligations to pay the Rent and Additional Rent nor from any of its other obligations under this Lease, by reason of (a) any prevention or curtailment of or interference with any use of the Premises, or any part thereof, for any purpose by any Legal Requirement or (b) any damage to or destruction or any taking of the Premises or any part thereof; except (i) for Landlord's breach of its covenant of quiet enjoyment under **Section 2.4** hereof or (ii) as otherwise provided in **Article XIV** hereof.

3.5.3 Tenant shall pay a Five Thousand Dollar (\$5,000.00) non-refundable deposit ("Deposit") with the execution of this Lease. The Landlord shall not be obligated to provide an executed copy of this Lease until the Deposit is presented to the Landlord. The Deposit shall be credited against the first month's Base Rent payment payable under the Lease.

#### ARTICLE IV: USE

4.1. Use. Tenant may use the Premises for any lawful purpose or for no purpose at all, but specifically Tenant is authorized, upon the terms and conditions of this Lease, to use the Premises for a Registered Marijuana Dispensary licensed by the Massachusetts Department of Public Health. Tenant assumes the risk of any Legal Requirements, either now in effect or hereafter enacted which shall prohibit or limit Tenant's contemplated use of the Premises.

4.2. No Operating Covenant; Recapture. Nothing contained in this Lease shall be deemed to impose upon Tenant, either directly, indirectly, constructively or implicitly, an obligation to construct improvements upon the Premises, open or operate for business, or remain open and operating for any period or in accordance with any operating schedule, procedure or method, all of which shall be within the sole and absolute discretion of Tenant.

4.4. Utility and Other Charges. During the Term, commencing on the Lease

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Commencement Date, Tenant shall place all utilities serving the Demised Premises in its name and shall pay before the same become delinquent all charges for utilities or services furnished to or for the benefit of the Premises. Subject to Tenant's compliance with the limitations contained in Section 15.4 below, Tenant shall have no obligation to contribute to the costs of maintaining or operating the monitoring wells that are currently located on the Demised Premises and that are part of a Massachusetts Department of Environmental Protection matter. If Tenant shall fail to pay any utilities or services on or before the last day upon which the same may be paid without interest or penalties, then Landlord may pay the same, together with all interest and penalties lawfully imposed by the taxing authority upon the late payment thereof, and the amounts so paid shall, upon Landlord's notice to Tenant of Landlord's payment thereof, become immediately due and payable by Tenant to Landlord hereunder, along with interest on such amount at the Default Rate until paid to Landlord. Landlord agrees to cooperate with Tenant in connection with Tenant's application for any utilities services for the Premises, including without limitation, executing any necessary documents within fifteen (15) days of Tenant's written request therefor. Tenant shall be responsible for providing its own dumpster and obtaining its own trash removal on a regular basis from the Demised Premises as well as snow removal and landscaping.

#### ARTICLE V: TAXES

5.1. Definition. The term "**Taxes**" shall mean and include all *ad valorem* taxes and assessments (general or special) and charges, duties, impositions, license and permit fees, charges for public utilities of any kind, that accrue or have accrued with respect to the Premises, including the Tenant's Improvements and the Existing Improvements, and are payable during the Term. If Tenant's obligation to pay Taxes shall cover a period that is less than a full tax year, then such Taxes shall be prorated on a per diem basis. Tenant shall also pay all Taxes accruing with respect to the Premises and the Existing Improvements required to be paid for all periods prior to the Lease Commencement Date from any after the date of the Ground Lease. Landlord shall immediately provide to Tenant copies of each assessment or tax valuation notice received by Landlord affecting the Premises. Tenant may request the taxing authority to deliver all tax statements or copies thereof directly to Tenant provided same relates to all of the Premises. Tenant shall be entitled to negotiate directly with the taxing authority regarding the tax valuation of any portion of the Premises or Improvements upon the same terms and conditions for which Tenant may contest Taxes under **Section 5.6** below (including without limitation Landlord's reasonable cooperation and execution of documents in connection therewith).

5.2. Tax Statements and Tenant's Payments. Tenant shall pay all Taxes owed hereunder to Landlord as to real estate taxes and otherwise directly to the taxing authority before the same shall become delinquent, and Tenant shall deliver to Landlord evidence of Tenant's payment thereof. In the event any tax statement is not sent directly to Tenant, however, Tenant shall not be obligated to pay such taxes or any portion thereof, sooner than ten (10) days after Landlord shall have given Tenant notice thereof, and Landlord (and not Tenant) shall be liable for any penalties, interest or fees arising as a result of any late delivery to Tenant. Except as set forth in the preceding sentence, Tenant shall pay all interest and penalties imposed upon the late payment of any Taxes which it is obligated to pay hereunder.

5.3. Landlord's Payments. If Tenant shall fail to pay any Taxes on or before the last

day upon which the same may be paid without interest or penalties, then Landlord may pay the same, together with all interest and penalties lawfully imposed by the taxing authority upon the late payment thereof, and the amounts so paid shall, upon Landlord's notice to Tenant of Landlord's payment thereof, become immediately due and payable by Tenant to Landlord hereunder, along with interest on such amount at the Default Rate until paid to Landlord.

5.4. Exclusions. Notwithstanding anything to the contrary contained herein, "Taxes" shall not include Landlord's income, estate, succession, gift, inheritance, franchise, transfer, excise, profits, or similar taxes.

5.5. Installments. Where any Taxes are permitted by law to be paid in installments, Tenant may elect to pay such Taxes in installments as and when each such installment becomes due; *provided*, that Tenant shall only be liable for its share of those installments which actually are or should have been paid during the Term of this Lease on and after the Lease Commencement Date.

5.6. Tax Contests. Tenant may, if it shall so desire, contest the validity or amount of any Taxes, in whole or in part, or endeavor to obtain a reduction of the assessed valuation for the purposes of reducing the Taxes, by abatement proceedings or by any other appropriate proceeding commenced and conducted in good faith and pursued diligently. Nothing herein contained, however, shall be so construed as to allow a challenged Tax to remain unpaid for such length of time as shall permit the Premises or any part thereof to be sold by a governmental authority or other person for the non-payment of the same; and, if at any time it shall become necessary or proper so to do, Tenant shall pay the challenged Tax, or so much thereof as may be required to prevent the sale or forfeiture of the Premises, or any part thereof. Promptly upon the determination of any such contest, Tenant shall pay any amounts (including all penalties and interest that have accrued with respect to amounts payable by Tenant) due in respect of the challenged Tax, except that if the contested amount includes any amount payable by Landlord, Landlord shall remain liable for such amount, and, promptly upon such determination, Landlord shall pay such amount (including all penalties and interest that have accrued with respect to amounts payable by Landlord) to the extent not previously paid by Landlord. Landlord agrees to reasonably cooperate in any such contest, including without limitation executing any applications for abatement or other necessary documents, but in no event shall Landlord be obligated to incur any cost or expense in connection therewith. In furtherance thereof Landlord hereby grants to Tenant the right to execute, in Landlord's name, any and all applications for abatement or any other document necessary to contest a challenged Tax; provided copies of the same are delivered to Landlord at least five days before the same are filed. In the event that Tenant, in its sole and absolute discretion, determines that Landlord's actual signature is required on such application or other document, Landlord shall join in the execution of any such applications or documents within fifteen (15) days of Tenant's written request therefor provided the same is in form and substance reasonably acceptable to Landlord. Landlord shall not be required to incur any liability in connection with any challenged Tax, however, and Tenant shall promptly reimburse Landlord for any reasonable out-of-pocket expenses of Landlord in connection therewith. Except as otherwise provided herein, Tax refunds obtained pursuant to any contest conducted by Tenant shall be payable to Tenant, and Tenant is authorized to collect the same. Landlord shall be entitled to collect, and Tenant shall pay to Landlord, if Tenant collects the same, net of Tenant's reasonable expenses of obtaining such refunds, or portions thereof, any refunds, or portions thereof, attributable to Taxes or assessments previously paid by Landlord and not reimbursed by Tenant. If Landlord contests the

validity or amount of any Taxes and/or assessments covering the Premises, Tenant shall be entitled to collect, and Landlord shall pay to Tenant, if Landlord collects the same, net of Landlord's reasonable expenses of obtaining such refunds, or portions thereof, any refunds, or portions thereof, attributable to Taxes previously paid by Tenant. Notwithstanding the foregoing, deferral of Tenant's payment of Taxes and/or the contesting of the same may not subject Landlord or any agent, contractor, employee, or other party claiming its interest through Landlord (each a "**Landlord Party**") to any criminal prosecution.

## ARTICLE VI: INSURANCE AND INDEMNITY

6.1. Liability Insurance. At its sole cost and expense, Tenant shall maintain in full force and effect during the Term Commercial General Liability Insurance with a combined single limit of liability of not less than Two Million Dollars (\$2,000,000.00) for bodily injury, personal injury and property damage in or about the Premises, the Improvements, and the appurtenances thereto, arising out of any one occurrence, and if liquor will be offered for sale or for consumption from the Premises, either the general liability policy referenced above must include an endorsement that deletes the liquor liability exclusion, or coverage must be provided via stand-alone liquor liability insurance providing coverage of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. Landlord and, at the written request of Landlord, any Fee Mortgagee (as defined herein) as may be designated in said written request, shall be "additional insureds" under such policy. Such policy shall cover the entire premises including sidewalks and streets abutting thereon and shall provide for at least fifteen (15) days notice to Landlord before cancellation.

At each increase in the Base Rent, the foregoing amounts of coverage shall be adjusted to reflect increases in the commercial real estate industry with regard to operation of similar type properties.

6.2. Property Insurance.

6.2.1. During the Term, Tenant shall carry, or cause to be carried, at Tenant's sole cost and expense, property insurance coverage on all Improvements on the Premises, in the amount of not less than eighty (80%) percent of the full replacement cost thereof (excluding footings, foundations and excavations), and an amount sufficient to prevent Landlord or Tenant from becoming a co-insurer under such policies of insurance.

6.3. Insurance Proceeds. All proceeds of any insurance under this **Section 6** shall be the exclusive property of Tenant.

6.4. General Insurance Requirements. All insurance required by this **Article VI** shall be written on a per occurrence basis and procured from companies rated by A.M. Best (or its successor or a comparable insurance company rating service) not less than A- (or a successor or comparable rating if A.M. Best's current rating system is no longer in effect), which companies are authorized to do business in The Commonwealth of Massachusetts. Tenant agrees to furnish Landlord written proof of insurance evidencing that the insurance required to be carried by Tenant is in full force and effect on or before each anniversary of the Lease Commencement Date. All such insurance may be carried under so-called blanket policies covering one or more other properties owned by or managed by



Tenant or any of its affiliates, provided that any blanket policies shall provide that the amount of coverage for the losses required to be insured against hereunder shall be separately stated, and that such insurance coverage shall give to Landlord and Landlord's mortgagees, if any, no less protection than that which would be afforded by separate policies. All policies of insurance required to be maintained by Tenant hereunder shall waive any rights of subrogation or otherwise against Landlord, notwithstanding any negligent act or failure to act by Landlord or Landlord's agents or employees. To the extent Landlord may elect (in its sole discretion) to maintain any insurance policies relating to the Premises in its own name then any such policies of insurance shall waive any rights of subrogation or otherwise against Tenant, notwithstanding any negligent act or failure to act by Tenant or Tenant's agents or employees. Tenant shall comply with the terms of all insurance policies required to be provided by it under this Lease.

6.5. Landlord's Remedy. If Tenant shall fail to provide the insurance policies or evidence of insurance required herein and such failure shall continue for more than fifteen (15) days after Landlord's written notice to Tenant thereof, Landlord may obtain such policies as the agent of Tenant, running for a period not exceeding one (1) year under any one policy; and the amount of the premium or premiums paid for such insurance by Landlord, net of any refund to Landlord on account of Tenant's subsequent procurement of the required insurance policy, shall be paid by Tenant to Landlord as Additional Rent upon demand; and Landlord shall not be limited in the proof of any damages which Landlord may claim against Tenant arising out of or by reason of Tenant's failure to provide and keep in force insurance policies as aforesaid, to the amount of the insurance premium or premiums not paid or incurred by Tenant which would have been payable upon such insurance, but shall also be entitled to recover as damages for such breach, the uninsured amount of any loss, liability, damage, claims, costs and expenses of suit, judgments and interest, and reasonable attorneys' fees suffered or incurred by Landlord (exclusive of consequential or special damages).

6.6. Indemnification.

6.6.1. Tenant's Waiver and Indemnity.

(a) Tenant agrees that Landlord shall not be liable for any injury or damage to any property or to any person happening on, in or about the Premises, or for any injury or damage to the Premises, or to any property by reason of any defect in the Premises, or which may result from steam, gas, electricity, water, rain or sewer, or any defect in any engines, boilers, elevators, escalators, machinery, electric wiring or fixtures, or for any failure or defect of water, heat, electric light or power supply or for any kind of injury or damage which may arise from any other cause whatsoever on the Premises, including defects in construction, latent or otherwise; *provided, however*, the foregoing obligation shall not apply to claims or demands to the extent caused by the negligence or willful act or omission of Landlord or any Landlord Party.

(b) Tenant further agrees to defend, protect, indemnify and hold harmless Landlord from and against all claims or demands, including, without limitation, any action or proceedings brought thereon, and all costs, losses, expenses and liabilities of any kind relating thereto, including reasonable attorneys' fees and costs of suits, arising out of or resulting from (i) the injury to or death of any person, or damage to the property of any person located on the Premises and occurring during the Term or (ii) claims of any kind and nature in connection with the possession,

use or operation of the Premises the Improvements or the appurtenances to the Premises during the Term by the Tenant or any agent, contractor, employee, or other party claiming its interest through Tenant (each a "**Tenant Party**") or any other person, or arising out of Tenant's failure to timely perform each term, covenant, condition and agreement herein provided to be complied with by Tenant occurring, from and after the Lease Commencement Date; *provided, however*, the foregoing obligation shall not apply to claims or demands to the extent caused by the gross negligence or willful act or omission of Landlord or any agent, employee, contractor or any other party taking interest through the Landlord.

6.6.2. Claims. Each party shall promptly notify the other party of any claim asserted against the first party with respect to which the first party is indemnified against by the second party as provided above in this Lease and the party giving such notice shall promptly deliver to the other party the original or a true copy of any summons of process, pleading or notice issued or served in any suit or other proceeding to assert or enforce any such claim. The party so notified of any such claim shall defend any such suit at its sole cost and expense with attorneys of its own selection, but the party so indemnified shall have the right, if it sees fit, to participate in such defense at its own expense.

#### ARTICLE VII: LIENS

7.1. Liens. Notice is hereby given that Landlord shall not be liable for any work performed on or for any materials delivered to the Premises for Tenant or any subtenant and that no mechanics', materialmen's, or other lien for such work or materials shall attach to the reversionary interest of Landlord in the Premises. In the event any lien is filed against the Premises or any appurtenances thereto as a result of services performed or materials furnished for the use of Tenant or Tenant's subtenants, occupants or other persons claiming under Tenant or any failure of any such parties to comply with applicable law, Tenant shall cause such lien to be discharged within twenty (20) days after recording of the same and written notice of such recordings is provided to the Tenant. Notwithstanding the foregoing, upon request of Landlord, Tenant agrees within ten (10) days to cause such lien to be released and discharged of record, either by paying the indebtedness which gave rise to such lien or by posting bond or other security as shall be required by law to obtain such release and discharge. If Tenant shall fail to so cause such lien to be discharged or bonded against or properly insured over within such 10-day period, then, in addition to any other right or remedy, Landlord may, but shall not be obligated to, (i) discharge the same either by paying the amounts claimed to be due or by procuring the discharge of such lien from the Premises by bonding proceedings or other legal proceedings or (ii) obtain affirmative title insurance coverage by a title insurance company acceptable to the Tenant. Any amount so paid and all costs and expenses incurred in connection with any exercise of the above rights, together with interest thereon at the Default Rate from the respective dates of the payment or incurring of the cost and expense pursuant thereto, shall constitute an obligation of Tenant and shall be paid by Tenant to Landlord on demand. Nothing herein shall prevent Tenant from contesting the validity of the lien in any manner it chooses so long as such contest is pursued with reasonable diligence. In the event such contest is determined adversely (allowing for appeal to the highest appellate court), Tenant shall promptly pay in full the required amount, together with any interest, penalties, costs, or other charges necessary to release such lien. Tenant agrees to defend, protect, indemnify and hold harmless Landlord from and against all claims and demands, including any action or proceeding brought thereon, and all costs,



losses, expenses and liabilities of any kind relating thereto, including reasonable attorneys' fees and costs of suit, arising out of or resulting from such lien

**ARTICLE VIII: IMPROVEMENTS AND ALTERATIONS**

8.1. Construction and Alteration of Improvements.

8.1.1. Tenant, from time to time in its sole and absolute discretion, may make such improvements to the Premises as it determines are appropriate or necessary and may improve, alter, modify, construct, expand, contract, reconfigure, raze, demolish or otherwise alter any Improvements (all of the foregoing being, collectively, "**Alterations**"), in each case at Tenant's sole cost and expense and in accordance with all Legal Requirements. Tenant shall notify Landlord at least fifteen (15) days prior to performing any Alterations that are not to be performed within the interior of the Existing Improvements. Promptly upon Landlord's written request therefor, Tenant shall provide to Landlord, for Landlord's information (but not for Landlord's approval), copies of any plans required to have been submitted to governmental authorities in connection with any Alterations undertaken by Tenant. If it is necessary to grant easements in connection with the use or improvement of the Premises as permitted hereunder, Landlord agrees to reasonably cooperate with Tenant in connection therewith, including without limitation executing, acknowledging and delivering such easements or other appropriate documentation reasonably necessary to effect such easements, prepared by Tenant or on Tenant's behalf, within fifteen (15) days of Tenant's written request therefor, provided in all events (i) are in form and substance reasonably acceptable to Landlord, (ii) do not extend beyond the Term, (iii) would not interfere with the use, operation, development or redevelopment of other property owned by Landlord or Landlord's beneficiaries. Landlord shall not be required to incur any liability in connection therewith, however, and Tenant shall promptly reimburse Landlord on demand for any reasonable out-of-pocket expenses incurred by Landlord in connection therewith.

8.1.2. Any Alterations shall be made in a good and workmanlike manner and in accordance with all Legal Requirements.

8.2. Signage. Tenant, from time to time in its sole and absolute discretion and at its sole cost and expense, shall have the right to place and maintain signs, banners and/or other advertising matter on the Premises, including, without limitation, pylon and monument signs (collectively, "**Signage**"), subject to Legal Requirements.

8.3. Permits. No Alterations shall be undertaken until Tenant shall have procured and paid for, so far as the same shall be required from time to time under Legal Requirements, all permits, approvals, variances, licenses or authorizations ("**Permits**"), of any federal, state or municipal government or departments or subdivisions of any of them having jurisdiction over the construction of Tenant's Improvements, Signage, Alterations and/or Tenant's use of the Premises and Tenant shall have the right to seek such Permits, and engage in appeals or contests in connection with proceedings therefor, as Tenant shall deem necessary or desirable from time to time in its sole and absolute discretion, all as permitted hereunder and all of the foregoing to be at the Tenant's sole cost and expense. Tenant shall not have the right to seek any rezoning of the Premises without Landlord's consent which may be withheld in Landlord's sole and absolute discretion.

Landlord agrees to reasonably cooperate with Tenant in connection with the foregoing, including without limitation executing any necessary documents within ten (10) days of Tenant's written request therefor, provided the same is in form and substance reasonably acceptable to Landlord. Landlord shall not be required to incur any liability in connection therewith, however and Tenant shall promptly reimburse Landlord on demand for any reasonable out-of-pocket expenses incurred by Landlord in connection therewith.

8.4 Maintenance, Repair and Compliance with Law. Tenant, at its sole cost and expense, shall keep and maintain the Premises, including all Existing Improvements and Tenant's Improvements and any and all other facilities thereon, in good condition. In no event, however, may Tenant commit waste (subject, however, to Tenant's rights to make Alterations in accordance with **Section 8.1** hereof). Tenant waives any right created by any law now or hereafter in force to make repairs to the Premises at Landlord's expense. Landlord shall not be responsible whatsoever to conduct any maintenance or make repairs or replacements of any kind to the Premises, including the Existing Improvements and any Tenant Improvements. Tenant at its sole cost and expense shall at all times comply (and cause the Premises to comply) with all Legal Requirements, now or hereafter enacted or promulgated, of every governmental authority having jurisdiction over the Premises, regardless of whether such Legal Requirements shall necessitate structural changes, improvements, interference with use and enjoyment of the Premises or the Improvements, replacements or repairs, extraordinary as well as ordinary.

8.5 Damage.

8.5.1. Restoration. If any portion of the Improvements shall be damaged or destroyed by fire or casualty, then, whether or not such damage or destruction shall have been insured (a) Tenant shall give prompt written notice thereof to Landlord and (b) with respect to all such damaged or destroyed Improvements, Tenant shall, within 180 days after the event of damage or destruction either (i) commence to restore and/or rebuild such Improvements; or (ii) to fully demolish such Improvements, but in no event shall Tenant have any right to terminate this Lease or abate Rent in the event of a fire or casualty. In any event, Tenant shall take such action as may be required under applicable Legal Requirements with respect to any damage or destruction of the Improvements and Tenant shall promptly secure the Premises so that the same are in a safe and slightly condition.

8.5.3. Insurance Proceeds. All insurance proceeds resulting from any damage or destruction of Improvements from time to time shall be the sole and exclusive property of Tenant and may be applied by Tenant to the repair or rebuilding of the Premises or retained by Tenant and used for any purpose, all as Tenant, in its sole and absolute discretion, shall desire.

**ARTICLE IX: ASSIGNMENT, SUBLETTING; LEASEHOLD MORTGAGES**

9.1. Assignment and Subletting.

9.1.1. Tenant and its successors and assigns shall have the right from time to time to transfer or assign this Lease or any interest herein (including without limitation an assignment of



Tenant's rights under **Section 16.1** hereof in connection with an assignment of Tenant's leasehold estate hereunder or a sublease of the entire Premises, but not apart from any such assignment or sublease transaction) or sublet the Premises in its sole and absolute discretion, subject to the prior written consent of Landlord, which consent shall not be unreasonably withheld. No subdivision or partial subletting of the Premises shall be permitted. No transfer, assignment or subletting shall relieve Tenant of its liability for the full performance of all of the terms, agreements, covenants and conditions of this Lease absent a separate written agreement of the Landlord. No consent to a transfer shall relieve Tenant of the obligation to obtain Landlord's consent to any subsequent transfer.

9.1.2. Tenant agrees that, with respect to each and every sublease (each, a "**Sublease**") of the Premises hereafter executed, Tenant shall not, without the prior written consent of Landlord, (i) receive or collect any sub-rents payable under any such Sublease from the subtenant thereunder (the "**Subtenant**") for a period of more than three (3) months in advance; or (ii) pledge, transfer, mortgage, encumber or assign future payments of such subrental except to the holder of a Leasehold Mortgage.

9.1.3. Tenant shall be obligated to provide a fully-executed copy of an assignment or sublease document entered into by Tenant with respect to the Premises within ten (10) days of execution of the same.

9.2. Leasehold Mortgages. Tenant shall have the right at any time and from time to time, without Landlord's consent but upon prior written notice to Landlord, to mortgage or otherwise encumber Tenant's leasehold estate and Tenant's rights under this Lease together with any or all improvements appurtenant thereto pursuant to one or more leasehold mortgages, and Tenant may assign its interest in this Lease as collateral security for such Leasehold Mortgage (any such encumbrance being herein a "**Leasehold Mortgage**," with the holder of any thereof from time to time being herein a "**Leasehold Mortgagee**"). Notwithstanding the foregoing, no Leasehold Mortgage now or hereafter a lien upon this Lease shall extend to or affect the reversionary interest and estate of Landlord in and to the Premises or in any manner attach to or affect the Premises from and after any expiration or termination of this Lease except as expressly set forth herein.

9.2.1. Notice to Leasehold Mortgagee. Landlord agrees to simultaneously send copies of all notices of default given to Tenant hereunder to each Leasehold Mortgagee notice of whose name and address has been given in writing to Landlord. No amendment, modification, extension, renewal (other than as necessary to exercise an express right granted to Tenant in this Lease), or voluntary cancellation, termination or surrender of this Lease (as opposed to an exercise of Landlord's rights to terminate for Tenant default) shall be binding upon the Leasehold Mortgagee (of which Landlord has been notified in writing) without its written consent.

9.2.2. Cure by Leasehold Mortgagee or Subtenant. In the case of a Default by Tenant, Landlord shall give Leasehold Mortgagee or Subtenant for which the Landlord has provided consent pursuant to Section 9.1.1 (i) a notice of its intent to exercise its rights hereunder (the "**Remedies Notice**") containing a statement of all existing Defaults under this Lease, and (ii) the opportunity to cure such Default(s), as follows: (a) Leasehold Mortgagee and/or Subtenant shall be

entitled to cure any stated Monetary Default (as defined in **Section 13.1** hereof) for a period of thirty five (35) days after receipt of such Remedies Notice, and (b) Leasehold Mortgagee and/or Subtenant shall be entitled to cure any stated Non-Monetary Default (as defined in **Section 13.1** hereof) for a period of fifteen (15) days after receipt of such Remedies Notice; *provided however*, that if Leasehold Mortgagee requires additional time to complete the curing of any such Non-Monetary Default, then, provided Leasehold Mortgagee has commenced to cure such Default within such 15-day period and thereafter prosecutes the same to completion with reasonable diligence, Leasehold Mortgagee and/or Subtenant shall be entitled to such additional time as is reasonably necessary to cure such Default. Landlord shall deliver any such Remedies Notice at the same time of its delivery to Tenant of a Default notice pursuant to **Section 13.1** hereof, it being acknowledged, however, that the periods of time afforded Leasehold Mortgagee and/or Subtenant under this **Section 9.3.2** for cure of a Default shall not commence until the expiration of any cure periods afforded Tenant therefor under **Section 13.1** or elsewhere herein. If Leasehold Mortgagee and/or Subtenant cures all stated Defaults in accordance with the foregoing provisions, then both the notice of Default given to Tenant (with a copy to Leasehold Mortgagee and/or Subtenant) and the Remedies Notice shall be null and void and of no further force or effect. Landlord agrees to accept cure of any Defaults of Tenant by any Subtenant provided cure occurs within the cure periods provided to Tenant under this Lease. Landlord agrees to accept performance of Tenant's obligations hereunder by Leasehold Mortgagee and/or Subtenant with the same force and effect as though observed or performed by Tenant.

9.2.3. Limitations on Liability. Under no circumstances shall Leasehold Mortgagee be liable for the performance of Tenant's obligations hereunder unless and until Leasehold Mortgagee acquires Tenant's rights and interest by foreclosure or other assignment or transfer in lieu thereof. In the event that Leasehold Mortgagee so acquires Tenant's rights and interest, the liability of Leasehold Mortgagee, its successors and assigns shall be limited to its leasehold interest in this Lease. Neither Leasehold Mortgagee, its successors or assigns, nor any agent, partner, officer, trustee, director, shareholder or principal (disclosed or undisclosed) of Leasehold Mortgagee, its successors or assigns, shall have any personal liability hereunder.

9.2.4. Notice Procedure. All notices from Landlord to Leasehold Mortgagee and from Leasehold Mortgagee to Landlord hereunder shall be in writing and given in the manner specified in **Article 17** hereof. The address for notices to Leasehold Mortgagee shall be the address furnished to Landlord by Tenant.

## **ARTICLE X: WARRANTIES AND REPRESENTATIONS**

10.1 Landlord's Authority. Landlord represents and warrants to Tenant that Landlord has full right and authority to enter into this Lease and perform Landlord's obligations under this Lease. The individuals signing this Lease and all other documents executed or to be executed pursuant hereto on behalf of Landlord are and shall be duly authorized to sign the same on Landlord's behalf and to bind Landlord thereto. This Lease is and shall be binding upon and enforceable against Landlord in accordance with its terms.

10.2 Tenant's Authority. Tenant represents and warrants to Landlord that Tenant has full right and authority to enter into this Lease and perform Tenant's obligations under this Lease and that Tenant has succeeded to all rights of the tenants originally named in the Ground Lease and the

Parking Lease. The individuals signing this Lease and all other documents executed or to be executed pursuant hereto on behalf of Tenant are and shall be duly authorized to sign the same on Tenant's behalf and to bind Tenant thereto. This Lease is and shall be binding upon and enforceable against Tenant in accordance with its terms.

### ARTICLE XI: SURRENDER OF PREMISES

#### 11.1 Surrender.

11.1.1. Upon any termination of this Lease, whether by expiration of the Term hereof or by reason of any other cause whatsoever as provided herein, then, all right, title and interest of Tenant and all those holding or claiming any interest by, through or under Tenant in the Premises or any portion thereof shall cease and terminate and title thereto shall automatically vest in Landlord absolutely free of any liens permitted or suffered by Tenant. At the expiration or earlier termination of this Lease, Tenant shall deliver possession of the Premises to Landlord in "broom clean" condition, free of all of Tenant's Equipment unless otherwise directed by Landlord. The Improvements shall become the property of Landlord at the expiration or earlier termination of this Lease. No further deed or other instrument shall be necessary to confirm such vesting in Landlord. However, upon any termination of this Lease, Tenant, upon request of Landlord, shall execute, acknowledge and deliver to Landlord a deed confirming that all of Tenant's right, title and interest in the Premises has expired and that title to any Improvements then existing has vested in Landlord free of any leasehold and any liens permitted or suffered by Tenant.

### ARTICLE XII: HOLDOVER

12.1 Holding Over After Term. If Tenant shall hold the Premises after the expiration or earlier termination of the Term hereof, such holding over shall, in the absence of written agreement on the subject, be deemed to have created a tenancy at sufferance at a use and occupancy charge rental equal to 150% of the monthly Rent payable during the last year of said Term plus 100% of any Additional Rent as may accrue with respect to any such holdover period. Nothing contained herein shall grant the right of holdover to Tenant after the expiration of the Term or earlier termination of this Lease, and Landlord may immediately commence proceedings against Tenant to obtain possession of the Premises. Notwithstanding any provision of this Lease to the contrary, Tenant shall be liable for all damages (direct, indirect and consequential) incurred by Landlord as a result of Tenant holding over in the Premises after the expiration or earlier termination of the Term.

### ARTICLE XIII: DEFAULT

#### 13.1 Tenant's Default.

13.1.2. It shall be a "**Default**" by Tenant hereunder if (i) Tenant shall not have paid Rent or any Additional Rent within ten (10) days after Landlord has given written notice to Tenant stating that such payment was not made on or before its due date (each, a "**Monetary Default**"); or (ii) Tenant shall not have performed any of the other covenants, terms, conditions or provisions required to be performed by Tenant under this Lease within thirty (30) days after Landlord has provided Tenant with written notice specifying such failure (a "**Non- Monetary Default**");

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provided, however, that with respect to those failures that cannot with due diligence be cured within said thirty (30) day period Tenant shall not be deemed to be in Default hereunder if Tenant commences to cure such failure within such thirty (30) day period and thereafter continues the curing of such failure with all due diligence to completion

13.1.2. Landlord shall be entitled to receive from Tenant an amount equal to interest accrued at the Default Rate on Rent or any other amount payable by Tenant under this Lease that is not paid when due (the "**Unpaid Amount**"). Interest shall accrue pursuant to the preceding sentence from the date the Unpaid Amount was due through the date the same was paid.

### 13.2 Remedies.

13.2.1. If a Default has occurred, Landlord shall have the right to institute from time to time an action or actions, summary or otherwise, in a court of competent jurisdiction (the "**Court**"), (i) to recover damages (exclusive of consequential or special damages), (ii) for injunctive and/or other equitable relief, and/or (iii) to recover possession of the Premises. After a Default, Landlord may elect to (a) re-enter the Premises or any part in the name of the whole, without notice, and remove all persons and property therefrom (Tenant waiving notice to evict) without being liable to prosecution or damages therefor, and may recover the Premises and any Improvements then existing, and expel Tenant, and/or (b) terminate this Lease. Tenant shall thereupon quit and peacefully surrender the Premises to Landlord pursuant to **Article XI** hereof without any payment therefor by it, and Landlord may re-enter the Premises as provided in the preceding clause (a).

13.2.2. Notwithstanding anything to the contrary contained in this **Section 13.2**, Landlord also shall have the benefit of all remedies at law or in equity available to it by reason of Tenant's Default.

### 13.3 Damages on Termination.

13.3.1. In the event this Lease is terminated as a result of a Default as provided in this **Article XIII**, Landlord shall be entitled to recover from Tenant all actual, direct damages, including, without limitation, any unpaid Rent and Additional Rent, incurred by Landlord by reason of Tenant's Default prior and up to the date this Lease is terminated, and the cost of recovering possession of the Premises and reasonable attorneys' fees. Notwithstanding the immediately preceding sentence, Landlord shall not be entitled to recover consequential or special damages, nor may Landlord recover any costs and expenses of reletting the Premises other than as expressly provided in **Section 13.3.2** below.

13.3.2. Notwithstanding the foregoing, if this Lease is terminated as a result of a Default, Landlord shall be entitled to receive from Tenant (x) payments of Rent and Additional Rent to the extent the same are not being covered by another tenant or tenants as the same would have become due and owing under this Lease, and (y) reimbursement for any reasonable broker's commission and reasonable attorneys' fees incurred by Landlord in connection with reletting the Premises, and reasonable costs incurred by Landlord for preparing the Premises for occupancy by a

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subsequent tenant, for the recovery of which Landlord may bring suit from time to time for any period, without prejudice in any way to the rights of Landlord to collect the deficiency for any subsequent period by a similar action or proceeding. Landlord shall use commercially reasonable efforts to re-let the Premises and Improvements in order to mitigate its damages hereunder. Landlord may receive as its sole and absolute property, without duty to account therefor to Tenant, all sums collected by it as rent or otherwise upon reletting the Premises after it shall resume possession thereof as hereinbefore provided. The obligations of Tenant under this Section shall survive the expiration or early termination of this Lease.

13.3.3. If Landlord shall obtain possession of the Premises and the Improvements under legal proceedings or pursuant to the terms and conditions of this Lease because of a Default by Tenant, then all rights of redemption provided by any law, statute or ordinance now in force or hereafter enacted shall be and are hereby waived by Tenant.

13.4 Delay; Waiver. No delay or omission by either party hereto to exercise any right or power accruing upon any noncompliance or default by the other party with respect to any of the terms of this Lease shall impair the exercise of any such right or power or otherwise be construed to be a waiver thereof, except as otherwise herein provided. A waiver by either of the parties hereto of any of the covenants, conditions or agreements hereof to be performed by the other shall not be construed to be a waiver of any subsequent breach thereof or of any other covenant, condition or agreement herein contained. No receipt by Landlord of any payment from Tenant after a termination of this Lease shall reinstate, continue or extend the Term hereof or affect any notice theretofore given to Tenant, nor operate as a waiver of Landlord's right to enforce the payment of Rent or Additional Rent then due or thereafter falling due.

13.5 Landlord's Right to Cure Tenant's Default. Whenever Tenant shall be in Default, Landlord may perform, or cause to be performed, such term, covenant or condition, and take such other steps, including entry onto the Premises and the Improvements, as it may deem reasonably advisable, to achieve such performance or compliance, in which event Tenant shall reimburse Landlord upon demand for all reasonable out-of-pocket costs and expenses suffered or incurred by it in connection therewith (together with interest thereon at the Default Rate from the respective dates of Landlord making each such payment or incurring of each such cost or expense). Acting in accordance with the immediately preceding sentence shall not be deemed to obligate Landlord to commence or complete the curing of any term, covenant, or condition which is in default within said time limits or otherwise. Landlord shall defend, protect, indemnify and hold harmless Tenant from and against all claims or demands, including, without limitation, any action or proceedings brought thereon, and all costs, losses, expenses and liabilities of any kind relating thereto, including reasonable attorneys' fees and costs of suits, arising out of or resulting from claims of any kind and nature to the extent caused by the gross negligence or willful act or omission of Landlord or any Landlord Party in connection with Landlord's exercise of its rights under the first sentence of this **Section 13.5**.

13.6 Rights While in Default. Except as otherwise may be provided in this Lease, Tenant's rights hereunder shall not be affected by, and Tenant may exercise any of such rights, notwithstanding any breach or default of any of its obligations under this Lease through the date that Landlord has terminated this Lease.

13.7 Bankruptcy. If a petition of bankruptcy or reorganization shall be filed by or against the then Tenant and not dismissed within ninety (90) days of filing, or in any proceeding based upon the insolvency of Tenant a receiver or trustee of all of the property of Tenant shall be appointed and shall not be discharged within ninety (90) days after such appointment, then such event shall be a Default under this Lease unless the trustee or receiver affirms or assumes this Lease within ninety (90) days after the commencement of the proceedings and cures any other Default under this Lease within ninety (90) days after affirmation or assumption of this Lease. In any event, the foregoing shall be subject to all applicable federal and state bankruptcy laws.

13.9 No Consequential Damages. Notwithstanding anything to the contrary set forth herein (including without limitation **Sections 6.6** and **15.3** hereof) neither Tenant (except as provided in Article XII) nor Landlord shall be entitled to recover any consequential or special damages on account of the other party's breach or default under this Lease.

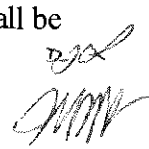
#### **ARTICLE XIV: CONDEMNATION**

14.1 Voluntary Conveyance. The parties hereby agree that neither party to this Lease shall voluntarily convey any interest in the Premises or otherwise related to this Lease to any governmental or quasi-governmental agency, authority or public utility (a "**Taking Authority**") under threat of a taking in connection with the exercise of any power of eminent domain, condemnation, or purchase under threat or in lieu thereof in lieu of formal proceedings with respect to any interest in the Premises or this Lease (any of the foregoing powers being a "**Taking**") without first providing at least sixty (60) days' prior written notice to the other party, and the other party's Leasehold Mortgagee or Fee Mortgagee, as applicable (the "**Mortgagee**"), of any request or intention to do so. For the purposes of this **Article 14**, all amounts paid pursuant to any agreement with any Taking Authority that has been made in settlement of or under threat of any Taking proceeding affecting the Premises shall be deemed to constitute an award made in such proceeding and shall be disbursed in accordance with **Section 14.4** hereof.

14.2 Total Taking. In the event of a Taking of all or substantially all of the Premises for the remainder of the Term of this Lease or of all or substantially all of Tenant's interest in this Lease, this Lease shall terminate as of the effective date of such Taking, and Rent and Additional Rent for the remainder of the Term shall be prorated as of such date. Awards received as a result of such a Taking shall be disbursed in accordance with **Section 14.4** below.

#### 14.3 Partial Taking.

14.3.1. Termination. In the event of a permanent Taking (i) of any part of the aggregate floor area contained in all buildings then located on the Premises, (ii) which reduces by more than fifty percent (50%) the number of parking spaces located on the Premises or which reduces the number of parking spaces so as to render the Premises nonconforming with Legal Requirements, or (iii) which closes all reasonable means of access to the Premises, then Tenant may, in its sole and absolute discretion, elect to terminate this Lease. Such termination shall be effected by written notice to Landlord (the "**Termination Notice**"), given within one hundred twenty (120) days after the effective date of the Taking or the date the award of damages to Tenant as a result of such Taking is finally determined. as the case may be (the "**Termination Date**"). Such termination shall be



effective as of the date specified for termination in Tenant's Termination Notice, and Rent and Additional Rent for the remainder of the Term of this Lease shall be pro rated as of the effective date of such termination. All awards received as a result of a partial Taking as described in this **Section 14.3** shall be disbursed in accordance with **Section 14.4** hereof.

14.3.2. Rent Abatement. In the event of a permanent Taking that does not result in a termination of this Lease, the amounts upon which Rent are determined hereunder shall be reduced by multiplying the same by a fraction (the "**Taking Fraction**") the numerator of which is the fair market value of the Premises remaining immediately after the effective date of the Taking and the denominator of which is the fair market value of the Premises immediately prior to the effective date of the Taking; provide, however that in the event the Rent is reduced by more than fifteen percent (15%), Landlord shall have the right to terminate this Lease by written notice to Tenant.

14.4 Awards. Any award for a Taking (but not for a temporary Taking which shall be covered by **Section 14.6** hereof) shall be paid to the Taking Depository and the Taking Depository shall pay out the award as follows: Tenant shall be entitled to the portion of the award allocable to the value of Tenant's Improvements and Landlord shall be entitled to the remainder of such. To the extent not included in any such award and provided the same does not constitute a set off of Landlord's award for the taking of the applicable portion of the Property, Tenant may make a separate claim for an award (i) made with respect to a taking of its trade fixtures or Tenant's Equipment, and/or (ii) made with respect to Tenant's removal, remodeling or relocation costs, damages to Tenant's personal property, any special damages of Tenant, or loss of Tenant's business profits or goodwill.

14.5 Notice of Action. In the event that any Taking action is filed by any Taking Authority, or in the event that any Taking action is threatened in writing or any Taking Authority communicates in writing to Landlord or Tenant its desire to acquire any interest in the Premises or this Lease by a voluntary conveyance or transfer in lieu of condemnation, the party receiving such communication shall give prompt notice thereof to the other party and to such party's Mortgagee. Landlord, Tenant and any Mortgagee shall each have the right, at its own cost and expense, to represent its respective interest in each proceeding, negotiation or settlement with respect to any Taking or threatened Taking and to make full proof of its claims. No agreement, settlement, conveyance or transfer to or with the Taking Authority shall be made without the consent of Landlord and Tenant, such consent to not be unreasonably withheld.

14.6 Temporary Taking.

14.6.1. As used herein, the phrase "**Temporary Taking**" shall mean a Taking that is effective for not more than one year. As used herein, the phrase "**permanent Taking**" shall mean a condemnation that is effective for more than one year.

14.6.2. If there shall be a temporary Taking of the whole or any part of the Premises or the Improvements thereon or the appurtenances thereto, the term of this Lease shall not be affected in any way and Tenant shall continue to pay in full the Rent and Additional Rent, and other sum or sums of money and charges herein provided to be paid by Tenant, and

the entire award for such Taking shall be paid to the Depository, to be applied and disposed of as hereafter provided in this **Section 14.6**. The Depository shall pay to Tenant that portion of said award paid for use and occupancy of the Premises during any period prior to the expiration of the Term of this Lease and shall pay to Landlord any portion of said award paid for use and occupancy of the Premises following expiration of the Term of this Lease. That portion of such award which represents physical damage to the Premises or Tenant's Improvements or appurtenances thereto occasioned by such Taking or for loss of business incurred by Tenant shall be paid by the Depository to Tenant and any remaining portion of the award shall be paid to Landlord.

#### **ARTICLE XV: HAZARDOUS SUBSTANCES; MONITORING WELLS**

15.1 Tenant's Obligations. Except in compliance with Environmental Laws and provided that such Hazardous Substances are maintained in proper containers and are reasonably necessary in the ordinary course of the operations and maintenance of the uses being made of the Premises at any given time, neither Tenant nor any Tenant Party shall use, store, manufacture, or release, or permit the use, storage, manufacture or release of, Hazardous Substances in or at the Premises. In the event of a Release of Hazardous Substances in, on, under or above the Premises that occurs during the Term, other than to the extent the same was caused by the acts or omissions of Landlord or a Landlord Party, Tenant shall undertake the Remediation thereof (in the context of this **Section 15.1, "Tenant Remediation"**) at its sole cost and expense. Tenant's Remediation shall include, without limitation, Remediation as a result of the presence of friable asbestos or lead paint discovered due to the demolition of the Existing Improvements.

15.2 Tenant's Indemnification. Tenant shall indemnify, protect, defend and hold Landlord and any Landlord Party forever harmless from and against any and all loss, claims (including bodily injury, property damage, and claims seeking payment for or performance of remediation), actions, judgments, liabilities, liens, damages, penalties, fines, costs and expenses, including, without limitation, reasonable attorneys' fees, costs of defense and expert/consultant fees, and costs of assessment, containment and clean-up, asserted against, imposed on, or suffered or incurred by Landlord or any Landlord Party (or the Premises) arising out of or in connection with any Release of Hazardous Substances by Tenant, its predecessors, successors and assigns (other than to the extent the same was caused by the acts or omissions of Landlord or a Landlord Party); including any consequential or special damages resulting therefrom.

15.3 Definitions. For purposes of this Lease:

(a) The term "**Environmental Law**" shall mean any federal, state, county, municipal, local or other statute, ordinance or regulation which relates to or deals with the protection of the environment and/or human health from the release of Hazardous Substances, including all regulations promulgated by a regulatory body pursuant to any such statute, ordinance, or regulation, including, the Comprehensive Environmental Response and Liability Act of 1980 (CERCLA), as amended, 42 U.S.C. § 9601 et seq., the Resource Conservation and Recovery Act (RCRA), as amended, 42 U.S.C. § 6901 et seq., the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251 et seq., and the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.; Toxic Substances Control Act of 1976, 15 U.S.C. § 2601 et seq.; Hazardous Materials

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Transportation Act, 49 U.S.C. App. § 1808 et seq.; Oil Pollution Act of 1990, 33 U.S.C. § 2701 et seq.; Emergency Planning and Community Right-to-Know Act of 1986, 42. U.S.C. § 11001 et seq.; Massachusetts Oil and Hazardous Materials Release, Prevention and Response Act, G.L. c. 21E et seq.; Massachusetts Hazardous Waste Management Act, G.L. c. 21C et seq.; each as the same may be amended from time to time.

(b) The term "**Hazardous Substance**" shall mean and refer to asbestos, urea formaldehyde, polychlorinated biphenyls, nuclear fuel or materials, radioactive materials, explosives, known carcinogens, petroleum products and by-products (including crude oil or any fraction thereof), and any pollutant, contaminant, chemical, material or substance defined as hazardous or as a pollutant or a contaminant in, or the use, manufacture, generation, storage, treatment, transportation, release or disposal of which is regulated by, any Environmental Law.

(c) The term "**Release**" shall mean and refer to any spilling, leaking, pumping, pouring, emptying, discharging, injecting, escaping, leaching, dumping or disposing into the environment, including, without limitation, the abandonment or discarding of barrels, drums, containers, tanks, or other receptacles containing or previously containing any Hazardous Substance.

(d) The term "**Remediation**" shall mean, with respect to a Release of Hazardous Substances in, on, under or above the Premises, conducting such site assessments, taking such actions required for containment thereof and preparing and implementing such remediation plan as shall be necessary for the clean-up thereof to the extent required by and in compliance with all applicable Legal Requirements and Environmental Laws, which plan shall include a schedule for the completion of each phase of the clean-up.

15.4 Landlord agrees to remain responsible for on-going testing required by the Massachusetts Department of Environmental Protection from monitoring wells that are currently installed on the Premises.

#### **ARTICLE XVI: SUBORDINATION TO FEE MORTGAGE AND ESTOPPEL**

16.1 Priority of Lease. Provided Landlord delivers a non-disturbance agreement from a Holder (as defined below), Tenant agrees that this Lease shall be subordinate to any mortgage or similar encumbrance (collectively, a "**Fee Mortgage**", and the holder thereof from time to time the "**Holder**") from time to time encumbering the Premises, whether executed and delivered prior to or subsequent to the date of this Lease, unless the Holder shall elect otherwise. If this Lease is subordinate to any Mortgage and the Holder or any other party claiming by, through or under Holder shall succeed to the interest of Landlord (such Holder or other party claiming by, through or under Holder, a "**Successor**"), at the election of the Successor, Tenant shall attorn to the Successor, and this Lease shall continue in full force and effect between the Successor and Tenant subject to Section 16.3 below. Not more than fifteen (15) days after receipt of a written request from Landlord or a Holder, Tenant agrees to execute and deliver to Landlord such instruments of subordination or attornment in confirmation of the foregoing agreement as the Holder reasonably may request provided such instrument contains commercially reasonable non-

disturbance protections for the benefit of Tenant.

16.2 Notices. Tenant shall give any holder of a Fee Mortgage (including its successors or assigns, a "Fee Mortgagee") of which Landlord has given Tenant notice of the Fee Mortgagee's name and address the same notices hereunder as are given to Landlord concurrently with the notice to Landlord and no Fee Mortgagee shall be bound by any notice given from Tenant to Landlord hereunder unless and until such notice has been delivered to the Fee Mortgagee.

16.3 Fee Mortgagee's Rights and Obligations. Tenant agrees that if any Fee Mortgagee shall foreclose on its Fee Mortgage or if the Fee Mortgagee shall have recorded a deed from Landlord in lieu of foreclosure, then:

(a) the liability of the Fee Mortgagee for the obligations of Landlord hereunder shall exist only so long as such Fee Mortgagee is the owner of the Premises, and such liability shall not continue or survive after further transfer of ownership, except for claims accruing during the period of such ownership;

(b) such Fee Mortgagee shall not be (i) liable for any act or omission of any prior lessor under this Lease, (ii) liable for the performance of Landlord's covenants pursuant to the provisions of this Lease that arise or accrue prior to such entity succeeding to the interest of Landlord under this Lease or acquiring possession, (iii) subject to any offsets or defense that Tenant may have at any time against Landlord, (iv) bound by any Rent or Additional Rent which Tenant may have paid more than six (6) months in advance, except to the extent expressly agreed to by said Fee Mortgagee prior to foreclosure, or (v) liable for the performance of any covenant of Landlord under this Lease that is legally capable of performance only by the original Landlord; and

(c) Tenant shall attorn to and recognize the Fee Mortgagee as its landlord under this Lease, as if the Fee Mortgagee were originally the Landlord hereunder.

16.4 Within ten (10) days following request from Landlord or any existing or prospective Holder, Tenant shall deliver to Landlord a certificate executed and acknowledged by Tenant, (a) stating the Lease Commencement Date and the date of expiration of the Term, and that this Lease is then in full force and effect and has not been modified (or if modified, setting forth all modifications), (b) setting forth the date to which Base Rent and any Additional Rent have been paid, together with the amount of monthly Base Rent and Additional Rent then payable, (c) stating whether or not, Landlord is in default under this Lease, and, if Landlord is in default, setting forth the specific nature of all such defaults, (d) stating whether there have been any transfers under Article IX, (e) stating the address of Tenant to which all notices and communications under the Lease shall be sent, and (f) responding to any other matters reasonably requested. Tenant acknowledges that any certificate delivered pursuant to this Section 16.4 may be relied upon by any purchaser or owner of the Premises, or all or any portion of Landlord's interest therein, or by any Holder, or assignee thereof.

16.5 Within ten (10) days following request from Tenant or any existing or prospective Leasehold Mortgagee or Subtenant, Landlord shall deliver to Tenant a certificate executed and



acknowledged by Tenant, (a) stating the Lease Commencement Date and the date of expiration of the Term, and that this Lease is then in full force and effect and has not been modified (or if modified, setting forth all modifications), (b) setting forth the date to which Base Rent and any Additional Rent have been paid, together with the amount of monthly Base Rent and Additional Rent then payable, (c) stating whether or not, Tenant is in default under this Lease, and, if Tenant is in default, setting forth the specific nature of all such defaults, (d) stating whether there have been any transfers under Article IX, (e) stating the address of Landlord to which all notices and communications under the Lease shall be sent, and (f) responding to any other matters reasonably requested. Landlord acknowledges that any certificate delivered pursuant to this Section 16.5 may be relied upon by any Subtenant of the Premises therein, or by any Leasehold Mortgagee, or assignee thereof.

#### **ARTICLE XVII: RESERVED RIGHTS AND EASEMENTS**

17.1. Landlord reserves the right to construct, install, operate, maintain, repair and replace lines and other transmission facilities and appurtenances for electricity, telephone, water, sewers, drainage and any other services and utilities over, across and under the Premises, and further reserves the right to grant such additional easements, appurtenances, setbacks and rights of access as from time to time appear to Landlord to be necessary or expedient, provided that such additional grants do not unreasonably and materially interfere with the operation of Tenant's business.

17.2. Landlord, for itself, and for its tenants, and their invitees, customers, licensees, agents, employees and any persons having business with them, and their successors and assigns (collectively, the "Beneficiaries"), shall have common rights of travel over the parking areas, driveways, sidewalks, entrances and exits over and upon the Premises.

17.3 Landlord may enter the Premises (i) to exercise any rights granted or reserved hereunder, (ii) to inspect the Premises or (iii) to show the same to existing or prospective lenders, investors, purchasers, or tenant (and their representatives and agents). Except with respect to entry under subsection (i), Landlord shall provide Tenant with reasonable prior notice of entry and in all events such entry shall occur during Tenant's regular business hours.

#### **ARTICLE XVIII: OPTION TO PURCHASE**

18.01 Tenant hereby grants to Landlord the exclusive right and option (the "Option") to purchase from Tenant all of Tenant's right, title and interest in and to this Lease pursuant and subject to all of the terms and conditions herein contained for a price equal to Two Hundred Thousand (\$200,000.00) Dollars. The effective period for exercise of the Option (the "Option Period") shall begin on the 10<sup>th</sup> anniversary of the Lease Commencement Date and end on the 15<sup>th</sup> anniversary of the Lease Commencement Date. If the Lease is extended by the Tenant in accordance with the terms of Article II.2.2, then after the 15<sup>th</sup> anniversary of the Lease Commencement Date, the option price shall be \$1.00.

18.02. The Option shall be exercised by Tenant's written notice thereof to Landlord given within the Option Period and given at Tenant's sole election. On the Closing Date (as defined



herein), Landlord and Tenant shall execute and deliver (such event being the "Closing") an assignment of this Lease and an assignment of any applicable subleases and a general release of claims by and between Landlord and Tenant. On the Closing Date, all payments to the Landlord pursuant to this Lease shall cease.

18.03. The Closing shall occur on the sixtieth (60<sup>th</sup>) day following the date of Tenant's exercise of the Option (the "Closing Date" or "Closing").

18.04. The Closing shall occur at 12:00 noon on the Closing Date, at the offices of Tenant's counsel or such other time and place upon which the parties shall mutually agree.

18.05. If Landlord exercises the Option, then on the Closing Date Tenant shall assign good clear and marketable title to this Lease, subject to all existing subleases, but free of any Leasehold Mortgage and other liens and encumbrances created by Tenant, to Landlord, and shall provide a Bill of Sale conveying all of Tenant's right, title and interest to the Improvements to Landlord.

18.06. If at the time of the Closing, Tenant shall be unable to give title to permit Landlord in a manner that permits Landlord to obtain a policy of title insurance insuring the leasehold title to the Property all as herein stipulated, then the Closing Date shall be extended for twenty-one (21) days and during such extension period Tenant shall remove any defects in title, or deliver possession as provided herein, or make the Property conform to the provisions hereof, as the case may be.

18.07 The Tenant shall only be entitled to its rights under this Option if the Tenant is in good standing under this Lease, with no defaults outstanding, unless waived by the Landlord, which waiver may be withheld in the Landlord's sole and absolute discretion.

#### **ARTICLE XIX: MISCELLANEOUS**

19.1 Notice. All notices, demands and requests required or permitted to be given under this Lease must be in writing and shall be deemed to have been given as of the date such notice is (i) delivered to the party intended, (ii) delivered to the then designated address of the party intended or (iii) rejected at the then designated address of the party intended, provided such notice was sent prepaid. The initial addresses of the parties shall be:

If to Landlord, at

Estate of Cornelius J. Lucey, Jr.  
c/o Daniel Lucey  
10 Pullman Street  
Worcester, MA 01630

With a copy to:

Fletcher Tilton PC  
370 Main Street, 11<sup>th</sup> Floor  
Worcester, MA 01608

Attn: Todd E. Brodeur, Esq.

If to Tenant, at

West End Realty Group, LLC  
82 Broad Street #397  
Boston, MA 02110

with a copy to:

Smith, Segal & Ruddock  
50 Congress Street, Suite 500  
Boston, MA 02109  
Attn: James E. Smith, Esq.

Upon at least ten (10) days' prior written notice, each party shall have the right to change its address to any other address (or the address of any party to whom copies are to be sent) within the United States of America.

19.2 Effect of Lease. Except as set forth in Section 9.4, Landlord and Tenant may consider, approve or disapprove any proposed amendment to this Lease in their respective sole and absolute discretion without regard to reasonableness. This Lease shall be binding upon, inure to the benefit of, and be enforceable by Landlord and Tenant, and their respective successors and permitted assigns. This Lease shall not be construed strictly for or against either Landlord or Tenant. Time is declared to be of the essence of this Lease. No third party beneficiary rights are created by this Lease.

19.3 Entire Agreement. This Lease constitutes the entire agreement between the parties relating to the leasing of the Premises. Any prior negotiations, correspondence, memoranda or agreements are superseded in total by this Lease and the exhibits attached hereto.

19.4 Headings. The Article headings contained in this Lease are for purposes of reference only and shall not limit or define the meaning of any of the terms or provisions hereof.

19.5 Governing Law. This Lease shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts.

19.6 Costs. Whenever, in this Lease, anything is to be done or performed by Tenant or Landlord, unless otherwise expressly provided to the contrary, it shall be done or performed at the sole cost and expense of Tenant or Landlord as the case may be.

19.7 Force Majeure. Whenever performance is required of any party hereunder such party shall use all due diligence to perform and take all necessary measures in good faith to perform; *provided, however,* that if completion of performance shall be delayed at any time by reason of acts of God, significant variations from normal weather conditions reasonably expected during the period in

question, war, civil commotion, acts of terrorism, riots, strikes, picketing, or other labor disputes, unavailability of labor or materials or damage to work in progress by reason of fire or other casualty or causes beyond the reasonable control of a party (other than financial reasons), then the time for performance as herein specified shall be appropriately extended by the time of the delay actually caused. The provisions of this **Section 19.7** shall not operate to excuse any party from the prompt payment of any monies required by this Lease.

19.8 Brokers. Tenant and Landlord represent and warrant to each other that neither has had any dealings or discussions with any broker or agent, licensed or otherwise) in connection with this Lease other than Northeast Real Estate. Landlord and Tenant each covenants to protect, defend, hold harmless and indemnify the other from and against any and all losses, liabilities, damages, costs and expenses (including reasonable legal fees) arising out of or in connection with any claim by any brokers or agents for brokerage commissions relating to this Lease alleged to be due because of dealings or discussions with the indemnifying party.

19.9 Commercial Obligations. Except as may be otherwise expressly set forth in this Lease, (i) whenever under this Lease provision is made for either party's securing the consent, permission or approval of the other party, such consent or approval shall be in writing and shall not be unreasonably withheld, delayed or conditioned and (ii) in all matters contained herein, both parties shall have an implied obligation of reasonableness.

19.10 Landlord's Liability. Any particular Landlord shall only be liable for the performance of the covenants and obligations of Landlord accruing under this Lease during the period of Landlord's ownership of the Premises, Tenant agreeing that after the effective date of any transfer of Landlord's interest under this Lease, Tenant shall look solely to Landlord's successor in interest for performance of Landlord's covenants and obligations thereafter accruing. None of the persons comprising Landlord (whether partners, shareholders, officers, directors, members, trustees, employees, beneficiaries or otherwise) shall ever be personally liable for any judgment obtained against Landlord. In the event of a default by Landlord, Tenant agrees to look solely to Landlord's interest in the Premises and any improvements thereon.


19.11 Counterparts. This Lease may be signed in counterparts, each of which shall be deemed an original and all of which when taken together shall constitute one instrument.

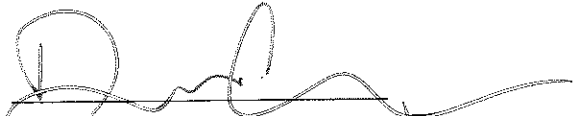
19.12 No Merger. There shall be no merger of the leasehold estate created by this Lease with the fee estate in the Premises by reason of the fact that the same person or entity may own or hold (a) the leasehold estate created by this Lease or any interest in such leasehold estate, and (b) the fee estate in the Premises or any interest in such fee estate; and no such merger shall occur unless and until all persons, corporations, firms and other entities having (a) any interest in this Lease or the leasehold estate created by this Lease (excluding subtenants but including any Leasehold Mortgage), and (b) any fee simple interest in the Premises or any part thereof, shall join in a written instrument effecting such merger and shall duly record the same.

19.13 Drafting. Each party has cooperated in the drafting and preparation of this Agreement and, therefore, in any construction to be made of this Agreement, the same shall not be construed against either party.


IN WITNESS WHEREOF, the parties hereto have executed these presents as of the day and year first above written.

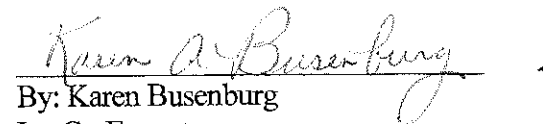
Witness or Attest:

  
DUNCAN CAMERON

  
DUNCAN CAMERON


Landlord:  
Estate of Cornelius J. Lucey, Jr., by its Co-Executors, Daniel J. Lucey and Karen Busenburg

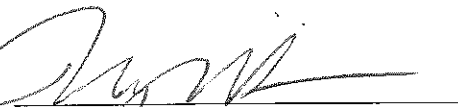
  
By: Daniel Lucey  
Its: Co-Executor

  
By: Karen Busenburg  
Its: Co-Executor

Tenant:

West End Realty Group, LLC

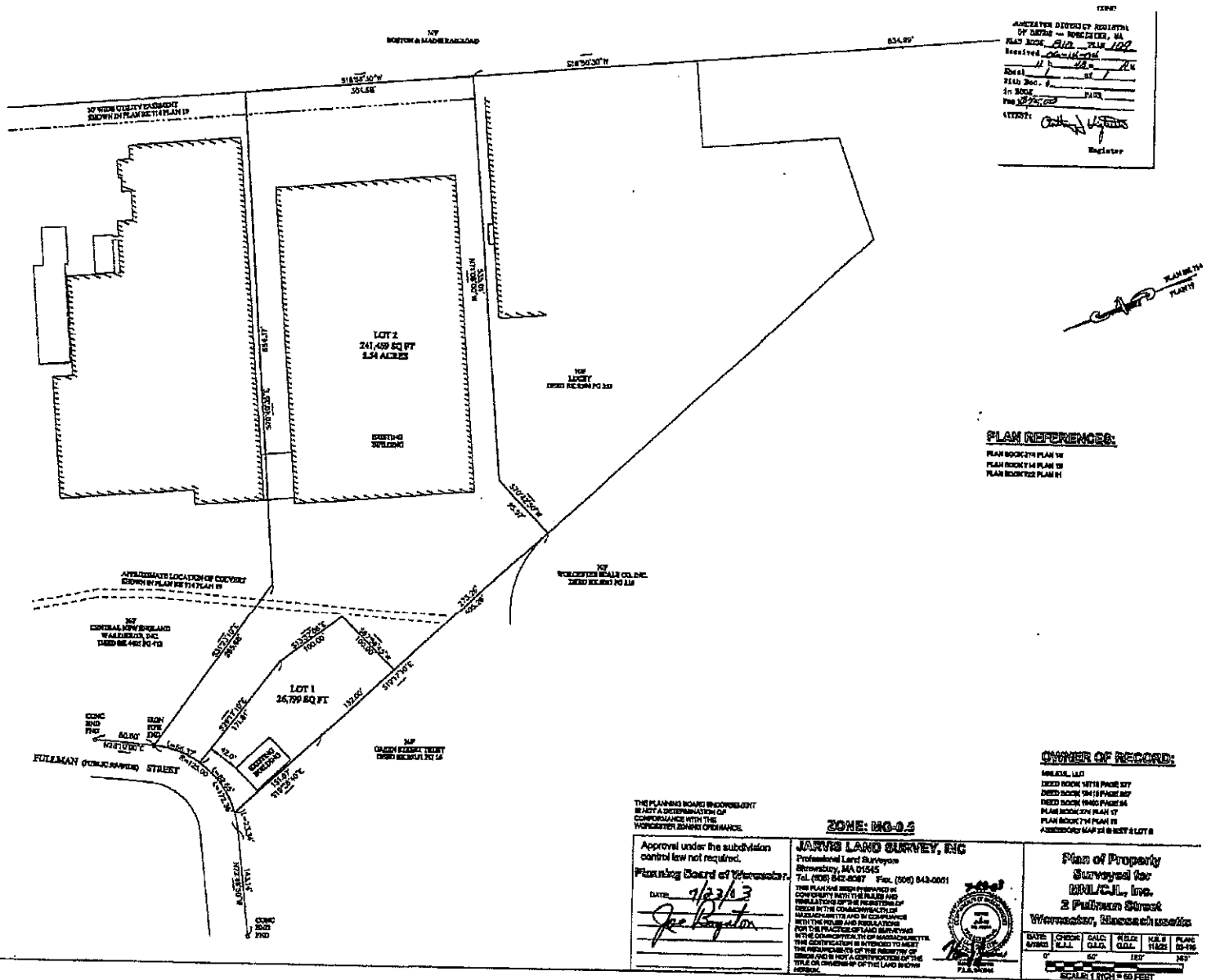
  
DUNCAN CAMERON

  
By: Matthew J. Huron  
Its: Manager

# EXHIBIT LIST

Exhibit A:

Legal Description of the Property





Dated November 16, 2013.

*DL*

The undersigned, Daniel Lucy, owner of the property located at 6 Pullman St. Worcester, MA 01606, hereby agrees to permit the sub-lease of the property from the current Lessee, West End Realty Group LLC, to the Sub-lessee, Good Chemistry of Massachusetts, Inc.

*Daniel J. Lucy*

## GROUND LEASE

This Ground Lease (hereinafter called "Lease") is made and entered into as of the 19<sup>th</sup> day of November, 2013 by and between **WEST END REALTY GROUP, LLC**, , a Massachusetts limited liability company with an address of 82 Broad Street, #397, Boston, MA 02110 ("Landlord") and **GOOD CHEMISTRY OF MASSACHUSETTS, INC.**, a Massachusetts corporation with an address of 50 Congress Street, Suite 500, Boston, MA 02109 ("Tenant").

### RECITALS

This Lease is entered into upon the basis of the following facts, understandings and intentions of Landlord and Tenant:

Whereas, Landlord is the owner of certain parcels of land situated in Worcester County, Massachusetts, known commonly as 6 Pullman Street and shown as Lot 2 on the plan attached hereto as **Exhibit A** attached hereto and made a part hereof, and the buildings, structures, parking areas, improvements and fixtures now located thereon, (collectively the "Property" or sometimes referred to as "Premises"); and

Whereas, Landlord and Tenant desire to enter into a leasing arrangement for the term and at the rental price herein set forth; and

NOW, THEREFORE, Landlord and Tenant, each for itself, its successors and assigns, do hereby agree to perform all of the terms, covenants, conditions and agreements herein provided to be kept and performed by Landlord and Tenant, respectively.

### ARTICLE I: DEFINITIONS

1.1. Definitions. The terms defined below shall, have the meanings specified, unless the context clearly indicates otherwise:

**"Default Rate"** shall mean ten (10%) percent per annum.

**"Existing Improvements"** shall mean the currently existing commercial building of approximately 22,500 square feet and its appurtenances located on the Premises and owned by Landlord.

**"Extension Term"** shall be as defined in **Section 2.2.3.**

**"Improvements"** shall mean the Existing Improvements and the Tenant's Improvements.

**"Lease"** shall mean this Ground Lease, including the following Exhibits attached hereto and made a part hereof:

Exhibit A:

Plan of Property Surveyed for MNL/CJL, Inc., by Jarvis Land Survey, Inc., dated June 6, 2003 and recorded in the Worcester District Registry of Deeds at Plan Book 810, Plan 109 (the "Plan")

**"Lease Commencement Date"** shall be as defined in **Section 2.2.1.**

**"Legal Requirements"** shall mean all laws, ordinances, rules, regulations, statutes, bylaws, court decisions and orders and requirements of all public authorities which are applicable to the Premises or any Improvements.

**"Premises"** shall mean the Property as shown on the Plan as Lot 2, together with all rights, benefits, easements, appurtenances and hereditaments attaching, belonging or pertaining thereto and all buildings, structures and improvements now or hereafter from time to time located thereon, including but not limited to the Existing Improvements and the Tenant's Improvements.

**"Property"** shall be defined in the Recitals.

**"Rent"** shall be as defined in **Section 3.1.**

**"Landlord's Reserved Rights"** shall be defined as in Article XVII.

**"Tenant's Equipment"** shall mean any items of movable machinery, trade fixtures, furniture, furnishings, equipment, counters, shelving, show cases or other personal property that are capable of being moved without substantial damage to the Premises, whether or not attached to any building or other improvement, and any freestanding sign and/or sign panel attached to any freestanding sign, to the extent any of the same were installed by Tenant or any permitted Subtenant.

**"Tenant's Improvements"** shall mean all buildings, landscaping, driveways, parking areas, sidewalks and other improvements (excluding Tenant's Equipment) that from time to time are placed, constructed or located by Tenant upon the Premises beginning on the Lease Commencement Date and continuing throughout the Term of this Lease.

**"Term"** shall be as defined in **Article 2.**

**ARTICLE II: DEMISE AND TERM**

2.1. Demise. Landlord hereby demises and leases the Premises for the Term unto Tenant, and Tenant hereby takes and accepts the same from Landlord, upon the terms and conditions hereinafter set forth, in such "AS IS, WHERE IS" condition as exists as of the date of this Lease, without representation or warranty, express or implied, by Landlord or its agents, and subject to all easements, covenants, restrictions and other encumbrances in effect as of the date of this Lease.

2.2. Term.

2.2.1. Initial Term. TO HAVE AND TO HOLD the Premises for a period (the "**Initial Term**") commencing on the date hereof (the "**Lease Commencement Date**") and ending at 11:59 P.M. on the last day of the tenth (10<sup>th</sup>) full Lease Year thereafter. For purposes of this Lease, "**Term**" shall mean the Initial Term, and if exercised in strict accordance with the terms of Section 2.2.2 of this Lease, any applicable Extension Term (as herein defined), as the case may be. As used herein the term "**Lease Year**" shall mean each period of twelve (12) consecutive full calendar months commencing on the Commencement Date and each anniversary thereof, plus, in the case of the first Lease Year hereunder, the partial month, if any, next succeeding the Lease Commencement Date, *provided* that the term Lease Year shall include any partial Lease Year at the end of the Term as may be applicable.

2.2.2. Extension Terms.

(a) Provided Tenant is not then in default pursuant to the terms hereof, Tenant shall have the right, at its option, to extend the Term for up to two (2) consecutive periods of five (5) Lease Years each upon the same terms and conditions applicable during the Term then in effect, unless specifically indicated otherwise herein (each such 5 year period being herein an "**Extension Term**"). Tenant's option to extend the Term shall be deemed automatically exercised without the necessity of any further action by Landlord or Tenant, subject to all of the terms and conditions herein expressed (including without limitation clause (b) immediately below), and *provided* that Tenant may override such automatic extension by giving Landlord written notice thereof (a "**Termination Notice**") not later than the date (the "**Notice Date**") that is twelve (12) months prior to the last day of the Initial Term or Extension Term then in effect (the "**Natural Termination Date**"), and in such event the Term shall come to an end on the Natural Termination Date.

(b) At the request of either party, the parties shall execute a document in recordable form setting forth the status of the Tenant's extension rights under this Lease, in a form mutually agreeable to the parties. The exercise of an option for one Extension Term shall not imply the exercise of subsequent options. If this Lease is canceled or terminated by agreement of the parties or as otherwise provided herein prior to the expiration of the Initial Term or any Extension Term, then the end of the Term shall be on the date this Lease is so canceled or terminated.

2.3. Ground Lease. Tenant acknowledges that this is and shall for all purposes be considered a ground lease with Landlord retaining fee title ownership to the Property, including all rights and privileges relating thereto, but all Existing Improvements, Tenant's Equipment and Tenant's Improvements, subject to the terms of this Lease, are and shall remain the property of the Tenant.

2.4. Covenant of Quiet Enjoyment. Landlord covenants that, subject to Landlord's remedies under **Article XIII** below due to breach of this Lease by Tenant and subject to Article XVI below, Tenant and any permitted subtenants shall have and enjoy quiet and undisturbed possession of the Premises during the Term without hindrance or ejection by any act of Landlord or persons claiming under Landlord.

2.5 Lessee Right to Terminate. Lessee has the right to terminate this agreement upon determination of their total project expenses and construction timeline. Should the total project expenses exceed their business plan financial model and/or the construction time line exceed the operational date they require, Lessee has the right to terminate this agreement.

**ARTICLE III: PAYMENTS**

3.1. Rent. Tenant agrees to pay rent ("**Base Rent**") to Landlord, in advance, without demand, abatement, offset or deduction, except as otherwise specifically provided in this Lease or by a court of competent jurisdiction, at the address of Landlord set forth in **Section 17** below, or such other place as Landlord may by notice to Tenant from time to time direct, at the following rates and times:

<i>Period of Term</i>	<i>Annual Rent</i> <i>(per Lease Year)</i>	<i>Monthly Installment</i> <i>of Rent</i>
Lease Commencement Date through fifth (5 <sup>th</sup> ) full Lease Year	\$ 60,000.00	\$ 5,000.00
The commencement of the sixth (6 <sup>th</sup> ) full Lease Year through the tenth (10 <sup>th</sup> ) Lease Year	\$ 60,000.00	\$ 5,000.00
The commencement of the eleventh (11 <sup>th</sup> ) full Lease Year through the fifteenth (15 <sup>th</sup> ) Lease Year	\$60,000.00	\$5,000.00
The commencement of the sixtieth (16 <sup>th</sup> ) full Lease Year through the twentieth (20 <sup>th</sup> ) Lease Year	\$60,000.00	\$5,000.00

3.2. Rent During Extension Terms. The Base Rent to be paid during each Extension Term shall be the Base Rent as set forth above.

3.3. Payment of Rent. Monthly installments of Base Rent shall be payable on the first day of each month during the Term; *provided however*, if the Lease Commencement Date occurs on a day other than the first day of a calendar month, then that month's Rent shall be prorated on a daily basis and shall be paid on the Lease Commencement Date; and *provided, further*, that if the Lease Commencement Date occurs during the last five (5) days of a calendar month then Rent due on the Lease Commencement Date shall also include the monthly Rent for the first full calendar month following the Lease Commencement Date. Rent shall be prorated on a daily basis with respect to any partial calendar month subsequently occurring during the Term. The obligation to pay Base Rent shall not begin until one day after the Tenant receives a license from the Massachusetts Department of Public Health to operate a Registered Marijuana Dispensary.

3.4. Additional Rent. The rents reserved under this Lease (collectively, "Rent") shall consist of (i) Base Rent and (ii) all other sums as shall become due and payable by Tenant to Landlord under this Lease (such other sums being herein referred to collectively as "Additional Rent").

3.5. Net Lease.

3.5.1. This Lease shall be deemed and construed to be a "net lease" and Tenant shall pay to Landlord the Rent free of any charges, assessments, impositions or deductions of any kind and without abatement, deduction or setoff except as expressly set forth herein, and Landlord shall have no obligation to pay any Taxes (as defined in Section 5.1 hereof), insurance premiums, and expenses or undertake any obligations of any kind and nature whatsoever relating to the Premises and the Improvements which may arise or become due during or otherwise with respect to any period contained within the Term of the Lease except as expressly set forth herein.

3.5.2. Tenant covenants hereunder are independent of any Landlord covenants and Tenant shall not be entitled to quit, terminate or surrender this Lease, and shall not be relieved from its obligations to pay the Rent and Additional Rent nor from any of its other obligations under this Lease, by reason of (a) any prevention or curtailment of or interference with any use of the Premises, or any part thereof, for any purpose by any Legal Requirement or (b) any damage to or destruction or any taking of the Premises or any part thereof; except (i) for Landlord's breach of its covenant of quiet enjoyment under **Section 2.4** hereof or (ii) as otherwise provided in **Article XIV** hereof.

3.5.3 Tenant shall pay a Five Thousand Dollar (\$5,000.00) non-refundable deposit ("Deposit") with the execution of this Lease. The Landlord shall not be obligated to provide an executed copy of this Lease until the Deposit is presented to the Landlord. The Deposit shall be credited against the first month's Base Rent payment payable under the Lease.

#### ARTICLE IV: USE

4.1. Use. Tenant may use the Premises for any lawful purpose or for no purpose at all, but specifically Tenant is authorized, upon the terms and conditions of this Lease, to use the Premises for a Registered Marijuana Dispensary licensed by the Massachusetts Department of Public Health. Tenant assumes the risk of any Legal Requirements, either now in effect or hereafter enacted which shall prohibit or limit Tenant's contemplated use of the Premises.

4.2. No Operating Covenant; Recapture. Nothing contained in this Lease shall be deemed to impose upon Tenant, either directly, indirectly, constructively or implicitly, an obligation to construct improvements upon the Premises, open or operate for business, or remain open and operating for any period or in accordance with any operating schedule, procedure or method, all of which shall be within the sole and absolute discretion of Tenant.

4.4. Utility and Other Charges. During the Term, commencing on the Lease

Commencement Date, Tenant shall place all utilities serving the Demised Premises in its name and shall pay before the same become delinquent all charges for utilities or services furnished to or for the benefit of the Premises. Subject to Tenant's compliance with the limitations contained in Section 15.4 below, Tenant shall have no obligation to contribute to the costs of maintaining or operating the monitoring wells that are currently located on the Demised Premises and that are part of a Massachusetts Department of Environmental Protection matter. If Tenant shall fail to pay any utilities or services on or before the last day upon which the same may be paid without interest or penalties, then Landlord may pay the same, together with all interest and penalties lawfully imposed by the taxing authority upon the late payment thereof, and the amounts so paid shall, upon Landlord's notice to Tenant of Landlord's payment thereof, become immediately due and payable by Tenant to Landlord hereunder, along with interest on such amount at the Default Rate until paid to Landlord. Landlord agrees to cooperate with Tenant in connection with Tenant's application for any utilities services for the Premises, including without limitation, executing any necessary documents within fifteen (15) days of Tenant's written request therefor. Tenant shall be responsible for providing its own dumpster and obtaining its own trash removal on a regular basis from the Demised Premises as well as snow removal and landscaping.

#### ARTICLE V: TAXES

5.1. Definition. The term "**Taxes**" shall mean and include all *ad valorem* taxes and assessments (general or special) and charges, duties, impositions, license and permit fees, charges for public utilities of any kind, that accrue or have accrued with respect to the Premises, including the Tenant's Improvements and the Existing Improvements, and are payable during the Term. If Tenant's obligation to pay Taxes shall cover a period that is less than a full tax year, then such Taxes shall be prorated on a per diem basis. Tenant shall also pay all Taxes accruing with respect to the Premises and the Existing Improvements required to be paid for all periods prior to the Lease Commencement Date from any after the date of the Ground Lease. Landlord shall immediately provide to Tenant copies of each assessment or tax valuation notice received by Landlord affecting the Premises. Tenant may request the taxing authority to deliver all tax statements or copies thereof directly to Tenant provided same relates to all of the Premises. Tenant shall be entitled to negotiate directly with the taxing authority regarding the tax valuation of any portion of the Premises or Improvements upon the same terms and conditions for which Tenant may contest Taxes under **Section 5.6** below (including without limitation Landlord's reasonable cooperation and execution of documents in connection therewith).

5.2. Tax Statements and Tenant's Payments. Tenant shall pay all Taxes owed hereunder to Landlord as to real estate taxes and otherwise directly to the taxing authority before the same shall become delinquent, and Tenant shall deliver to Landlord evidence of Tenant's payment thereof. In the event any tax statement is not sent directly to Tenant, however, Tenant shall not be obligated to pay such taxes or any portion thereof, sooner than ten (10) days after Landlord shall have given Tenant notice thereof, and Landlord (and not Tenant) shall be liable for any penalties, interest or fees arising as a result of any late delivery to Tenant. Except as set forth in the preceding sentence, Tenant shall pay all interest and penalties imposed upon the late payment of any Taxes which it is obligated to pay hereunder.

5.3. Landlord's Payments. If Tenant shall fail to pay any Taxes on or before the last

day upon which the same may be paid without interest or penalties, then Landlord may pay the same, together with all interest and penalties lawfully imposed by the taxing authority upon the late payment thereof, and the amounts so paid shall, upon Landlord's notice to Tenant of Landlord's payment thereof, become immediately due and payable by Tenant to Landlord hereunder, along with interest on such amount at the Default Rate until paid to Landlord.

5.4. Exclusions. Notwithstanding anything to the contrary contained herein, "Taxes" shall not include Landlord's income, estate, succession, gift, inheritance, franchise, transfer, excise, profits, or similar taxes.

5.5. Installments. Where any Taxes are permitted by law to be paid in installments, Tenant may elect to pay such Taxes in installments as and when each such installment becomes due; *provided*, that Tenant shall only be liable for its share of those installments which actually are or should have been paid during the Term of this Lease on and after the Lease Commencement Date.

5.6. Tax Contests. Tenant may, if it shall so desire, contest the validity or amount of any Taxes, in whole or in part, or endeavor to obtain a reduction of the assessed valuation for the purposes of reducing the Taxes, by abatement proceedings or by any other appropriate proceeding commenced and conducted in good faith and pursued diligently. Nothing herein contained, however, shall be so construed as to allow a challenged Tax to remain unpaid for such length of time as shall permit the Premises or any part thereof to be sold by a governmental authority or other person for the non-payment of the same; and, if at any time it shall become necessary or proper so to do, Tenant shall pay the challenged Tax, or so much thereof as may be required to prevent the sale or forfeiture of the Premises, or any part thereof. Promptly upon the determination of any such contest, Tenant shall pay any amounts (including all penalties and interest that have accrued with respect to amounts payable by Tenant) due in respect of the challenged Tax, except that if the contested amount includes any amount payable by Landlord, Landlord shall remain liable for such amount, and, promptly upon such determination, Landlord shall pay such amount (including all penalties and interest that have accrued with respect to amounts payable by Landlord) to the extent not previously paid by Landlord. Landlord agrees to reasonably cooperate in any such contest, including without limitation executing any applications for abatement or other necessary documents, but in no event shall Landlord be obligated to incur any cost or expense in connection therewith. In furtherance thereof Landlord hereby grants to Tenant the right to execute, in Landlord's name, any and all applications for abatement or any other document necessary to contest a challenged Tax; provided copies of the same are delivered to Landlord at least five days before the same are filed. In the event that Tenant, in its sole and absolute discretion, determines that Landlord's actual signature is required on such application or other document, Landlord shall join in the execution of any such applications or documents within fifteen (15) days of Tenant's written request therefor provided the same is in form and substance reasonably acceptable to Landlord. Landlord shall not be required to incur any liability in connection with any challenged Tax, however, and Tenant shall promptly reimburse Landlord for any reasonable out-of-pocket expenses of Landlord in connection therewith. Except as otherwise provided herein, Tax refunds obtained pursuant to any contest conducted by Tenant shall be payable to Tenant, and Tenant is authorized to collect the same. Landlord shall be entitled to collect, and Tenant shall pay to Landlord, if Tenant collects the same, net of Tenant's reasonable expenses of obtaining such refunds, or portions thereof, any refunds, or portions thereof, attributable to Taxes or assessments previously paid by Landlord and not reimbursed by Tenant. If Landlord contests the



validity or amount of any Taxes and/or assessments covering the Premises, Tenant shall be entitled to collect, and Landlord shall pay to Tenant, if Landlord collects the same, net of Landlord's reasonable expenses of obtaining such refunds, or portions thereof, any refunds, or portions thereof, attributable to Taxes previously paid by Tenant. Notwithstanding the foregoing, deferral of Tenant's payment of Taxes and/or the contesting of the same may not subject Landlord or any agent, contractor, employee, or other party claiming its interest through Landlord (each a "**Landlord Party**") to any criminal prosecution.

## **ARTICLE VI: INSURANCE AND INDEMNITY**

6.1. Liability Insurance. At its sole cost and expense, Tenant shall maintain in full force and effect during the Term Commercial General Liability Insurance with a combined single limit of liability of not less than Two Million Dollars (\$2,000,000.00) for bodily injury, personal injury and property damage in or about the Premises, the Improvements, and the appurtenances thereto, arising out of any one occurrence, and if liquor will be offered for sale or for consumption from the Premises, either the general liability policy referenced above must include an endorsement that deletes the liquor liability exclusion, or coverage must be provided via stand-alone liquor liability insurance providing coverage of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. Landlord and, at the written request of Landlord, any Fee Mortgagee (as defined herein) as may be designated in said written request, shall be "additional insureds" under such policy. Such policy shall cover the entire premises including sidewalks and streets abutting thereon and shall provide for at least fifteen (15) days notice to Landlord before cancellation.

At each increase in the Base Rent, the foregoing amounts of coverage shall be adjusted to reflect increases in the commercial real estate industry with regard to operation of similar type properties.

6.2. Property Insurance.

6.2.1. During the Term, Tenant shall carry, or cause to be carried, at Tenant's sole cost and expense, property insurance coverage on all Improvements on the Premises, in the amount of not less than eighty (80%) percent of the full replacement cost thereof (excluding footings, foundations and excavations), and an amount sufficient to prevent Landlord or Tenant from becoming a co-insurer under such policies of insurance.

6.3. Insurance Proceeds. All proceeds of any insurance under this **Section 6** shall be the exclusive property of Tenant.

6.4. General Insurance Requirements. All insurance required by this **Article VI** shall be written on a per occurrence basis and procured from companies rated by A.M. Best (or its successor or a comparable insurance company rating service) not less than A- (or a successor or comparable rating if A.M. Best's current rating system is no longer in effect), which companies are authorized to do business in The Commonwealth of Massachusetts. Tenant agrees to furnish Landlord written proof of insurance evidencing that the insurance required to be carried by Tenant is in full force and effect on or before each anniversary of the Lease Commencement Date. All such insurance may be carried under so-called blanket policies covering one or more other properties owned by or managed by

Tenant or any of its affiliates, provided that any blanket policies shall provide that the amount of coverage for the losses required to be insured against hereunder shall be separately stated, and that such insurance coverage shall give to Landlord and Landlord's mortgagees, if any, no less protection than that which would be afforded by separate policies. All policies of insurance required to be maintained by Tenant hereunder shall waive any rights of subrogation or otherwise against Landlord, notwithstanding any negligent act or failure to act by Landlord or Landlord's agents or employees. To the extent Landlord may elect (in its sole discretion) to maintain any insurance policies relating to the Premises in its own name then any such policies of insurance shall waive any rights of subrogation or otherwise against Tenant, notwithstanding any negligent act or failure to act by Tenant or Tenant's agents or employees. Tenant shall comply with the terms of all insurance policies required to be provided by it under this Lease.

6.5. Landlord's Remedy. If Tenant shall fail to provide the insurance policies or evidence of insurance required herein and such failure shall continue for more than fifteen (15) days after Landlord's written notice to Tenant thereof, Landlord may obtain such policies as the agent of Tenant, running for a period not exceeding one (1) year under any one policy; and the amount of the premium or premiums paid for such insurance by Landlord, net of any refund to Landlord on account of Tenant's subsequent procurement of the required insurance policy, shall be paid by Tenant to Landlord as Additional Rent upon demand; and Landlord shall not be limited in the proof of any damages which Landlord may claim against Tenant arising out of or by reason of Tenant's failure to provide and keep in force insurance policies as aforesaid, to the amount of the insurance premium or premiums not paid or incurred by Tenant which would have been payable upon such insurance, but shall also be entitled to recover as damages for such breach, the uninsured amount of any loss, liability, damage, claims, costs and expenses of suit, judgments and interest, and reasonable attorneys' fees suffered or incurred by Landlord (exclusive of consequential or special damages).

6.6. Indemnification.

6.6.1. Tenant's Waiver and Indemnity.

(a) Tenant agrees that Landlord shall not be liable for any injury or damage to any property or to any person happening on, in or about the Premises, or for any injury or damage to the Premises, or to any property by reason of any defect in the Premises, or which may result from steam, gas, electricity, water, rain or sewer, or any defect in any engines, boilers, elevators, escalators, machinery, electric wiring or fixtures, or for any failure or defect of water, heat, electric light or power supply or for any kind of injury or damage which may arise from any other cause whatsoever on the Premises, including defects in construction, latent or otherwise; *provided, however*, the foregoing obligation shall not apply to claims or demands to the extent caused by the negligence or willful act or omission of Landlord or any Landlord Party.

(b) Tenant further agrees to defend, protect, indemnify and hold harmless Landlord from and against all claims or demands, including, without limitation, any action or proceedings brought thereon, and all costs, losses, expenses and liabilities of any kind relating thereto, including reasonable attorneys' fees and costs of suits, arising out of or resulting from (i) the injury to or death of any person, or damage to the property of any person located on the Premises and occurring during the Term or (ii) claims of any kind and nature in connection with the possession,

use or operation of the Premises the Improvements or the appurtenances to the Premises during the Term by the Tenant or any agent, contractor, employee, or other party claiming its interest through Tenant (each a "**Tenant Party**") or any other person, or arising out of Tenant's failure to timely perform each term, covenant, condition and agreement herein provided to be complied with by Tenant occurring, from and after the Lease Commencement Date; *provided, however*, the foregoing obligation shall not apply to claims or demands to the extent caused by the gross negligence or willful act or omission of Landlord or any agent, employee, contractor or any other party taking interest through the Landlord.

6.6.2. Claims. Each party shall promptly notify the other party of any claim asserted against the first party with respect to which the first party is indemnified against by the second party as provided above in this Lease and the party giving such notice shall promptly deliver to the other party the original or a true copy of any summons of process, pleading or notice issued or served in any suit or other proceeding to assert or enforce any such claim. The party so notified of any such claim shall defend any such suit at its sole cost and expense with attorneys of its own selection, but the party so indemnified shall have the right, if it sees fit, to participate in such defense at its own expense.

#### ARTICLE VII: LIENS

7.1. Liens. Notice is hereby given that Landlord shall not be liable for any work performed on or for any materials delivered to the Premises for Tenant or any subtenant and that no mechanics', materialmen's, or other lien for such work or materials shall attach to the reversionary interest of Landlord in the Premises. In the event any lien is filed against the Premises or any appurtenances thereto as a result of services performed or materials furnished for the use of Tenant or Tenant's subtenants, occupants or other persons claiming under Tenant or any failure of any such parties to comply with applicable law, Tenant shall cause such lien to be discharged within twenty (20) days after recording of the same and written notice of such recordings is provided to the Tenant. Notwithstanding the foregoing, upon request of Landlord, Tenant agrees within ten (10) days to cause such lien to be released and discharged of record, either by paying the indebtedness which gave rise to such lien or by posting bond or other security as shall be required by law to obtain such release and discharge. If Tenant shall fail to so cause such lien to be discharged or bonded against or properly insured over within such 10-day period, then, in addition to any other right or remedy, Landlord may, but shall not be obligated to, (i) discharge the same either by paying the amounts claimed to be due or by procuring the discharge of such lien from the Premises by bonding proceedings or other legal proceedings or (ii) obtain affirmative title insurance coverage by a title insurance company acceptable to the Tenant. Any amount so paid and all costs and expenses incurred in connection with any exercise of the above rights, together with interest thereon at the Default Rate from the respective dates of the payment or incurring of the cost and expense pursuant thereto, shall constitute an obligation of Tenant and shall be paid by Tenant to Landlord on demand. Nothing herein shall prevent Tenant from contesting the validity of the lien in any manner it chooses so long as such contest is pursued with reasonable diligence. In the event such contest is determined adversely (allowing for appeal to the highest appellate court), Tenant shall promptly pay in full the required amount, together with any interest, penalties, costs, or other charges necessary to release such lien. Tenant agrees to defend, protect, indemnify and hold harmless Landlord from and against all claims and demands, including any action or proceeding brought thereon, and all costs,

losses, expenses and liabilities of any kind relating thereto, including reasonable attorneys' fees and costs of suit, arising out of or resulting from such lien

**ARTICLE VIII: IMPROVEMENTS AND ALTERATIONS**

8.1. Construction and Alteration of Improvements.

8.1.1. Tenant, from time to time in its sole and absolute discretion, may make such improvements to the Premises as it determines are appropriate or necessary and may improve, alter, modify, construct, expand, contract, reconfigure, raze, demolish or otherwise alter any Improvements (all of the foregoing being, collectively, "**Alterations**"), in each case at Tenant's sole cost and expense and in accordance with all Legal Requirements. Tenant shall notify Landlord at least fifteen (15) days prior to performing any Alterations that are not to be performed within the interior of the Existing Improvements. Promptly upon Landlord's written request therefor, Tenant shall provide to Landlord, for Landlord's information (but not for Landlord's approval), copies of any plans required to have been submitted to governmental authorities in connection with any Alterations undertaken by Tenant. If it is necessary to grant easements in connection with the use or improvement of the Premises as permitted hereunder, Landlord agrees to reasonably cooperate with Tenant in connection therewith, including without limitation executing, acknowledging and delivering such easements or other appropriate documentation reasonably necessary to effect such easements, prepared by Tenant or on Tenant's behalf, within fifteen (15) days of Tenant's written request therefor, provided in all events (i) are in form and substance reasonably acceptable to Landlord, (ii) do not extend beyond the Term, (iii) would not interfere with the use, operation, development or redevelopment of other property owned by Landlord or Landlord's beneficiaries. Landlord shall not be required to incur any liability in connection therewith, however, and Tenant shall promptly reimburse Landlord on demand for any reasonable out-of-pocket expenses incurred by Landlord in connection therewith.

8.1.2. Any Alterations shall be made in a good and workmanlike manner and in accordance with all Legal Requirements.

8.2. Signage. Tenant, from time to time in its sole and absolute discretion and at its sole cost and expense, shall have the right to place and maintain signs, banners and/or other advertising matter on the Premises, including, without limitation, pylon and monument signs (collectively, "**Signage**"), subject to Legal Requirements.

8.3. Permits. No Alterations shall be undertaken until Tenant shall have procured and paid for, so far as the same shall be required from time to time under Legal Requirements, all permits, approvals, variances, licenses or authorizations ("**Permits**"), of any federal, state or municipal government or departments or subdivisions of any of them having jurisdiction over the construction of Tenant's Improvements, Signage, Alterations and/or Tenant's use of the Premises and Tenant shall have the right to seek such Permits, and engage in appeals or contests in connection with proceedings therefor, as Tenant shall deem necessary or desirable from time to time in its sole and absolute discretion, all as permitted hereunder and all of the foregoing to be at the Tenant's sole cost and expense. Tenant shall not have the right to seek any rezoning of the Premises without Landlord's consent which may be withheld in Landlord's sole and absolute discretion.

Landlord agrees to reasonably cooperate with Tenant in connection with the foregoing, including without limitation executing any necessary documents within ten (10) days of Tenant's written request therefor, provided the same is in form and substance reasonably acceptable to Landlord. Landlord shall not be required to incur any liability in connection therewith, however and Tenant shall promptly reimburse Landlord on demand for any reasonable out-of-pocket expenses incurred by Landlord in connection therewith.

8.4 Maintenance, Repair and Compliance with Law. Tenant, at its sole cost and expense, shall keep and maintain the Premises, including all Existing Improvements and Tenant's Improvements and any and all other facilities thereon, in good condition. In no event, however, may Tenant commit waste (subject, however, to Tenant's rights to make Alterations in accordance with **Section 8.1** hereof). Tenant waives any right created by any law now or hereafter in force to make repairs to the Premises at Landlord's expense. Landlord shall not be responsible whatsoever to conduct any maintenance or make repairs or replacements of any kind to the Premises, including the Existing Improvements and any Tenant Improvements. Tenant at its sole cost and expense shall at all times comply (and cause the Premises to comply) with all Legal Requirements, now or hereafter enacted or promulgated, of every governmental authority having jurisdiction over the Premises, regardless of whether such Legal Requirements shall necessitate structural changes, improvements, interference with use and enjoyment of the Premises or the Improvements, replacements or repairs, extraordinary as well as ordinary.

8.5 Damage.

8.5.1. Restoration. If any portion of the Improvements shall be damaged or destroyed by fire or casualty, then, whether or not such damage or destruction shall have been insured (a) Tenant shall give prompt written notice thereof to Landlord and (b) with respect to all such damaged or destroyed Improvements, Tenant shall, within 180 days after the event of damage or destruction either (i) commence to restore and/or rebuild such Improvements; or (ii) to fully demolish such Improvements, but in no event shall Tenant have any right to terminate this Lease or abate Rent in the event of a fire or casualty. In any event, Tenant shall take such action as may be required under applicable Legal Requirements with respect to any damage or destruction of the Improvements and Tenant shall promptly secure the Premises so that the same are in a safe and slightly condition.

8.5.3. Insurance Proceeds. All insurance proceeds resulting from any damage or destruction of Improvements from time to time shall be the sole and exclusive property of Tenant and may be applied by Tenant to the repair or rebuilding of the Premises or retained by Tenant and used for any purpose, all as Tenant, in its sole and absolute discretion, shall desire.

**ARTICLE IX: ASSIGNMENT, SUBLETTING; LEASEHOLD MORTGAGES**

9.1. Assignment and Subletting.

9.1.1. Tenant and its successors and assigns shall have the right from time to time to transfer or assign this Lease or any interest herein (including without limitation an assignment of

Tenant's rights under **Section 16.1** hereof in connection with an assignment of Tenant's leasehold estate hereunder or a sublease of the entire Premises, but not apart from any such assignment or sublease transaction) or sublet the Premises in its sole and absolute discretion, subject to the prior written consent of Landlord, which consent shall not be unreasonably withheld. No subdivision or partial subletting of the Premises shall be permitted. No transfer, assignment or subletting shall relieve Tenant of its liability for the full performance of all of the terms, agreements, covenants and conditions of this Lease absent a separate written agreement of the Landlord. No consent to a transfer shall relieve Tenant of the obligation to obtain Landlord's consent to any subsequent transfer.

9.1.2. Tenant agrees that, with respect to each and every sublease (each, a "**Sublease**") of the Premises hereafter executed, Tenant shall not, without the prior written consent of Landlord, (i) receive or collect any sub-rents payable under any such Sublease from the subtenant thereunder (the "**Subtenant**") for a period of more than three (3) months in advance; or (ii) pledge, transfer, mortgage, encumber or assign future payments of such subrental except to the holder of a Leasehold Mortgage.

9.1.3. Tenant shall be obligated to provide a fully-executed copy of an assignment or sublease document entered into by Tenant with respect to the Premises within ten (10) days of execution of the same.

9.2. Leasehold Mortgages. Tenant shall have the right at any time and from time to time, without Landlord's consent but upon prior written notice to Landlord, to mortgage or otherwise encumber Tenant's leasehold estate and Tenant's rights under this Lease together with any or all improvements appurtenant thereto pursuant to one or more leasehold mortgages, and Tenant may assign its interest in this Lease as collateral security for such Leasehold Mortgage (any such encumbrance being herein a "**Leasehold Mortgage**," with the holder of any thereof from time to time being herein a "**Leasehold Mortgagee**"). Notwithstanding the foregoing, no Leasehold Mortgage now or hereafter a lien upon this Lease shall extend to or affect the reversionary interest and estate of Landlord in and to the Premises or in any manner attach to or affect the Premises from and after any expiration or termination of this Lease except as expressly set forth herein.

9.2.1. Notice to Leasehold Mortgagee. Landlord agrees to simultaneously send copies of all notices of default given to Tenant hereunder to each Leasehold Mortgagee notice of whose name and address has been given in writing to Landlord. No amendment, modification, extension, renewal (other than as necessary to exercise an express right granted to Tenant in this Lease), or voluntary cancellation, termination or surrender of this Lease (as opposed to an exercise of Landlord's rights to terminate for Tenant default) shall be binding upon the Leasehold Mortgagee (of which Landlord has been notified in writing) without its written consent.

9.2.2. Cure by Leasehold Mortgagee or Subtenant. In the case of a Default by Tenant, Landlord shall give Leasehold Mortgagee or Subtenant for which the Landlord has provided consent pursuant to Section 9.1.1 (i) a notice of its intent to exercise its rights hereunder (the "**Remedies Notice**") containing a statement of all existing Defaults under this Lease, and (ii) the opportunity to cure such Default(s), as follows: (a) Leasehold Mortgagee and/or Subtenant shall be

entitled to cure any stated Monetary Default (as defined in **Section 13.1** hereof) for a period of thirty five (35) days after receipt of such Remedies Notice, and (b) Leasehold Mortgagee and/or Subtenant shall be entitled to cure any stated Non-Monetary Default (as defined in **Section 13.1** hereof) for a period of fifteen (15) days after receipt of such Remedies Notice; *provided however*, that if Leasehold Mortgagee requires additional time to complete the curing of any such Non-Monetary Default, then, provided Leasehold Mortgagee has commenced to cure such Default within such 15-day period and thereafter prosecutes the same to completion with reasonable diligence, Leasehold Mortgagee and/or Subtenant shall be entitled to such additional time as is reasonably necessary to cure such Default. Landlord shall deliver any such Remedies Notice at the same time of its delivery to Tenant of a Default notice pursuant to **Section 13.1** hereof, it being acknowledged, however, that the periods of time afforded Leasehold Mortgagee and/or Subtenant under this **Section 9.3.2** for cure of a Default shall not commence until the expiration of any cure periods afforded Tenant therefor under **Section 13.1** or elsewhere herein. If Leasehold Mortgagee and/or Subtenant cures all stated Defaults in accordance with the foregoing provisions, then both the notice of Default given to Tenant (with a copy to Leasehold Mortgagee and/or Subtenant) and the Remedies Notice shall be null and void and of no further force or effect. Landlord agrees to accept cure of any Defaults of Tenant by any Subtenant provided cure occurs within the cure periods provided to Tenant under this Lease. Landlord agrees to accept performance of Tenant's obligations hereunder by Leasehold Mortgagee and/or Subtenant with the same force and effect as though observed or performed by Tenant.

9.2.3. Limitations on Liability. Under no circumstances shall Leasehold Mortgagee be liable for the performance of Tenant's obligations hereunder unless and until Leasehold Mortgagee acquires Tenant's rights and interest by foreclosure or other assignment or transfer in lieu thereof. In the event that Leasehold Mortgagee so acquires Tenant's rights and interest, the liability of Leasehold Mortgagee, its successors and assigns shall be limited to its leasehold interest in this Lease. Neither Leasehold Mortgagee, its successors or assigns, nor any agent, partner, officer, trustee, director, shareholder or principal (disclosed or undisclosed) of Leasehold Mortgagee, its successors or assigns, shall have any personal liability hereunder.

9.2.4. Notice Procedure. All notices from Landlord to Leasehold Mortgagee and from Leasehold Mortgagee to Landlord hereunder shall be in writing and given in the manner specified in **Article 17** hereof. The address for notices to Leasehold Mortgagee shall be the address furnished to Landlord by Tenant.

## **ARTICLE X: WARRANTIES AND REPRESENTATIONS**

10.1 Landlord's Authority. Landlord represents and warrants to Tenant that Landlord has full right and authority to enter into this Lease and perform Landlord's obligations under this Lease. The individuals signing this Lease and all other documents executed or to be executed pursuant hereto on behalf of Landlord are and shall be duly authorized to sign the same on Landlord's behalf and to bind Landlord thereto. This Lease is and shall be binding upon and enforceable against Landlord in accordance with its terms.

10.2 Tenant's Authority. Tenant represents and warrants to Landlord that Tenant has full right and authority to enter into this Lease and perform Tenant's obligations under this Lease and that Tenant has succeeded to all rights of the tenants originally named in the Ground Lease and the

Parking Lease. The individuals signing this Lease and all other documents executed or to be executed pursuant hereto on behalf of Tenant are and shall be duly authorized to sign the same on Tenant's behalf and to bind Tenant thereto. This Lease is and shall be binding upon and enforceable against Tenant in accordance with its terms.

#### **ARTICLE XI: SURRENDER OF PREMISES**

##### 11.1 Surrender.

11.1.1. Upon any termination of this Lease, whether by expiration of the Term hereof or by reason of any other cause whatsoever as provided herein, then, all right, title and interest of Tenant and all those holding or claiming any interest by, through or under Tenant in the Premises or any portion thereof shall cease and terminate and title thereto shall automatically vest in Landlord absolutely free of any liens permitted or suffered by Tenant. At the expiration or earlier termination of this Lease, Tenant shall deliver possession of the Premises to Landlord in "broom clean" condition, free of all of Tenant's Equipment unless otherwise directed by Landlord. The Improvements shall become the property of Landlord at the expiration or earlier termination of this Lease. No further deed or other instrument shall be necessary to confirm such vesting in Landlord. However, upon any termination of this Lease, Tenant, upon request of Landlord, shall execute, acknowledge and deliver to Landlord a deed confirming that all of Tenant's right, title and interest in the Premises has expired and that title to any Improvements then existing has vested in Landlord free of any leasehold and any liens permitted or suffered by Tenant.

#### **ARTICLE XII: HOLDOVER**

12.1 Holding Over After Term. If Tenant shall hold the Premises after the expiration or earlier termination of the Term hereof, such holding over shall, in the absence of written agreement on the subject, be deemed to have created a tenancy at sufferance at a use and occupancy charge rental equal to 150% of the monthly Rent payable during the last year of said Term plus 100% of any Additional Rent as may accrue with respect to any such holdover period. Nothing contained herein shall grant the right of holdover to Tenant after the expiration of the Term or earlier termination of this Lease, and Landlord may immediately commence proceedings against Tenant to obtain possession of the Premises. Notwithstanding any provision of this Lease to the contrary, Tenant shall be liable for all damages (direct, indirect and consequential) incurred by Landlord as a result of Tenant holding over in the Premises after the expiration or earlier termination of the Term.

#### **ARTICLE XIII: DEFAULT**

##### 13.1 Tenant's Default.

13.1.2. It shall be a "**Default**" by Tenant hereunder if (i) Tenant shall not have paid Rent or any Additional Rent within ten (10) days after Landlord has given written notice to Tenant stating that such payment was not made on or before its due date (each, a "**Monetary Default**"); or (ii) Tenant shall not have performed any of the other covenants, terms, conditions or provisions required to be performed by Tenant under this Lease within thirty (30) days after Landlord has provided Tenant with written notice specifying such failure (a "**Non- Monetary Default**");



provided, however, that with respect to those failures that cannot with due diligence be cured within said thirty (30) day period Tenant shall not be deemed to be in Default hereunder if Tenant commences to cure such failure within such thirty (30) day period and thereafter continues the curing of such failure with all due diligence to completion

13.1.2. Landlord shall be entitled to receive from Tenant an amount equal to interest accrued at the Default Rate on Rent or any other amount payable by Tenant under this Lease that is not paid when due (the "**Unpaid Amount**"). Interest shall accrue pursuant to the preceding sentence from the date the Unpaid Amount was due through the date the same was paid.

### 13.2 Remedies.

13.2.1. If a Default has occurred, Landlord shall have the right to institute from time to time an action or actions, summary or otherwise, in a court of competent jurisdiction (the "**Court**"), (i) to recover damages (exclusive of consequential or special damages), (ii) for injunctive and/or other equitable relief, and/or (iii) to recover possession of the Premises. After a Default, Landlord may elect to (a) re-enter the Premises or any part in the name of the whole, without notice, and remove all persons and property therefrom (Tenant waiving notice to evict) without being liable to prosecution or damages therefor, and may recover the Premises and any Improvements then existing, and expel Tenant, and/or (b) terminate this Lease. Tenant shall thereupon quit and peacefully surrender the Premises to Landlord pursuant to **Article XI** hereof without any payment therefor by it, and Landlord may re-enter the Premises as provided in the preceding clause (a).

13.2.2. Notwithstanding anything to the contrary contained in this **Section 13.2**, Landlord also shall have the benefit of all remedies at law or in equity available to it by reason of Tenant's Default.

### 13.3 Damages on Termination.

13.3.1. In the event this Lease is terminated as a result of a Default as provided in this **Article XIII**, Landlord shall be entitled to recover from Tenant all actual, direct damages, including, without limitation, any unpaid Rent and Additional Rent, incurred by Landlord by reason of Tenant's Default prior and up to the date this Lease is terminated, and the cost of recovering possession of the Premises and reasonable attorneys' fees. Notwithstanding the immediately preceding sentence, Landlord shall not be entitled to recover consequential or special damages, nor may Landlord recover any costs and expenses of reletting the Premises other than as expressly provided in **Section 13.3.2** below.

13.3.2. Notwithstanding the foregoing, if this Lease is terminated as a result of a Default, Landlord shall be entitled to receive from Tenant (x) payments of Rent and Additional Rent to the extent the same are not being covered by another tenant or tenants as the same would have become due and owing under this Lease, and (y) reimbursement for any reasonable broker's commission and reasonable attorneys' fees incurred by Landlord in connection with reletting the Premises, and reasonable costs incurred by Landlord for preparing the Premises for occupancy by a subsequent tenant, for the recovery of which Landlord may bring suit from time to time for any

period, without prejudice in any way to the rights of Landlord to collect the deficiency for any subsequent period by a similar action or proceeding. Landlord shall use commercially reasonable efforts to re-let the Premises and Improvements in order to mitigate its damages hereunder. Landlord may receive as its sole and absolute property, without duty to account therefor to Tenant, all sums collected by it as rent or otherwise upon reletting the Premises after it shall resume possession thereof as hereinbefore provided. The obligations of Tenant under this Section shall survive the expiration or early termination of this Lease.

13.3.3. If Landlord shall obtain possession of the Premises and the Improvements under legal proceedings or pursuant to the terms and conditions of this Lease because of a Default by Tenant, then all rights of redemption provided by any law, statute or ordinance now in force or hereafter enacted shall be and are hereby waived by Tenant.

13.4 Delay; Waiver. No delay or omission by either party hereto to exercise any right or power accruing upon any noncompliance or default by the other party with respect to any of the terms of this Lease shall impair the exercise of any such right or power or otherwise be construed to be a waiver thereof, except as otherwise herein provided. A waiver by either of the parties hereto of any of the covenants, conditions or agreements hereof to be performed by the other shall not be construed to be a waiver of any subsequent breach thereof or of any other covenant, condition or agreement herein contained. No receipt by Landlord of any payment from Tenant after a termination of this Lease shall reinstate, continue or extend the Term hereof or affect any notice theretofore given to Tenant, nor operate as a waiver of Landlord's right to enforce the payment of Rent or Additional Rent then due or thereafter falling due.

13.5 Landlord's Right to Cure Tenant's Default. Whenever Tenant shall be in Default, Landlord may perform, or cause to be performed, such term, covenant or condition, and take such other steps, including entry onto the Premises and the Improvements, as it may deem reasonably advisable, to achieve such performance or compliance, in which event Tenant shall reimburse Landlord upon demand for all reasonable out-of-pocket costs and expenses suffered or incurred by it in connection therewith (together with interest thereon at the Default Rate from the respective dates of Landlord making each such payment or incurring of each such cost or expense). Acting in accordance with the immediately preceding sentence shall not be deemed to obligate Landlord to commence or complete the curing of any term, covenant, or condition which is in default within said time limits or otherwise. Landlord shall defend, protect, indemnify and hold harmless Tenant from and against all claims or demands, including, without limitation, any action or proceedings brought thereon, and all costs, losses, expenses and liabilities of any kind relating thereto, including reasonable attorneys' fees and costs of suits, arising out of or resulting from claims of any kind and nature to the extent caused by the gross negligence or willful act or omission of Landlord or any Landlord Party in connection with Landlord's exercise of its rights under the first sentence of this **Section 13.5**.

13.6 Rights While in Default. Except as otherwise may be provided in this Lease, Tenant's rights hereunder shall not be affected by, and Tenant may exercise any of such rights, notwithstanding any breach or default of any of its obligations under this Lease through the date that Landlord has terminated this Lease.

13.7 Bankruptcy. If a petition of bankruptcy or reorganization shall be filed by or against

the then Tenant and not dismissed within ninety (90) days of filing, or in any proceeding based upon the insolvency of Tenant a receiver or trustee of all of the property of Tenant shall be appointed and shall not be discharged within ninety (90) days after such appointment, then such event shall be a Default under this Lease unless the trustee or receiver affirms or assumes this Lease within ninety (90) days after the commencement of the proceedings and cures any other Default under this Lease within ninety (90) days after affirmation or assumption of this Lease. In any event, the foregoing shall be subject to all applicable federal and state bankruptcy laws.

13.9 No Consequential Damages. Notwithstanding anything to the contrary set forth herein (including without limitation **Sections 6.6** and **15.3** hereof) neither Tenant (except as provided in Article XII) nor Landlord shall be entitled to recover any consequential or special damages on account of the other party's breach or default under this Lease.

#### **ARTICLE XIV: CONDEMNATION**

14.1 Voluntary Conveyance. The parties hereby agree that neither party to this Lease shall voluntarily convey any interest in the Premises or otherwise related to this Lease to any governmental or quasi-governmental agency, authority or public utility (a "**Taking Authority**") under threat of a taking in connection with the exercise of any power of eminent domain, condemnation, or purchase under threat or in lieu thereof in lieu of formal proceedings with respect to any interest in the Premises or this Lease (any of the foregoing powers being a "**Taking**") without first providing at least sixty (60) days' prior written notice to the other party, and the other party's Leasehold Mortgagee or Fee Mortgagee, as applicable (the "**Mortgagee**"), of any request or intention to do so. For the purposes of this **Article 14**, all amounts paid pursuant to any agreement with any Taking Authority that has been made in settlement of or under threat of any Taking proceeding affecting the Premises shall be deemed to constitute an award made in such proceeding and shall be disbursed in accordance with **Section 14.4** hereof.

14.2 Total Taking. In the event of a Taking of all or substantially all of the Premises for the remainder of the Term of this Lease or of all or substantially all of Tenant's interest in this Lease, this Lease shall terminate as of the effective date of such Taking, and Rent and Additional Rent for the remainder of the Term shall be prorated as of such date. Awards received as a result of such a Taking shall be disbursed in accordance with **Section 14.4** below.

#### 14.3 Partial Taking.

14.3.1. Termination. In the event of a permanent Taking (i) of any part of the aggregate floor area contained in all buildings then located on the Premises, (ii) which reduces by more than fifty percent (50%) the number of parking spaces located on the Premises or which reduces the number of parking spaces so as to render the Premises nonconforming with Legal Requirements, or (iii) which closes all reasonable means of access to the Premises, then Tenant may, in its sole and absolute discretion, elect to terminate this Lease. Such termination shall be effected by written notice to Landlord (the "**Termination Notice**"), given within one hundred twenty (120) days after the effective date of the Taking or the date the award of damages to Tenant as a result of such Taking is finally determined. as the case may be (the "**Termination Date**"). Such termination shall be effective as of the date specified for termination in Tenant's Termination Notice, and Rent and

Additional Rent for the remainder of the Term of this Lease shall be pro rated as of the effective date of such termination. All awards received as a result of a partial Taking as described in this **Section 14.3** shall be disbursed in accordance with **Section 14.4** hereof.

14.3.2. Rent Abatement. In the event of a permanent Taking that does not result in a termination of this Lease, the amounts upon which Rent are determined hereunder shall be reduced by multiplying the same by a fraction (the "**Taking Fraction**") the numerator of which is the fair market value of the Premises remaining immediately after the effective date of the Taking and the denominator of which is the fair market value of the Premises immediately prior to the effective date of the Taking; provide, however that in the event the Rent is reduced by more than fifteen percent (15%), Landlord shall have the right to terminate this Lease by written notice to Tenant.

14.4 Awards. Any award for a Taking (but not for a temporary Taking which shall be covered by **Section 14.6** hereof) shall be paid to the Taking Depository and the Taking Depository shall pay out the award as follows: Tenant shall be entitled to the portion of the award allocable to the value of Tenant's Improvements and Landlord shall be entitled to the remainder of such. To the extent not included in any such award and provided the same does not constitute a set off of Landlord's award for the taking of the applicable portion of the Property, Tenant may make a separate claim for an award (i) made with respect to a taking of its trade fixtures or Tenant's Equipment, and/or (ii) made with respect to Tenant's removal, remodeling or relocation costs, damages to Tenant's personal property, any special damages of Tenant, or loss of Tenant's business profits or goodwill.

14.5 Notice of Action. In the event that any Taking action is filed by any Taking Authority, or in the event that any Taking action is threatened in writing or any Taking Authority communicates in writing to Landlord or Tenant its desire to acquire any interest in the Premises or this Lease by a voluntary conveyance or transfer in lieu of condemnation, the party receiving such communication shall give prompt notice thereof to the other party and to such party's Mortgagee. Landlord, Tenant and any Mortgagee shall each have the right, at its own cost and expense, to represent its respective interest in each proceeding, negotiation or settlement with respect to any Taking or threatened Taking and to make full proof of its claims. No agreement, settlement, conveyance or transfer to or with the Taking Authority shall be made without the consent of Landlord and Tenant, such consent to not be unreasonably withheld.

#### 14.6 Temporary Taking.

14.6.1. As used herein, the phrase "**Temporary Taking**" shall mean a Taking that is effective for not more than one year. As used herein, the phrase "**permanent Taking**" shall mean a condemnation that is effective for more than one year.

14.6.2. If there shall be a temporary Taking of the whole or any part of the Premises or the Improvements thereon or the appurtenances thereto, the term of this Lease shall not be affected in any way and Tenant shall continue to pay in full the Rent and Additional Rent, and other sum or sums of money and charges herein provided to be paid by Tenant, and the entire award for such Taking shall be paid to the Depository, to be applied and disposed of as

hereafter provided in this **Section 14.6**. The Depository shall pay to Tenant that portion of said award paid for use and occupancy of the Premises during any period prior to the expiration of the Term of this Lease and shall pay to Landlord any portion of said award paid for use and occupancy of the Premises following expiration of the Term of this Lease. That portion of such award which represents physical damage to the Premises or Tenant's Improvements or appurtenances thereto occasioned by such Taking or for loss of business incurred by Tenant shall be paid by the Depository to Tenant and any remaining portion of the award shall be paid to Landlord.

## **ARTICLE XV: HAZARDOUS SUBSTANCES; MONITORING WELLS**

15.1 Tenant's Obligations. Except in compliance with Environmental Laws and provided that such Hazardous Substances are maintained in proper containers and are reasonably necessary in the ordinary course of the operations and maintenance of the uses being made of the Premises at any given time, neither Tenant nor any Tenant Party shall use, store, manufacture, or release, or permit the use, storage, manufacture or release of, Hazardous Substances in or at the Premises. In the event of a Release of Hazardous Substances in, on, under or above the Premises that occurs during the Term, other than to the extent the same was caused by the acts or omissions of Landlord or a Landlord Party, Tenant shall undertake the Remediation thereof (in the context of this **Section 15.1, "Tenant Remediation"**) at its sole cost and expense. Tenant's Remediation shall include, without limitation, Remediation as a result of the presence of friable asbestos or lead paint discovered due to the demolition of the Existing Improvements.

15.2 Tenant's Indemnification. Tenant shall indemnify, protect, defend and hold Landlord and any Landlord Party forever harmless from and against any and all loss, claims (including bodily injury, property damage, and claims seeking payment for or performance of remediation), actions, judgments, liabilities, liens, damages, penalties, fines, costs and expenses, including, without limitation, reasonable attorneys' fees, costs of defense and expert/consultant fees, and costs of assessment, containment and clean-up, asserted against, imposed on, or suffered or incurred by Landlord or any Landlord Party (or the Premises) arising out of or in connection with any Release of Hazardous Substances by Tenant, its predecessors, successors and assigns (other than to the extent the same was caused by the acts or omissions of Landlord or a Landlord Party); including any consequential or special damages resulting therefrom.

15.3 Definitions. For purposes of this Lease:

(a) The term "**Environmental Law**" shall mean any federal, state, county, municipal, local or other statute, ordinance or regulation which relates to or deals with the protection of the environment and/or human health from the release of Hazardous Substances, including all regulations promulgated by a regulatory body pursuant to any such statute, ordinance, or regulation, including, the Comprehensive Environmental Response and Liability Act of 1980 (CERCLA), as amended, 42 U.S.C. § 9601 et seq., the Resource Conservation and Recovery Act (RCRA), as amended, 42 U.S.C. § 6901 et seq., the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251 et seq., and the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.; Toxic Substances Control Act of 1976, 15 U.S.C. § 2601 et seq.; Hazardous Materials Transportation Act, 49 U.S.C. App. § 1808 et seq.; Oil Pollution Act of 1990, 33 U.S.C. § 2701 et

seq.; Emergency Planning and Community Right-to-Know Act of 1986, 42. U.S.C. § 11001 et seq.; Massachusetts Oil and Hazardous Materials Release, Prevention and Response Act, G.L. c. 21E et seq.; Massachusetts Hazardous Waste Management Act, G.L. c. 21C et seq.; each as the same may be amended from time to time.

(b) The term "**Hazardous Substance**" shall mean and refer to asbestos, urea formaldehyde, polychlorinated biphenyls, nuclear fuel or materials, radioactive materials, explosives, known carcinogens, petroleum products and by-products (including crude oil or any fraction thereof), and any pollutant, contaminant, chemical, material or substance defined as hazardous or as a pollutant or a contaminant in, or the use, manufacture, generation, storage, treatment, transportation, release or disposal of which is regulated by, any Environmental Law.

(c) The term "**Release**" shall mean and refer to any spilling, leaking, pumping, pouring, emptying, discharging, injecting, escaping, leaching, dumping or disposing into the environment, including, without limitation, the abandonment or discarding of barrels, drums, containers, tanks, or other receptacles containing or previously containing any Hazardous Substance.

(d) The term "**Remediation**" shall mean, with respect to a Release of Hazardous Substances in, on, under or above the Premises, conducting such site assessments, taking such actions required for containment thereof and preparing and implementing such remediation plan as shall be necessary for the clean-up thereof to the extent required by and in compliance with all applicable Legal Requirements and Environmental Laws, which plan shall include a schedule for the completion of each phase of the clean-up.

15.4 Landlord agrees to remain responsible for on-going testing required by the Massachusetts Department of Environmental Protection from monitoring wells that are currently installed on the Premises.

#### **ARTICLE XVI: SUBORDINATION TO FEE MORTGAGE AND ESTOPPEL**

16.1 Priority of Lease. Provided Landlord delivers a non-disturbance agreement from a Holder (as defined below), Tenant agrees that this Lease shall be subordinate to any mortgage or similar encumbrance (collectively, a "**Fee Mortgage**", and the holder thereof from time to time the "**Holder**") from time to time encumbering the Premises, whether executed and delivered prior to or subsequent to the date of this Lease, unless the Holder shall elect otherwise. If this Lease is subordinate to any Mortgage and the Holder or any other party claiming by, through or under Holder shall succeed to the interest of Landlord (such Holder or other party claiming by, through or under Holder, a "**Successor**"), at the election of the Successor, Tenant shall attorn to the Successor, and this Lease shall continue in full force and effect between the Successor and Tenant subject to Section 16.3 below. Not more than fifteen (15) days after receipt of a written request from Landlord or a Holder, Tenant agrees to execute and deliver to Landlord such instruments of subordination or attornment in confirmation of the foregoing agreement as the Holder reasonably may request provided such instrument contains commercially reasonable non-disturbance protections for the benefit of Tenant.

16.2 Notices. Tenant shall give any holder of a Fee Mortgage (including its successors or assigns, a "Fee Mortgagee") of which Landlord has given Tenant notice of the Fee Mortgagee's name and address the same notices hereunder as are given to Landlord concurrently with the notice to Landlord and no Fee Mortgagee shall be bound by any notice given from Tenant to Landlord hereunder unless and until such notice has been delivered to the Fee Mortgagee.

16.3 Fee Mortgagee's Rights and Obligations. Tenant agrees that if any Fee Mortgagee shall foreclose on its Fee Mortgage or if the Fee Mortgagee shall have recorded a deed from Landlord in lieu of foreclosure, then:

(a) the liability of the Fee Mortgagee for the obligations of Landlord hereunder shall exist only so long as such Fee Mortgagee is the owner of the Premises, and such liability shall not continue or survive after further transfer of ownership, except for claims accruing during the period of such ownership;

(b) such Fee Mortgagee shall not be (i) liable for any act or omission of any prior lessor under this Lease, (ii) liable for the performance of Landlord's covenants pursuant to the provisions of this Lease that arise or accrue prior to such entity succeeding to the interest of Landlord under this Lease or acquiring possession, (iii) subject to any offsets or defense that Tenant may have at any time against Landlord, (iv) bound by any Rent or Additional Rent which Tenant may have paid more than six (6) months in advance, except to the extent expressly agreed to by said Fee Mortgagee prior to foreclosure, or (v) liable for the performance of any covenant of Landlord under this Lease that is legally capable of performance only by the original Landlord; and

(c) Tenant shall attorn to and recognize the Fee Mortgagee as its landlord under this Lease, as if the Fee Mortgagee were originally the Landlord hereunder.

16.4 Within ten (10) days following request from Landlord or any existing or prospective Holder, Tenant shall deliver to Landlord a certificate executed and acknowledged by Tenant, (a) stating the Lease Commencement Date and the date of expiration of the Term, and that this Lease is then in full force and effect and has not been modified (or if modified, setting forth all modifications), (b) setting forth the date to which Base Rent and any Additional Rent have been paid, together with the amount of monthly Base Rent and Additional Rent then payable, (c) stating whether or not, Landlord is in default under this Lease, and, if Landlord is in default, setting forth the specific nature of all such defaults, (d) stating whether there have been any transfers under Article IX, (e) stating the address of Tenant to which all notices and communications under the Lease shall be sent, and (f) responding to any other matters reasonably requested. Tenant acknowledges that any certificate delivered pursuant to this Section 16.4 may be relied upon by any purchaser or owner of the Premises, or all or any portion of Landlord's interest therein, or by any Holder, or assignee thereof.

16.5 Within ten (10) days following request from Tenant or any existing or prospective Leasehold Mortgagee or Subtenant, Landlord shall deliver to Tenant a certificate executed and acknowledged by Tenant, (a) stating the Lease Commencement Date and the date of expiration

of the Term, and that this Lease is then in full force and effect and has not been modified (or if modified, setting forth all modifications), (b) setting forth the date to which Base Rent and any Additional Rent have been paid, together with the amount of monthly Base Rent and Additional Rent then payable, (c) stating whether or not, Tenant is in default under this Lease, and, if Tenant is in default, setting forth the specific nature of all such defaults, (d) stating whether there have been any transfers under Article IX, (e) stating the address of Landlord to which all notices and communications under the Lease shall be sent, and (f) responding to any other matters reasonably requested. Landlord acknowledges that any certificate delivered pursuant to this Section 16.5 may be relied upon by any Subtenant of the Premises therein, or by any Leasehold Mortgagee, or assignee thereof.

#### **ARTICLE XVII: RESERVED RIGHTS AND EASEMENTS**

17.1. Landlord reserves the right to construct, install, operate, maintain, repair and replace lines and other transmission facilities and appurtenances for electricity, telephone, water, sewers, drainage and any other services and utilities over, across and under the Premises, and further reserves the right to grant such additional easements, appurtenances, setbacks and rights of access as from time to time appear to Landlord to be necessary or expedient, provided that such additional grants do not unreasonably and materially interfere with the operation of Tenant's business.

17.2. Landlord, for itself, and for its tenants, and their invitees, customers, licensees, agents, employees and any persons having business with them, and their successors and assigns (collectively, the "Beneficiaries"), shall have common rights of travel over the parking areas, driveways, sidewalks, entrances and exits over and upon the Premises.

17.3 Landlord may enter the Premises (i) to exercise any rights granted or reserved hereunder, (ii) to inspect the Premises or (iii) to show the same to existing or prospective lenders, investors, purchasers, or tenant (and their representatives and agents). Except with respect to entry under subsection (i), Landlord shall provide Tenant with reasonable prior notice of entry and in all events such entry shall occur during Tenant's regular business hours.

#### **ARTICLE XVIII: OPTION TO PURCHASE**

18.01 Tenant hereby grants to Landlord the exclusive right and option (the "Option") to purchase from Tenant all of Tenant's right, title and interest in and to this Lease pursuant and subject to all of the terms and conditions herein contained for a price equal to Two Hundred Thousand (\$200,000.00) Dollars. The effective period for exercise of the Option (the "Option Period") shall begin on the 10<sup>th</sup> anniversary of the Lease Commencement Date and end on the 15<sup>th</sup> anniversary of the Lease Commencement Date. If the Lease is extended by the Tenant in accordance with the terms of Article II.2.2, then after the 15<sup>th</sup> anniversary of the Lease Commencement Date, the option price shall be \$1.00.

18.02. The Option shall be exercised by Tenant's written notice thereof to Landlord given within the Option Period and given at Tenant's sole election. On the Closing Date (as defined herein), Landlord and Tenant shall execute and deliver (such event being the "Closing") an



assignment of this Lease and an assignment of any applicable subleases and a general release of claims by and between Landlord and Tenant. On the Closing Date, all payments to the Landlord pursuant to this Lease shall cease.

18.03. The Closing shall occur on the sixtieth (60<sup>th</sup>) day following the date of Tenant's exercise of the Option (the "Closing Date" or "Closing").

18.04. The Closing shall occur at 12:00 noon on the Closing Date, at the offices of Tenant's counsel or such other time and place upon which the parties shall mutually agree.

18.05. If Landlord exercises the Option, then on the Closing Date Tenant shall assign good clear and marketable title to this Lease, subject to all existing subleases, but free of any Leasehold Mortgage and other liens and encumbrances created by Tenant, to Landlord, and shall provide a Bill of Sale conveying all of Tenant's right, title and interest to the Improvements to Landlord.

18.06. If at the time of the Closing, Tenant shall be unable to give title to permit Landlord in a manner that permits Landlord to obtain a policy of title insurance insuring the leasehold title to the Property all as herein stipulated, then the Closing Date shall be extended for twenty-one (21) days and during such extension period Tenant shall remove any defects in title, or deliver possession as provided herein, or make the Property conform to the provisions hereof, as the case may be.

18.07 The Tenant shall only be entitled to its rights under this Option if the Tenant is in good standing under this Lease, with no defaults outstanding, unless waived by the Landlord, which waiver may be withheld in the Landlord's sole and absolute discretion.

**ARTICLE XIX: MISCELLANEOUS**

19.1 Notice. All notices, demands and requests required or permitted to be given under this Lease must be in writing and shall be deemed to have been given as of the date such notice is (i) delivered to the party intended, (ii) delivered to the then designated address of the party intended or (iii) rejected at the then designated address of the party intended, provided such notice was sent prepaid. The initial addresses of the parties shall be:

If to Landlord, at

West End Realty Group, LLC  
82 Broad Street, #397  
Boston, MA 02110

If to Tenant, at

Good Chemistry of Massachusetts, Inc.  
50 Congress Street, Suite 500  
Boston, MA 02109

with a copy to:

Smith, Segel & Ruddock  
50 Congress Street, Suite 500  
Boston, MA 02109  
Attn: James E. Smith, Esq.

Upon at least ten (10) days' prior written notice, each party shall have the right to change its address to any other address (or the address of any party to whom copies are to be sent) within the United States of America.

19.2 Effect of Lease. Except as set forth in Section 9.4, Landlord and Tenant may consider, approve or disapprove any proposed amendment to this Lease in their respective sole and absolute discretion without regard to reasonableness. This Lease shall be binding upon, inure to the benefit of, and be enforceable by Landlord and Tenant, and their respective successors and permitted assigns. This Lease shall not be construed strictly for or against either Landlord or Tenant. Time is declared to be of the essence of this Lease. No third party beneficiary rights are created by this Lease.

19.3 Entire Agreement. This Lease constitutes the entire agreement between the parties relating to the leasing of the Premises. Any prior negotiations, correspondence, memoranda or agreements are superseded in total by this Lease and the exhibits attached hereto.

19.4 Headings. The Article headings contained in this Lease are for purposes of reference only and shall not limit or define the meaning of any of the terms or provisions hereof.

19.5 Governing Law. This Lease shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts.

19.6 Costs. Whenever, in this Lease, anything is to be done or performed by Tenant or Landlord, unless otherwise expressly provided to the contrary, it shall be done or performed at the sole cost and expense of Tenant or Landlord as the case may be.

19.7 Force Majeure. Whenever performance is required of any party hereunder such party shall use all due diligence to perform and take all necessary measures in good faith to perform; *provided, however,* that if completion of performance shall be delayed at any time by reason of acts of God, significant variations from normal weather conditions reasonably expected during the period in question, war, civil commotion, acts of terrorism, riots, strikes, picketing, or other labor disputes, unavailability of labor or materials or damage to work in progress by reason of fire or other casualty or causes beyond the reasonable control of a party (other than financial reasons), then the time for performance as herein specified shall be appropriately extended by the time of the delay actually caused. The provisions of this **Section 19.7** shall not operate to excuse any party from the prompt payment of any monies required by this Lease.

19.8 Brokers. Tenant and Landlord represent and warrant to each other that neither has had any dealings or discussions with any broker or agent, licensed or otherwise) in connection with

this Lease. Landlord and Tenant each covenants to protect, defend, hold harmless and indemnify the other from and against any and all losses, liabilities, damages, costs and expenses (including reasonable legal fees) arising out of or in connection with any claim by any brokers or agents for brokerage commissions relating to this Lease alleged to be due because of dealings or discussions with the indemnifying party.

19.9 Commercial Obligations. Except as may be otherwise expressly set forth in this Lease, (i) whenever under this Lease provision is made for either party's securing the consent, permission or approval of the other party, such consent or approval shall be in writing and shall not be unreasonably withheld, delayed or conditioned and (ii) in all matters contained herein, both parties shall have an implied obligation of reasonableness.

19.10 Landlord's Liability. Any particular Landlord shall only be liable for the performance of the covenants and obligations of Landlord accruing under this Lease during the period of Landlord's ownership of the Premises, Tenant agreeing that after the effective date of any transfer of Landlord's interest under this Lease, Tenant shall look solely to Landlord's successor in interest for performance of Landlord's covenants and obligations thereafter accruing. None of the persons comprising Landlord (whether partners, shareholders, officers, directors, members, trustees, employees, beneficiaries or otherwise) shall ever be personally liable for any judgment obtained against Landlord. In the event of a default by Landlord, Tenant agrees to look solely to Landlord's interest in the Premises and any improvements thereon.

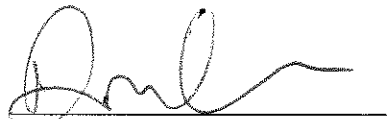
19.11 Counterparts. This Lease may be signed in counterparts, each of which shall be deemed an original and all of which when taken together shall constitute one instrument.

19.12 No Merger. There shall be no merger of the leasehold estate created by this Lease with the fee estate in the Premises by reason of the fact that the same person or entity may own or hold (a) the leasehold estate created by this Lease or any interest in such leasehold estate, and (b) the fee estate in the Premises or any interest in such fee estate; and no such merger shall occur unless and until all persons, corporations, firms and other entities having (a) any interest in this Lease or the leasehold estate created by this Lease (excluding subtenants but including any Leasehold Mortgagee), and (b) any fee simple interest in the Premises or any part thereof, shall join in a written instrument effecting such merger and shall duly record the same.

19.13 Drafting. Each party has cooperated in the drafting and preparation of this Agreement and, therefore, in any construction to be made of this Agreement, the same shall not be construed against either party.

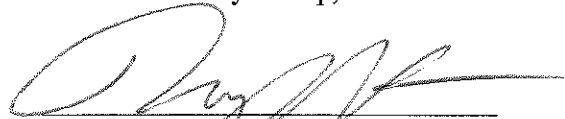
IN WITNESS WHEREOF, the parties hereto have executed these presents as of the day and year first above written.

Witness or Attest:

  
DUNCAN CAMERON

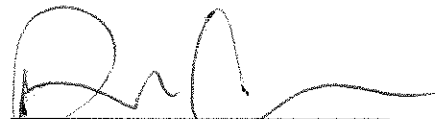
Landlord:


West End Realty Group, LLC

  
By: Matthew J. Huron  
Its: Manager

Tenant:

Good Chemistry of Massachusetts, Inc.

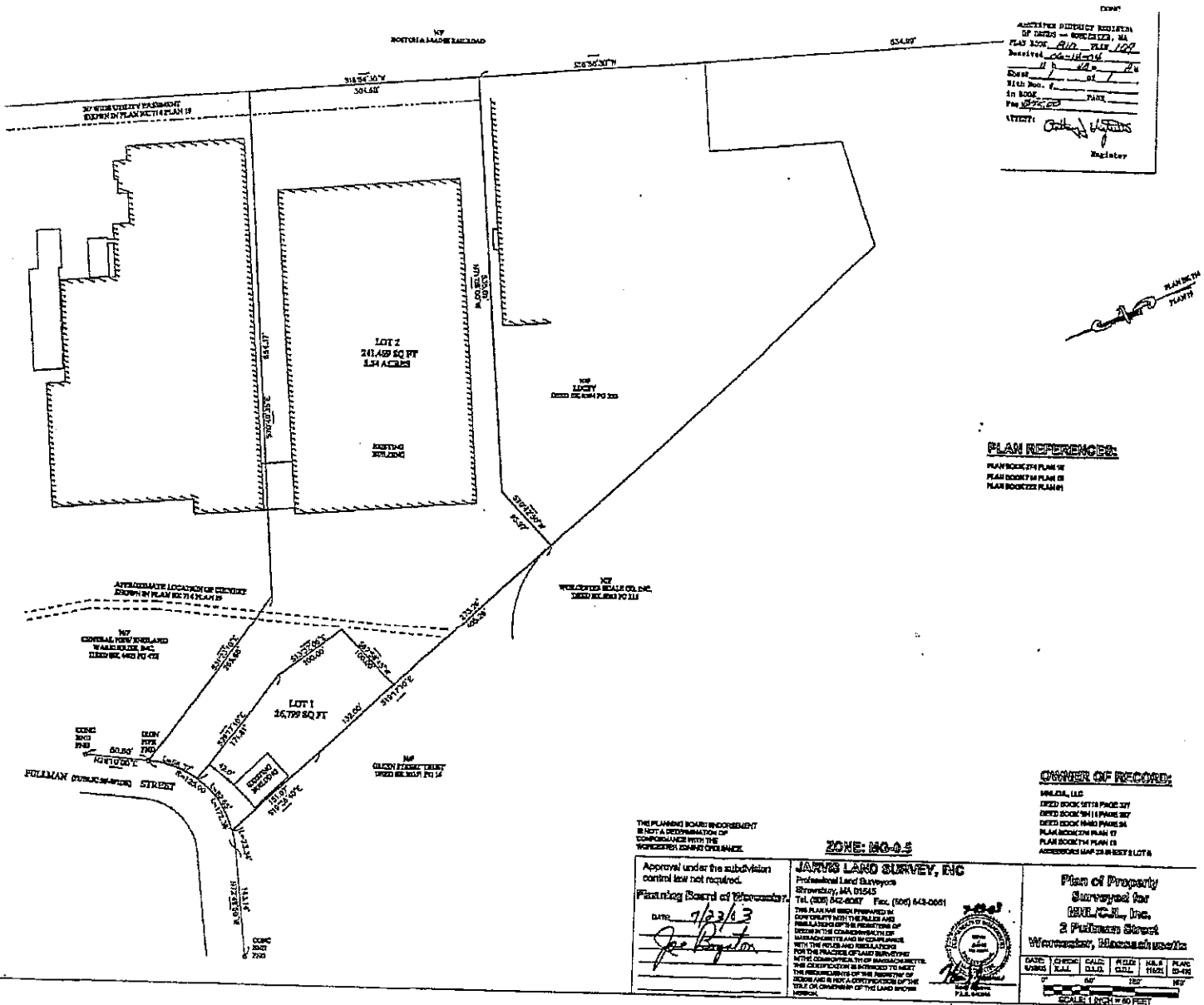
  
DUNCAN CAMERON

  
By: Jaime C. Lewis  
Its: President

# EXHIBIT LIST

Exhibit A:

Legal Description of the Property



**EVIDENCE OF INTEREST IN PROCESSING SITE  
(Exhibit 5.3)**

This exhibit must be completed or marked N/A and attached to required documents and submitted as part of the application.

Corporation Name: Good Chemistry of Massachusetts, Inc. Application # (if more than one): 1

Physical Address	County	Type of Evidence Attached
6 Pullman Street Worcester, MA 01604	Worcester	Lease from the Estate of Cornelius J. Lucey to West End Realty Group LLC  Letter from the Estate of Cornelius J. Lucey permitting the sublease from West End Realty Group LLC to Good Chemistry of Massachusetts, Inc.  Lease from West End Realty Group LLC to Good Chemistry of Massachusetts, Inc.
N/A	N/A	N/A

## GROUND LEASE

This Ground Lease (hereinafter called "Lease") is made and entered into as of the 15th day of November, 2013 by and between **DANIEL LUCEY and KAREN BUSENBURG, CO-EXECUTORS OF THE ESTATE OF CORNELIUS J. LUCEY**, see Worcester Probate Court docket no. 071009176PI ("Landlord"), and **WEST END REALTY GROUP, LLC**, a Massachusetts limited liability company with an address of 82 Broad Street, #397, Boston, MA 02110 ("Tenant")

### RECITALS

This Lease is entered into upon the basis of the following facts, understandings and intentions of Landlord and Tenant:

Whereas, Landlord is the owner of certain parcels of land situated in Worcester County, Massachusetts, known commonly as 6 Pullman Street and shown as Lot 2 on the plan attached hereto as **Exhibit A** attached hereto and made a part hereof, and the buildings, structures, parking areas, improvements and fixtures now located thereon, (collectively the "Property" or sometimes referred to as "Premises"); and

Whereas, Landlord and Tenant desire to enter into a leasing arrangement for the term and at the rental price herein set forth; and

NOW, THEREFORE, Landlord and Tenant, each for itself, its successors and assigns, do hereby agree to perform all of the terms, covenants, conditions and agreements herein provided to be kept and performed by Landlord and Tenant, respectively.

### ARTICLE I: DEFINITIONS

1.1. Definitions. The terms defined below shall, have the meanings specified, unless the context clearly indicates otherwise:

**"Default Rate"** shall mean ten (10%) percent per annum.

**"Existing Improvements"** shall mean the currently existing commercial building of approximately 22,500 square feet and its appurtenances located on the Premises and owned by Landlord.

**"Extension Term"** shall be as defined in **Section 2.2.3.**

**"Improvements"** shall mean the Existing Improvements and the Tenant's Improvements.

**"Lease"** shall mean this Ground Lease, including the following Exhibits attached hereto and made a part hereof:



Exhibit A:

Plan of Property Surveyed for MNL/CJL, Inc., by Jarvis Land Survey, Inc., dated June 6, 2003 and recorded in the Worcester District Registry of Deeds at Plan Book 810, Plan 109 (the "Plan")

**"Lease Commencement Date"** shall be as defined in **Section 2.2.1.**

**"Legal Requirements"** shall mean all laws, ordinances, rules, regulations, statutes, bylaws, court decisions and orders and requirements of all public authorities which are applicable to the Premises or any Improvements.

**"Premises"** shall mean the Property as shown on the Plan as Lot 2, together with all rights, benefits, easements, appurtenances and hereditaments attaching, belonging or pertaining thereto and all buildings, structures and improvements now or hereafter from time to time located thereon, including but not limited to the Existing Improvements and the Tenant's Improvements.

**"Property"** shall be defined in the Recitals.

**"Rent"** shall be as defined in **Section 3.1.**

**"Landlord's Reserved Rights"** shall be defined as in Article XVII.

**"Tenant's Equipment"** shall mean any items of movable machinery, trade fixtures, furniture, furnishings, equipment, counters, shelving, show cases or other personal property that are capable of being moved without substantial damage to the Premises, whether or not attached to any building or other improvement, and any freestanding sign and/or sign panel attached to any freestanding sign, to the extent any of the same were installed by Tenant or any permitted Subtenant.

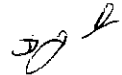
**"Tenant's Improvements"** shall mean all buildings, landscaping, driveways, parking areas, sidewalks and other improvements (excluding Tenant's Equipment) that from time to time are placed, constructed or located by Tenant upon the Premises beginning on the Lease Commencement Date and continuing throughout the Term of this Lease.

**"Term"** shall be as defined in **Article 2.**

**ARTICLE II: DEMISE AND TERM**

2.1. Demise. Landlord hereby demises and leases the Premises for the Term unto Tenant, and Tenant hereby takes and accepts the same from Landlord, upon the terms and conditions hereinafter set forth, in such "AS IS, WHERE IS" condition as exists as of the date of this Lease, without representation or warranty, express or implied, by Landlord or its agents, and subject to all easements, covenants, restrictions and other encumbrances in effect as of the date of this Lease.

2.2. Term.





2.2.1. Initial Term. TO HAVE AND TO HOLD the Premises for a period (the "**Initial Term**") commencing on the date hereof (the "**Lease Commencement Date**") and ending at 11:59 P.M. on the last day of the tenth (10<sup>th</sup>) full Lease Year thereafter. For purposes of this Lease, "**Term**" shall mean the Initial Term, and if exercised in strict accordance with the terms of Section 2.2.2 of this Lease, any applicable Extension Term (as herein defined), as the case may be. As used herein the term "**Lease Year**" shall mean each period of twelve (12) consecutive full calendar months commencing on the Commencement Date and each anniversary thereof, plus, in the case of the first Lease Year hereunder, the partial month, if any, next succeeding the Lease Commencement Date, *provided* that the term Lease Year shall include any partial Lease Year at the end of the Term as may be applicable.

2.2.2. Extension Terms.

(a) Provided Tenant is not then in default pursuant to the terms hereof, Tenant shall have the right, at its option, to extend the Term for up to two (2) consecutive periods of five (5) Lease Years each upon the same terms and conditions applicable during the Term then in effect, unless specifically indicated otherwise herein (each such 5 year period being herein an "**Extension Term**"). Tenant's option to extend the Term shall be deemed automatically exercised without the necessity of any further action by Landlord or Tenant, subject to all of the terms and conditions herein expressed (including without limitation clause (b) immediately below), and *provided* that Tenant may override such automatic extension by giving Landlord written notice thereof (a "**Termination Notice**") not later than the date (the "**Notice Date**") that is twelve (12) months prior to the last day of the Initial Term or Extension Term then in effect (the "**Natural Termination Date**"), and in such event the Term shall come to an end on the Natural Termination Date.

(b) At the request of either party, the parties shall execute a document in recordable form setting forth the status of the Tenant's extension rights under this Lease, in a form mutually agreeable to the parties. The exercise of an option for one Extension Term shall not imply the exercise of subsequent options. If this Lease is canceled or terminated by agreement of the parties or as otherwise provided herein prior to the expiration of the Initial Term or any Extension Term, then the end of the Term shall be on the date this Lease is so canceled or terminated.

2.3. Ground Lease. Tenant acknowledges that this is and shall for all purposes be considered a ground lease with Landlord retaining fee title ownership to the Property, including all rights and privileges relating thereto, but all Existing Improvements, Tenant's Equipment and Tenant's Improvements, subject to the terms of this Lease, are and shall remain the property of the Tenant.

2.4. Covenant of Quiet Enjoyment. Landlord covenants that, subject to Landlord's remedies under **Article XIII** below due to breach of this Lease by Tenant and subject to **Article XVI** below, Tenant and any permitted subtenants shall have and enjoy quiet and undisturbed possession of the Premises during the Term without hindrance or ejection by any act of Landlord or persons claiming under Landlord.



2.5 Lessee Right to Terminate. Lessee has the right to terminate this agreement upon determination of their total project expenses and construction timeline. Should the total project expenses exceed their business plan financial model and/or the construction time line exceed the operational date they require, Lessee has the right to terminate this agreement.

**ARTICLE III: PAYMENTS**

3.1. Rent. Tenant agrees to pay rent ("Base Rent") to Landlord, in advance, without demand, abatement, offset or deduction, except as otherwise specifically provided in this Lease or by a court of competent jurisdiction, at the address of Landlord set forth in **Section 17** below, or such other place as Landlord may by notice to Tenant from time to time direct, at the following rates and times:

<i>Period of Term</i>	<i>Annual Rent</i> <i>(per Lease Year)</i>	<i>Monthly Installment</i> <i>of Rent</i>
Lease Commencement Date through fifth (5 <sup>th</sup> ) full Lease Year	\$ 60,000.00	\$ 5,000.00
The commencement of the sixth (6 <sup>th</sup> ) full Lease Year through the tenth (10 <sup>th</sup> ) Lease Year	\$ 60,000.00	\$ 5,000.00
The commencement of the eleventh (11th) full Lease Year through the fifteenth (15 <sup>th</sup> ) Lease Year	\$60,000.00	\$5,000.00
The commencement of the sixtieth (16th) full Lease Year through the twentieth (20 <sup>th</sup> ) Lease Year	\$60,000.00	\$5,000.00

3.2. Rent During Extension Terms. The Base Rent to be paid during each Extension Term shall be the Base Rent as set forth above.

3.3. Payment of Rent. Monthly installments of Base Rent shall be payable on the first day of each month during the Term; *provided however*, if the Lease Commencement Date occurs on a day other than the first day of a calendar month, then that month's Rent shall be prorated on a daily basis and shall be paid on the Lease Commencement Date; and *provided, further*, that if the Lease Commencement Date occurs during the last five (5) days of a calendar month then Rent due on the Lease Commencement Date shall also include the monthly Rent for the first full calendar month following the Lease Commencement Date. Rent shall be prorated on a daily basis with respect to any partial calendar month subsequently occurring during the Term. The obligation to pay Base Rent shall not begin until one day after the Tenant receives a license from the Massachusetts Department of Public Health to operate a Registered Marijuana Dispensary.

3.4. Additional Rent. The rents reserved under this Lease (collectively, "Rent") shall consist of (i) Base Rent and (ii) all other sums as shall become due and payable by Tenant to Landlord under this Lease (such other sums being herein referred to collectively as "Additional Rent").

3.5. Net Lease.

3.5.1. This Lease shall be deemed and construed to be a "net lease" and Tenant shall pay to Landlord the Rent free of any charges, assessments, impositions or deductions of any kind and without abatement, deduction or setoff except as expressly set forth herein, and Landlord shall have no obligation to pay any Taxes (as defined in Section 5.1 hereof), insurance premiums, and expenses or undertake any obligations of any kind and nature whatsoever relating to the Premises and the Improvements which may arise or become due during or otherwise with respect to any period contained within the Term of the Lease except as expressly set forth herein.

3.5.2. Tenant covenants hereunder are independent of any Landlord covenants and Tenant shall not be entitled to quit, terminate or surrender this Lease, and shall not be relieved from its obligations to pay the Rent and Additional Rent nor from any of its other obligations under this Lease, by reason of (a) any prevention or curtailment of or interference with any use of the Premises, or any part thereof, for any purpose by any Legal Requirement or (b) any damage to or destruction or any taking of the Premises or any part thereof; except (i) for Landlord's breach of its covenant of quiet enjoyment under **Section 2.4** hereof or (ii) as otherwise provided in **Article XIV** hereof.

3.5.3 Tenant shall pay a Five Thousand Dollar (\$5,000.00) non-refundable deposit ("Deposit") with the execution of this Lease. The Landlord shall not be obligated to provide an executed copy of this Lease until the Deposit is presented to the Landlord. The Deposit shall be credited against the first month's Base Rent payment payable under the Lease.

#### ARTICLE IV: USE

4.1. Use. Tenant may use the Premises for any lawful purpose or for no purpose at all, but specifically Tenant is authorized, upon the terms and conditions of this Lease, to use the Premises for a Registered Marijuana Dispensary licensed by the Massachusetts Department of Public Health. Tenant assumes the risk of any Legal Requirements, either now in effect or hereafter enacted which shall prohibit or limit Tenant's contemplated use of the Premises.

4.2. No Operating Covenant; Recapture. Nothing contained in this Lease shall be deemed to impose upon Tenant, either directly, indirectly, constructively or implicitly, an obligation to construct improvements upon the Premises, open or operate for business, or remain open and operating for any period or in accordance with any operating schedule, procedure or method, all of which shall be within the sole and absolute discretion of Tenant.

4.4. Utility and Other Charges. During the Term, commencing on the Lease

Commencement Date, Tenant shall place all utilities serving the Demised Premises in its name and shall pay before the same become delinquent all charges for utilities or services furnished to or for the benefit of the Premises. Subject to Tenant's compliance with the limitations contained in Section 15.4 below, Tenant shall have no obligation to contribute to the costs of maintaining or operating the monitoring wells that are currently located on the Demised Premises and that are part of a Massachusetts Department of Environmental Protection matter. If Tenant shall fail to pay any utilities or services on or before the last day upon which the same may be paid without interest or penalties, then Landlord may pay the same, together with all interest and penalties lawfully imposed by the taxing authority upon the late payment thereof, and the amounts so paid shall, upon Landlord's notice to Tenant of Landlord's payment thereof, become immediately due and payable by Tenant to Landlord hereunder, along with interest on such amount at the Default Rate until paid to Landlord. Landlord agrees to cooperate with Tenant in connection with Tenant's application for any utilities services for the Premises, including without limitation, executing any necessary documents within fifteen (15) days of Tenant's written request therefor. Tenant shall be responsible for providing its own dumpster and obtaining its own trash removal on a regular basis from the Demised Premises as well as snow removal and landscaping.

#### **ARTICLE V: TAXES**

5.1. Definition. The term "**Taxes**" shall mean and include all *ad valorem* taxes and assessments (general or special) and charges, duties, impositions, license and permit fees, charges for public utilities of any kind, that accrue or have accrued with respect to the Premises, including the Tenant's Improvements and the Existing Improvements, and are payable during the Term. If Tenant's obligation to pay Taxes shall cover a period that is less than a full tax year, then such Taxes shall be prorated on a per diem basis. Tenant shall also pay all Taxes accruing with respect to the Premises and the Existing Improvements required to be paid for all periods prior to the Lease Commencement Date from any after the date of the Ground Lease. Landlord shall immediately provide to Tenant copies of each assessment or tax valuation notice received by Landlord affecting the Premises. Tenant may request the taxing authority to deliver all tax statements or copies thereof directly to Tenant provided same relates to all of the Premises. Tenant shall be entitled to negotiate directly with the taxing authority regarding the tax valuation of any portion of the Premises or Improvements upon the same terms and conditions for which Tenant may contest Taxes under **Section 5.6** below (including without limitation Landlord's reasonable cooperation and execution of documents in connection therewith).

5.2. Tax Statements and Tenant's Payments. Tenant shall pay all Taxes owed hereunder to Landlord as to real estate taxes and otherwise directly to the taxing authority before the same shall become delinquent, and Tenant shall deliver to Landlord evidence of Tenant's payment thereof. In the event any tax statement is not sent directly to Tenant, however, Tenant shall not be obligated to pay such taxes or any portion thereof, sooner than ten (10) days after Landlord shall have given Tenant notice thereof, and Landlord (and not Tenant) shall be liable for any penalties, interest or fees arising as a result of any late delivery to Tenant. Except as set forth in the preceding sentence, Tenant shall pay all interest and penalties imposed upon the late payment of any Taxes which it is obligated to pay hereunder.

5.3. Landlord's Payments. If Tenant shall fail to pay any Taxes on or before the last

day upon which the same may be paid without interest or penalties, then Landlord may pay the same, together with all interest and penalties lawfully imposed by the taxing authority upon the late payment thereof, and the amounts so paid shall, upon Landlord's notice to Tenant of Landlord's payment thereof, become immediately due and payable by Tenant to Landlord hereunder, along with interest on such amount at the Default Rate until paid to Landlord.

5.4. Exclusions. Notwithstanding anything to the contrary contained herein, "Taxes" shall not include Landlord's income, estate, succession, gift, inheritance, franchise, transfer, excise, profits, or similar taxes.

5.5. Installments. Where any Taxes are permitted by law to be paid in installments, Tenant may elect to pay such Taxes in installments as and when each such installment becomes due; *provided*, that Tenant shall only be liable for its share of those installments which actually are or should have been paid during the Term of this Lease on and after the Lease Commencement Date.

5.6. Tax Contests. Tenant may, if it shall so desire, contest the validity or amount of any Taxes, in whole or in part, or endeavor to obtain a reduction of the assessed valuation for the purposes of reducing the Taxes, by abatement proceedings or by any other appropriate proceeding commenced and conducted in good faith and pursued diligently. Nothing herein contained, however, shall be so construed as to allow a challenged Tax to remain unpaid for such length of time as shall permit the Premises or any part thereof to be sold by a governmental authority or other person for the non-payment of the same; and, if at any time it shall become necessary or proper so to do, Tenant shall pay the challenged Tax, or so much thereof as may be required to prevent the sale or forfeiture of the Premises, or any part thereof. Promptly upon the determination of any such contest, Tenant shall pay any amounts (including all penalties and interest that have accrued with respect to amounts payable by Tenant) due in respect of the challenged Tax, except that if the contested amount includes any amount payable by Landlord, Landlord shall remain liable for such amount, and, promptly upon such determination, Landlord shall pay such amount (including all penalties and interest that have accrued with respect to amounts payable by Landlord) to the extent not previously paid by Landlord. Landlord agrees to reasonably cooperate in any such contest, including without limitation executing any applications for abatement or other necessary documents, but in no event shall Landlord be obligated to incur any cost or expense in connection therewith. In furtherance thereof Landlord hereby grants to Tenant the right to execute, in Landlord's name, any and all applications for abatement or any other document necessary to contest a challenged Tax; provided copies of the same are delivered to Landlord at least five days before the same are filed. In the event that Tenant, in its sole and absolute discretion, determines that Landlord's actual signature is required on such application or other document, Landlord shall join in the execution of any such applications or documents within fifteen (15) days of Tenant's written request therefor provided the same is in form and substance reasonably acceptable to Landlord. Landlord shall not be required to incur any liability in connection with any challenged Tax, however, and Tenant shall promptly reimburse Landlord for any reasonable out-of-pocket expenses of Landlord in connection therewith. Except as otherwise provided herein, Tax refunds obtained pursuant to any contest conducted by Tenant shall be payable to Tenant, and Tenant is authorized to collect the same. Landlord shall be entitled to collect, and Tenant shall pay to Landlord, if Tenant collects the same, net of Tenant's reasonable expenses of obtaining such refunds, or portions thereof, any refunds, or portions thereof, attributable to Taxes or assessments previously paid by Landlord and not reimbursed by Tenant. If Landlord contests the



validity or amount of any Taxes and/or assessments covering the Premises, Tenant shall be entitled to collect, and Landlord shall pay to Tenant, if Landlord collects the same, net of Landlord's reasonable expenses of obtaining such refunds, or portions thereof, any refunds, or portions thereof, attributable to Taxes previously paid by Tenant. Notwithstanding the foregoing, deferral of Tenant's payment of Taxes and/or the contesting of the same may not subject Landlord or any agent, contractor, employee, or other party claiming its interest through Landlord (each a "**Landlord Party**") to any criminal prosecution.

## ARTICLE VI: INSURANCE AND INDEMNITY

61. Liability Insurance. At its sole cost and expense, Tenant shall maintain in full force and effect during the Term Commercial General Liability Insurance with a combined single limit of liability of not less than Two Million Dollars (\$2,000,000.00) for bodily injury, personal injury and property damage in or about the Premises, the Improvements, and the appurtenances thereto, arising out of any one occurrence, and if liquor will be offered for sale or for consumption from the Premises, either the general liability policy referenced above must include an endorsement that deletes the liquor liability exclusion, or coverage must be provided via stand-alone liquor liability insurance providing coverage of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. Landlord and, at the written request of Landlord, any Fee Mortgagee (as defined herein) as may be designated in said written request, shall be "additional insureds" under such policy. Such policy shall cover the entire premises including sidewalks and streets abutting thereon and shall provide for at least fifteen (15) days notice to Landlord before cancellation.

At each increase in the Base Rent, the foregoing amounts of coverage shall be adjusted to reflect increases in the commercial real estate industry with regard to operation of similar type properties.

62. Property Insurance.

6.2.1. During the Term, Tenant shall carry, or cause to be carried, at Tenant's sole cost and expense, property insurance coverage on all Improvements on the Premises, in the amount of not less than eighty (80%) percent of the full replacement cost thereof (excluding footings, foundations and excavations), and an amount sufficient to prevent Landlord or Tenant from becoming a co-insurer under such policies of insurance.

6.3. Insurance Proceeds. All proceeds of any insurance under this **Section 6** shall be the exclusive property of Tenant.

6.4. General Insurance Requirements. All insurance required by this **Article VI** shall be written on a per occurrence basis and procured from companies rated by A.M. Best (or its successor or a comparable insurance company rating service) not less than A- (or a successor or comparable rating if A.M. Best's current rating system is no longer in effect), which companies are authorized to do business in The Commonwealth of Massachusetts. Tenant agrees to furnish Landlord written proof of insurance evidencing that the insurance required to be carried by Tenant is in full force and effect on or before each anniversary of the Lease Commencement Date. All such insurance may be carried under so-called blanket policies covering one or more other properties owned by or managed by



Tenant or any of its affiliates, provided that any blanket policies shall provide that the amount of coverage for the losses required to be insured against hereunder shall be separately stated, and that such insurance coverage shall give to Landlord and Landlord's mortgagees, if any, no less protection than that which would be afforded by separate policies. All policies of insurance required to be maintained by Tenant hereunder shall waive any rights of subrogation or otherwise against Landlord, notwithstanding any negligent act or failure to act by Landlord or Landlord's agents or employees. To the extent Landlord may elect (in its sole discretion) to maintain any insurance policies relating to the Premises in its own name then any such policies of insurance shall waive any rights of subrogation or otherwise against Tenant, notwithstanding any negligent act or failure to act by Tenant or Tenant's agents or employees. Tenant shall comply with the terms of all insurance policies required to be provided by it under this Lease.

6.5. Landlord's Remedy. If Tenant shall fail to provide the insurance policies or evidence of insurance required herein and such failure shall continue for more than fifteen (15) days after Landlord's written notice to Tenant thereof, Landlord may obtain such policies as the agent of Tenant, running for a period not exceeding one (1) year under any one policy; and the amount of the premium or premiums paid for such insurance by Landlord, net of any refund to Landlord on account of Tenant's subsequent procurement of the required insurance policy, shall be paid by Tenant to Landlord as Additional Rent upon demand; and Landlord shall not be limited in the proof of any damages which Landlord may claim against Tenant arising out of or by reason of Tenant's failure to provide and keep in force insurance policies as aforesaid, to the amount of the insurance premium or premiums not paid or incurred by Tenant which would have been payable upon such insurance, but shall also be entitled to recover as damages for such breach, the uninsured amount of any loss, liability, damage, claims, costs and expenses of suit, judgments and interest, and reasonable attorneys' fees suffered or incurred by Landlord (exclusive of consequential or special damages).

6.6. Indemnification.

6.6.1. Tenant's Waiver and Indemnity.

(a) Tenant agrees that Landlord shall not be liable for any injury or damage to any property or to any person happening on, in or about the Premises, or for any injury or damage to the Premises, or to any property by reason of any defect in the Premises, or which may result from steam, gas, electricity, water, rain or sewer, or any defect in any engines, boilers, elevators, escalators, machinery, electric wiring or fixtures, or for any failure or defect of water, heat, electric light or power supply or for any kind of injury or damage which may arise from any other cause whatsoever on the Premises, including defects in construction, latent or otherwise; *provided, however*, the foregoing obligation shall not apply to claims or demands to the extent caused by the negligence or willful act or omission of Landlord or any Landlord Party.

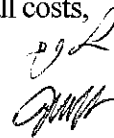
(b) Tenant further agrees to defend, protect, indemnify and hold harmless Landlord from and against all claims or demands, including, without limitation, any action or proceedings brought thereon, and all costs, losses, expenses and liabilities of any kind relating thereto, including reasonable attorneys' fees and costs of suits, arising out of or resulting from (i) the injury to or death of any person, or damage to the property of any person located on the Premises and occurring during the Term or (ii) claims of any kind and nature in connection with the possession,

use or operation of the Premises the Improvements or the appurtenances to the Premises during the Term by the Tenant or any agent, contractor, employee, or other party claiming its interest through Tenant (each a "**Tenant Party**") or any other person, or arising out of Tenant's failure to timely perform each term, covenant, condition and agreement herein provided to be complied with by Tenant occurring, from and after the Lease Commencement Date; *provided, however*, the foregoing obligation shall not apply to claims or demands to the extent caused by the gross negligence or willful act or omission of Landlord or any agent, employee, contractor or any other party taking interest through the Landlord.

6.6.2. Claims. Each party shall promptly notify the other party of any claim asserted against the first party with respect to which the first party is indemnified against by the second party as provided above in this Lease and the party giving such notice shall promptly deliver to the other party the original or a true copy of any summons of process, pleading or notice issued or served in any suit or other proceeding to assert or enforce any such claim. The party so notified of any such claim shall defend any such suit at its sole cost and expense with attorneys of its own selection, but the party so indemnified shall have the right, if it sees fit, to participate in such defense at its own expense.

## ARTICLE VII: LIENS

7.1. Liens. Notice is hereby given that Landlord shall not be liable for any work performed on or for any materials delivered to the Premises for Tenant or any subtenant and that no mechanics', materialmen's, or other lien for such work or materials shall attach to the reversionary interest of Landlord in the Premises. In the event any lien is filed against the Premises or any appurtenances thereto as a result of services performed or materials furnished for the use of Tenant or Tenant's subtenants, occupants or other persons claiming under Tenant or any failure of any such parties to comply with applicable law, Tenant shall cause such lien to be discharged within twenty (20) days after recording of the same and written notice of such recordings is provided to the Tenant. Notwithstanding the foregoing, upon request of Landlord, Tenant agrees within ten (10) days to cause such lien to be released and discharged of record, either by paying the indebtedness which gave rise to such lien or by posting bond or other security as shall be required by law to obtain such release and discharge. If Tenant shall fail to so cause such lien to be discharged or bonded against or properly insured over within such 10-day period, then, in addition to any other right or remedy, Landlord may, but shall not be obligated to, (i) discharge the same either by paying the amounts claimed to be due or by procuring the discharge of such lien from the Premises by bonding proceedings or other legal proceedings or (ii) obtain affirmative title insurance coverage by a title insurance company acceptable to the Tenant. Any amount so paid and all costs and expenses incurred in connection with any exercise of the above rights, together with interest thereon at the Default Rate from the respective dates of the payment or incurring of the cost and expense pursuant thereto, shall constitute an obligation of Tenant and shall be paid by Tenant to Landlord on demand. Nothing herein shall prevent Tenant from contesting the validity of the lien in any manner it chooses so long as such contest is pursued with reasonable diligence. In the event such contest is determined adversely (allowing for appeal to the highest appellate court), Tenant shall promptly pay in full the required amount, together with any interest, penalties, costs, or other charges necessary to release such lien. Tenant agrees to defend, protect, indemnify and hold harmless Landlord from and against all claims and demands, including any action or proceeding brought thereon, and all costs,

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losses, expenses and liabilities of any kind relating thereto, including reasonable attorneys' fees and costs of suit, arising out of or resulting from such lien

## ARTICLE VIII: IMPROVEMENTS AND ALTERATIONS

### 81. Construction and Alteration of Improvements.

8.1.1. Tenant, from time to time in its sole and absolute discretion, may make such improvements to the Premises as it determines are appropriate or necessary and may improve, alter, modify, construct, expand, contract, reconfigure, raze, demolish or otherwise alter any Improvements (all of the foregoing being, collectively, "**Alterations**"), in each case at Tenant's sole cost and expense and in accordance with all Legal Requirements. Tenant shall notify Landlord at least fifteen (15) days prior to performing any Alterations that are not to be performed within the interior of the Existing Improvements. Promptly upon Landlord's written request therefor, Tenant shall provide to Landlord, for Landlord's information (but not for Landlord's approval), copies of any plans required to have been submitted to governmental authorities in connection with any Alterations undertaken by Tenant. If it is necessary to grant easements in connection with the use or improvement of the Premises as permitted hereunder, Landlord agrees to reasonably cooperate with Tenant in connection therewith, including without limitation executing, acknowledging and delivering such easements or other appropriate documentation reasonably necessary to effect such easements, prepared by Tenant or on Tenant's behalf, within fifteen (15) days of Tenant's written request therefor, provided in all events (i) are in form and substance reasonably acceptable to Landlord, (ii) do not extend beyond the Term, (iii) would not interfere with the use, operation, development or redevelopment of other property owned by Landlord or Landlord's beneficiaries. Landlord shall not be required to incur any liability in connection therewith, however, and Tenant shall promptly reimburse Landlord on demand for any reasonable out-of-pocket expenses incurred by Landlord in connection therewith.

8.1.2. Any Alterations shall be made in a good and workmanlike manner and in accordance with all Legal Requirements.

82. Signage. Tenant, from time to time in its sole and absolute discretion and at its sole cost and expense, shall have the right to place and maintain signs, banners and/or other advertising matter on the Premises, including, without limitation, pylon and monument signs (collectively, "**Signage**"), subject to Legal Requirements.

83. Permits. No Alterations shall be undertaken until Tenant shall have procured and paid for, so far as the same shall be required from time to time under Legal Requirements, all permits, approvals, variances, licenses or authorizations ("Permits"), of any federal, state or municipal government or departments or subdivisions of any of them having jurisdiction over the construction of Tenant's Improvements, Signage, Alterations and/or Tenant's use of the Premises and Tenant shall have the right to seek such Permits, and engage in appeals or contests in connection with proceedings therefor, as Tenant shall deem necessary or desirable from time to time in its sole and absolute discretion, all as permitted hereunder and all of the foregoing to be at the Tenant's sole cost and expense. Tenant shall not have the right to seek any rezoning of the Premises without Landlord's consent which may be withheld in Landlord's sole and absolute discretion.



Landlord agrees to reasonably cooperate with Tenant in connection with the foregoing, including without limitation executing any necessary documents within ten (10) days of Tenant's written request therefor, provided the same is in form and substance reasonably acceptable to Landlord. Landlord shall not be required to incur any liability in connection therewith, however and Tenant shall promptly reimburse Landlord on demand for any reasonable out-of-pocket expenses incurred by Landlord in connection therewith.

8.4 Maintenance, Repair and Compliance with Law. Tenant, at its sole cost and expense, shall keep and maintain the Premises, including all Existing Improvements and Tenant's Improvements and any and all other facilities thereon, in good condition. In no event, however, may Tenant commit waste (subject, however, to Tenant's rights to make Alterations in accordance with **Section 8.1** hereof). Tenant waives any right created by any law now or hereafter in force to make repairs to the Premises at Landlord's expense. Landlord shall not be responsible whatsoever to conduct any maintenance or make repairs or replacements of any kind to the Premises, including the Existing Improvements and any Tenant Improvements. Tenant at its sole cost and expense shall at all times comply (and cause the Premises to comply) with all Legal Requirements, now or hereafter enacted or promulgated, of every governmental authority having jurisdiction over the Premises, regardless of whether such Legal Requirements shall necessitate structural changes, improvements, interference with use and enjoyment of the Premises or the Improvements, replacements or repairs, extraordinary as well as ordinary.

8.5 Damage.

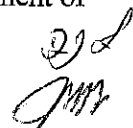
8.5.1. Restoration. If any portion of the Improvements shall be damaged or destroyed by fire or casualty, then, whether or not such damage or destruction shall have been insured (a) Tenant shall give prompt written notice thereof to Landlord and (b) with respect to all such damaged or destroyed Improvements, Tenant shall, within 180 days after the event of damage or destruction either (i) commence to restore and/or rebuild such Improvements; or (ii) to fully demolish such Improvements, but in no event shall Tenant have any right to terminate this Lease or abate Rent in the event of a fire or casualty. In any event, Tenant shall take such action as may be required under applicable Legal Requirements with respect to any damage or destruction of the Improvements and Tenant shall promptly secure the Premises so that the same are in a safe and slightly condition.

8.5.3. Insurance Proceeds. All insurance proceeds resulting from any damage or destruction of Improvements from time to time shall be the sole and exclusive property of Tenant and may be applied by Tenant to the repair or rebuilding of the Premises or retained by Tenant and used for any purpose, all as Tenant, in its sole and absolute discretion, shall desire.

**ARTICLE IX: ASSIGNMENT, SUBLETTING; LEASEHOLD MORTGAGES**

9.1. Assignment and Subletting.

9.1.1. Tenant and its successors and assigns shall have the right from time to time to transfer or assign this Lease or any interest herein (including without limitation an assignment of



Tenant's rights under **Section 16.1** hereof in connection with an assignment of Tenant's leasehold estate hereunder or a sublease of the entire Premises, but not apart from any such assignment or sublease transaction) or sublet the Premises in its sole and absolute discretion, subject to the prior written consent of Landlord, which consent shall not be unreasonably withheld. No subdivision or partial subletting of the Premises shall be permitted. No transfer, assignment or subletting shall relieve Tenant of its liability for the full performance of all of the terms, agreements, covenants and conditions of this Lease absent a separate written agreement of the Landlord. No consent to a transfer shall relieve Tenant of the obligation to obtain Landlord's consent to any subsequent transfer.

9.1.2. Tenant agrees that, with respect to each and every sublease (each, a "**Sublease**") of the Premises hereafter executed, Tenant shall not, without the prior written consent of Landlord, (i) receive or collect any sub-rents payable under any such Sublease from the subtenant thereunder (the "**Subtenant**") for a period of more than three (3) months in advance; or (ii) pledge, transfer, mortgage, encumber or assign future payments of such subrental except to the holder of a Leasehold Mortgage.

9.1.3. Tenant shall be obligated to provide a fully-executed copy of an assignment or sublease document entered into by Tenant with respect to the Premises within ten (10) days of execution of the same.

9.2. Leasehold Mortgages. Tenant shall have the right at any time and from time to time, without Landlord's consent but upon prior written notice to Landlord, to mortgage or otherwise encumber Tenant's leasehold estate and Tenant's rights under this Lease together with any or all improvements appurtenant thereto pursuant to one or more leasehold mortgages, and Tenant may assign its interest in this Lease as collateral security for such Leasehold Mortgage (any such encumbrance being herein a "**Leasehold Mortgage,**" with the holder of any thereof from time to time being herein a "**Leasehold Mortgage**"). Notwithstanding the foregoing, no Leasehold Mortgage now or hereafter a lien upon this Lease shall extend to or affect the reversionary interest and estate of Landlord in and to the Premises or in any manner attach to or affect the Premises from and after any expiration or termination of this Lease except as expressly set forth herein.

9.2.1. Notice to Leasehold Mortgagee. Landlord agrees to simultaneously send copies of all notices of default given to Tenant hereunder to each Leasehold Mortgagee notice of whose name and address has been given in writing to Landlord. No amendment, modification, extension, renewal (other than as necessary to exercise an express right granted to Tenant in this Lease), or voluntary cancellation, termination or surrender of this Lease (as opposed to an exercise of Landlord's rights to terminate for Tenant default) shall be binding upon the Leasehold Mortgagee (of which Landlord has been notified in writing) without its written consent.

9.2.2. Cure by Leasehold Mortgagee or Subtenant. In the case of a Default by Tenant, Landlord shall give Leasehold Mortgagee or Subtenant for which the Landlord has provided consent pursuant to Section 9.1.1 (i) a notice of its intent to exercise its rights hereunder (the "**Remedies Notice**") containing a statement of all existing Defaults under this Lease, and (ii) the opportunity to cure such Default(s), as follows: (a) Leasehold Mortgagee and/or Subtenant shall be

entitled to cure any stated Monetary Default (as defined in **Section 13.1** hereof) for a period of thirty five (35) days after receipt of such Remedies Notice, and (b) Leasehold Mortgagee and/or Subtenant shall be entitled to cure any stated Non-Monetary Default (as defined in **Section 13.1** hereof) for a period of fifteen (15) days after receipt of such Remedies Notice; *provided however*, that if Leasehold Mortgagee requires additional time to complete the curing of any such Non-Monetary Default, then, provided Leasehold Mortgagee has commenced to cure such Default within such 15-day period and thereafter prosecutes the same to completion with reasonable diligence, Leasehold Mortgagee and/or Subtenant shall be entitled to such additional time as is reasonably necessary to cure such Default. Landlord shall deliver any such Remedies Notice at the same time of its delivery to Tenant of a Default notice pursuant to **Section 13.1** hereof, it being acknowledged, however, that the periods of time afforded Leasehold Mortgagee and/or Subtenant under this **Section 9.3.2** for cure of a Default shall not commence until the expiration of any cure periods afforded Tenant therefor under **Section 13.1** or elsewhere herein. If Leasehold Mortgagee and/or Subtenant cures all stated Defaults in accordance with the foregoing provisions, then both the notice of Default given to Tenant (with a copy to Leasehold Mortgagee and/or Subtenant) and the Remedies Notice shall be null and void and of no further force or effect. Landlord agrees to accept cure of any Defaults of Tenant by any Subtenant provided cure occurs within the cure periods provided to Tenant under this Lease. Landlord agrees to accept performance of Tenant's obligations hereunder by Leasehold Mortgagee and/or Subtenant with the same force and effect as though observed or performed by Tenant.

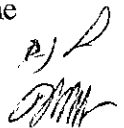
9.2.3. Limitations on Liability. Under no circumstances shall Leasehold Mortgagee be liable for the performance of Tenant's obligations hereunder unless and until Leasehold Mortgagee acquires Tenant's rights and interest by foreclosure or other assignment or transfer in lieu thereof. In the event that Leasehold Mortgagee so acquires Tenant's rights and interest, the liability of Leasehold Mortgagee, its successors and assigns shall be limited to its leasehold interest in this Lease. Neither Leasehold Mortgagee, its successors or assigns, nor any agent, partner, officer, trustee, director, shareholder or principal (disclosed or undisclosed) of Leasehold Mortgagee, its successors or assigns, shall have any personal liability hereunder.

9.2.4. Notice Procedure. All notices from Landlord to Leasehold Mortgagee and from Leasehold Mortgagee to Landlord hereunder shall be in writing and given in the manner specified in **Article 17** hereof. The address for notices to Leasehold Mortgagee shall be the address furnished to Landlord by Tenant.

## **ARTICLE X: WARRANTIES AND REPRESENTATIONS**

10.1 Landlord's Authority. Landlord represents and warrants to Tenant that Landlord has full right and authority to enter into this Lease and perform Landlord's obligations under this Lease. The individuals signing this Lease and all other documents executed or to be executed pursuant hereto on behalf of Landlord are and shall be duly authorized to sign the same on Landlord's behalf and to bind Landlord thereto. This Lease is and shall be binding upon and enforceable against Landlord in accordance with its terms.

10.2 Tenant's Authority. Tenant represents and warrants to Landlord that Tenant has full right and authority to enter into this Lease and perform Tenant's obligations under this Lease and that Tenant has succeeded to all rights of the tenants originally named in the Ground Lease and the



Parking Lease. The individuals signing this Lease and all other documents executed or to be executed pursuant hereto on behalf of Tenant are and shall be duly authorized to sign the same on Tenant's behalf and to bind Tenant thereto. This Lease is and shall be binding upon and enforceable against Tenant in accordance with its terms.

### ARTICLE XI: SURRENDER OF PREMISES

#### 11.1 Surrender.

11.1.1. Upon any termination of this Lease, whether by expiration of the Term hereof or by reason of any other cause whatsoever as provided herein, then, all right, title and interest of Tenant and all those holding or claiming any interest by, through or under Tenant in the Premises or any portion thereof shall cease and terminate and title thereto shall automatically vest in Landlord absolutely free of any liens permitted or suffered by Tenant. At the expiration or earlier termination of this Lease, Tenant shall deliver possession of the Premises to Landlord in "broom clean" condition, free of all of Tenant's Equipment unless otherwise directed by Landlord. The Improvements shall become the property of Landlord at the expiration or earlier termination of this Lease. No further deed or other instrument shall be necessary to confirm such vesting in Landlord. However, upon any termination of this Lease, Tenant, upon request of Landlord, shall execute, acknowledge and deliver to Landlord a deed confirming that all of Tenant's right, title and interest in the Premises has expired and that title to any Improvements then existing has vested in Landlord free of any leasehold and any liens permitted or suffered by Tenant.

### ARTICLE XII: HOLDOVER

12.1 Holding Over After Term. If Tenant shall hold the Premises after the expiration or earlier termination of the Term hereof, such holding over shall, in the absence of written agreement on the subject, be deemed to have created a tenancy at sufferance at a use and occupancy charge rental equal to 150% of the monthly Rent payable during the last year of said Term plus 100% of any Additional Rent as may accrue with respect to any such holdover period. Nothing contained herein shall grant the right of holdover to Tenant after the expiration of the Term or earlier termination of this Lease, and Landlord may immediately commence proceedings against Tenant to obtain possession of the Premises. Notwithstanding any provision of this Lease to the contrary, Tenant shall be liable for all damages (direct, indirect and consequential) incurred by Landlord as a result of Tenant holding over in the Premises after the expiration or earlier termination of the Term.

### ARTICLE XIII: DEFAULT

#### 13.1 Tenant's Default.

13.1.2. It shall be a "Default" by Tenant hereunder if (i) Tenant shall not have paid Rent or any Additional Rent within ten (10) days after Landlord has given written notice to Tenant stating that such payment was not made on or before its due date (each, a "Monetary Default"); or (ii) Tenant shall not have performed any of the other covenants, terms, conditions or provisions required to be performed by Tenant under this Lease within thirty (30) days after Landlord has provided Tenant with written notice specifying such failure (a "Non- Monetary Default");

provided, however, that with respect to those failures that cannot with due diligence be cured within said thirty (30) day period Tenant shall not be deemed to be in Default hereunder if Tenant commences to cure such failure within such thirty (30) day period and thereafter continues the curing of such failure with all due diligence to completion

13.1.2. Landlord shall be entitled to receive from Tenant an amount equal to interest accrued at the Default Rate on Rent or any other amount payable by Tenant under this Lease that is not paid when due (the "**Unpaid Amount**"). Interest shall accrue pursuant to the preceding sentence from the date the Unpaid Amount was due through the date the same was paid.

### 13.2 Remedies.

13.2.1. If a Default has occurred, Landlord shall have the right to institute from time to time an action or actions, summary or otherwise, in a court of competent jurisdiction (the "**Court**"), (i) to recover damages (exclusive of consequential or special damages), (ii) for injunctive and/or other equitable relief, and/or (iii) to recover possession of the Premises. After a Default, Landlord may elect to (a) re-enter the Premises or any part in the name of the whole, without notice, and remove all persons and property therefrom (Tenant waiving notice to evict) without being liable to prosecution or damages therefor, and may recover the Premises and any Improvements then existing, and expel Tenant, and/or (b) terminate this Lease. Tenant shall thereupon quit and peacefully surrender the Premises to Landlord pursuant to **Article XI** hereof without any payment therefor by it, and Landlord may re-enter the Premises as provided in the preceding clause (a).

13.2.2. Notwithstanding anything to the contrary contained in this **Section 13.2**, Landlord also shall have the benefit of all remedies at law or in equity available to it by reason of Tenant's Default.

### 13.3 Damages on Termination.

13.3.1. In the event this Lease is terminated as a result of a Default as provided in this **Article XIII**, Landlord shall be entitled to recover from Tenant all actual, direct damages, including, without limitation, any unpaid Rent and Additional Rent, incurred by Landlord by reason of Tenant's Default prior and up to the date this Lease is terminated, and the cost of recovering possession of the Premises and reasonable attorneys' fees. Notwithstanding the immediately preceding sentence, Landlord shall not be entitled to recover consequential or special damages, nor may Landlord recover any costs and expenses of reletting the Premises other than as expressly provided in **Section 13.3.2** below.

13.3.2. Notwithstanding the foregoing, if this Lease is terminated as a result of a Default, Landlord shall be entitled to receive from Tenant (x) payments of Rent and Additional Rent to the extent the same are not being covered by another tenant or tenants as the same would have become due and owing under this Lease, and (y) reimbursement for any reasonable broker's commission and reasonable attorneys' fees incurred by Landlord in connection with reletting the Premises, and reasonable costs incurred by Landlord for preparing the Premises for occupancy by a

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subsequent tenant, for the recovery of which Landlord may bring suit from time to time for any period, without prejudice in any way to the rights of Landlord to collect the deficiency for any subsequent period by a similar action or proceeding. Landlord shall use commercially reasonable efforts to re-let the Premises and Improvements in order to mitigate its damages hereunder. Landlord may receive as its sole and absolute property, without duty to account therefor to Tenant, all sums collected by it as rent or otherwise upon reletting the Premises after it shall resume possession thereof as hereinbefore provided. The obligations of Tenant under this Section shall survive the expiration or early termination of this Lease.

13.3.3. If Landlord shall obtain possession of the Premises and the Improvements under legal proceedings or pursuant to the terms and conditions of this Lease because of a Default by Tenant, then all rights of redemption provided by any law, statute or ordinance now in force or hereafter enacted shall be and are hereby waived by Tenant.

13.4 Delay; Waiver. No delay or omission by either party hereto to exercise any right or power accruing upon any noncompliance or default by the other party with respect to any of the terms of this Lease shall impair the exercise of any such right or power or otherwise be construed to be a waiver thereof, except as otherwise herein provided. A waiver by either of the parties hereto of any of the covenants, conditions or agreements hereof to be performed by the other shall not be construed to be a waiver of any subsequent breach thereof or of any other covenant, condition or agreement herein contained. No receipt by Landlord of any payment from Tenant after a termination of this Lease shall reinstate, continue or extend the Term hereof or affect any notice theretofore given to Tenant, nor operate as a waiver of Landlord's right to enforce the payment of Rent or Additional Rent then due or thereafter falling due.

13.5 Landlord's Right to Cure Tenant's Default. Whenever Tenant shall be in Default, Landlord may perform, or cause to be performed, such term, covenant or condition, and take such other steps, including entry onto the Premises and the Improvements, as it may deem reasonably advisable, to achieve such performance or compliance, in which event Tenant shall reimburse Landlord upon demand for all reasonable out-of-pocket costs and expenses suffered or incurred by it in connection therewith (together with interest thereon at the Default Rate from the respective dates of Landlord making each such payment or incurring of each such cost or expense). Acting in accordance with the immediately preceding sentence shall not be deemed to obligate Landlord to commence or complete the curing of any term, covenant, or condition which is in default within said time limits or otherwise. Landlord shall defend, protect, indemnify and hold harmless Tenant from and against all claims or demands, including, without limitation, any action or proceedings brought thereon, and all costs, losses, expenses and liabilities of any kind relating thereto, including reasonable attorneys' fees and costs of suits, arising out of or resulting from claims of any kind and nature to the extent caused by the gross negligence or willful act or omission of Landlord or any Landlord Party in connection with Landlord's exercise of its rights under the first sentence of this **Section 13.5**.

13.6 Rights While in Default. Except as otherwise may be provided in this Lease, Tenant's rights hereunder shall not be affected by, and Tenant may exercise any of such rights, notwithstanding any breach or default of any of its obligations under this Lease through the date that Landlord has terminated this Lease.



13.7 Bankruptcy. If a petition of bankruptcy or reorganization shall be filed by or against the then Tenant and not dismissed within ninety (90) days of filing, or in any proceeding based upon the insolvency of Tenant a receiver or trustee of all of the property of Tenant shall be appointed and shall not be discharged within ninety (90) days after such appointment, then such event shall be a Default under this Lease unless the trustee or receiver affirms or assumes this Lease within ninety (90) days after the commencement of the proceedings and cures any other Default under this Lease within ninety (90) days after affirmation or assumption of this Lease. In any event, the foregoing shall be subject to all applicable federal and state bankruptcy laws.

13.9 No Consequential Damages. Notwithstanding anything to the contrary set forth herein (including without limitation **Sections 6.6** and **15.3** hereof) neither Tenant (except as provided in Article XII) nor Landlord shall be entitled to recover any consequential or special damages on account of the other party's breach or default under this Lease.

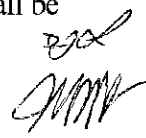
#### **ARTICLE XIV: CONDEMNATION**

14.1 Voluntary Conveyance. The parties hereby agree that neither party to this Lease shall voluntarily convey any interest in the Premises or otherwise related to this Lease to any governmental or quasi-governmental agency, authority or public utility (a "**Taking Authority**") under threat of a taking in connection with the exercise of any power of eminent domain, condemnation, or purchase under threat or in lieu thereof in lieu of formal proceedings with respect to any interest in the Premises or this Lease (any of the foregoing powers being a "**Taking**") without first providing at least sixty (60) days' prior written notice to the other party, and the other party's Leasehold Mortgagee or Fee Mortgagee, as applicable (the "**Mortgagee**"), of any request or intention to do so. For the purposes of this **Article 14**, all amounts paid pursuant to any agreement with any Taking Authority that has been made in settlement of or under threat of any Taking proceeding affecting the Premises shall be deemed to constitute an award made in such proceeding and shall be disbursed in accordance with **Section 14.4** hereof.

14.2 Total Taking. In the event of a Taking of all or substantially all of the Premises for the remainder of the Term of this Lease or of all or substantially all of Tenant's interest in this Lease, this Lease shall terminate as of the effective date of such Taking, and Rent and Additional Rent for the remainder of the Term shall be prorated as of such date. Awards received as a result of such a Taking shall be disbursed in accordance with **Section 14.4** below.

#### 14.3 Partial Taking.

14.3.1. Termination. In the event of a permanent Taking (i) of any part of the aggregate floor area contained in all buildings then located on the Premises, (ii) which reduces by more than fifty percent (50%) the number of parking spaces located on the Premises or which reduces the number of parking spaces so as to render the Premises nonconforming with Legal Requirements, or (iii) which closes all reasonable means of access to the Premises, then Tenant may, in its sole and absolute discretion, elect to terminate this Lease. Such termination shall be effected by written notice to Landlord (the "**Termination Notice**"), given within one hundred twenty (120) days after the effective date of the Taking or the date the award of damages to Tenant as a result of such Taking is finally determined. as the case may be (the "**Termination Date**"). Such termination shall be





effective as of the date specified for termination in Tenant's Termination Notice, and Rent and Additional Rent for the remainder of the Term of this Lease shall be pro rated as of the effective date of such termination. All awards received as a result of a partial Taking as described in this **Section 14.3** shall be disbursed in accordance with **Section 14.4** hereof.

14.3.2. Rent Abatement. In the event of a permanent Taking that does not result in a termination of this Lease, the amounts upon which Rent are determined hereunder shall be reduced by multiplying the same by a fraction (the "**Taking Fraction**") the numerator of which is the fair market value of the Premises remaining immediately after the effective date of the Taking and the denominator of which is the fair market value of the Premises immediately prior to the effective date of the Taking; provide, however that in the event the Rent is reduced by more than fifteen percent (15%), Landlord shall have the right to terminate this Lease by written notice to Tenant.

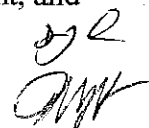
14.4 Awards. Any award for a Taking (but not for a temporary Taking which shall be covered by **Section 14.6** hereof) shall be paid to the Taking Depository and the Taking Depository shall pay out the award as follows: Tenant shall be entitled to the portion of the award allocable to the value of Tenant's Improvements and Landlord shall be entitled to the remainder of such. To the extent not included in any such award and provided the same does not constitute a set off of Landlord's award for the taking of the applicable portion of the Property, Tenant may make a separate claim for an award (i) made with respect to a taking of its trade fixtures or Tenant's Equipment, and/or (ii) made with respect to Tenant's removal, remodeling or relocation costs, damages to Tenant's personal property, any special damages of Tenant, or loss of Tenant's business profits or goodwill.

14.5 Notice of Action. In the event that any Taking action is filed by any Taking Authority, or in the event that any Taking action is threatened in writing or any Taking Authority communicates in writing to Landlord or Tenant its desire to acquire any interest in the Premises or this Lease by a voluntary conveyance or transfer in lieu of condemnation, the party receiving such communication shall give prompt notice thereof to the other party and to such party's Mortgagee. Landlord, Tenant and any Mortgagee shall each have the right, at its own cost and expense, to represent its respective interest in each proceeding, negotiation or settlement with respect to any Taking or threatened Taking and to make full proof of its claims. No agreement, settlement, conveyance or transfer to or with the Taking Authority shall be made without the consent of Landlord and Tenant, such consent to not be unreasonably withheld.

#### 14.6 Temporary Taking.

14.6.1. As used herein, the phrase "**Temporary Taking**" shall mean a Taking that is effective for not more than one year. As used herein, the phrase "**permanent Taking**" shall mean a condemnation that is effective for more than one year.

14.6.2. If there shall be a temporary Taking of the whole or any part of the Premises or the Improvements thereon or the appurtenances thereto, the term of this Lease shall not be affected in any way and Tenant shall continue to pay in full the Rent and Additional Rent, and other sum or sums of money and charges herein provided to be paid by Tenant, and



the entire award for such Taking shall be paid to the Depository, to be applied and disposed of as hereafter provided in this **Section 14.6**. The Depository shall pay to Tenant that portion of said award paid for use and occupancy of the Premises during any period prior to the expiration of the Term of this Lease and shall pay to Landlord any portion of said award paid for use and occupancy of the Premises following expiration of the Term of this Lease. That portion of such award which represents physical damage to the Premises or Tenant's Improvements or appurtenances thereto occasioned by such Taking or for loss of business incurred by Tenant shall be paid by the Depository to Tenant and any remaining portion of the award shall be paid to Landlord.

## **ARTICLE XV: HAZARDOUS SUBSTANCES; MONITORING WELLS**

15.1 Tenant's Obligations. Except in compliance with Environmental Laws and provided that such Hazardous Substances are maintained in proper containers and are reasonably necessary in the ordinary course of the operations and maintenance of the uses being made of the Premises at any given time, neither Tenant nor any Tenant Party shall use, store, manufacture, or release, or permit the use, storage, manufacture or release of, Hazardous Substances in or at the Premises. In the event of a Release of Hazardous Substances in, on, under or above the Premises that occurs during the Term, other than to the extent the same was caused by the acts or omissions of Landlord or a Landlord Party, Tenant shall undertake the Remediation thereof (in the context of this **Section 15.1, "Tenant Remediation"**) at its sole cost and expense. Tenant's Remediation shall include, without limitation, Remediation as a result of the presence of friable asbestos or lead paint discovered due to the demolition of the Existing Improvements.

15.2 Tenant's Indemnification. Tenant shall indemnify, protect, defend and hold Landlord and any Landlord Party forever harmless from and against any and all loss, claims (including bodily injury, property damage, and claims seeking payment for or performance of remediation), actions, judgments, liabilities, liens, damages, penalties, fines, costs and expenses, including, without limitation, reasonable attorneys' fees, costs of defense and expert/consultant fees, and costs of assessment, containment and clean-up, asserted against, imposed on, or suffered or incurred by Landlord or any Landlord Party (or the Premises) arising out of or in connection with any Release of Hazardous Substances by Tenant, its predecessors, successors and assigns (other than to the extent the same was caused by the acts or omissions of Landlord or a Landlord Party); including any consequential or special damages resulting therefrom.

15.3 Definitions. For purposes of this Lease:

(a) The term "**Environmental Law**" shall mean any federal, state, county, municipal, local or other statute, ordinance or regulation which relates to or deals with the protection of the environment and/or human health from the release of Hazardous Substances, including all regulations promulgated by a regulatory body pursuant to any such statute, ordinance, or regulation, including, the Comprehensive Environmental Response and Liability Act of 1980 (CERCLA), as amended, 42 U.S.C. § 9601 et seq., the Resource Conservation and Recovery Act (RCRA), as amended, 42 U.S.C. § 6901 et seq., the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251 et seq., and the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.; Toxic Substances Control Act of 1976, 15 U.S.C. § 2601 et seq.; Hazardous Materials

*DK*  
*OMM*

Transportation Act, 49 U.S.C. App. § 1808 et seq.; Oil Pollution Act of 1990, 33 U.S.C. § 2701 et seq.; Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C. § 11001 et seq.; Massachusetts Oil and Hazardous Materials Release, Prevention and Response Act, G.L. c. 21E et seq.; Massachusetts Hazardous Waste Management Act, G.L. c. 21C et seq.; each as the same may be amended from time to time.

(b) The term "**Hazardous Substance**" shall mean and refer to asbestos, urea formaldehyde, polychlorinated biphenyls, nuclear fuel or materials, radioactive materials, explosives, known carcinogens, petroleum products and by-products (including crude oil or any fraction thereof), and any pollutant, contaminant, chemical, material or substance defined as hazardous or as a pollutant or a contaminant in, or the use, manufacture, generation, storage, treatment, transportation, release or disposal of which is regulated by, any Environmental Law.

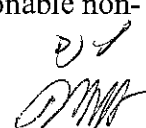
(c) The term "**Release**" shall mean and refer to any spilling, leaking, pumping, pouring, emptying, discharging, injecting, escaping, leaching, dumping or disposing into the environment, including, without limitation, the abandonment or discarding of barrels, drums, containers, tanks, or other receptacles containing or previously containing any Hazardous Substance.

(d) The term "**Remediation**" shall mean, with respect to a Release of Hazardous Substances in, on, under or above the Premises, conducting such site assessments, taking such actions required for containment thereof and preparing and implementing such remediation plan as shall be necessary for the clean-up thereof to the extent required by and in compliance with all applicable Legal Requirements and Environmental Laws, which plan shall include a schedule for the completion of each phase of the clean-up.

15.4 Landlord agrees to remain responsible for on-going testing required by the Massachusetts Department of Environmental Protection from monitoring wells that are currently installed on the Premises.

#### **ARTICLE XVI: SUBORDINATION TO FEE MORTGAGE AND ESTOPPEL**

16.1 Priority of Lease. Provided Landlord delivers a non-disturbance agreement from a Holder (as defined below), Tenant agrees that this Lease shall be subordinate to any mortgage or similar encumbrance (collectively, a "**Fee Mortgage**", and the holder thereof from time to time the "**Holder**") from time to time encumbering the Premises, whether executed and delivered prior to or subsequent to the date of this Lease, unless the Holder shall elect otherwise. If this Lease is subordinate to any Mortgage and the Holder or any other party claiming by, through or under Holder shall succeed to the interest of Landlord (such Holder or other party claiming by, through or under Holder, a "**Successor**"), at the election of the Successor, Tenant shall attorn to the Successor, and this Lease shall continue in full force and effect between the Successor and Tenant subject to Section 16.3 below. Not more than fifteen (15) days after receipt of a written request from Landlord or a Holder, Tenant agrees to execute and deliver to Landlord such instruments of subordination or attornment in confirmation of the foregoing agreement as the Holder reasonably may request provided such instrument contains commercially reasonable non-



disturbance protections for the benefit of Tenant.

16.2 Notices. Tenant shall give any holder of a Fee Mortgage (including its successors or assigns, a "Fee Mortgagee") of which Landlord has given Tenant notice of the Fee Mortgagee's name and address the same notices hereunder as are given to Landlord concurrently with the notice to Landlord and no Fee Mortgagee shall be bound by any notice given from Tenant to Landlord hereunder unless and until such notice has been delivered to the Fee Mortgagee.

16.3 Fee Mortgagee's Rights and Obligations. Tenant agrees that if any Fee Mortgagee shall foreclose on its Fee Mortgage or if the Fee Mortgagee shall have recorded a deed from Landlord in lieu of foreclosure, then:

(a) the liability of the Fee Mortgagee for the obligations of Landlord hereunder shall exist only so long as such Fee Mortgagee is the owner of the Premises, and such liability shall not continue or survive after further transfer of ownership, except for claims accruing during the period of such ownership;

(b) such Fee Mortgagee shall not be (i) liable for any act or omission of any prior lessor under this Lease, (ii) liable for the performance of Landlord's covenants pursuant to the provisions of this Lease that arise or accrue prior to such entity succeeding to the interest of Landlord under this Lease or acquiring possession, (iii) subject to any offsets or defense that Tenant may have at any time against Landlord, (iv) bound by any Rent or Additional Rent which Tenant may have paid more than six (6) months in advance, except to the extent expressly agreed to by said Fee Mortgagee prior to foreclosure, or (v) liable for the performance of any covenant of Landlord under this Lease that is legally capable of performance only by the original Landlord; and

(c) Tenant shall attorn to and recognize the Fee Mortgagee as its landlord under this Lease, as if the Fee Mortgagee were originally the Landlord hereunder.

16.4 Within ten (10) days following request from Landlord or any existing or prospective Holder, Tenant shall deliver to Landlord a certificate executed and acknowledged by Tenant, (a) stating the Lease Commencement Date and the date of expiration of the Term, and that this Lease is then in full force and effect and has not been modified (or if modified, setting forth all modifications), (b) setting forth the date to which Base Rent and any Additional Rent have been paid, together with the amount of monthly Base Rent and Additional Rent then payable, (c) stating whether or not, Landlord is in default under this Lease, and, if Landlord is in default, setting forth the specific nature of all such defaults, (d) stating whether there have been any transfers under Article IX, (e) stating the address of Tenant to which all notices and communications under the Lease shall be sent, and (f) responding to any other matters reasonably requested. Tenant acknowledges that any certificate delivered pursuant to this Section 16.4 may be relied upon by any purchaser or owner of the Premises, or all or any portion of Landlord's interest therein, or by any Holder, or assignee thereof.

16.5 Within ten (10) days following request from Tenant or any existing or prospective Leasehold Mortgagee or Subtenant, Landlord shall deliver to Tenant a certificate executed and

acknowledged by Tenant, (a) stating the Lease Commencement Date and the date of expiration of the Term, and that this Lease is then in full force and effect and has not been modified (or if modified, setting forth all modifications), (b) setting forth the date to which Base Rent and any Additional Rent have been paid, together with the amount of monthly Base Rent and Additional Rent then payable, (c) stating whether or not, Tenant is in default under this Lease, and, if Tenant is in default, setting forth the specific nature of all such defaults, (d) stating whether there have been any transfers under Article IX, (e) stating the address of Landlord to which all notices and communications under the Lease shall be sent, and (f) responding to any other matters reasonably requested. Landlord acknowledges that any certificate delivered pursuant to this Section 16.5 may be relied upon by any Subtenant of the Premises therein, or by any Leasehold Mortgagee, or assignee thereof.

#### **ARTICLE XVII: RESERVED RIGHTS AND EASEMENTS**

17.1. Landlord reserves the right to construct, install, operate, maintain, repair and replace lines and other transmission facilities and appurtenances for electricity, telephone, water, sewers, drainage and any other services and utilities over, across and under the Premises, and further reserves the right to grant such additional easements, appurtenances, setbacks and rights of access as from time to time appear to Landlord to be necessary or expedient, provided that such additional grants do not unreasonably and materially interfere with the operation of Tenant's business.

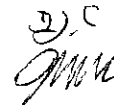
17.2. Landlord, for itself, and for its tenants, and their invitees, customers, licensees, agents, employees and any persons having business with them, and their successors and assigns (collectively, the "Beneficiaries"), shall have common rights of travel over the parking areas, driveways, sidewalks, entrances and exits over and upon the Premises.

17.3 Landlord may enter the Premises (i) to exercise any rights granted or reserved hereunder, (ii) to inspect the Premises or (iii) to show the same to existing or prospective lenders, investors, purchasers, or tenant (and their representatives and agents). Except with respect to entry under subsection (i), Landlord shall provide Tenant with reasonable prior notice of entry and in all events such entry shall occur during Tenant's regular business hours.

#### **ARTICLE XVIII: OPTION TO PURCHASE**

18.01 Tenant hereby grants to Landlord the exclusive right and option (the "Option") to purchase from Tenant all of Tenant's right, title and interest in and to this Lease pursuant and subject to all of the terms and conditions herein contained for a price equal to Two Hundred Thousand (\$200,000.00) Dollars. The effective period for exercise of the Option (the "Option Period") shall begin on the 10<sup>th</sup> anniversary of the Lease Commencement Date and end on the 15<sup>th</sup> anniversary of the Lease Commencement Date. If the Lease is extended by the Tenant in accordance with the terms of Article II.2.2, then after the 15<sup>th</sup> anniversary of the Lease Commencement Date, the option price shall be \$1.00.

18.02. The Option shall be exercised by Tenant's written notice thereof to Landlord given within the Option Period and given at Tenant's sole election. On the Closing Date (as defined



herein), Landlord and Tenant shall execute and deliver (such event being the "Closing") an assignment of this Lease and an assignment of any applicable subleases and a general release of claims by and between Landlord and Tenant. On the Closing Date, all payments to the Landlord pursuant to this Lease shall cease.

18.03. The Closing shall occur on the sixtieth (60<sup>th</sup>) day following the date of Tenant's exercise of the Option (the "Closing Date" or "Closing").

18.04. The Closing shall occur at 12:00 noon on the Closing Date, at the offices of Tenant's counsel or such other time and place upon which the parties shall mutually agree.

18.05. If Landlord exercises the Option, then on the Closing Date Tenant shall assign good clear and marketable title to this Lease, subject to all existing subleases, but free of any Leasehold Mortgage and other liens and encumbrances created by Tenant, to Landlord, and shall provide a Bill of Sale conveying all of Tenant's right, title and interest to the Improvements to Landlord.

18.06. If at the time of the Closing, Tenant shall be unable to give title to permit Landlord in a manner that permits Landlord to obtain a policy of title insurance insuring the leasehold title to the Property all as herein stipulated, then the Closing Date shall be extended for twenty-one (21) days and during such extension period Tenant shall remove any defects in title, or deliver possession as provided herein, or make the Property conform to the provisions hereof, as the case may be.

18.07 The Tenant shall only be entitled to its rights under this Option if the Tenant is in good standing under this Lease, with no defaults outstanding, unless waived by the Landlord, which waiver may be withheld in the Landlord's sole and absolute discretion.

#### **ARTICLE XIX: MISCELLANEOUS**

19.1 Notice. All notices, demands and requests required or permitted to be given under this Lease must be in writing and shall be deemed to have been given as of the date such notice is (i) delivered to the party intended, (ii) delivered to the then designated address of the party intended or (iii) rejected at the then designated address of the party intended, provided such notice was sent prepaid. The initial addresses of the parties shall be:

If to Landlord, at

Estate of Cornelius J. Lucey, Jr.  
c/o Daniel Lucey  
10 Pullman Street  
Worcester, MA 01630

With a copy to:

Fletcher Tilton PC  
370 Main Street, 11<sup>th</sup> Floor  
Worcester, MA 01608



Attn: Todd E. Brodeur, Esq.

If to Tenant, at

West End Realty Group, LLC  
82 Broad Street #397  
Boston, MA 02110

with a copy to:

Smith, Segal & Ruddock  
50 Congress Street, Suite 500  
Boston, MA 02109  
Attn: James E. Smith, Esq.

Upon at least ten (10) days' prior written notice, each party shall have the right to change its address to any other address (or the address of any party to whom copies are to be sent) within the United States of America.

19.2 Effect of Lease. Except as set forth in Section 9.4, Landlord and Tenant may consider, approve or disapprove any proposed amendment to this Lease in their respective sole and absolute discretion without regard to reasonableness. This Lease shall be binding upon, inure to the benefit of, and be enforceable by Landlord and Tenant, and their respective successors and permitted assigns. This Lease shall not be construed strictly for or against either Landlord or Tenant. Time is declared to be of the essence of this Lease. No third party beneficiary rights are created by this Lease.

19.3 Entire Agreement. This Lease constitutes the entire agreement between the parties relating to the leasing of the Premises. Any prior negotiations, correspondence, memoranda or agreements are superseded in total by this Lease and the exhibits attached hereto.

19.4 Headings. The Article headings contained in this Lease are for purposes of reference only and shall not limit or define the meaning of any of the terms or provisions hereof.

19.5 Governing Law. This Lease shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts.

19.6 Costs. Whenever, in this Lease, anything is to be done or performed by Tenant or Landlord, unless otherwise expressly provided to the contrary, it shall be done or performed at the sole cost and expense of Tenant or Landlord as the case may be.

19.7 Force Majeure. Whenever performance is required of any party hereunder such party shall use all due diligence to perform and take all necessary measures in good faith to perform; *provided, however,* that if completion of performance shall be delayed at any time by reason of acts of God, significant variations from normal weather conditions reasonably expected during the period in

question, war, civil commotion, acts of terrorism, riots, strikes, picketing, or other labor disputes, unavailability of labor or materials or damage to work in progress by reason of fire or other casualty or causes beyond the reasonable control of a party (other than financial reasons), then the time for performance as herein specified shall be appropriately extended by the time of the delay actually caused. The provisions of this **Section 19.7** shall not operate to excuse any party from the prompt payment of any monies required by this Lease.

19.8 Brokers. Tenant and Landlord represent and warrant to each other that neither has had any dealings or discussions with any broker or agent, licensed or otherwise) in connection with this Lease other than Northeast Real Estate. Landlord and Tenant each covenants to protect, defend, hold harmless and indemnify the other from and against any and all losses, liabilities, damages, costs and expenses (including reasonable legal fees) arising out of or in connection with any claim by any brokers or agents for brokerage commissions relating to this Lease alleged to be due because of dealings or discussions with the indemnifying party.

19.9 Commercial Obligations. Except as may be otherwise expressly set forth in this Lease, (i) whenever under this Lease provision is made for either party's securing the consent, permission or approval of the other party, such consent or approval shall be in writing and shall not be unreasonably withheld, delayed or conditioned and (ii) in all matters contained herein, both parties shall have an implied obligation of reasonableness.

19.10 Landlord's Liability. Any particular Landlord shall only be liable for the performance of the covenants and obligations of Landlord accruing under this Lease during the period of Landlord's ownership of the Premises, Tenant agreeing that after the effective date of any transfer of Landlord's interest under this Lease, Tenant shall look solely to Landlord's successor in interest for performance of Landlord's covenants and obligations thereafter accruing. None of the persons comprising Landlord (whether partners, shareholders, officers, directors, members, trustees, employees, beneficiaries or otherwise) shall ever be personally liable for any judgment obtained against Landlord. In the event of a default by Landlord, Tenant agrees to look solely to Landlord's interest in the Premises and any improvements thereon.

19.11 Counterparts. This Lease may be signed in counterparts, each of which shall be deemed an original and all of which when taken together shall constitute one instrument.

19.12 No Merger. There shall be no merger of the leasehold estate created by this Lease with the fee estate in the Premises by reason of the fact that the same person or entity may own or hold (a) the leasehold estate created by this Lease or any interest in such leasehold estate, and (b) the fee estate in the Premises or any interest in such fee estate; and no such merger shall occur unless and until all persons, corporations, firms and other entities having (a) any interest in this Lease or the leasehold estate created by this Lease (excluding subtenants but including any Leasehold Mortgage), and (b) any fee simple interest in the Premises or any part thereof, shall join in a written instrument effecting such merger and shall duly record the same.

19.13 Drafting. Each party has cooperated in the drafting and preparation of this Agreement and, therefore, in any construction to be made of this Agreement, the same shall not be construed against either party.



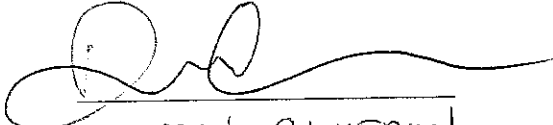


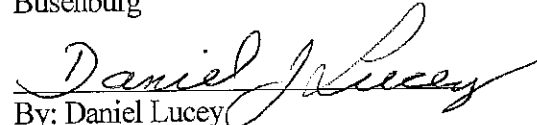
IN WITNESS WHEREOF, the parties hereto have executed these presents as of the day and year first above written.

Witness or Attest:

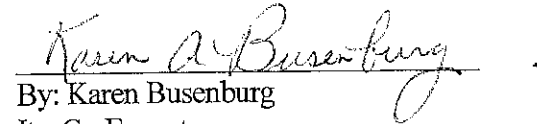
Landlord:

Estate of Cornelius J. Lucey, Jr., by its Co-Executors, Daniel J. Lucey and Karen Busenburg

  
DUNCAN CAMERON

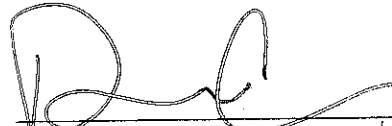
  
By: Daniel Lucey  
Its: Co-Executor


  
DUNCAN CAMERON

  
By: Karen Busenburg  
Its: Co-Executor

Tenant:

West End Realty Group, LLC

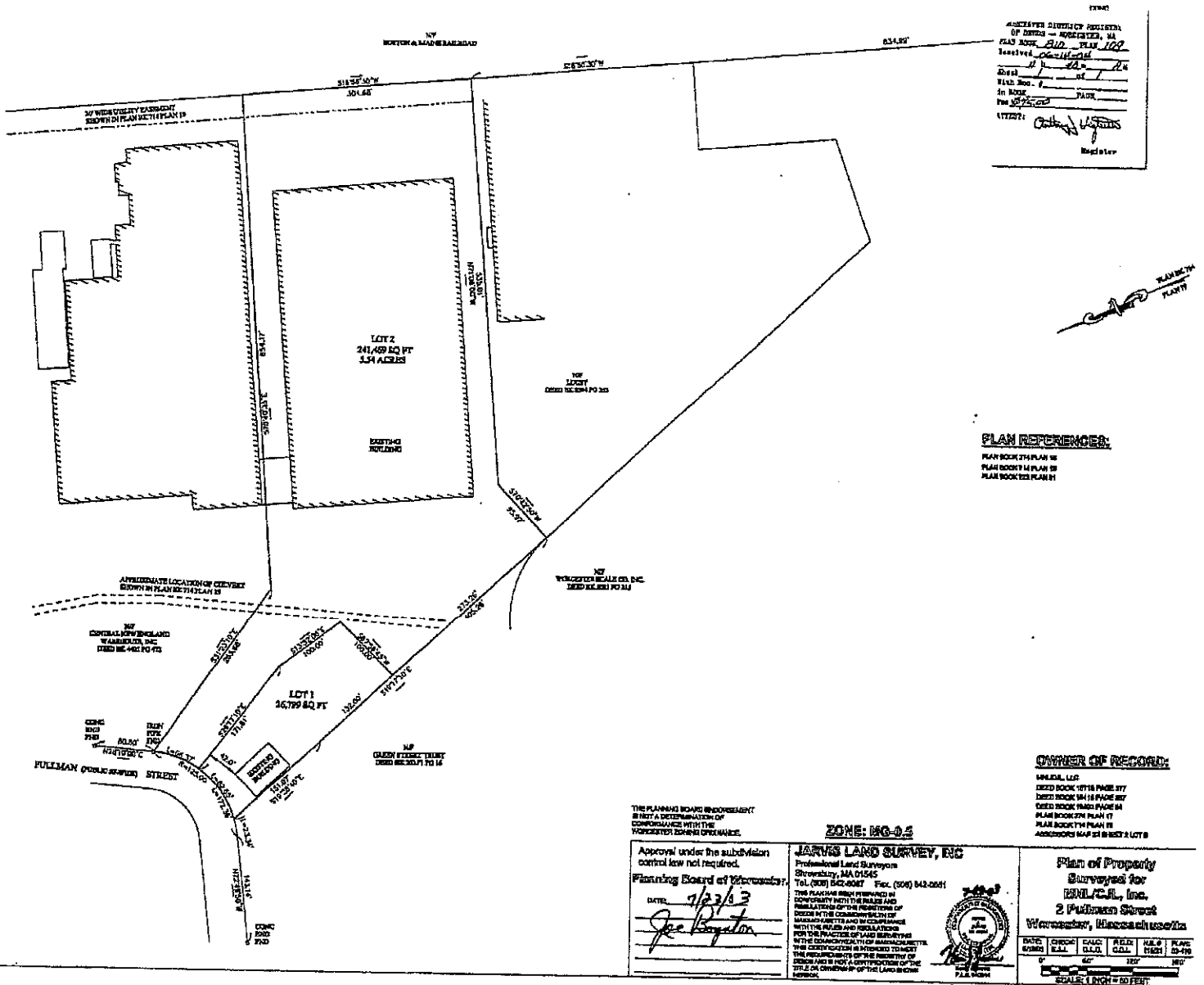
  
DUNCAN CAMERON

  
By: Matthew J. Huron  
Its: Manager

# EXHIBIT LIST

Exhibit A:

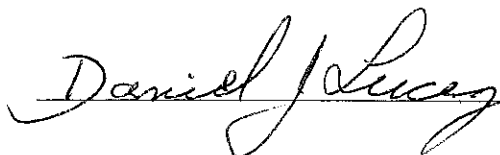
Legal Description of the Property



Dated November 16, 2013.



The undersigned, Daniel Lucy, owner of the property located at 6 Pullman St. Worcester, MA 01606, hereby agrees to permit the sub-lease of the property from the current Lessee, West End Realty Group LLC, to the Sub-lessee, Good Chemistry of Massachusetts, Inc.



## GROUND LEASE

This Ground Lease (hereinafter called "Lease") is made and entered into as of the 19<sup>th</sup> day of November, 2013 by and between **WEST END REALTY GROUP, LLC**, a Massachusetts limited liability company with an address of 82 Broad Street, #397, Boston, MA 02110 ("Landlord") and **GOOD CHEMISTRY OF MASSACHUSETTS, INC.**, a Massachusetts corporation with an address of 50 Congress Street, Suite 500, Boston, MA 02109 ("Tenant").

### RECITALS

This Lease is entered into upon the basis of the following facts, understandings and intentions of Landlord and Tenant:

Whereas, Landlord is the owner of certain parcels of land situated in Worcester County, Massachusetts, known commonly as 6 Pullman Street and shown as Lot 2 on the plan attached hereto as **Exhibit A** attached hereto and made a part hereof, and the buildings, structures, parking areas, improvements and fixtures now located thereon, (collectively the "Property" or sometimes referred to as "Premises"); and

Whereas, Landlord and Tenant desire to enter into a leasing arrangement for the term and at the rental price herein set forth; and

NOW, THEREFORE, Landlord and Tenant, each for itself, its successors and assigns, do hereby agree to perform all of the terms, covenants, conditions and agreements herein provided to be kept and performed by Landlord and Tenant, respectively.

### ARTICLE I: DEFINITIONS

1.1. Definitions. The terms defined below shall, have the meanings specified, unless the context clearly indicates otherwise:

"**Default Rate**" shall mean ten (10%) percent per annum.

"**Existing Improvements**" shall mean the currently existing commercial building of approximately 22,500 square feet and its appurtenances located on the Premises and owned by Landlord.

"**Extension Term**" shall be as defined in **Section 2.2.3.**

"**Improvements**" shall mean the Existing Improvements and the Tenant's Improvements.

"**Lease**" shall mean this Ground Lease, including the following Exhibits attached hereto and made a part hereof:

Exhibit A:

Plan of Property Surveyed for MNL/CJL, Inc., by Jarvis Land Survey, Inc., dated June 6, 2003 and recorded in the Worcester District Registry of Deeds at Plan Book 810, Plan 109 (the "Plan")

**"Lease Commencement Date"** shall be as defined in **Section 2.2.1.**

**"Legal Requirements"** shall mean all laws, ordinances, rules, regulations, statutes, bylaws, court decisions and orders and requirements of all public authorities which are applicable to the Premises or any Improvements.

**"Premises"** shall mean the Property as shown on the Plan as Lot 2, together with all rights, benefits, easements, appurtenances and hereditaments attaching, belonging or pertaining thereto and all buildings, structures and improvements now or hereafter from time to time located thereon, including but not limited to the Existing Improvements and the Tenant's Improvements.

**"Property"** shall be defined in the Recitals.

**"Rent"** shall be as defined in **Section 3.1.**

**"Landlord's Reserved Rights"** shall be defined as in Article XVII.

**"Tenant's Equipment"** shall mean any items of movable machinery, trade fixtures, furniture, furnishings, equipment, counters, shelving, show cases or other personal property that are capable of being moved without substantial damage to the Premises, whether or not attached to any building or other improvement, and any freestanding sign and/or sign panel attached to any freestanding sign, to the extent any of the same were installed by Tenant or any permitted Subtenant.

**"Tenant's Improvements"** shall mean all buildings, landscaping, driveways, parking areas, sidewalks and other improvements (excluding Tenant's Equipment) that from time to time are placed, constructed or located by Tenant upon the Premises beginning on the Lease Commencement Date and continuing throughout the Term of this Lease.

**"Term"** shall be as defined in **Article 2.**

## **ARTICLE II: DEMISE AND TERM**

2.1. Demise. Landlord hereby demises and leases the Premises for the Term unto Tenant, and Tenant hereby takes and accepts the same from Landlord, upon the terms and conditions hereinafter set forth, in such "AS IS, WHERE IS" condition as exists as of the date of this Lease, without representation or warranty, express or implied, by Landlord or its agents, and subject to all easements, covenants, restrictions and other encumbrances in effect as of the date of this Lease.

2.2. Term.

2.2.1. Initial Term. TO HAVE AND TO HOLD the Premises for a period (the "**Initial Term**") commencing on the date hereof (the "**Lease Commencement Date**") and ending at 11:59 P.M. on the last day of the tenth (10<sup>th</sup>) full Lease Year thereafter. For purposes of this Lease, "**Term**" shall mean the Initial Term, and if exercised in strict accordance with the terms of Section 2.2.2 of this Lease, any applicable Extension Term (as herein defined), as the case may be. As used herein the term "**Lease Year**" shall mean each period of twelve (12) consecutive full calendar months commencing on the Commencement Date and each anniversary thereof, plus, in the case of the first Lease Year hereunder, the partial month, if any, next succeeding the Lease Commencement Date, *provided* that the term Lease Year shall include any partial Lease Year at the end of the Term as may be applicable.

2.2.2. Extension Terms.

(a) Provided Tenant is not then in default pursuant to the terms hereof, Tenant shall have the right, at its option, to extend the Term for up to two (2) consecutive periods of five (5) Lease Years each upon the same terms and conditions applicable during the Term then in effect, unless specifically indicated otherwise herein (each such 5 year period being herein an "**Extension Term**"). Tenant's option to extend the Term shall be deemed automatically exercised without the necessity of any further action by Landlord or Tenant, subject to all of the terms and conditions herein expressed (including without limitation clause (b) immediately below), and *provided* that Tenant may override such automatic extension by giving Landlord written notice thereof (a "**Termination Notice**") not later than the date (the "**Notice Date**") that is twelve (12) months prior to the last day of the Initial Term or Extension Term then in effect (the "**Natural Termination Date**"), and in such event the Term shall come to an end on the Natural Termination Date.

(b) At the request of either party, the parties shall execute a document in recordable form setting forth the status of the Tenant's extension rights under this Lease, in a form mutually agreeable to the parties. The exercise of an option for one Extension Term shall not imply the exercise of subsequent options. If this Lease is canceled or terminated by agreement of the parties or as otherwise provided herein prior to the expiration of the Initial Term or any Extension Term, then the end of the Term shall be on the date this Lease is so canceled or terminated.

2.3. Ground Lease. Tenant acknowledges that this is and shall for all purposes be considered a ground lease with Landlord retaining fee title ownership to the Property, including all rights and privileges relating thereto, but all Existing Improvements, Tenant's Equipment and Tenant's Improvements, subject to the terms of this Lease, are and shall remain the property of the Tenant.

2.4. Covenant of Quiet Enjoyment. Landlord covenants that, subject to Landlord's remedies under **Article XIII** below due to breach of this Lease by Tenant and subject to **Article XVI** below, Tenant and any permitted subtenants shall have and enjoy quiet and undisturbed possession of the Premises during the Term without hindrance or ejection by any act of Landlord or persons claiming under Landlord.

2.5 Lessee Right to Terminate. Lessee has the right to terminate this agreement upon determination of their total project expenses and construction timeline. Should the total project expenses exceed their business plan financial model and/or the construction time line exceed the operational date they require, Lessee has the right to terminate this agreement.

**ARTICLE III: PAYMENTS**

3.1. Rent. Tenant agrees to pay rent ("**Base Rent**") to Landlord, in advance, without demand, abatement, offset or deduction, except as otherwise specifically provided in this Lease or by a court of competent jurisdiction, at the address of Landlord set forth in **Section 17** below, or such other place as Landlord may by notice to Tenant from time to time direct, at the following rates and times:

<i>Period of Term</i>	<i>Annual Rent</i> <i>(per Lease Year)</i>	<i>Monthly Installment</i> <i>of Rent</i>
Lease Commencement Date through fifth (5 <sup>th</sup> ) full Lease Year	\$ 60,000.00	\$ 5,000.00
The commencement of the sixth (6 <sup>th</sup> ) full Lease Year through the tenth (10 <sup>th</sup> ) Lease Year	\$ 60,000.00	\$ 5,000.00
The commencement of the eleventh (11 <sup>th</sup> ) full Lease Year through the fifteenth (15 <sup>th</sup> ) Lease Year	\$60,000.00	\$5,000.00
The commencement of the sixtieth (16 <sup>th</sup> ) full Lease Year through the twentieth (20 <sup>th</sup> ) Lease Year	\$60,000.00	\$5,000.00

3.2. Rent During Extension Terms. The Base Rent to be paid during each Extension Term shall be the Base Rent as set forth above.

3.3. Payment of Rent. Monthly installments of Base Rent shall be payable on the first day of each month during the Term; *provided however*, if the Lease Commencement Date occurs on a day other than the first day of a calendar month, then that month's Rent shall be prorated on a daily basis and shall be paid on the Lease Commencement Date; and *provided, further*, that if the Lease Commencement Date occurs during the last five (5) days of a calendar month then Rent due on the Lease Commencement Date shall also include the monthly Rent for the first full calendar month following the Lease Commencement Date. Rent shall be prorated on a daily basis with respect to any partial calendar month subsequently occurring during the Term. The obligation to pay Base Rent shall not begin until one day after the Tenant receives a license from the Massachusetts Department of Public Health to operate a Registered Marijuana Dispensary.

3.4. Additional Rent. The rents reserved under this Lease (collectively, "Rent") shall consist of (i) Base Rent and (ii) all other sums as shall become due and payable by Tenant to Landlord under this Lease (such other sums being herein referred to collectively as "Additional Rent").

3.5. Net Lease.

3.5.1. This Lease shall be deemed and construed to be a "net lease" and Tenant shall pay to Landlord the Rent free of any charges, assessments, impositions or deductions of any kind and without abatement, deduction or setoff except as expressly set forth herein, and Landlord shall have no obligation to pay any Taxes (as defined in Section 5.1 hereof), insurance premiums, and expenses or undertake any obligations of any kind and nature whatsoever relating to the Premises and the Improvements which may arise or become due during or otherwise with respect to any period contained within the Term of the Lease except as expressly set forth herein.

3.5.2. Tenant covenants hereunder are independent of any Landlord covenants and Tenant shall not be entitled to quit, terminate or surrender this Lease, and shall not be relieved from its obligations to pay the Rent and Additional Rent nor from any of its other obligations under this Lease, by reason of (a) any prevention or curtailment of or interference with any use of the Premises, or any part thereof, for any purpose by any Legal Requirement or (b) any damage to or destruction or any taking of the Premises or any part thereof; except (i) for Landlord's breach of its covenant of quiet enjoyment under **Section 2.4** hereof or (ii) as otherwise provided in **Article XIV** hereof.

3.5.3 Tenant shall pay a Five Thousand Dollar (\$5,000.00) non-refundable deposit ("Deposit") with the execution of this Lease. The Landlord shall not be obligated to provide an executed copy of this Lease until the Deposit is presented to the Landlord. The Deposit shall be credited against the first month's Base Rent payment payable under the Lease.

#### ARTICLE IV: USE

4.1. Use. Tenant may use the Premises for any lawful purpose or for no purpose at all, but specifically Tenant is authorized, upon the terms and conditions of this Lease, to use the Premises for a Registered Marijuana Dispensary licensed by the Massachusetts Department of Public Health. Tenant assumes the risk of any Legal Requirements, either now in effect or hereafter enacted which shall prohibit or limit Tenant's contemplated use of the Premises.

4.2. No Operating Covenant; Recapture. Nothing contained in this Lease shall be deemed to impose upon Tenant, either directly, indirectly, constructively or implicitly, an obligation to construct improvements upon the Premises, open or operate for business, or remain open and operating for any period or in accordance with any operating schedule, procedure or method, all of which shall be within the sole and absolute discretion of Tenant.

4.4. Utility and Other Charges. During the Term, commencing on the Lease



Commencement Date, Tenant shall place all utilities serving the Demised Premises in its name and shall pay before the same become delinquent all charges for utilities or services furnished to or for the benefit of the Premises. Subject to Tenant's compliance with the limitations contained in Section 15.4 below, Tenant shall have no obligation to contribute to the costs of maintaining or operating the monitoring wells that are currently located on the Demised Premises and that are part of a Massachusetts Department of Environmental Protection matter. If Tenant shall fail to pay any utilities or services on or before the last day upon which the same may be paid without interest or penalties, then Landlord may pay the same, together with all interest and penalties lawfully imposed by the taxing authority upon the late payment thereof, and the amounts so paid shall, upon Landlord's notice to Tenant of Landlord's payment thereof, become immediately due and payable by Tenant to Landlord hereunder, along with interest on such amount at the Default Rate until paid to Landlord. Landlord agrees to cooperate with Tenant in connection with Tenant's application for any utilities services for the Premises, including without limitation, executing any necessary documents within fifteen (15) days of Tenant's written request therefor. Tenant shall be responsible for providing its own dumpster and obtaining its own trash removal on a regular basis from the Demised Premises as well as snow removal and landscaping.

#### ARTICLE V: TAXES

5.1. Definition. The term "**Taxes**" shall mean and include all *ad valorem* taxes and assessments (general or special) and charges, duties, impositions, license and permit fees, charges for public utilities of any kind, that accrue or have accrued with respect to the Premises, including the Tenant's Improvements and the Existing Improvements, and are payable during the Term. If Tenant's obligation to pay Taxes shall cover a period that is less than a full tax year, then such Taxes shall be prorated on a per diem basis. Tenant shall also pay all Taxes accruing with respect to the Premises and the Existing Improvements required to be paid for all periods prior to the Lease Commencement Date from any after the date of the Ground Lease. Landlord shall immediately provide to Tenant copies of each assessment or tax valuation notice received by Landlord affecting the Premises. Tenant may request the taxing authority to deliver all tax statements or copies thereof directly to Tenant provided same relates to all of the Premises. Tenant shall be entitled to negotiate directly with the taxing authority regarding the tax valuation of any portion of the Premises or Improvements upon the same terms and conditions for which Tenant may contest Taxes under **Section 5.6** below (including without limitation Landlord's reasonable cooperation and execution of documents in connection therewith).

5.2. Tax Statements and Tenant's Payments. Tenant shall pay all Taxes owed hereunder to Landlord as to real estate taxes and otherwise directly to the taxing authority before the same shall become delinquent, and Tenant shall deliver to Landlord evidence of Tenant's payment thereof. In the event any tax statement is not sent directly to Tenant, however, Tenant shall not be obligated to pay such taxes or any portion thereof, sooner than ten (10) days after Landlord shall have given Tenant notice thereof, and Landlord (and not Tenant) shall be liable for any penalties, interest or fees arising as a result of any late delivery to Tenant. Except as set forth in the preceding sentence, Tenant shall pay all interest and penalties imposed upon the late payment of any Taxes which it is obligated to pay hereunder.

5.3. Landlord's Payments. If Tenant shall fail to pay any Taxes on or before the last

day upon which the same may be paid without interest or penalties, then Landlord may pay the same, together with all interest and penalties lawfully imposed by the taxing authority upon the late payment thereof, and the amounts so paid shall, upon Landlord's notice to Tenant of Landlord's payment thereof, become immediately due and payable by Tenant to Landlord hereunder, along with interest on such amount at the Default Rate until paid to Landlord.

5.4. Exclusions. Notwithstanding anything to the contrary contained herein, "Taxes" shall not include Landlord's income, estate, succession, gift, inheritance, franchise, transfer, excise, profits, or similar taxes.

5.5. Installments. Where any Taxes are permitted by law to be paid in installments, Tenant may elect to pay such Taxes in installments as and when each such installment becomes due; *provided*, that Tenant shall only be liable for its share of those installments which actually are or should have been paid during the Term of this Lease on and after the Lease Commencement Date.

5.6. Tax Contests. Tenant may, if it shall so desire, contest the validity or amount of any Taxes, in whole or in part, or endeavor to obtain a reduction of the assessed valuation for the purposes of reducing the Taxes, by abatement proceedings or by any other appropriate proceeding commenced and conducted in good faith and pursued diligently. Nothing herein contained, however, shall be so construed as to allow a challenged Tax to remain unpaid for such length of time as shall permit the Premises or any part thereof to be sold by a governmental authority or other person for the non-payment of the same; and, if at any time it shall become necessary or proper so to do, Tenant shall pay the challenged Tax, or so much thereof as may be required to prevent the sale or forfeiture of the Premises, or any part thereof. Promptly upon the determination of any such contest, Tenant shall pay any amounts (including all penalties and interest that have accrued with respect to amounts payable by Tenant) due in respect of the challenged Tax, except that if the contested amount includes any amount payable by Landlord, Landlord shall remain liable for such amount, and, promptly upon such determination, Landlord shall pay such amount (including all penalties and interest that have accrued with respect to amounts payable by Landlord) to the extent not previously paid by Landlord. Landlord agrees to reasonably cooperate in any such contest, including without limitation executing any applications for abatement or other necessary documents, but in no event shall Landlord be obligated to incur any cost or expense in connection therewith. In furtherance thereof Landlord hereby grants to Tenant the right to execute, in Landlord's name, any and all applications for abatement or any other document necessary to contest a challenged Tax; provided copies of the same are delivered to Landlord at least five days before the same are filed. In the event that Tenant, in its sole and absolute discretion, determines that Landlord's actual signature is required on such application or other document, Landlord shall join in the execution of any such applications or documents within fifteen (15) days of Tenant's written request therefor provided the same is in form and substance reasonably acceptable to Landlord. Landlord shall not be required to incur any liability in connection with any challenged Tax, however, and Tenant shall promptly reimburse Landlord for any reasonable out-of-pocket expenses of Landlord in connection therewith. Except as otherwise provided herein, Tax refunds obtained pursuant to any contest conducted by Tenant shall be payable to Tenant, and Tenant is authorized to collect the same. Landlord shall be entitled to collect, and Tenant shall pay to Landlord, if Tenant collects the same, net of Tenant's reasonable expenses of obtaining such refunds, or portions thereof, any refunds, or portions thereof, attributable to Taxes or assessments previously paid by Landlord and not reimbursed by Tenant. If Landlord contests the

validity or amount of any Taxes and/or assessments covering the Premises, Tenant shall be entitled to collect, and Landlord shall pay to Tenant, if Landlord collects the same, net of Landlord's reasonable expenses of obtaining such refunds, or portions thereof, any refunds, or portions thereof, attributable to Taxes previously paid by Tenant. Notwithstanding the foregoing, deferral of Tenant's payment of Taxes and/or the contesting of the same may not subject Landlord or any agent, contractor, employee, or other party claiming its interest through Landlord (each a "**Landlord Party**") to any criminal prosecution.

## ARTICLE VI: INSURANCE AND INDEMNITY

6.1. Liability Insurance. At its sole cost and expense, Tenant shall maintain in full force and effect during the Term Commercial General Liability Insurance with a combined single limit of liability of not less than Two Million Dollars (\$2,000,000.00) for bodily injury, personal injury and property damage in or about the Premises, the Improvements, and the appurtenances thereto, arising out of any one occurrence, and if liquor will be offered for sale or for consumption from the Premises, either the general liability policy referenced above must include an endorsement that deletes the liquor liability exclusion, or coverage must be provided via stand-alone liquor liability insurance providing coverage of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. Landlord and, at the written request of Landlord, any Fee Mortgagee (as defined herein) as may be designated in said written request, shall be "additional insureds" under such policy. Such policy shall cover the entire premises including sidewalks and streets abutting thereon and shall provide for at least fifteen (15) days notice to Landlord before cancellation.

At each increase in the Base Rent, the foregoing amounts of coverage shall be adjusted to reflect increases in the commercial real estate industry with regard to operation of similar type properties.

6.2. Property Insurance.

6.2.1. During the Term, Tenant shall carry, or cause to be carried, at Tenant's sole cost and expense, property insurance coverage on all Improvements on the Premises, in the amount of not less than eighty (80%) percent of the full replacement cost thereof (excluding footings, foundations and excavations), and an amount sufficient to prevent Landlord or Tenant from becoming a co-insurer under such policies of insurance.

6.3. Insurance Proceeds. All proceeds of any insurance under this **Section 6** shall be the exclusive property of Tenant.

6.4. General Insurance Requirements. All insurance required by this **Article VI** shall be written on a per occurrence basis and procured from companies rated by A.M. Best (or its successor or a comparable insurance company rating service) not less than A- (or a successor or comparable rating if A.M. Best's current rating system is no longer in effect), which companies are authorized to do business in The Commonwealth of Massachusetts. Tenant agrees to furnish Landlord written proof of insurance evidencing that the insurance required to be carried by Tenant is in full force and effect on or before each anniversary of the Lease Commencement Date. All such insurance may be carried under so-called blanket policies covering one or more other properties owned by or managed by

Tenant or any of its affiliates, provided that any blanket policies shall provide that the amount of coverage for the losses required to be insured against hereunder shall be separately stated, and that such insurance coverage shall give to Landlord and Landlord's mortgagees, if any, no less protection than that which would be afforded by separate policies. All policies of insurance required to be maintained by Tenant hereunder shall waive any rights of subrogation or otherwise against Landlord, notwithstanding any negligent act or failure to act by Landlord or Landlord's agents or employees. To the extent Landlord may elect (in its sole discretion) to maintain any insurance policies relating to the Premises in its own name then any such policies of insurance shall waive any rights of subrogation or otherwise against Tenant, notwithstanding any negligent act or failure to act by Tenant or Tenant's agents or employees. Tenant shall comply with the terms of all insurance policies required to be provided by it under this Lease.

6.5. Landlord's Remedy. If Tenant shall fail to provide the insurance policies or evidence of insurance required herein and such failure shall continue for more than fifteen (15) days after Landlord's written notice to Tenant thereof, Landlord may obtain such policies as the agent of Tenant, running for a period not exceeding one (1) year under any one policy; and the amount of the premium or premiums paid for such insurance by Landlord, net of any refund to Landlord on account of Tenant's subsequent procurement of the required insurance policy, shall be paid by Tenant to Landlord as Additional Rent upon demand; and Landlord shall not be limited in the proof of any damages which Landlord may claim against Tenant arising out of or by reason of Tenant's failure to provide and keep in force insurance policies as aforesaid, to the amount of the insurance premium or premiums not paid or incurred by Tenant which would have been payable upon such insurance, but shall also be entitled to recover as damages for such breach, the uninsured amount of any loss, liability, damage, claims, costs and expenses of suit, judgments and interest, and reasonable attorneys' fees suffered or incurred by Landlord (exclusive of consequential or special damages).

6.6. Indemnification.

6.6.1. Tenant's Waiver and Indemnity.

(a) Tenant agrees that Landlord shall not be liable for any injury or damage to any property or to any person happening on, in or about the Premises, or for any injury or damage to the Premises, or to any property by reason of any defect in the Premises, or which may result from steam, gas, electricity, water, rain or sewer, or any defect in any engines, boilers, elevators, escalators, machinery, electric wiring or fixtures, or for any failure or defect of water, heat, electric light or power supply or for any kind of injury or damage which may arise from any other cause whatsoever on the Premises, including defects in construction, latent or otherwise; *provided, however*, the foregoing obligation shall not apply to claims or demands to the extent caused by the negligence or willful act or omission of Landlord or any Landlord Party.

(b) Tenant further agrees to defend, protect, indemnify and hold harmless Landlord from and against all claims or demands, including, without limitation, any action or proceedings brought thereon, and all costs, losses, expenses and liabilities of any kind relating thereto, including reasonable attorneys' fees and costs of suits, arising out of or resulting from (i) the injury to or death of any person, or damage to the property of any person located on the Premises and occurring during the Term or (ii) claims of any kind and nature in connection with the possession,

use or operation of the Premises the Improvements or the appurtenances to the Premises during the Term by the Tenant or any agent, contractor, employee, or other party claiming its interest through Tenant (each a "**Tenant Party**") or any other person, or arising out of Tenant's failure to timely perform each term, covenant, condition and agreement herein provided to be complied with by Tenant occurring, from and after the Lease Commencement Date; *provided, however*, the foregoing obligation shall not apply to claims or demands to the extent caused by the gross negligence or willful act or omission of Landlord or any agent, employee, contractor or any other party taking interest through the Landlord.

6.6.2. Claims. Each party shall promptly notify the other party of any claim asserted against the first party with respect to which the first party is indemnified against by the second party as provided above in this Lease and the party giving such notice shall promptly deliver to the other party the original or a true copy of any summons of process, pleading or notice issued or served in any suit or other proceeding to assert or enforce any such claim. The party so notified of any such claim shall defend any such suit at its sole cost and expense with attorneys of its own selection, but the party so indemnified shall have the right, if it sees fit, to participate in such defense at its own expense.

## ARTICLE VII: LIENS

7.1. Liens. Notice is hereby given that Landlord shall not be liable for any work performed on or for any materials delivered to the Premises for Tenant or any subtenant and that no mechanics', materialmen's, or other lien for such work or materials shall attach to the reversionary interest of Landlord in the Premises. In the event any lien is filed against the Premises or any appurtenances thereto as a result of services performed or materials furnished for the use of Tenant or Tenant's subtenants, occupants or other persons claiming under Tenant or any failure of any such parties to comply with applicable law, Tenant shall cause such lien to be discharged within twenty (20) days after recording of the same and written notice of such recordings is provided to the Tenant. Notwithstanding the foregoing, upon request of Landlord, Tenant agrees within ten (10) days to cause such lien to be released and discharged of record, either by paying the indebtedness which gave rise to such lien or by posting bond or other security as shall be required by law to obtain such release and discharge. If Tenant shall fail to so cause such lien to be discharged or bonded against or properly insured over within such 10-day period, then, in addition to any other right or remedy, Landlord may, but shall not be obligated to, (i) discharge the same either by paying the amounts claimed to be due or by procuring the discharge of such lien from the Premises by bonding proceedings or other legal proceedings or (ii) obtain affirmative title insurance coverage by a title insurance company acceptable to the Tenant. Any amount so paid and all costs and expenses incurred in connection with any exercise of the above rights, together with interest thereon at the Default Rate from the respective dates of the payment or incurring of the cost and expense pursuant thereto, shall constitute an obligation of Tenant and shall be paid by Tenant to Landlord on demand. Nothing herein shall prevent Tenant from contesting the validity of the lien in any manner it chooses so long as such contest is pursued with reasonable diligence. In the event such contest is determined adversely (allowing for appeal to the highest appellate court), Tenant shall promptly pay in full the required amount, together with any interest, penalties, costs, or other charges necessary to release such lien. Tenant agrees to defend, protect, indemnify and hold harmless Landlord from and against all claims and demands, including any action or proceeding brought thereon, and all costs,

losses, expenses and liabilities of any kind relating thereto, including reasonable attorneys' fees and costs of suit, arising out of or resulting from such lien

## ARTICLE VIII: IMPROVEMENTS AND ALTERATIONS

### 8.1. Construction and Alteration of Improvements.

8.1.1. Tenant, from time to time in its sole and absolute discretion, may make such improvements to the Premises as it determines are appropriate or necessary and may improve, alter, modify, construct, expand, contract, reconfigure, raze, demolish or otherwise alter any Improvements (all of the foregoing being, collectively, "**Alterations**"), in each case at Tenant's sole cost and expense and in accordance with all Legal Requirements. Tenant shall notify Landlord at least fifteen (15) days prior to performing any Alterations that are not to be performed within the interior of the Existing Improvements. Promptly upon Landlord's written request therefor, Tenant shall provide to Landlord, for Landlord's information (but not for Landlord's approval), copies of any plans required to have been submitted to governmental authorities in connection with any Alterations undertaken by Tenant. If it is necessary to grant easements in connection with the use or improvement of the Premises as permitted hereunder, Landlord agrees to reasonably cooperate with Tenant in connection therewith, including without limitation executing, acknowledging and delivering such easements or other appropriate documentation reasonably necessary to effect such easements, prepared by Tenant or on Tenant's behalf, within fifteen (15) days of Tenant's written request therefor, provided in all events (i) are in form and substance reasonably acceptable to Landlord, (ii) do not extend beyond the Term, (iii) would not interfere with the use, operation, development or redevelopment of other property owned by Landlord or Landlord's beneficiaries. Landlord shall not be required to incur any liability in connection therewith, however, and Tenant shall promptly reimburse Landlord on demand for any reasonable out-of-pocket expenses incurred by Landlord in connection therewith.

8.1.2. Any Alterations shall be made in a good and workmanlike manner and in accordance with all Legal Requirements.

8.2. Signage. Tenant, from time to time in its sole and absolute discretion and at its sole cost and expense, shall have the right to place and maintain signs, banners and/or other advertising matter on the Premises, including, without limitation, pylon and monument signs (collectively, "**Signage**"), subject to Legal Requirements.

8.3. Permits. No Alterations shall be undertaken until Tenant shall have procured and paid for, so far as the same shall be required from time to time under Legal Requirements, all permits, approvals, variances, licenses or authorizations ("**Permits**"), of any federal, state or municipal government or departments or subdivisions of any of them having jurisdiction over the construction of Tenant's Improvements, Signage, Alterations and/or Tenant's use of the Premises and Tenant shall have the right to seek such Permits, and engage in appeals or contests in connection with proceedings therefor, as Tenant shall deem necessary or desirable from time to time in its sole and absolute discretion, all as permitted hereunder and all of the foregoing to be at the Tenant's sole cost and expense. Tenant shall not have the right to seek any rezoning of the Premises without Landlord's consent which may be withheld in Landlord's sole and absolute discretion.

Landlord agrees to reasonably cooperate with Tenant in connection with the foregoing, including without limitation executing any necessary documents within ten (10) days of Tenant's written request therefor, provided the same is in form and substance reasonably acceptable to Landlord. Landlord shall not be required to incur any liability in connection therewith, however and Tenant shall promptly reimburse Landlord on demand for any reasonable out-of-pocket expenses incurred by Landlord in connection therewith.

8.4 Maintenance, Repair and Compliance with Law. Tenant, at its sole cost and expense, shall keep and maintain the Premises, including all Existing Improvements and Tenant's Improvements and any and all other facilities thereon, in good condition. In no event, however, may Tenant commit waste (subject, however, to Tenant's rights to make Alterations in accordance with **Section 8.1** hereof). Tenant waives any right created by any law now or hereafter in force to make repairs to the Premises at Landlord's expense. Landlord shall not be responsible whatsoever to conduct any maintenance or make repairs or replacements of any kind to the Premises, including the Existing Improvements and any Tenant Improvements. Tenant at its sole cost and expense shall at all times comply (and cause the Premises to comply) with all Legal Requirements, now or hereafter enacted or promulgated, of every governmental authority having jurisdiction over the Premises, regardless of whether such Legal Requirements shall necessitate structural changes, improvements, interference with use and enjoyment of the Premises or the Improvements, replacements or repairs, extraordinary as well as ordinary.

8.5 Damage.

8.5.1. Restoration. If any portion of the Improvements shall be damaged or destroyed by fire or casualty, then, whether or not such damage or destruction shall have been insured (a) Tenant shall give prompt written notice thereof to Landlord and (b) with respect to all such damaged or destroyed Improvements, Tenant shall, within 180 days after the event of damage or destruction either (i) commence to restore and/or rebuild such Improvements; or (ii) to fully demolish such Improvements, but in no event shall Tenant have any right to terminate this Lease or abate Rent in the event of a fire or casualty. In any event, Tenant shall take such action as may be required under applicable Legal Requirements with respect to any damage or destruction of the Improvements and Tenant shall promptly secure the Premises so that the same are in a safe and slightly condition.

8.5.3. Insurance Proceeds. All insurance proceeds resulting from any damage or destruction of Improvements from time to time shall be the sole and exclusive property of Tenant and may be applied by Tenant to the repair or rebuilding of the Premises or retained by Tenant and used for any purpose, all as Tenant, in its sole and absolute discretion, shall desire.

**ARTICLE IX: ASSIGNMENT, SUBLETTING; LEASEHOLD MORTGAGES**

9.1. Assignment and Subletting.

9.1.1. Tenant and its successors and assigns shall have the right from time to time to transfer or assign this Lease or any interest herein (including without limitation an assignment of

Tenant's rights under **Section 16.1** hereof in connection with an assignment of Tenant's leasehold estate hereunder or a sublease of the entire Premises, but not apart from any such assignment or sublease transaction) or sublet the Premises in its sole and absolute discretion, subject to the prior written consent of Landlord, which consent shall not be unreasonably withheld. No subdivision or partial subletting of the Premises shall be permitted. No transfer, assignment or subletting shall relieve Tenant of its liability for the full performance of all of the terms, agreements, covenants and conditions of this Lease absent a separate written agreement of the Landlord. No consent to a transfer shall relieve Tenant of the obligation to obtain Landlord's consent to any subsequent transfer.

9.1.2. Tenant agrees that, with respect to each and every sublease (each, a "**Sublease**") of the Premises hereafter executed, Tenant shall not, without the prior written consent of Landlord, (i) receive or collect any sub-rents payable under any such Sublease from the subtenant thereunder (the "**Subtenant**") for a period of more than three (3) months in advance; or (ii) pledge, transfer, mortgage, encumber or assign future payments of such subrental except to the holder of a Leasehold Mortgage.

9.1.3. Tenant shall be obligated to provide a fully-executed copy of an assignment or sublease document entered into by Tenant with respect to the Premises within ten (10) days of execution of the same.

9.2. Leasehold Mortgages. Tenant shall have the right at any time and from time to time, without Landlord's consent but upon prior written notice to Landlord, to mortgage or otherwise encumber Tenant's leasehold estate and Tenant's rights under this Lease together with any or all improvements appurtenant thereto pursuant to one or more leasehold mortgages, and Tenant may assign its interest in this Lease as collateral security for such Leasehold Mortgage (any such encumbrance being herein a "**Leasehold Mortgage,**" with the holder of any thereof from time to time being herein a "**Leasehold Mortgagee**"). Notwithstanding the foregoing, no Leasehold Mortgage now or hereafter a lien upon this Lease shall extend to or affect the reversionary interest and estate of Landlord in and to the Premises or in any manner attach to or affect the Premises from and after any expiration or termination of this Lease except as expressly set forth herein.

9.2.1. Notice to Leasehold Mortgagee. Landlord agrees to simultaneously send copies of all notices of default given to Tenant hereunder to each Leasehold Mortgagee notice of whose name and address has been given in writing to Landlord. No amendment, modification, extension, renewal (other than as necessary to exercise an express right granted to Tenant in this Lease), or voluntary cancellation, termination or surrender of this Lease (as opposed to an exercise of Landlord's rights to terminate for Tenant default) shall be binding upon the Leasehold Mortgagee (of which Landlord has been notified in writing) without its written consent.

9.2.2. Cure by Leasehold Mortgagee or Subtenant. In the case of a Default by Tenant, Landlord shall give Leasehold Mortgagee or Subtenant for which the Landlord has provided consent pursuant to Section 9.1.1 (i) a notice of its intent to exercise its rights hereunder (the "**Remedies Notice**") containing a statement of all existing Defaults under this Lease, and (ii) the opportunity to cure such Default(s), as follows: (a) Leasehold Mortgagee and/or Subtenant shall be



entitled to cure any stated Monetary Default (as defined in **Section 13.1** hereof) for a period of thirty five (35) days after receipt of such Remedies Notice, and (b) Leasehold Mortgagee and/or Subtenant shall be entitled to cure any stated Non-Monetary Default (as defined in **Section 13.1** hereof) for a period of fifteen (15) days after receipt of such Remedies Notice; *provided however*, that if Leasehold Mortgagee requires additional time to complete the curing of any such Non-Monetary Default, then, provided Leasehold Mortgagee has commenced to cure such Default within such 15-day period and thereafter prosecutes the same to completion with reasonable diligence, Leasehold Mortgagee and/or Subtenant shall be entitled to such additional time as is reasonably necessary to cure such Default. Landlord shall deliver any such Remedies Notice at the same time of its delivery to Tenant of a Default notice pursuant to **Section 13.1** hereof, it being acknowledged, however, that the periods of time afforded Leasehold Mortgagee and/or Subtenant under this **Section 9.3.2** for cure of a Default shall not commence until the expiration of any cure periods afforded Tenant therefor under **Section 13.1** or elsewhere herein. If Leasehold Mortgagee and/or Subtenant cures all stated Defaults in accordance with the foregoing provisions, then both the notice of Default given to Tenant (with a copy to Leasehold Mortgagee and/or Subtenant) and the Remedies Notice shall be null and void and of no further force or effect. Landlord agrees to accept cure of any Defaults of Tenant by any Subtenant provided cure occurs within the cure periods provided to Tenant under this Lease. Landlord agrees to accept performance of Tenant's obligations hereunder by Leasehold Mortgagee and/or Subtenant with the same force and effect as though observed or performed by Tenant.

9.2.3. Limitations on Liability. Under no circumstances shall Leasehold Mortgagee be liable for the performance of Tenant's obligations hereunder unless and until Leasehold Mortgagee acquires Tenant's rights and interest by foreclosure or other assignment or transfer in lieu thereof. In the event that Leasehold Mortgagee so acquires Tenant's rights and interest, the liability of Leasehold Mortgagee, its successors and assigns shall be limited to its leasehold interest in this Lease. Neither Leasehold Mortgagee, its successors or assigns, nor any agent, partner, officer, trustee, director, shareholder or principal (disclosed or undisclosed) of Leasehold Mortgagee, its successors or assigns, shall have any personal liability hereunder.

9.2.4. Notice Procedure. All notices from Landlord to Leasehold Mortgagee and from Leasehold Mortgagee to Landlord hereunder shall be in writing and given in the manner specified in **Article 17** hereof. The address for notices to Leasehold Mortgagee shall be the address furnished to Landlord by Tenant.

## **ARTICLE X: WARRANTIES AND REPRESENTATIONS**

10.1 Landlord's Authority. Landlord represents and warrants to Tenant that Landlord has full right and authority to enter into this Lease and perform Landlord's obligations under this Lease. The individuals signing this Lease and all other documents executed or to be executed pursuant hereto on behalf of Landlord are and shall be duly authorized to sign the same on Landlord's behalf and to bind Landlord thereto. This Lease is and shall be binding upon and enforceable against Landlord in accordance with its terms.

10.2 Tenant's Authority. Tenant represents and warrants to Landlord that Tenant has full right and authority to enter into this Lease and perform Tenant's obligations under this Lease and that Tenant has succeeded to all rights of the tenants originally named in the Ground Lease and the

Parking Lease. The individuals signing this Lease and all other documents executed or to be executed pursuant hereto on behalf of Tenant are and shall be duly authorized to sign the same on Tenant's behalf and to bind Tenant thereto. This Lease is and shall be binding upon and enforceable against Tenant in accordance with its terms.

## ARTICLE XI: SURRENDER OF PREMISES

### 11.1 Surrender.

11.1.1. Upon any termination of this Lease, whether by expiration of the Term hereof or by reason of any other cause whatsoever as provided herein, then, all right, title and interest of Tenant and all those holding or claiming any interest by, through or under Tenant in the Premises or any portion thereof shall cease and terminate and title thereto shall automatically vest in Landlord absolutely free of any liens permitted or suffered by Tenant. At the expiration or earlier termination of this Lease, Tenant shall deliver possession of the Premises to Landlord in "broom clean" condition, free of all of Tenant's Equipment unless otherwise directed by Landlord. The Improvements shall become the property of Landlord at the expiration or earlier termination of this Lease. No further deed or other instrument shall be necessary to confirm such vesting in Landlord. However, upon any termination of this Lease, Tenant, upon request of Landlord, shall execute, acknowledge and deliver to Landlord a deed confirming that all of Tenant's right, title and interest in the Premises has expired and that title to any Improvements then existing has vested in Landlord free of any leasehold and any liens permitted or suffered by Tenant.

## ARTICLE XII: HOLDOVER

12.1 Holding Over After Term. If Tenant shall hold the Premises after the expiration or earlier termination of the Term hereof, such holding over shall, in the absence of written agreement on the subject, be deemed to have created a tenancy at sufferance at a use and occupancy charge rental equal to 150% of the monthly Rent payable during the last year of said Term plus 100% of any Additional Rent as may accrue with respect to any such holdover period. Nothing contained herein shall grant the right of holdover to Tenant after the expiration of the Term or earlier termination of this Lease, and Landlord may immediately commence proceedings against Tenant to obtain possession of the Premises. Notwithstanding any provision of this Lease to the contrary, Tenant shall be liable for all damages (direct, indirect and consequential) incurred by Landlord as a result of Tenant holding over in the Premises after the expiration or earlier termination of the Term.

## ARTICLE XIII: DEFAULT

### 13.1 Tenant's Default.

13.1.2. It shall be a "**Default**" by Tenant hereunder if (i) Tenant shall not have paid Rent or any Additional Rent within ten (10) days after Landlord has given written notice to Tenant stating that such payment was not made on or before its due date (each, a "**Monetary Default**"); or (ii) Tenant shall not have performed any of the other covenants, terms, conditions or provisions required to be performed by Tenant under this Lease within thirty (30) days after Landlord has provided Tenant with written notice specifying such failure (a "**Non- Monetary Default**");

provided, however, that with respect to those failures that cannot with due diligence be cured within said thirty (30) day period Tenant shall not be deemed to be in Default hereunder if Tenant commences to cure such failure within such thirty (30) day period and thereafter continues the curing of such failure with all due diligence to completion

13.1.2. Landlord shall be entitled to receive from Tenant an amount equal to interest accrued at the Default Rate on Rent or any other amount payable by Tenant under this Lease that is not paid when due (the "**Unpaid Amount**"). Interest shall accrue pursuant to the preceding sentence from the date the Unpaid Amount was due through the date the same was paid.

### 13.2 Remedies.

13.2.1. If a Default has occurred, Landlord shall have the right to institute from time to time an action or actions, summary or otherwise, in a court of competent jurisdiction (the "**Court**"), (i) to recover damages (exclusive of consequential or special damages), (ii) for injunctive and/or other equitable relief, and/or (iii) to recover possession of the Premises. After a Default, Landlord may elect to (a) re-enter the Premises or any part in the name of the whole, without notice, and remove all persons and property therefrom (Tenant waiving notice to evict) without being liable to prosecution or damages therefor, and may recover the Premises and any Improvements then existing, and expel Tenant, and/or (b) terminate this Lease. Tenant shall thereupon quit and peacefully surrender the Premises to Landlord pursuant to **Article XI** hereof without any payment therefor by it, and Landlord may re-enter the Premises as provided in the preceding clause (a).

13.2.2. Notwithstanding anything to the contrary contained in this **Section 13.2**, Landlord also shall have the benefit of all remedies at law or in equity available to it by reason of Tenant's Default.

### 13.3 Damages on Termination.

13.3.1. In the event this Lease is terminated as a result of a Default as provided in this **Article XIII**, Landlord shall be entitled to recover from Tenant all actual, direct damages, including, without limitation, any unpaid Rent and Additional Rent, incurred by Landlord by reason of Tenant's Default prior and up to the date this Lease is terminated, and the cost of recovering possession of the Premises and reasonable attorneys' fees. Notwithstanding the immediately preceding sentence, Landlord shall not be entitled to recover consequential or special damages, nor may Landlord recover any costs and expenses of reletting the Premises other than as expressly provided in **Section 13.3.2** below.

13.3.2. Notwithstanding the foregoing, if this Lease is terminated as a result of a Default, Landlord shall be entitled to receive from Tenant (x) payments of Rent and Additional Rent to the extent the same are not being covered by another tenant or tenants as the same would have become due and owing under this Lease, and (y) reimbursement for any reasonable broker's commission and reasonable attorneys' fees incurred by Landlord in connection with reletting the Premises, and reasonable costs incurred by Landlord for preparing the Premises for occupancy by a subsequent tenant, for the recovery of which Landlord may bring suit from time to time for any

period, without prejudice in any way to the rights of Landlord to collect the deficiency for any subsequent period by a similar action or proceeding. Landlord shall use commercially reasonable efforts to re-let the Premises and Improvements in order to mitigate its damages hereunder. Landlord may receive as its sole and absolute property, without duty to account therefor to Tenant, all sums collected by it as rent or otherwise upon reletting the Premises after it shall resume possession thereof as hereinbefore provided. The obligations of Tenant under this Section shall survive the expiration or early termination of this Lease.

13.3.3. If Landlord shall obtain possession of the Premises and the Improvements under legal proceedings or pursuant to the terms and conditions of this Lease because of a Default by Tenant, then all rights of redemption provided by any law, statute or ordinance now in force or hereafter enacted shall be and are hereby waived by Tenant.

13.4 Delay; Waiver. No delay or omission by either party hereto to exercise any right or power accruing upon any noncompliance or default by the other party with respect to any of the terms of this Lease shall impair the exercise of any such right or power or otherwise be construed to be a waiver thereof, except as otherwise herein provided. A waiver by either of the parties hereto of any of the covenants, conditions or agreements hereof to be performed by the other shall not be construed to be a waiver of any subsequent breach thereof or of any other covenant, condition or agreement herein contained. No receipt by Landlord of any payment from Tenant after a termination of this Lease shall reinstate, continue or extend the Term hereof or affect any notice theretofore given to Tenant, nor operate as a waiver of Landlord's right to enforce the payment of Rent or Additional Rent then due or thereafter falling due.

13.5 Landlord's Right to Cure Tenant's Default. Whenever Tenant shall be in Default, Landlord may perform, or cause to be performed, such term, covenant or condition, and take such other steps, including entry onto the Premises and the Improvements, as it may deem reasonably advisable, to achieve such performance or compliance, in which event Tenant shall reimburse Landlord upon demand for all reasonable out-of-pocket costs and expenses suffered or incurred by it in connection therewith (together with interest thereon at the Default Rate from the respective dates of Landlord making each such payment or incurring of each such cost or expense). Acting in accordance with the immediately preceding sentence shall not be deemed to obligate Landlord to commence or complete the curing of any term, covenant, or condition which is in default within said time limits or otherwise. Landlord shall defend, protect, indemnify and hold harmless Tenant from and against all claims or demands, including, without limitation, any action or proceedings brought thereon, and all costs, losses, expenses and liabilities of any kind relating thereto, including reasonable attorneys' fees and costs of suits, arising out of or resulting from claims of any kind and nature to the extent caused by the gross negligence or willful act or omission of Landlord or any Landlord Party in connection with Landlord's exercise of its rights under the first sentence of this **Section 13.5**.

13.6 Rights While in Default. Except as otherwise may be provided in this Lease, Tenant's rights hereunder shall not be affected by, and Tenant may exercise any of such rights, notwithstanding any breach or default of any of its obligations under this Lease through the date that Landlord has terminated this Lease.

13.7 Bankruptcy. If a petition of bankruptcy or reorganization shall be filed by or against

the then Tenant and not dismissed within ninety (90) days of filing, or in any proceeding based upon the insolvency of Tenant a receiver or trustee of all of the property of Tenant shall be appointed and shall not be discharged within ninety (90) days after such appointment, then such event shall be a Default under this Lease unless the trustee or receiver affirms or assumes this Lease within ninety (90) days after the commencement of the proceedings and cures any other Default under this Lease within ninety (90) days after affirmation or assumption of this Lease. In any event, the foregoing shall be subject to all applicable federal and state bankruptcy laws.

13.9 No Consequential Damages. Notwithstanding anything to the contrary set forth herein (including without limitation **Sections 6.6** and **15.3** hereof) neither Tenant (except as provided in Article XII) nor Landlord shall be entitled to recover any consequential or special damages on account of the other party's breach or default under this Lease.

#### ARTICLE XIV: CONDEMNATION

14.1 Voluntary Conveyance. The parties hereby agree that neither party to this Lease shall voluntarily convey any interest in the Premises or otherwise related to this Lease to any governmental or quasi-governmental agency, authority or public utility (a "**Taking Authority**") under threat of a taking in connection with the exercise of any power of eminent domain, condemnation, or purchase under threat or in lieu thereof in lieu of formal proceedings with respect to any interest in the Premises or this Lease (any of the foregoing powers being a "**Taking**") without first providing at least sixty (60) days' prior written notice to the other party, and the other party's Leasehold Mortgagee or Fee Mortgagee, as applicable (the "**Mortgagee**"), of any request or intention to do so. For the purposes of this **Article 14**, all amounts paid pursuant to any agreement with any Taking Authority that has been made in settlement of or under threat of any Taking proceeding affecting the Premises shall be deemed to constitute an award made in such proceeding and shall be disbursed in accordance with **Section 14.4** hereof.

14.2 Total Taking. In the event of a Taking of all or substantially all of the Premises for the remainder of the Term of this Lease or of all or substantially all of Tenant's interest in this Lease, this Lease shall terminate as of the effective date of such Taking, and Rent and Additional Rent for the remainder of the Term shall be prorated as of such date. Awards received as a result of such a Taking shall be disbursed in accordance with **Section 14.4** below.

14.3 Partial Taking.

14.3.1. Termination. In the event of a permanent Taking (i) of any part of the aggregate floor area contained in all buildings then located on the Premises, (ii) which reduces by more than fifty percent (50%) the number of parking spaces located on the Premises or which reduces the number of parking spaces so as to render the Premises nonconforming with Legal Requirements, or (iii) which closes all reasonable means of access to the Premises, then Tenant may, in its sole and absolute discretion, elect to terminate this Lease. Such termination shall be effected by written notice to Landlord (the "**Termination Notice**"), given within one hundred twenty (120) days after the effective date of the Taking or the date the award of damages to Tenant as a result of such Taking is finally determined, as the case may be (the "**Termination Date**"). Such termination shall be effective as of the date specified for termination in Tenant's Termination Notice, and Rent and

Additional Rent for the remainder of the Term of this Lease shall be pro rated as of the effective date of such termination. All awards received as a result of a partial Taking as described in this **Section 14.3** shall be disbursed in accordance with **Section 14.4** hereof.

14.3.2. Rent Abatement. In the event of a permanent Taking that does not result in a termination of this Lease, the amounts upon which Rent are determined hereunder shall be reduced by multiplying the same by a fraction (the "**Taking Fraction**") the numerator of which is the fair market value of the Premises remaining immediately after the effective date of the Taking and the denominator of which is the fair market value of the Premises immediately prior to the effective date of the Taking; provide, however that in the event the Rent is reduced by more than fifteen percent (15%), Landlord shall have the right to terminate this Lease by written notice to Tenant.

14.4 Awards. Any award for a Taking (but not for a temporary Taking which shall be covered by **Section 14.6** hereof) shall be paid to the Taking Depository and the Taking Depository shall pay out the award as follows: Tenant shall be entitled to the portion of the award allocable to the value of Tenant's Improvements and Landlord shall be entitled to the remainder of such. To the extent not included in any such award and provided the same does not constitute a set off of Landlord's award for the taking of the applicable portion of the Property, Tenant may make a separate claim for an award (i) made with respect to a taking of its trade fixtures or Tenant's Equipment, and/or (ii) made with respect to Tenant's removal, remodeling or relocation costs, damages to Tenant's personal property, any special damages of Tenant, or loss of Tenant's business profits or goodwill.

14.5 Notice of Action. In the event that any Taking action is filed by any Taking Authority, or in the event that any Taking action is threatened in writing or any Taking Authority communicates in writing to Landlord or Tenant its desire to acquire any interest in the Premises or this Lease by a voluntary conveyance or transfer in lieu of condemnation, the party receiving such communication shall give prompt notice thereof to the other party and to such party's Mortgagee. Landlord, Tenant and any Mortgagee shall each have the right, at its own cost and expense, to represent its respective interest in each proceeding, negotiation or settlement with respect to any Taking or threatened Taking and to make full proof of its claims. No agreement, settlement, conveyance or transfer to or with the Taking Authority shall be made without the consent of Landlord and Tenant, such consent to not be unreasonably withheld.

#### 14.6 Temporary Taking.

14.6.1. As used herein, the phrase "**Temporary Taking**" shall mean a Taking that is effective for not more than one year. As used herein, the phrase "**permanent Taking**" shall mean a condemnation that is effective for more than one year.

14.6.2. If there shall be a temporary Taking of the whole or any part of the Premises or the Improvements thereon or the appurtenances thereto, the term of this Lease shall not be affected in any way and Tenant shall continue to pay in full the Rent and Additional Rent, and other sum or sums of money and charges herein provided to be paid by Tenant, and the entire award for such Taking shall be paid to the Depository, to be applied and disposed of as

hereafter provided in this **Section 14.6**. The Depository shall pay to Tenant that portion of said award paid for use and occupancy of the Premises during any period prior to the expiration of the Term of this Lease and shall pay to Landlord any portion of said award paid for use and occupancy of the Premises following expiration of the Term of this Lease. That portion of such award which represents physical damage to the Premises or Tenant's Improvements or appurtenances thereto occasioned by such Taking or for loss of business incurred by Tenant shall be paid by the Depository to Tenant and any remaining portion of the award shall be paid to Landlord.

#### **ARTICLE XV: HAZARDOUS SUBSTANCES; MONITORING WELLS**

15.1 Tenant's Obligations. Except in compliance with Environmental Laws and provided that such Hazardous Substances are maintained in proper containers and are reasonably necessary in the ordinary course of the operations and maintenance of the uses being made of the Premises at any given time, neither Tenant nor any Tenant Party shall use, store, manufacture, or release, or permit the use, storage, manufacture or release of, Hazardous Substances in or at the Premises. In the event of a Release of Hazardous Substances in, on, under or above the Premises that occurs during the Term, other than to the extent the same was caused by the acts or omissions of Landlord or a Landlord Party, Tenant shall undertake the Remediation thereof (in the context of this **Section 15.1, "Tenant Remediation"**) at its sole cost and expense. Tenant's Remediation shall include, without limitation, Remediation as a result of the presence of friable asbestos or lead paint discovered due to the demolition of the Existing Improvements.

15.2 Tenant's Indemnification. Tenant shall indemnify, protect, defend and hold Landlord and any Landlord Party forever harmless from and against any and all loss, claims (including bodily injury, property damage, and claims seeking payment for or performance of remediation), actions, judgments, liabilities, liens, damages, penalties, fines, costs and expenses, including, without limitation, reasonable attorneys' fees, costs of defense and expert/consultant fees, and costs of assessment, containment and clean-up, asserted against, imposed on, or suffered or incurred by Landlord or any Landlord Party (or the Premises) arising out of or in connection with any Release of Hazardous Substances by Tenant, its predecessors, successors and assigns (other than to the extent the same was caused by the acts or omissions of Landlord or a Landlord Party); including any consequential or special damages resulting therefrom.

15.3 Definitions. For purposes of this Lease:

(a) The term "**Environmental Law**" shall mean any federal, state, county, municipal, local or other statute, ordinance or regulation which relates to or deals with the protection of the environment and/or human health from the release of Hazardous Substances, including all regulations promulgated by a regulatory body pursuant to any such statute, ordinance, or regulation, including, the Comprehensive Environmental Response and Liability Act of 1980 (CERCLA), as amended, 42 U.S.C. § 9601 et seq., the Resource Conservation and Recovery Act (RCRA), as amended, 42 U.S.C. § 6901 et seq., the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251 et seq., and the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.; Toxic Substances Control Act of 1976, 15 U.S.C. § 2601 et seq.; Hazardous Materials Transportation Act, 49 U.S.C. App. § 1808 et seq.; Oil Pollution Act of 1990, 33 U.S.C. § 2701 et

seq.; Emergency Planning and Community Right-to-Know Act of 1986, 42. U.S.C. § 11001 et seq.; Massachusetts Oil and Hazardous Materials Release, Prevention and Response Act, G.L. c. 21E et seq.; Massachusetts Hazardous Waste Management Act, G.L. c. 21C et seq.; each as the same may be amended from time to time.

(b) The term "**Hazardous Substance**" shall mean and refer to asbestos, urea formaldehyde, polychlorinated biphenyls, nuclear fuel or materials, radioactive materials, explosives, known carcinogens, petroleum products and by-products (including crude oil or any fraction thereof), and any pollutant, contaminant, chemical, material or substance defined as hazardous or as a pollutant or a contaminant in, or the use, manufacture, generation, storage, treatment, transportation, release or disposal of which is regulated by, any Environmental Law.

(c) The term "**Release**" shall mean and refer to any spilling, leaking, pumping, pouring, emptying, discharging, injecting, escaping, leaching, dumping or disposing into the environment, including, without limitation, the abandonment or discarding of barrels, drums, containers, tanks, or other receptacles containing or previously containing any Hazardous Substance.

(d) The term "**Remediation**" shall mean, with respect to a Release of Hazardous Substances in, on, under or above the Premises, conducting such site assessments, taking such actions required for containment thereof and preparing and implementing such remediation plan as shall be necessary for the clean-up thereof to the extent required by and in compliance with all applicable Legal Requirements and Environmental Laws, which plan shall include a schedule for the completion of each phase of the clean-up.

15.4 Landlord agrees to remain responsible for on-going testing required by the Massachusetts Department of Environmental Protection from monitoring wells that are currently installed on the Premises.

#### **ARTICLE XVI: SUBORDINATION TO FEE MORTGAGE AND ESTOPPEL**

16.1 Priority of Lease. Provided Landlord delivers a non-disturbance agreement from a Holder (as defined below), Tenant agrees that this Lease shall be subordinate to any mortgage or similar encumbrance (collectively, a "**Fee Mortgage**", and the holder thereof from time to time the "**Holder**") from time to time encumbering the Premises, whether executed and delivered prior to or subsequent to the date of this Lease, unless the Holder shall elect otherwise. If this Lease is subordinate to any Mortgage and the Holder or any other party claiming by, through or under Holder shall succeed to the interest of Landlord (such Holder or other party claiming by, through or under Holder, a "**Successor**"), at the election of the Successor, Tenant shall attorn to the Successor, and this Lease shall continue in full force and effect between the Successor and Tenant subject to Section 16.3 below. Not more than fifteen (15) days after receipt of a written request from Landlord or a Holder, Tenant agrees to execute and deliver to Landlord such instruments of subordination or attornment in confirmation of the foregoing agreement as the Holder reasonably may request provided such instrument contains commercially reasonable non-disturbance protections for the benefit of Tenant.



16.2 Notices. Tenant shall give any holder of a Fee Mortgage (including its successors or assigns, a "Fee Mortgagee") of which Landlord has given Tenant notice of the Fee Mortgagee's name and address the same notices hereunder as are given to Landlord concurrently with the notice to Landlord and no Fee Mortgagee shall be bound by any notice given from Tenant to Landlord hereunder unless and until such notice has been delivered to the Fee Mortgagee.

16.3 Fee Mortgagee's Rights and Obligations. Tenant agrees that if any Fee Mortgagee shall foreclose on its Fee Mortgage or if the Fee Mortgagee shall have recorded a deed from Landlord in lieu of foreclosure, then:

(a) the liability of the Fee Mortgagee for the obligations of Landlord hereunder shall exist only so long as such Fee Mortgagee is the owner of the Premises, and such liability shall not continue or survive after further transfer of ownership, except for claims accruing during the period of such ownership;

(b) such Fee Mortgagee shall not be (i) liable for any act or omission of any prior lessor under this Lease, (ii) liable for the performance of Landlord's covenants pursuant to the provisions of this Lease that arise or accrue prior to such entity succeeding to the interest of Landlord under this Lease or acquiring possession, (iii) subject to any offsets or defense that Tenant may have at any time against Landlord, (iv) bound by any Rent or Additional Rent which Tenant may have paid more than six (6) months in advance, except to the extent expressly agreed to by said Fee Mortgagee prior to foreclosure, or (v) liable for the performance of any covenant of Landlord under this Lease that is legally capable of performance only by the original Landlord; and

(c) Tenant shall attorn to and recognize the Fee Mortgagee as its landlord under this Lease, as if the Fee Mortgagee were originally the Landlord hereunder.

16.4 Within ten (10) days following request from Landlord or any existing or prospective Holder, Tenant shall deliver to Landlord a certificate executed and acknowledged by Tenant, (a) stating the Lease Commencement Date and the date of expiration of the Term, and that this Lease is then in full force and effect and has not been modified (or if modified, setting forth all modifications), (b) setting forth the date to which Base Rent and any Additional Rent have been paid, together with the amount of monthly Base Rent and Additional Rent then payable, (c) stating whether or not, Landlord is in default under this Lease, and, if Landlord is in default, setting forth the specific nature of all such defaults, (d) stating whether there have been any transfers under Article IX, (e) stating the address of Tenant to which all notices and communications under the Lease shall be sent, and (f) responding to any other matters reasonably requested. Tenant acknowledges that any certificate delivered pursuant to this Section 16.4 may be relied upon by any purchaser or owner of the Premises, or all or any portion of Landlord's interest therein, or by any Holder, or assignee thereof.

16.5 Within ten (10) days following request from Tenant or any existing or prospective Leasehold Mortgagee or Subtenant, Landlord shall deliver to Tenant a certificate executed and acknowledged by Tenant, (a) stating the Lease Commencement Date and the date of expiration

of the Term, and that this Lease is then in full force and effect and has not been modified (or if modified, setting forth all modifications), (b) setting forth the date to which Base Rent and any Additional Rent have been paid, together with the amount of monthly Base Rent and Additional Rent then payable, (c) stating whether or not, Tenant is in default under this Lease, and, if Tenant is in default, setting forth the specific nature of all such defaults, (d) stating whether there have been any transfers under Article IX, (e) stating the address of Landlord to which all notices and communications under the Lease shall be sent, and (f) responding to any other matters reasonably requested. Landlord acknowledges that any certificate delivered pursuant to this Section 16.5 may be relied upon by any Subtenant of the Premises therein, or by any Leasehold Mortgagee, or assignee thereof.

#### **ARTICLE XVII: RESERVED RIGHTS AND EASEMENTS**

17.1. Landlord reserves the right to construct, install, operate, maintain, repair and replace lines and other transmission facilities and appurtenances for electricity, telephone, water, sewers, drainage and any other services and utilities over, across and under the Premises, and further reserves the right to grant such additional easements, appurtenances, setbacks and rights of access as from time to time appear to Landlord to be necessary or expedient, provided that such additional grants do not unreasonably and materially interfere with the operation of Tenant's business.

17.2. Landlord, for itself, and for its tenants, and their invitees, customers, licensees, agents, employees and any persons having business with them, and their successors and assigns (collectively, the "Beneficiaries"), shall have common rights of travel over the parking areas, driveways, sidewalks, entrances and exits over and upon the Premises.

17.3 Landlord may enter the Premises (i) to exercise any rights granted or reserved hereunder, (ii) to inspect the Premises or (iii) to show the same to existing or prospective lenders, investors, purchasers, or tenant (and their representatives and agents). Except with respect to entry under subsection (i), Landlord shall provide Tenant with reasonable prior notice of entry and in all events such entry shall occur during Tenant's regular business hours.

#### **ARTICLE XVIII: OPTION TO PURCHASE**

18.01 Tenant hereby grants to Landlord the exclusive right and option (the "Option") to purchase from Tenant all of Tenant's right, title and interest in and to this Lease pursuant and subject to all of the terms and conditions herein contained for a price equal to Two Hundred Thousand (\$200,000.00) Dollars. The effective period for exercise of the Option (the "Option Period") shall begin on the 10<sup>th</sup> anniversary of the Lease Commencement Date and end on the 15<sup>th</sup> anniversary of the Lease Commencement Date. If the Lease is extended by the Tenant in accordance with the terms of Article II.2.2, then after the 15<sup>th</sup> anniversary of the Lease Commencement Date, the option price shall be \$1.00.

18.02. The Option shall be exercised by Tenant's written notice thereof to Landlord given within the Option Period and given at Tenant's sole election. On the Closing Date (as defined herein), Landlord and Tenant shall execute and deliver (such event being the "Closing") an

assignment of this Lease and an assignment of any applicable subleases and a general release of claims by and between Landlord and Tenant. On the Closing Date, all payments to the Landlord pursuant to this Lease shall cease.

18.03. The Closing shall occur on the sixtieth (60<sup>th</sup>) day following the date of Tenant's exercise of the Option (the "Closing Date" or "Closing").

18.04. The Closing shall occur at 12:00 noon on the Closing Date, at the offices of Tenant's counsel or such other time and place upon which the parties shall mutually agree.

18.05. If Landlord exercises the Option, then on the Closing Date Tenant shall assign good clear and marketable title to this Lease, subject to all existing subleases, but free of any Leasehold Mortgage and other liens and encumbrances created by Tenant, to Landlord, and shall provide a Bill of Sale conveying all of Tenant's right, title and interest to the Improvements to Landlord.

18.06. If at the time of the Closing, Tenant shall be unable to give title to permit Landlord in a manner that permits Landlord to obtain a policy of title insurance insuring the leasehold title to the Property all as herein stipulated, then the Closing Date shall be extended for twenty-one (21) days and during such extension period Tenant shall remove any defects in title, or deliver possession as provided herein, or make the Property conform to the provisions hereof, as the case may be.

18.07 The Tenant shall only be entitled to its rights under this Option if the Tenant is in good standing under this Lease, with no defaults outstanding, unless waived by the Landlord, which waiver may be withheld in the Landlord's sole and absolute discretion.

#### **ARTICLE XIX: MISCELLANEOUS**

19.1 Notice. All notices, demands and requests required or permitted to be given under this Lease must be in writing and shall be deemed to have been given as of the date such notice is (i) delivered to the party intended, (ii) delivered to the then designated address of the party intended or (iii) rejected at the then designated address of the party intended, provided such notice was sent prepaid. The initial addresses of the parties shall be:

If to Landlord, at

West End Realty Group, LLC  
82 Broad Street, #397  
Boston, MA 02110

If to Tenant, at

Good Chemistry of Massachusetts, Inc.  
50 Congress Street, Suite 500  
Boston, MA 02109

with a copy to:

Smith, Segel & Ruddock  
50 Congress Street, Suite 500  
Boston, MA 02109  
Attn: James E. Smith, Esq.

Upon at least ten (10) days' prior written notice, each party shall have the right to change its address to any other address (or the address of any party to whom copies are to be sent) within the United States of America.

19.2 Effect of Lease. Except as set forth in Section 9.4, Landlord and Tenant may consider, approve or disapprove any proposed amendment to this Lease in their respective sole and absolute discretion without regard to reasonableness. This Lease shall be binding upon, inure to the benefit of, and be enforceable by Landlord and Tenant, and their respective successors and permitted assigns. This Lease shall not be construed strictly for or against either Landlord or Tenant. Time is declared to be of the essence of this Lease. No third party beneficiary rights are created by this Lease.

19.3 Entire Agreement. This Lease constitutes the entire agreement between the parties relating to the leasing of the Premises. Any prior negotiations, correspondence, memoranda or agreements are superseded in total by this Lease and the exhibits attached hereto.

19.4 Headings. The Article headings contained in this Lease are for purposes of reference only and shall not limit or define the meaning of any of the terms or provisions hereof.

19.5 Governing Law. This Lease shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts.

19.6 Costs. Whenever, in this Lease, anything is to be done or performed by Tenant or Landlord, unless otherwise expressly provided to the contrary, it shall be done or performed at the sole cost and expense of Tenant or Landlord as the case may be.

19.7 Force Majeure. Whenever performance is required of any party hereunder such party shall use all due diligence to perform and take all necessary measures in good faith to perform; *provided, however,* that if completion of performance shall be delayed at any time by reason of acts of God, significant variations from normal weather conditions reasonably expected during the period in question, war, civil commotion, acts of terrorism, riots, strikes, picketing, or other labor disputes, unavailability of labor or materials or damage to work in progress by reason of fire or other casualty or causes beyond the reasonable control of a party (other than financial reasons), then the time for performance as herein specified shall be appropriately extended by the time of the delay actually caused. The provisions of this **Section 19.7** shall not operate to excuse any party from the prompt payment of any monies required by this Lease.

19.8 Brokers. Tenant and Landlord represent and warrant to each other that neither has had any dealings or discussions with any broker or agent, licensed or otherwise) in connection with

this Lease. Landlord and Tenant each covenants to protect, defend, hold harmless and indemnify the other from and against any and all losses, liabilities, damages, costs and expenses (including reasonable legal fees) arising out of or in connection with any claim by any brokers or agents for brokerage commissions relating to this Lease alleged to be due because of dealings or discussions with the indemnifying party.

19.9 Commercial Obligations. Except as may be otherwise expressly set forth in this Lease, (i) whenever under this Lease provision is made for either party's securing the consent, permission or approval of the other party, such consent or approval shall be in writing and shall not be unreasonably withheld, delayed or conditioned and (ii) in all matters contained herein, both parties shall have an implied obligation of reasonableness.

19.10 Landlord's Liability. Any particular Landlord shall only be liable for the performance of the covenants and obligations of Landlord accruing under this Lease during the period of Landlord's ownership of the Premises, Tenant agreeing that after the effective date of any transfer of Landlord's interest under this Lease, Tenant shall look solely to Landlord's successor in interest for performance of Landlord's covenants and obligations thereafter accruing. None of the persons comprising Landlord (whether partners, shareholders, officers, directors, members, trustees, employees, beneficiaries or otherwise) shall ever be personally liable for any judgment obtained against Landlord. In the event of a default by Landlord, Tenant agrees to look solely to Landlord's interest in the Premises and any improvements thereon.

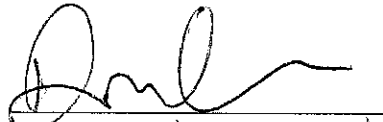
19.11 Counterparts. This Lease may be signed in counterparts, each of which shall be deemed an original and all of which when taken together shall constitute one instrument.

19.12 No Merger. There shall be no merger of the leasehold estate created by this Lease with the fee estate in the Premises by reason of the fact that the same person or entity may own or hold (a) the leasehold estate created by this Lease or any interest in such leasehold estate, and (b) the fee estate in the Premises or any interest in such fee estate; and no such merger shall occur unless and until all persons, corporations, firms and other entities having (a) any interest in this Lease or the leasehold estate created by this Lease (excluding subtenants but including any Leasehold Mortgagee), and (b) any fee simple interest in the Premises or any part thereof, shall join in a written instrument effecting such merger and shall duly record the same.

19.13 Drafting. Each party has cooperated in the drafting and preparation of this Agreement and, therefore, in any construction to be made of this Agreement, the same shall not be construed against either party.

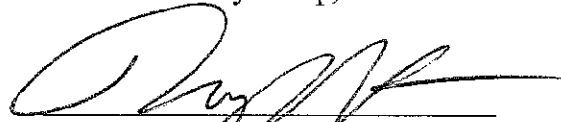
IN WITNESS WHEREOF, the parties hereto have executed these presents as of the day and year first above written.

Witness or Attest:

  
DUNCAN CAMERON

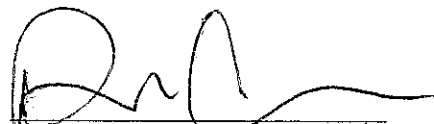
Landlord:

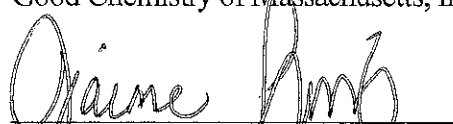
West End Realty Group, LLC

  
By: Matthew J. Huron  
Its: Manager

Tenant:

Good Chemistry of Massachusetts, Inc.

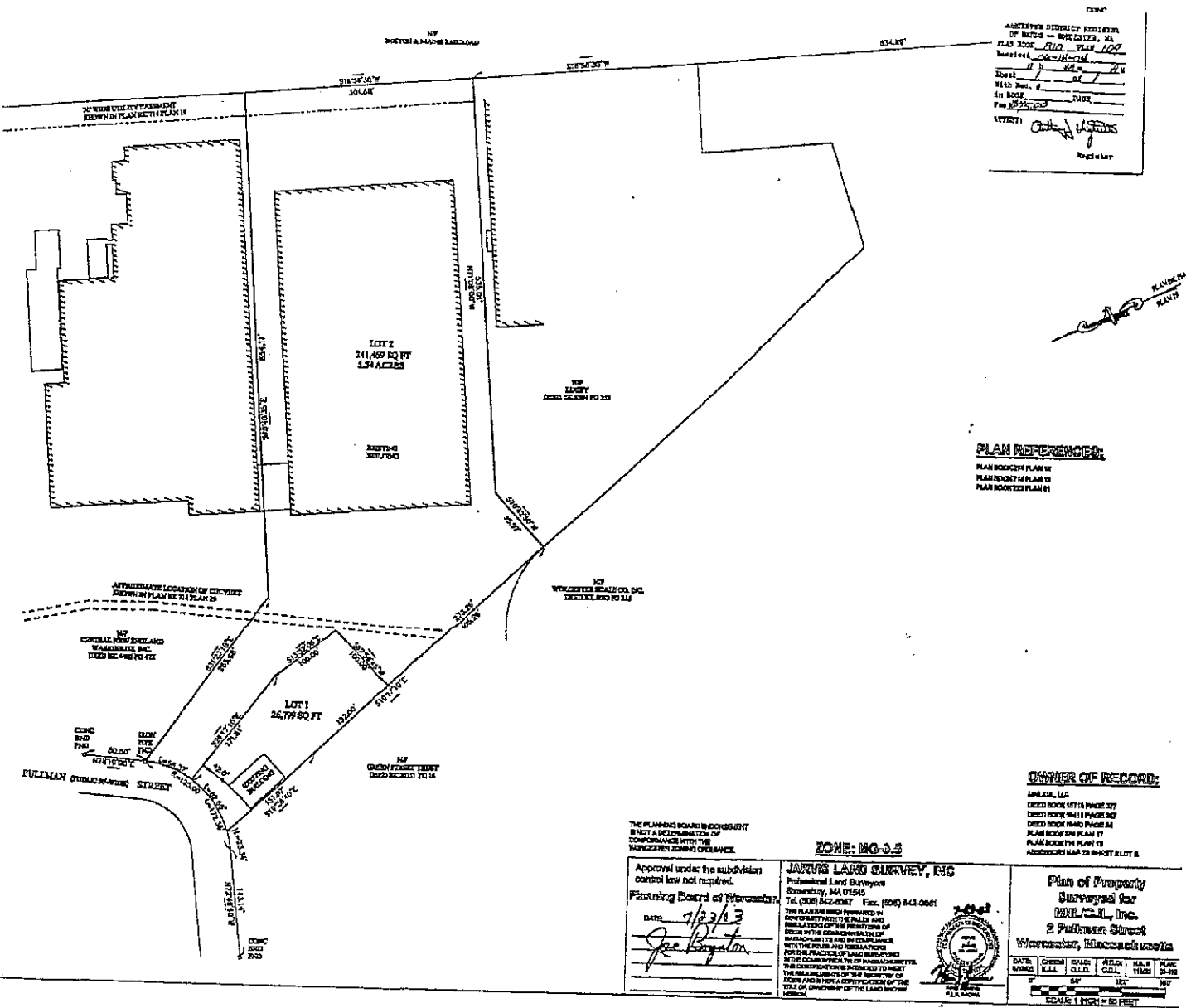
  
DUNCAN CAMERON

  
By: Jaime C. Lewis  
Its: President

# EXHIBIT LIST

Exhibit A:

Legal Description of the Property



ACCEPTED UNDER SUBDIVISION CONTROL  
 OF DEEDS - REGISTER, MA  
 PLAN BOOK 110, PAGE 122  
 REGISTERED 06-11-2013  
 DATE 11-22-12  
 FILED 11-22-12  
 IN BOOK 110  
 FILE 122  
 REGISTER  
*Outlaw Higgins*

**PLAN REFERENCED:**  
 PLAN BOOK 110, PAGE 122  
 PLAN BOOK 110, PAGE 123  
 PLAN BOOK 110, PAGE 124

**OWNER OF RECORD:**  
 JAMES LEE  
 DEED BOOK 110, PAGE 122  
 DEED BOOK 110, PAGE 123  
 DEED BOOK 110, PAGE 124  
 PLAN BOOK 110, PAGE 122  
 PLAN BOOK 110, PAGE 123  
 ADDRESS: 110 N. BROAD ST. & LOT 2

<p>THE PLANNING BOARD RECOGNIZES THAT A REQUIREMENT OF COMPLIANCE WITH THE MUNICIPAL BOARD ORDINANCE</p> <p><b>ZONE: R0-0.5</b></p> <p>Approval under the subdivision control law not required.</p> <p>Planning Board of Worcester, MA</p> <p>DATE: 7/23/13</p> <p><i>J.P. Boynton</i></p>	<p><b>JAMES LEE SURVEY, INC.</b>                  Professional Land Surveyors                  Worcester, MA 01615                  Tel: (508) 852-1234 Fax: (508) 843-0061</p> <p>THIS PLAN HAS BEEN PREPARED IN ACCORDANCE WITH THE RULES AND REGULATIONS OF THE BOARD OF LAND SURVEYORS OF THE COMMONWEALTH OF MASSACHUSETTS AND THE COMMONWEALTH OF MASSACHUSETTS. THE SURVEYOR IS NOT A PARTY TO THE TITLE OR OWNERSHIP OF THE LAND AND HAS NO INTEREST IN THE LAND.</p>	<p style="text-align: center;"><b>Plan of Property Surveyed for</b>  <b>LEE, JAMES L.</b>                  2 Fulham Street                  Worcester, Massachusetts 01615</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>DATE</td> <td>GREEN</td> <td>CALL</td> <td>FIELD</td> <td>HALF</td> <td>PLAN</td> </tr> <tr> <td>11/22/12</td> <td>11/22/12</td> <td>11/22/12</td> <td>11/22/12</td> <td>11/22/12</td> <td>11/22/12</td> </tr> </table> <p style="text-align: center;">SCALE: 1 INCH = 50 FEET</p>	DATE	GREEN	CALL	FIELD	HALF	PLAN	11/22/12	11/22/12	11/22/12	11/22/12	11/22/12	11/22/12
DATE	GREEN	CALL	FIELD	HALF	PLAN									
11/22/12	11/22/12	11/22/12	11/22/12	11/22/12	11/22/12									

**EVIDENCE OF LOCAL SUPPORT  
(Exhibit5.4)**

This exhibit must be completed or marked N/A and attached to required documents and submitted as part of the application.

Corporation Name: Good Chemistry of Massachusetts, Inc.      Application # (if more than one): 1

Site	City/Town	County	Type of Support Attached
1	Boston	Suffolk	Letter of non-opposition from Stephen J. Murphy, President, Boston City Council
2	Worcester	Worcester	Letter of non-opposition from Joseph Petty, Mayor, City of Worcester to Good Chemistry of Massachusetts, Inc.  Letter of support from Michael O'Brien, City Manager, City of Worcester to Good Chemistry of Massachusetts, Inc.





**OFFICE OF THE PRESIDENT  
BOSTON CITY COUNCIL  
STEPHEN J. MURPHY  
PRESIDENT**

November 20, 2013

Cheryl Bartlett  
Commonwealth of Massachusetts  
Department of Public Health  
250 Washington Street  
Boston, MA 02108

Re: Good Chemistry, Inc.

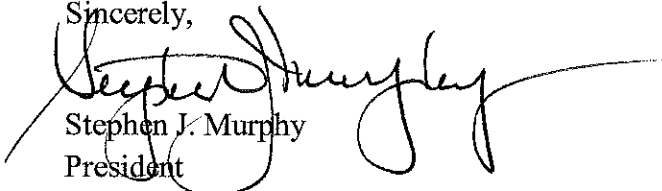
Dear Commissioner Bartlett,

I am writing to you today, as President of the Boston City Council, to express **non-opposition** to **Good Chemistry, Inc.**'s application for a State license to operate a medical marijuana operation in Boston.

In accordance with laws and regulations recently promulgated by the Commonwealth of Massachusetts, including Department of Public Health regulations found in 105 CMR 725.000, the City of Boston is in the process of adopting certain zoning ordinance amendments to accommodate the siting of medical marijuana dispensaries and cultivation facilities within the City. These amendments would allow Registered Marijuana Dispensaries (RMDs) and related cultivation facilities to locate in mostly commercial, manufacturing, and institutional zones, subject to certain buffer requirements. It is my belief that reputable and safe RMDs and cultivation facilities, when located at appropriate sites within designated areas of the city, should be permitted in accordance with State law and upon taking into consideration the views of the surrounding community.

I thank you for taking time to carefully consider each application.

Sincerely,

  
Stephen J. Murphy  
President

Boston City Council

Original

Marijuana Center #1

CITY OF



**Worcester**  
MASSACHUSETTS

**JOSEPH M. PETTY**  
MAYOR

City Hall • Room 305  
455 Main Street  
Worcester, MA 01608-1892

Office: 508-799-1153  
Fax: 508-799-1156  
mayor@worchesterma.gov

October 28, 2013

Cheryl Bartlett, Commissioner  
Commonwealth of Massachusetts  
Department of Public Health  
250 Washington Street  
Boston, 02108

RE: Good Chemistry, Denver, CO

Dear Commissioner Bartlett:

I have met with the representatives of Good Chemistry who informed me that they have applied for State DPH Licenses as a Medical Marijuana Dispensary.

They have expressed an interest in the City of Worcester as one of their potential locations. I was informed they have located a site with a willing owner at 9 Harrison Street, Worcester, MA 01604.

The selected site currently meets all recommended requirements based on the City of Worcester's Zoning Ordinance.

I am particularly impressed that Good Chemistry has expanded the Commonwealth's buffer requirements to 1000 feet from a school or park. Please be advised that I do not oppose their site or application for licensure in the City of Worcester.

If you have any questions or concerns please feel free to contact me.

Sincerely,



Joseph M. Petty  
Mayor

Original

Marijuana Center #1



Michael V. O'Brien  
City Manager

CITY OF WORCESTER

November 6, 2013

Cheryl Bartlett, Commissioner  
Commonwealth of Massachusetts  
Department of Public Health  
250 Washington Street  
Boston, MA 02108

Re: Good Chemistry, Inc.

Dear Commissioner Bartlett:

I write at the request of representatives of Good Chemistry, Inc., who have informed me that they are applying for a State license to operate a medical marijuana operation in Worcester.

In support of laws and regulations recently promulgated by the Commonwealth of Massachusetts, including Department of Public Health regulations found at 105 CMR 725.000, the City of Worcester is in the process of adopting certain zoning ordinance amendments to accommodate the siting of medical marijuana dispensaries and cultivation facilities within the city. These amendments would allow Registered Marijuana Dispensaries (RMDs) and related cultivation facilities to locate in most commercial, manufacturing, and institutional zones in Worcester, subject only to certain buffer requirements. We expect to complete this ordination process by January 2014. If licensed, we anticipate working with Good Chemistry, Inc., and any other interested RMDs and cultivation facilities, to identify appropriate sites within designated areas of the city and assist with local permitting.

We appreciate the efforts of you and your team to carefully review each application and consider local impacts as we welcome this new industry in Massachusetts.

Sincerely,

Michael V. O'Brien  
City Manager

Original

Marijuana Center #1



OFFICE OF THE CITY MANAGER, CITY HALL, WORCESTER, MA 01608  
TELEPHONE (508) 799-1175 | FAX (508) 799-1208  
EMAIL: [citymanager@worcesterma.gov](mailto:citymanager@worcesterma.gov)



**SUMMARY CHART OF LOCATIONS AND LOCAL SUPPORT  
(Exhibit 5.5)**

This exhibit must be completed or marked N/A and submitted as part of the application.

Corporation Name: Good Chemistry of Massachusetts, Inc.

Application # (if more than one): 1

	<b>Site</b>	<b>Full Address</b>	<b>Evidence of Interest Submitted</b>	<b>Evidence of Local Support</b>
1	<b>Dispensing</b>	364-368 Boylston Street Boston, MA 02116	Option lease from Barjen Realty Trust LLC to West End Realty Group LLC  Letter from Barjen Realty Trust LLC to permitting sublease from West End Realty Group LLC to Good Chemistry of Massachusetts, Inc.  Lease from West End Realty Group LLC to Good Chemistry of Massachusetts, Inc.  Lease from the Estate of Cornelius J. Lucey to West End Realty Group LLC	N/A
2	<b>Cultivation</b>	6 Pullman Street Worcester, MA 01606	Letter from the Estate of Cornelius J. Lucey permitting sublease from West End Realty Group LLC to Good Chemistry of Massachusetts, Inc.	Letter of non-opposition from Joseph Petty, Mayor, City of Worcester to Good Chemistry of Massachusetts, Inc.  Letter of support from Michael O'Brien, City Manager, City of Worcester to Good Chemistry of

			Lease from West End Realty LLC to Good Chemistry of Massachusetts, Inc.	Massachusetts, Inc.
<b>3</b>	<b>Processing</b>	6 Pullman Street Worcester, MA 01606	<p>Lease from the Estate of Cornelius J. Lucey to West End Realty Group LLC</p> <p>Letter from the Estate of Cornelius J. Lucey permitting sublease from West End Realty Group LLC to Good Chemistry of Massachusetts, Inc.</p> <p>Lease from West End Realty Group LLC to Good Chemistry of Massachusetts, Inc.</p>	<p>Letter of non-opposition from Joseph Petty, Mayor, City of Worcester to Good Chemistry of Massachusetts, Inc.</p> <p>Letter of support from Michael O'Brien, City Manager, City of Worcester to Good Chemistry of Massachusetts, Inc.</p>

**RMD ORGANIZATIONAL CHART**  
**(Exhibit 6.1)**

**This exhibit must be completed and attached to a required document and submitted as part of the application.**

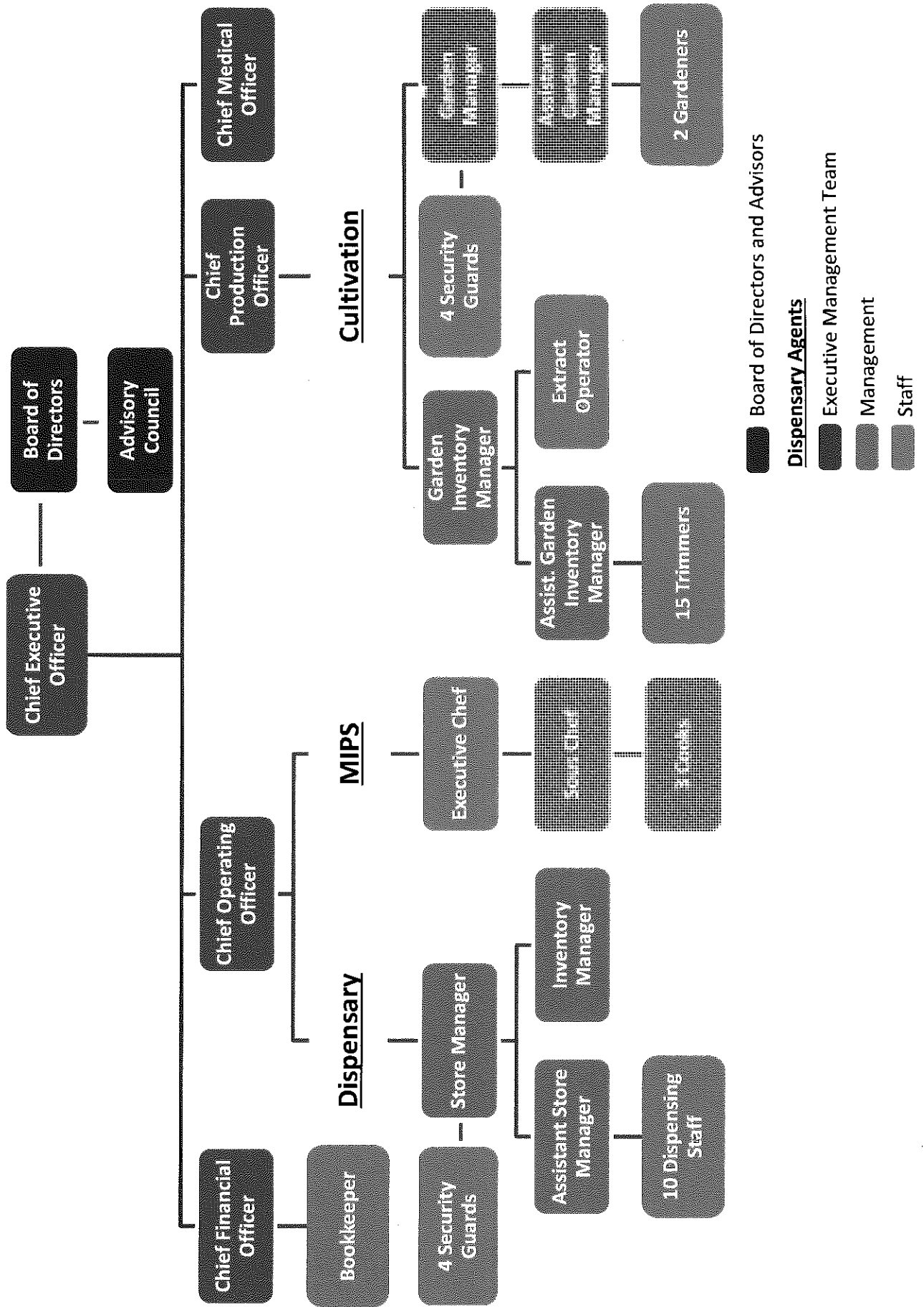
Corporation Name: Good Chemistry of Massachusetts, Inc.

Application # (if more than one): 1

Attach organizational chart.

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Exhibit 6.1 Good Chemistry of Massachusetts, Inc. RMD Staffing Chart



**Exhibit 6.1**  
**Good Chemistry of Massachusetts, Inc.**  
**Staffing Plan**

This plan outlines Good Chemistry of Massachusetts staffing requirements to operate an RMD and an affiliated cultivation/processing facility that also manufactures marijuana-infused products and extracts.

It is based on twenty-five years of combined experience of its Executive Management Team in managing medical marijuana dispensaries and cultivation facilities both in California and Colorado. In developing the plan, the following imperatives were taken into consideration: patient access and service (business hours, staff availability for one-on-one consultations), hardship program, safe/quality cultivation and medicine production, secure facility operations, regulatory compliance and best business practices. It also reflects the team's expertise in efficiently streamlining operations and staffing levels.

Contained in this plan is the following:

- *Position Responsibilities and Qualifications* – summarizes the roles and responsibilities of staff positions and skill requirements
- *Staffing Requirements* – quantifies the total number of employees needed
- *Hiring Plan* – describes the staffing acquisition schedule
- *Reporting Structure* – illustrates staff reporting relationships
- *Training Plan* – summarizes the training requirements for each position.

The plan also contains a description of positions that will be performed by outside vendors as well as those expected to be filled once the business becomes fully operational and is able to expand operations.

The information contained in this plan is subject to change based on market conditions and industry/regulatory changes and will be evaluated on an ongoing basis in accordance with the company's mission and vision. Upon issuance of a certificate of registration, Good Chemistry of Massachusetts staffing plan will be in compliance with 105 CMR 725.105(I)(4)(c).

**Position Summaries**

Contained in the following tables are summary job descriptions for each staff position as well as required qualifications for:

- Executive Management Team (and support);
- Dispensary operations;
- Production of marijuana-infused products (MIPs); and
- Cultivation operations.
- Transportation



**Staff Position Summaries: Executive Management Team and Support Staff**

<b>Position/Reporting</b>	<b>General Responsibilities</b>	<b>Key Qualifications</b>
Chief Executive Officer  Reports to Board of Directors	Provides leadership, guidance and strategic planning to the non-profit in carrying out its vision and mission. Oversee operations to ensure patient access, regulatory compliance, medicine and service quality, security and effective management of resources.	Experience in executive level strategic planning, operations and management. Multi-year experience in medical marijuana cultivation and dispensing business operations. Ability to direct and manage resources. Expert in regulatory compliance, best business practices.
Chief Financial Officer  Reports to CEO	Responsible for planning, implementing and managing all financial-related company activities including accounting, budgeting, forecasting, property management, taxes and investor relations.	Multi-year experience in financial aspects of business operations including budget management, cost benefit analyses and forecasting methods. Results oriented ability to make financial decisions based on accurate analysis and information.
Chief Operating Officer  Reports to CEO	Responsible for day-to-day business operations. Oversees all functions of dispensary operations including transportation and production of MIPs to ensure regulatory compliance, patient access, inventory management and product/service quality. Ensures operating practices attain company's vision and mission.	Experience in managing and supervising medical marijuana business operations/compliance. Knowledge of medical marijuana products. Expertise in hiring/training, policy development and enforcement, delegation of work assignments, excellent organizational skills, sound business decision-making ability and promotion of teamwork required.
Chief Production Officer  Reports to CEO	Oversees the cultivation, processing, tracking and inventory of marijuana medicine strains/extracts. Ensures production of the highest quality medicine in compliance with all regulations. Hires, trains and manages all cultivation and processing, transportation and extracts staff.	Experienced cultivator of medical grade marijuana. Experienced in all stages of cultivation as well as extracts production. Expert in pest control, climate control, irrigation systems, lighting and plant nutrition. Excellent management skills and knowledge of inventory tracking systems and transportation.
Chief Medical Officer  Reports to CEO	Oversees the patient survey program, establishes product testing protocol and directs R&D studies on the medicinal benefits of marijuana cannabinoids. Responsible for patient education.	Medical degree, research experience and background/interest in conducting studies of medical marijuana to treat debilitating medical conditions and improve patient quality of life.
<b>Supporting Staff</b>		
Bookkeeper Reports to CFO	All bookkeeping tasks including payroll, taxes, insurance	Experienced bookkeeper in managing non-profit businesses

**Staff Position Summaries: Dispensary Operations**

Position/Reporting	General Responsibilities	Key Qualifications
Store Manager  Reports to COO	Oversees day-to-day operations of the dispensary including security, regulatory/compliance, inventory, cash (ATM, deposits, payroll hours), staff training/management, auditing of inventory manager reports and vendor services as well as transportation.	Experience in retail management and/or patient services. Experience with social work and/or sensitivities surrounding patient needs. Compliance with regulations/codes and security measures a plus. Four-year college degree required.
Assistant Store Manager  Reports to Store Manager	Supports store manager in managing staff and serving patients. Responsible for hardship program management and the coordination of patient paperwork and transportation needs.	Qualifications are similar to the store manager in terms of retail customer service experience and/or patient support services. Medical office and transportation experience preferred. Minimum two year college degree required.
Inventory Manager  Reports to Store Manager	Responsible for the management and tracking of all product, inventory including placing orders with cultivation (strains, MIPs, extracts, vaporizers). Receives deliveries, monitors GPS systems, manages, home delivery and files transport manifests and oversees inventory tracking system.	Requires IT background with inventory tracking system experience in high volume product business. Proficient in Excel, logistics and preferably with seed-to-sale medical marijuana inventory software systems. Degree in IT or computer science preferred.
Dispensing Agents  Reports to Store Manager	Responsible for patient check-in (status/certification verification). Medicine dispensing involves educating patients on strains, products, delivery methods, potency, proper storage of medicine, responsible for home deliveries. Also responsible for routine tasks such as phones, cleaning, counting inventory and cash as well as updating online website information. Store closing duties include inventory/cash reconciliation and facility security checks.	Experience in high volume retail sales/customer service environment and/or patient services. Background in medical office or facility preferred (doctor's office/hospital/hospice). Requires excellent customer/patient skills. Responsible driving record. Must be computer proficient with excellent attention to detail. Bilingual in Spanish preferred.
Security Guards  Reports to Store/Garden Manager	Ensures facility security as well as staff and patient safety.	Experience in surveillance of high volume, high-risk retail operations. Current or previous law enforcement experience preferred.

**Staff Position Summaries – Marijuana Infused Products (MIPs)**

<b>Position/Reporting</b>	<b>General Responsibilities</b>	<b>Key Qualifications</b>
Executive Chef Reports to COO	Responsible for the production and packaging of quality products. Coordinates product inventory, manages seed-to-sale tracking system, trains and manages staff and maintains kitchen's compliance with sanitation and food handling requirements.	Minimum five years executive chef experience in commercial kitchen or catering operations. Experience with medical marijuana preferred. Proficient in Excel and basic computer skills. ServSafe certified or equivalent. Experience managing staff and working with clientele with special dietary needs
Sous Chef Reports to Executive Chef	Responsible for filling product orders, maintaining cleanliness of kitchen, preparing medicine for recipes.	Minimum two years of experience in commercial kitchen or catering operations with high standards of cleanliness.
Cook Reports to Chefs	Responsible for making, baking and packaging products, stocking and cleaning kitchen.	Experienced kitchen help with basic cooking skills.

**Staff Position Summaries – Cultivation Facility (growing, processing and extracts)**

<b>Position/Reporting</b>	<b>General Responsibilities</b>	<b>Key Qualifications</b>
Garden Manager Reports to CPO	Oversees cultivation/processing facility operations to ensure compliance with all health regulations as set out by DPH and Department of Agriculture. Responsible for cloning, nutrient mixing, pruning, pest control and scheduling of plant cycles. Manages all cultivation employees. Works closely with garden and dispensary inventory managers to track product and fulfill dispensary needs. Coordinates with vendors for equipment and other purchases. Oversees transportation.	Minimum two years' experience in commercial medical marijuana cultivation. Must have knowledge of basic plant botany and anatomy, nutrient profiles and irrigation techniques. Professional understanding of the safety protocols of dispensing pesticides, fungicides and the organic standards of the Department of Agriculture. Experience with systems that govern indoor growing operations including light cycles, schedules and the importance of ergonomic necessities of a grow room. Experienced in staff management.
Assistant Garden Manager Reports to Garden Manager	Assists Garden Manager carry out responsibilities. Oversees and manages gardeners and ensures they are keeping on schedule. Specific responsibilities include: cloning, irrigation, transplanting, transition of cycles, maintenance of schedule, nutrient mixing and maintenance of all equipment necessary for cultivation.	Experience in commercial gardening or agriculture with background growing medical marijuana preferred. Must be mechanically inclined and have experience managing staff.

<b>Position/Reporting</b>	<b>General Responsibilities</b>	<b>Key Qualifications</b>
Gardener Reports to Assistant Garden Manager	Responsible for handling the day-to-day physical labor of gardening including transplanting plants, pruning and application of organic pesticides.	Experience in commercial gardening, botany or agriculture.
Inventory Manager Reports to CPO	Responsible for the seed to sale tracking of all materials produced at the cultivation/processing facility. Communicates with dispensary inventory manager, coordinates transportation and fills medicine orders. Responsible for testing products before they leave the cultivation/processing facility to ensure quality.	Minimum of five years IT experience in inventory management including tracking software for products, preferably a seed-to-sale medical marijuana tracking system. Experience in highly regulated production or manufacturing facility preferred. Degree in IT/ computer science preferred.
Assistant Inventory Manager Reports to Inventory Manager	Responsible for data entry into inventory management system. Delegates work to trimmers. Delivers product to dispensary during first year of operation (with one other dispensary agent).	Experience in inventory management required. Skilled at data entry and proficient in Excel. Good attention to detail. Responsible driving record.
Extraction Operator Reports to CPO	Responsible for manufacturing all extracts Maintains extraction equipment and safety protocols in regards to its operation. Responsible for cleanliness and purity of extracted products.	Requires background in chemistry or related discipline. Adept at machinery operation and maintenance. Manufacturing or chemical processing experience preferred.
Trimmers Reports to Assistant Inventory Manager	Responsible for manicuring all flower material and for product packaging. Duties include assisting in delivering product to dispensary.	Experienced manual laborer.
Security Guards	Ensures facility security and safety.	Experience in surveillance. Current or former law enforcement experience required.

## Staffing Requirements

The table below contains the total projected staffing levels – for management, dispensary, cultivation and MIP operations. Good Chemistry of Massachusetts plans to initially hire up to 14 dispensary employees, 8 security guards, 21 cultivation employees, and 5 five chefs/cooks to produce MIPs. Including the executive management team, total staffing will comprise 52 employees with a full time equivalency of 44.

### Staff for Good Chemistry of Massachusetts – One RMD and Cultivation

Position	Number Required	Full Time Equivalent
Chief Executive Officer*	1	1
Chief Financial Officer*		
Chief Operating Officer	1	1
Chief Production Officer	1	1
Chief Medical Officer	1	1
Bookkeeper	1	1
Store Manager	1	1
Assistant Store Manager	1	1
Inventory Manager	1	1
Dispensary Agent		
• Full-time(40 hours a week)	4	4
• Part-time (20 hours a week)	6	3
Security Guards	4	4
Executive Chef	1	1
Sous Chef	1	1
Cooks (20 hours a week)	3	1.5
Garden Manager*		
Assistant Garden Manager	1	1
Gardener	2	2
Inventory Manager	1	1
Assistant Inventory Manager	1	1
Extraction Operator	1	1
Trimmers		
• Full-time (40 hours a week)	8	8
• Half-time (20 hours a week)	7	3.5
Security Guards	4	4
<b>Total Staffing</b>	<b>52</b>	<b>44</b>

\*Initially, the CEO will assume the responsibilities of the CFO; the CPO will assume the responsibilities of the Garden Manager during start-up operations.

## Staff Hiring Plan

Good Chemistry of Massachusetts will initiate the hiring process shortly after issuance of a certificate of registration by DPH. Assuming an eight-month start-up period prior to dispensary opening in month nine, Good Chemistry will fill positions in a staggered fashion to ensure staff is in place according to the schedule below – with initial priority given to filling management and cultivation positions first.

The Chief Operations Officer will be responsible for hiring dispensary employees, the MIPs staff, as well as the company bookkeeper and security guards. The Chief Officer of Production will hire all cultivation/processing employees. All management staff hires must be approved by the CEO.

### Staff Acquisition Schedule (when staff will be in place)

	Start-Up Period in Months							
	1	2	3	4	5	6	7	8
<b>Executive Management Team and Support</b>								
Chief Executive Officer								
Chief Financial Officer								
Chief Operating Officer								
Chief Production Officer								
Chief Medical Officer								
Bookkeeper								
<b>Dispensary Operations</b>								
Store Manager								
Assistant Store Manager								
Inventory Manager								
Dispensary Agents								
Security Guards								
<b>MIPs</b>								
Executive Chef								
Sous Chef								
Cooks								
<b>Cultivation Operations</b>								
Garden Manager								
Asst. Garden Manager								
Gardeners								
Inventory Manager								
Asst. Inventory Manager								
Extraction Operator								
Trimmers								
Security Guards								

Good Chemistry will also rely on vendors to perform the following specialized disciplines to augment its staff:

- Security Vendor (LAN-TEL Communications, Inc.) – experts in maintaining proper security of medical marijuana facilities with proper lighting, physical security, video, alarm and surveillance.
- Tax Consultant (Triad Tax) – accountants experienced in the financial/banking challenges associated with medical marijuana dispensaries
- Testing Lab– an independent third party vendor in compliance with 725.105(C) (2) will be used to test strains and products for both quality and potency.

As the company expands, Good Chemistry plans to add the following additional staff positions:

- Chief Financial Officer, Garden Manager – to replace members of the Executive Management Team who will initially assume those roles.
- R&D staff – to work with the Chief Medical Officer to study the medicinal compounds of medical marijuana in treating various illnesses and ailments
- General Manager – to assist in managing/coordinating operations from all business areas
- Human Resource Manager – to oversee hiring and all employment related issues
- IT Manager – to oversee technology, systems, software that support company operations
- Social Worker – to assist in directing and administering the Compassion Program
- Delivery Staff – to transport medicine to patients with hardships (initially to be done by the assistant inventory manager/dispensary agent)

### **Reporting Structure**

The attached figure illustrates the organizational reporting structure of Good Chemistry of Massachusetts which consists of the CEO, four executive level managers, four managers, three assistant managers, 5 chefs/cooks, and 29 employees. The CEO will report to the Board of Directors. The Chief Financial Officer, Chief Operating Officer, Chief Production Officer and Chief Medical Officer will all report to the CEO.

The Chief Operating Officer will oversee all dispensary and MIPs production operations. The Chief Production Officer will oversee all cultivation operations including extracts. The Chief Financial Officer and Chief Medical Officer will oversee operations in their disciplines. The Dispensary and Cultivation staff will report to respective managers and assistant managers as designated.

### **Staff Training Plan**

Prior to the opening of the RMD, five levels of mandatory staff training will be conducted:

#### Group Training

- Orientation: to familiarize staff with the organization, mission, vision rules, regulations, operations, products, testing and regulatory compliance..

- Compliance training: to learn about the importance and legal implications of regulatory compliance regarding seed-to-sale tracking, labeling, documentation, confidentiality, record-keeping and roles and responsibilities.
- Security training – all employees will attend a training session conducted by the company’s security consultant on security measures and policies (surveillance, alarms, panic buttons, etc.).

#### Management and Position-Specific Training

- Management training – all managers and assistant managers will participate in a five-day comprehensive training program on medical marijuana cultivation and dispensary operations focusing on regulatory compliance, inventory management, patient access, safety and security.
- Job specific training – for all positions tailored to position-specific duties

The following tables provide a brief overview of the proposed management and specific job training to be completed preceding to the opening of the dispensary.



**Summary of Proposed Staff Training Prior to Dispensary Opening**

<b>Position(s)</b>	<b>Sample Training Content</b>	<b>Timeframe</b>
<b>Management Training (General Overview of Operations)</b>		
Store Manager Assistant Store Managers Retail Inventory Manager Garden Inventory Manager Assistant Inventory Manager Garden Manager Assistant Garden Manager	MA Regulatory Compliance Overview Employee Policies/Procedures Medical Marijuana Overview Dispensing of Medical Marijuana Medicine Strains/Properties Methods of Medicating Overview of MIPs Hardship Program Patient Education Patient Record Keeping Cultivation, Extraction Inventory Management and Control Product Testing Waste Disposal/Storage Protocols Product Labeling and Packaging Transportation/Deliveries Security/safety Seed to sale tracking software	Five-Day Training Program  7 weeks prior to dispensary opening
<b>Job Specific Training (more in-depth training on position duties/responsibilities)</b>		
Store Manager Assistant Store Manager	Day-to-day operating procedures Security Measures Testing Methods and Protocols Strain training/MIPs HIPA Inventory/Non-inventory compliance Hardship Program Point of Sale/Seed to sale Systems Patient Deliveries Patient Education Staff Training	Weeks 5 and 6 prior to dispensary opening
Dispensary Agents	Strain Training/MIPs Patient Education Training Seed to Sale Inventory System Testing Methods and Protocols Overall Customer Hardship Program Delivery Services Opening/Closing and other duties	Weeks 1-3 prior to dispensary opening
Retail Inventory Manager	Inventory Compliance Day-to-day inventory operations Seed to sale inventory system Inventory compliance Testing, Placing orders to garden	Weeks 5-6 prior to dispensary opening

<b>Positions(s)</b>	<b>Sample Training Content</b>	<b>Timeframe</b>
Executive Chef	Day-to-day operations Seed to sale inventory system Extraction and cooking methods Packaging and delivery systems Recipe testing Supply ordering Basic sanitary kitchen procedures Security Compliance testing	One-month training program in Colorado in MIP kitchen, 8 weeks prior to dispensary opening
Sous Chef	Product overview Trained in baking, cooking techniques Extractions Recipe following Knowledge of testing Kitchen sanitary procedures Seed to sale inventory system	4 weeks prior to dispensary opening
Cooks	Product overview Handling of medical marijuana Security and compliance Waste management Day-to-day operations Kitchen sanitary procedures	First week after dispensary opening
Garden Manager Assistant Garden Manager	Grow facility rules and regulations Systems (lighting, irrigation and ventilation) Strains, Nutrient mixes, pesticide and fungicide application/safety/scheduling Growth Cycle: Cloning, cycles, harvesting, curing, pests and pest control, fungi and common diseases Waste management Contaminated material handling Security Seed to sale inventory systems	Trained for two months prior to planting, 24 weeks prior to dispensary opening
Gardeners	Grow systems (lighting, irrigation, ventilation) Growing Cycle Compliance/Rules and Regulations Proper plant handling Scheduling	16 weeks prior to dispensary opening
Garden Inventory Manager Assistant Garden Manager	Seed to sale tracking system Excel Spreadsheets Inventory Compliance Testing Protocols Day-to-day operations Taking orders from retail dispensary Transportation/Delivery Procedures	18 weeks prior to dispensary opening

<b>Position(s)</b>	<b>Sample Training Content</b>	<b>Timeframe</b>
Trimmers	Procedures to handle marijuana Compliance Rules and Regulations	One week prior to dispensary opening
Extraction Operator	Extraction Products Processes Compliance Rules and Regulations Inventory Management Seed to sale inventory tracking system	1-3 weeks after opening (requires availability of plant by-product)

**EVIDENCE OF ENROLLMENT WITH DEPARTMENT OF CRIMINAL JUSTICE  
INFORMATION SERVICES (DCJIS)  
(Exhibit 6.2)**

**This exhibit must be completed and attached to a required document and submitted as part of the application.**

Corporation Name: Good Chemistry of Massachusetts, Inc.

Application # (if more than one): 1

Attach evidence of enrollment.



**iCORI**

Commonwealth of Massachusetts  
Department of Criminal Justice Information Services

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**Good Chemistry of  
Massachusetts Inc. - RMD**

Status: **Active**  
Account Type(s): **Employer**

**Account**

[Account Details](#) | [Representatives](#) | [Users](#) | [Authorized Consumer Reporting Agencies](#)

**Account Details**

[\[Cancel Account\]](#)

**Account Status**

Account Status: **Active**  
Date First Registered: **08/28/2013**      Date Last Renewed:

**Organization Details**

[\[Edit\]](#) [\[Change Org Name\]](#) [\[View Org Name History\]](#)

Account Type(s): **Employer**  
Organization Name: **Good Chemistry of  
Massachusetts Inc. - RMD**      Organization ID: XXXXXXXXXX  
Address: **50 Congress St Suite 500, Boston, MA 02109**  
Phone No.: **415-519-1063**  
Website:

Original

Marijuana Center #1

**RMD STAFF  
(Exhibit 6.4)**

**This exhibit must be completed or marked N/A and submitted as part of the application.**

Good Chemistry of Massachusetts, Inc.

Application # (if more than one): 1

	Name	Role/Title
1	N/A	
2		
3		
4		
5		
6		

**RMD START-UP TIMELINE  
(Exhibit 7.1)**

This exhibit must be completed and submitted as part of the application. Include benchmarks for ALL RMD sites.

Corporation Name: Good Chemistry of Massachusetts, Inc.

Application # (if more than one): 1

Key Benchmarks <sup>i</sup>	Due Dates	Person Responsible	Risk Level If Not Completed on Time	Date RMD Opens
<b>Cultivation Facility (also houses MIPs, and Extracts Processing)</b>				
Construction				
• Plans	Feb 28	Matthew Huron	High	
• Permits	March 30	Duncan Cameron	High	
• Build Out	May 30	Duncan Cameron	High	
Policies/Procedures	Feb 28	Matthew Huron	Low	
Security System Installation	March 30	LAN-TEL Communications	Medium	
Initial Staffing	June 30	Duncan Cameron	Medium	
Staff Training	June 30	Duncan Cameron	Medium	
Inventory Management System Set-Up	June 30	Duncan Cameron	Medium	
First Crop	Sept 30	Duncan Cameron	High	Nov 1, 2014
Testing/Packaging	Oct 15	Duncan Cameron/Lab	High	
Ship to Dispensary	Oct 30	Inventory Manager	High	
<b>MIPs</b>				
Policies/Procedures	Feb 28	Jaime Lewis	Low	
Kitchen Construction	July 30	Duncan Cameron	Medium	
Equipment Purchase	July 30	Jaime Lewis	Medium	
Initial Staffing	Aug 30	Jaime Lewis	Medium	
Staff Training	Sept 30	Jaime Lewis	Medium	
Product Development	Oct 20	Jaime Lewis	Medium	
<b>Extracts</b>				
Policies/Procedures	Feb 28	Duncan Cameron	Low	
<b>Key Benchmarks</b>	<b>Due Dates</b>	<b>Person Responsible</b>	<b>Risk Level If Not Completed on</b>	<b>Date RMD</b>

				Time	Opens
Equipment Set-Up	Aug 30	Duncan Cameron		Medium	
Staffing	Sept 30	Duncan Cameron		Medium	
Production	Oct 20	Duncan Cameron		High	
<b>Three Dispensaries</b>					
Policies/Procedures	Feb 28	Jaime Lewis		Low	
Construction					
• Plans	Feb 28	Matthew Huron		High	
• Permits	March 30	Matthew Huron		High	
• Build Out	April 30	Matthew Huron		High	
Interior Design	June 30	Matthew Huron		Low	
Staffing	July 30	Jaime Lewis		Medium	
Supplies, furniture, equipment	July 20	Jamie Lewis		Low	
Training	Oct 20	Jaime Lewis/Adam Nazzal		Medium	
Patient Materials	Oct 15	Jaime Lewis/Adam Nazzal		High	
Website Development	Oct 15	Jaime Lewis		High	

Insert more rows if needed



**PROPOSED SLIDING PRICE SCALE**  
**(Exhibit 7.12)**

**This exhibit must be completed and attached to a required document and submitted as part of the application.**

Corporation Name: Good Chemistry of Massachusetts, Inc.

Application # (if more than one): 1

Attach sliding price scale.

## Exhibit 7.12

### Good Chemistry of Massachusetts, Inc. Hardship Program Discount Scale

Below will be the financial qualification parameters and program discounts:

<b>FPL</b>	<b>Discount</b>
300%	25%
250%	50%
200%	75%
199% and below	100%

APPLICATION RESPONSE FORM SUBMISSION PAGE

**CERTIFICATION OF ASSURANCE OF COMPLIANCE:  
ADA and NON-DISCRIMINATION BASED ON DISABILITY**

Applicants must certify that they will comply with all state and federal requirements regarding equal employment opportunity, nondiscrimination, and civil rights for persons with disabilities. The Applicant must complete a Certification of Assurance of Compliance: ADA and Non-Discrimination based on Disability. By signing, the Applicant formally notifies the Department that the Applicant is in compliance and shall maintain compliance with all applicable requirements.

- I certify, that the Applicant is in compliance and shall maintain compliance with all applicable federal and state laws protecting the rights of persons with disabilities, including but not limited to the Americans with Disabilities Act ("ADA"), 42 U.S.C. §§ 12131-12134; Article CXIV of the Massachusetts Constitution; and; Chapter 93, § 103; Chapter 151B; and Chapter 272, §§ 98 and 98A of the Massachusetts General Laws.
- I understand that federal and state laws prohibit discrimination in public accommodations and employment based solely on disability. I recognize that to make goods, services, facilities, privileges, advantages, or accommodations readily accessible to and usable by persons with disabilities, the Applicant, under the ADA, must:
  - remove architectural and communication barriers in existing facilities, when readily achievable and, if not readily achievable, must use alternative methods;
  - purchase accessible equipment or modify equipment;
  - modify policies and practices; and
  - furnish appropriate auxiliary aids and services where necessary to ensure effective communication.

I understand that reasonable accommodation is required in both program services and employment, except where to do so would cause an undue hardship or burden. I also understand that the Massachusetts Constitution Article CXIV provides that no otherwise qualified individual shall, solely by reason of disability, be excluded from the participation in, denied the benefits of, or be subject to discrimination under any program or activity within the Commonwealth.

- I agree that the Applicant shall cooperate in any compliance review and shall provide reasonable access to the premises of all places of business and employment and to records, files, information, and employees therein for reviewing compliance with the ADA, the Massachusetts Constitution, other applicable state and federal laws, and this Contractual Agreement.
- I agree that any violation of the specific provisions and terms of this Assurance or of the ADA, and/or of any Corrective Action Plan shall be deemed a breach of a material provision of the Registered Facility registration between DPH and the Registered Facility. Such a breach shall be grounds for cancellation, termination, or suspension, in whole or in part, of the registration by the Department.

**I affirm that I will comply with the requirements of this proposal.**

**Authorized Signatory (as designated in exhibit B):**  
**First Name:** [Jaime] **Last Name:** [Lewis]  
**Title:** [President]

**Authorized Signature for the Applicant Organization**  
**(in blue ink):**

