



RECEIVED

NOV 21 2016

November 21, 2016

Medical Use of Marijuana Program
Department of Public Health
99 Chauncy Street, 11th Floor
Boston, MA 02111

MA Dept of Public Health
99 Chauncy Street
Boston, MA 02111

Re: Response to DPH's June 29, 2016 Request for Information to Healthy Pharms, Inc. (Application 1 of 1)

To Whom It May Concern:

On behalf of Healthy Pharms, Inc. ("HPI"), we are writing in response to the Department of Public Health's ("DPH") June 29, 2016 Request for Information. The DPH requested the following information:

1. **DPH Request:** *In response to Question A.7, the applicant states that it intends to submit 3 Siting Profiles. Please note that pursuant to 105 CMR 725.100(A)(2), "No executive member, or any entity owned or controlled by such an executive or member, may directly or indirectly control more than three RMDs." Healthy Pharms, Inc. already has one RMD with a Provisional Certificate of Registration, so the applicant is only permitted to apply for two additional Certificates of Registration. Further, the applicant has only been invited to submit one Siting Profile at this time. Please amend your response Question A.7 in light of this information.*

HPI Response: Please find enclosed an updated Siting Profile, which includes an updated Question A.7 clarifying HPI's Siting Profile submissions to DPH.

2. **DPH Request:** *Please provide information regarding the square footage of the building on the Leicester site.*

HPI Response: Please find an enclosed an updated Siting Profile for Application 1 of 1 indicating that HPI's proposed RMD location is in Cambridge. The square footage of the proposed Cambridge RMD is 1,250 square feet.

3. **DPH Request:** *In the "rent" section of the letter of intent for the Leicester site, the letter states "[i]f the Option is exercised by Tenant the Lease shall provide for rent to be paid by Tenant to Landlord at the rate of \$7,000 per month for the first year. The rent will increase to \$1,000 a month for years two through five. The rent will increase 7% years 6 through 10." Please clarify if the rent is starting at \$7,000 a month then reducing to \$1,000 a month, or if there is a typographical error in this paragraph. Please also submit a detailed independent opinion regarding the commercial reasonableness of the proposed rent and the annual increase of the rent by 7% in years 6 through 10 and its compliance with the non-profit requirements of 105 CMR 725.100(A)(1) and the Guidance for Registered Marijuana Dispensaries Regarding Non-Profit Compliance.*

HPI Response: As is noted above, enclosed is an updated Siting Profile for HPI's Application 1 of 1, which indicates that HPI's proposed RMD will be located in Cambridge. Please find enclosed an executed lease for the Cambridge location, as well as an independent appraisal indicating that the lease is in compliance with the non-profit requirements of 105 CMR 725.100(A)(1) and the Guidance for Registered Marijuana Dispensaries Regarding Non-Profit Compliance.

4. **DPH Request:** *Please also submit an independent legal opinion that the lease for the Georgetown property complies with the non-profit requirements of 105 CMR 725.100(A)(1) and the Guidance for Registered Marijuana Dispensaries Regarding Non-Profit Compliance.*

HPI Response: Please find enclosed an independent appraisal indicating that the lease for the Georgetown property complies with the non-profit requirements of 105 CMR 725.100(A)(1) and the Guidance for Registered Marijuana Dispensaries Regarding Non-Profit Compliance.

5. **DPH Request:** *Section 14 of the Georgetown Lease calls for the Lessor, under certain circumstances, to re-possess the leased premises and any property therein. Only those authorized to possess marijuana for medical use pursuant to Ch. 369 of the Acts of 2012 and its implementing regulations, 105 CMR 725.000, et seq., are permitted to possess regulated assets, such as marijuana and marijuana-infused products, without being subject to law enforcement action. Please identify the provision(s) of the lease that safeguard regulated assets from seizure by the Lessor or the other parties unauthorized to possess them.*

HPI Response: Please find enclosed an amendment to the Georgetown Lease, included with the Georgetown Lease in Section B of the enclosed Siting Profile, which provides that the Landlord's rights under the lease do not include the right to seize or possess any assets protected by Ch. 369 of the Acts of 2012, i.e. any product containing any amount of marijuana.

6. **DPH Request:** *In response to Section C, the letter of support or non-opposition from Georgetown is dated June 23, 2015. The Department Received the Application of Intent associated with this application on June 29, 2015. As stated in "Registered Marijuana Dispensary Application Process, Frequently Asked Questions," when submitting a Siting Profile, an applicant must submit a letter of support or non-opposition that is dated on or after the date that the applicant's Application of Intent was received by the Department. The applicant must resubmit the letter of support or non-opposition from Georgetown dated on or after June 29, 2015.*

HPI Response: Please find enclosed an updated Letter of Non-Opposition from the Town of Georgetown dated October 17, 2016, which is included with Section C of the enclosed Siting Profile.

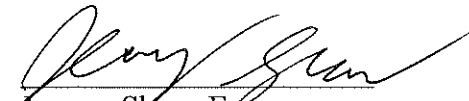
7. **DPH Request:** *Please note that you are required to submit a copy of the loan agreement described in your response to Question C.12 in the Management and Operations Profile as well as an independent legal opinion that the loan agreement described in your response to question C.12 is in compliance with*

the non-profit requirements of 105 CMR 725.100(A)(1) and the Guidance for Registered Marijuana Dispensaries Regarding Non-Profit Compliance. Please be advised that the applicant must submit such documents prior to receiving a Provisional Certificate of Registration.

HPI Response: Please find enclosed a proposed loan agreement between Paul Overgaag and HPI, as well as an independent legal opinion indicating that the above referenced loan agreement complies with the non-profit requirements of 105 CMR 725.100(A)(1) and the Guidance for Registered Marijuana Dispensaries Regarding Non-Profit Compliance.

Thank you for your attention to this matter.

Very Truly Yours,


Jeremy Shaw, Esq.

Enclosures



The Commonwealth of Massachusetts

Executive Office of Health and Human Services
Department of Public Health
Bureau of Health Care Safety and Quality
Medical Use of Marijuana Program
99 Chauncy Street, 11th Floor, Boston, MA 02111

SITING PROFILE:

**Request for a Certificate of Registration to
Operate a Registered Marijuana Dispensary**

INSTRUCTIONS

This application form is to be completed by a non-profit corporation that wishes to apply for a Certificate of Registration to operate a Registered Marijuana Dispensary ("RMD") in Massachusetts, and has been invited by the Department of Public Health (the "Department") to submit a *Siting Profile*.

If invited by the Department to submit more than one *Siting Profile*, you must submit a separate *Siting Profile* and attachments for each proposed RMD. Please identify each application of multiple applications by designating it as Application 1, 2 or 3 in the header of each application page. Please note that no executive, member, or any entity owned or controlled by such an executive or member, may directly or indirectly control more than three RMDs.

Unless indicated otherwise, all responses must be typed into the application forms. Handwritten responses will not be accepted. Please note that character limits include spaces.

Attachments should be labelled or marked so as to identify the question to which it relates.

Each submitted application must be a complete, collated response, printed single-sided, and secured with a binder clip (no ring binders, spiral binding, staples, or folders).

Mail or hand-deliver the *Siting Profile*, with all required attachments, to:

Department of Public Health
Medical Use of Marijuana Program
RMD Applications
99 Chauncy Street, 11th Floor
Boston, MA 02111

REVIEW

Applications are reviewed in the order they are received. After a completed application packet is received by the Department, the Department will review the information and will contact the applicant if clarifications/updates to the submitted application materials are needed. The Department will notify the applicant whether they have met the standards necessary to receive a Provisional Certificate of Registration.

PROVISIONAL CERTIFICATE OF REGISTRATION

Applicants must receive a Provisional Certificate of Registration from the Department within 1 year of the date of the invitation letter from the Department to submit a *Siting Profile*. If the applicant does not meet this deadline, the application will be considered to have expired. Should the applicant wish to proceed with obtaining a Certificate of Registration, a new application must be submitted, beginning with an *Applicant of Intent*, together with the associated fee.

REGULATIONS

For complete information regarding registration of an RMD, please refer to 105 CMR 725.100.

It is the applicant's responsibility to ensure that all responses are consistent with the requirements of 105 CMR 725.000, et seq., and any requirements specified by the Department, as applicable.

PUBLIC RECORDS

Please note that all application responses, including all attachments, will be subject to release pursuant to a public records request, as redacted pursuant to the requirements at M.G.L. c. 4, § 7(26).

Information on this page has been reviewed by the applicant, and where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here: [REDACTED]

Application 1 of 1

Applicant Non-Profit Corporation Healthy Pharms, Inc.

QUESTIONS

If additional information is needed regarding the RMD application process, please contact the Medical Use of Marijuana Program at 617-660-5370 or RMDapplication@state.ma.us.

CHECKLIST

The forms and documents listed below must accompany each application, and be submitted as outlined above:

- ☒ A fully and properly completed *Siting Profile*, signed by an authorized signatory of the applicant non-profit corporation (the "Corporation")
- ☒ Evidence of interest in property, by location (as outlined in Section B)
- ☒ Letter(s) of local support or non-opposition (as outlined in Section C)

Information on this page has been reviewed by the applicant, and where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here: [REDACTED]

Application 1 of 1

Applicant Non-Profit Corporation Healthy Pharms, Inc.

SECTION A: APPLICANT INFORMATION

1. Healthy Pharms, Inc.
Legal name of Corporation
2. [REDACTED]
Name of Corporation's Chief Executive Officer
3. 401 East Main Street, Georgetown, MA 01833
Address of Corporation (Street, City/Town, Zip Code)
4. [REDACTED]
Applicant point of contact (name of person Department of Public Health should contact regarding this application)
5. [REDACTED]
Applicant point of contact's telephone number
6. [REDACTED]
Applicant point of contact's e-mail address
7. Number of applications: How many *Siting Profiles* do you intend to submit? 1

Information on this page has been reviewed by the applicant, and where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here: [REDACTED]

SECTION B: PROPOSED LOCATION(S)

Provide the physical address of the proposed dispensary site and the physical address of the additional location, if any, where marijuana for medical use will be cultivated or processed.

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 that Department determines that the applicant qualifies for registration as a RMD; or (e) evidence of binding permission to use the premises.

	Location	Full Address	County
1	Dispensing	98 Winthrop St, Unit 1, Cambridge, MA 02138	Middlesex
2	Cultivation	401 East Main Street, Georgetown, MA 01833	Essex
3	Processing	401 East Main Street, Georgetown, MA 01833	Essex

☐ Check here if the applicant would consider a location other than the county or physical address provided within this application.

Information on this page has been reviewed by the applicant, and where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here: [REDACTED]

SECTION C: LETTER OF SUPPORT OR NON-OPPOSITION

Attach a letter of support or non-opposition, using one of the templates below (Option A or B), signed by the local municipality in which the applicant intends to locate a dispensary. The applicant may choose to use either template, in consultation with the host community. If the applicant is proposing a dispensary location and a separate cultivation/processing location, the applicant must submit a letter of support or non-opposition from both municipalities. This letter may be signed by (a) the Chief Executive Officer/Chief Administrative Officer, as appropriate, for the desired municipality; or (b) the City Council, Board of Alderman, or Board of Selectmen for the desired municipality. The letter of support or non-opposition must contain the language as provided below. The letter must be printed on the municipality's official letterhead. The letter must be dated on or after the date that the applicant's Application of Intent was received by the Department.

Template Option A: Use this language if signatory is a Chief Executive Officer/Chief Administrative Officer

I, [Name of person], do hereby provide [support/non-opposition] to [name of non-profit organization] to operate a Registered Marijuana Dispensary ("RMD") in [name of city or town].

I have verified with the appropriate local officials that the proposed RMD facility is located in a zoning district that allows such use by right or pursuant to local permitting.

Name and Title of Individual

Signature

Date

Template Option B: Use this language if signatory is acting on behalf of a City Council, Board of Alderman, or Board of Selectman

The [name of council/board], does hereby provide [support/non-opposition] to [name of non-profit organization] to operate a Registered Marijuana Dispensary in [name of city or town]. I have been authorized to provide this letter on behalf of the [name of council/board] by a vote taken at a duly noticed meeting held on [date].

The [name of council/board] has verified with the appropriate local officials that the proposed RMD facility is located in a zoning district that allows such use by right or pursuant to local permitting.

Name and Title of Individual (or person authorized to act on behalf of council or board) *(add more lines for names if needed)*

Signature *(add more lines for signatures if needed)*

Date

Information on this page has been reviewed by the applicant, and where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here: _____

SECTION D: LOCAL COMPLIANCE

Describe how the Corporation has ensured, and will continue to ensure, that the proposed RMD is in compliance with local codes, ordinances, and bylaws for the physical address(es) of the RMD.

HPI's proposed dispensary is located at 98 Winthrop Street, Cambridge in one of Cambridge's Medical Marijuana Overlay Districts, specifically MMD-4, where RMDs are allowed by Special Permit by the Planning Board. HPI is in the process of obtaining Special Permit Approval from the City of Cambridge. HPI will remain compliant with all applicable sections of the Cambridge Zoning Ordinance, including Section 20.700.

HPI's cultivation and processing facility is located in Georgetown. Under Georgetown's Zoning Bylaws, a RMD may be allowed by Special Permit of the Planning Board in a Medical Marijuana Overlay District ("MMOD"). HPI's property is located at 401 East Main Street and is within an MMOD as well as the Industrial B Zoning District. HPI already received Special Permit Approval with Conditions for this location from the Planning Board in March 2016. HPI will also remain compliance with Section 165-156 of the Georgetown Zoning Bylaws.

HPI is diligent about staying current on all applicable local codes, ordinance, and bylaws and will remain in contact with local officials to ensure continued compliance with local codes and ordinances.

SECTION E: THREE-YEAR BUSINESS PLAN BUDGET PROJECTIONS

Provide the three-year business plan for the RMD, including revenues and expenses.

Projected Start Date for the First Full Fiscal Year: 01/01/2016

	FIRST FULL FISCAL YEAR PROJECTIONS 20 16	SECOND FULL FISCAL YEAR PROJECTIONS 20 17	THIRD FULL FISCAL YEAR PROJECTIONS 20 18
Projected Revenue	\$0.00	\$6,787,874.00	\$12,125,005.07
Projected Expenses	\$2,971,970.13	\$5,945,603.96	\$11,892,871.61
VARIANCE:	\$ -2,971,970.13	\$ 842,270.20	\$ 232,133.46
Number of unique patients for the year	0	1607	2871
Number of patient visits for the year	0	27769	49602
Projected % of patient growth rate annually	---	100%	44.02%
Estimated purchased ounces per visit	N/A	0.741	0.741
Estimated cost per ounce	N/A	\$330.00	\$330.00
Total FTEs in staffing	15	20	23
Total marijuana for medical use inventory for the year (in lbs.)	0.0	1439.9	2572.0
Total marijuana for medical use sold for the year (in lbs)	0.0	1285.6	2296.4
Total marijuana for medical use left for roll over (in lbs.)	0.0	154.3	429.8

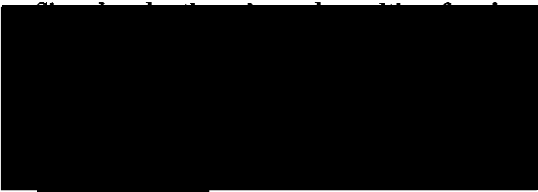
Projected date the RMD plans to open: 07/01/2017

Information on this page has been reviewed by the applicant, and where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here: [REDACTED]

**SECTION F: 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, including 105 CMR 725.000, et seq.
- I agree that any violation of the specific provisions and terms of this Assurance or of the ADA, and/or of any Plan of Correction shall be deemed a breach of a material condition of any Certificate of Registration issued to the Applicant for operation of a Registered Marijuana Dispensary. Such a breach shall be grounds for suspension or revocation, in whole or in part, of a Certificate of Registration issued by the Department.
- I agree that, if selected, I will submit a detailed floor plan of the premises of the proposed dispensary in compliance with 105 CMR 725.100(m) in compliance with the Architectural Review required pursuant to 105 CMR 725.100(B)(5)(f).


 I, the authorized signatory for the applicant non-profit corporation, understand the obligations of the Applicant under ADA and Non-Discrimination based on Disability, and agree and attest that the Applicant will comply with those

18 Nov 2016
Date Signed

Print Name of Authorized Signatory

Chief Executive Officer

Title of Authorized Signatory

Information on this page has been reviewed by the applicant, and where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here:  _____

ATTESTATIONS

Signed under the pains and penalties of perjury, I, the authorized signatory for the applicant non-profit corporation, agree and attest that all information included in this application is complete and accurate and that I have an ongoing obligation to submit updated information to the Department if the information presented within this application has changed.



18 Nov 2016
Date Signed



Print Name of Authorized Signatory

Chief Executive Officer

Title of Authorized Signatory

I, the authorized signatory for the applicant non-profit corporation, hereby attest that the corporation has notified the chief administrative officer and the chief of police of the proposed city or town in which the RMD would be sited, as well as the sheriff of the applicable county, of the intent to submit a *Management and Operations Profile* and a *Siting Profile*.




18 Nov 2016
Date Signed



Print Name of Authorized Signatory

Chief Executive Officer

Title of Authorized Signatory

Information on this page has been reviewed by the applicant, and where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here: 

Application 1 of 1

Applicant Non-Profit Corporation Healthy Pharms, Inc.

I, the authorized signatory for the applicant non-profit corporation, hereby attest that if the corporation is approved for a provisional certificate of registration, the corporation is prepared to pay a non-refundable registration fee of \$50,000, as specified in 105 CMR 725.000, after being notified that the RMD has been approved for a provisional certificate of registration.



Signature of Authorized Signatory

18NOV2016
Date Signed


Print Name of Authorized Signatory

Chief Executive Officer

Title of Authorized Signatory

Information on this page has been reviewed by the applicant, and where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here:  _____

Massachusetts Commercial Lease Agreement
Timbuktu Real Estate, LLC, (Landlord)
Healthy Pharms, Inc., (Tenant)

Table of Contents

1. Term.	1
2. Rent Payments and Security Deposit.	1
3. Use.....	2
4. Sublease and Assignment.....	2
5. Repairs.....	3
6. Alterations and Improvements.	3
7. Taxes.....	3
8. Insurance.....	4
9. Utilities.	4
10. Signs.	4
11. Entry.	5
12. Parking.....	5
13. Damage and Destruction.....	5
14. Default.....	5
15. Quiet Possession.	6
16. Condemnation.....	6
17. Subordination.....	6
18. Security Deposit.	6
19. Common Area Maintenance.	7
20. Notices.....	7
21. Brokers.	7
22. Waiver.	7
23. Memorandum of Lease.	8
24. Headings.....	8
25. Successors.	8
26. Consent.	8
27. Performance.....	8

28. Compliance with Law. 8

29. Final Agreement. 8

30. Governing Law. 9

31. Limitation of Remedies. 9

32. Current Tenant. 9

Massachusetts Commercial Lease Agreement
Timbuktu Real Estate, LLC, Landlord
Healthy Pharms, Inc., Tenant

This Commercial Lease Agreement ("**Lease**") is made and effective on the date that the Leased Premises becomes vacant and available as notified by the Current Tenant, which shall occur no later than July 1, 2017, by and between Timbuktu Real Estate, LLC, a Massachusetts Limited Liability Company with an address of 10 Eliot Street, Cambridge, MA 02138 ("**Landlord**") and Healthy Pharms, Inc., a Massachusetts Non-Profit Corporation with an address of 401 East Main Street, Georgetown, MA 01833 ("**Tenant**").

Landlord desires to lease 98 Winthrop Street, Suite/Unit 1 Cambridge, MA 02138 (the "**Leased Premises**") to Tenant, and Tenant desires to lease the Leased Premises from Landlord for the term, at the rental and upon the covenants, conditions and provisions herein set forth.

THEREFORE, in consideration of the mutual promises herein, contained and other good and valuable consideration, it is agreed:

1. Term.

A. Landlord hereby commits to lease the Leased Premises to Tenant, and Tenant hereby leases the same from Landlord, for an initial term of ten (10) years, beginning upon the termination of the appeals period after the issuance of a Special Permit to Tenant to operate a RMD at the Leased Premises or, if an appeal is made to the issuance of such a Special Permit to Tenant, then after the successful defense of any and all appeals to the issuance of such a Special Permit to Tenant (the "**Commencement Date**") and ending ten years from the Commencement Date ("**Initial Term**").

B. Tenant shall have the option to renew the Lease for two extended terms of five (5) years each ("**Renewal Term**"). Tenant shall exercise such Renewal Option, if at all, by giving at least one (1) year's written notice to Landlord prior to the expiration of the Initial Term, and at least one (1) year prior to the expiration of any Renewal Term. The Renewal Term shall be at the rental terms set forth below and otherwise upon the same covenants, conditions and provisions as provided in this Lease.

2. Rent Payments and Security Deposit.

A. Tenant shall pay to Landlord base rent according to the following rent schedule during the Initial Term. Annual Rent for each year is based on a 3% Cost of Living Adjustment starting after the Year 1 Annual Rent:

	Monthly Rent	Annual Rent
Year 1	\$18,541.67	\$222,500.00
Year 2	\$19,097.92	\$229,175.00

	Monthly Rent	Annual Rent
Year 3	\$19,670.83	\$236,050.00
Year 4	\$20,260.92	\$243,131.00
Year 5	\$20,868.67	\$250,424.00
Year 6	\$21,494.67	\$257,936.00
Year 7	\$22,139.50	\$265,674.00
Year 8	\$22,803.67	\$273,644.00
Year 9	\$23,487.75	\$281,853.00
Year 10	\$24,192.33	\$290,308.00

Each installment payment shall be due in advance on the first day of each calendar month during the lease term to Landlord at 10 Eliot Street, Cambridge, MA 02138 or at such other place designated by written notice from Landlord to Tenant. The rental payment amount for any partial calendar months included in the lease term shall be prorated on a daily basis.

If Tenant fails to pay rent when due and the failure to pay rent continues for ten (10) days after due date, it shall constitute a default, and Landlord may, at Landlord's option, charge a late fee equal to 15% of the rent payment due, and may declare the entire balance of rent payable hereunder before the then-current term to be immediately due and payable and may exercise any and all rights and remedies available to Landlord at law or in equity.

B. The rental for any Renewal Term, if created as permitted under this Lease, shall be negotiated by the parties at the beginning of such term and be based on Fair Market Value, but in no event shall the rental for any Renewal Term be less than the rental amount in Year 10 of the Initial Term.

C. Tenant shall not be required to pay a Security Deposit.

3. Use

Notwithstanding the forgoing, Tenant shall not use the Leased Premises for the purposes of a Registered Marijuana Dispensary ("RMD") and any other use permissible under the law. Tenant's use of the property shall be compliant with Massachusetts and Cambridge laws, rules and regulations.

4. Sublease and Assignment.

Tenant shall not sublease all or any part of the Leased Premises, or assign this Lease in whole or in part without Landlord's consent, such consent not to be unreasonably withheld or delayed.

5. Repairs.

During the Lease term, Tenant shall make, at Tenant's expense, all necessary repairs to the Leased Premises. Repairs shall include such items as repairs to floors, walls, ceilings, and other parts of the Leased Premises. By signing this lease, Tenant agrees to pay 51.4% of the "Triple Net" costs, including maintenance.

6. Alterations and Improvements.

Tenant, at Tenant's sole expense, shall have the right, following Landlord's consent, to remodel, redecorate, and make additions, improvements and replacements of and to all or any part of the Leased Premises from time to time as Tenant may deem desirable, provided the same are made in a workmanlike manner and utilizing good quality materials. Tenant shall have the right to place and install personal property, trade fixtures, equipment and other temporary installations in and upon the Leased Premises, and fasten the same to the Leased Premises. All personal property, equipment, machinery, trade fixtures and temporary installations, whether acquired by Tenant at the commencement of the Lease or placed or installed on the Leased Premises by Tenant thereafter, shall remain Tenant's property free and clear of any claim by Landlord. Tenant shall have the right to remove the same at any time during the term of this Lease provided that all damage to the Leased Premises caused by such removal shall be repaired by Tenant at Tenant's expense.

7. Taxes.

A. Tenant shall pay all real estate taxes and assessments which are assessed against the Leased Premises during the time of this Lease. Real Property Taxes shall include any form of assessment, license, fee, rent, tax, levy, penalty or tax imposed by any authority having the direct or indirect power to tax, including any improvement district, as against any legal or equitable interest of Landlord in the Leased Premises or as against Landlord's business of renting the Leased Premises ("**Real Property Taxes**"). Tenant's share of Real Property Taxes shall be equitably prorated to cover only the period of time within the fiscal tax year during which this Lease is in effect. With respect to any assessments which may be levied against or upon the Leased Premises, and which may be paid in annual installments, only the amount of such annual installments (with appropriate proration for any partial year) and interest due thereon shall be included within the computation of the annual Real Property Taxes. Landlord represents that, to the best of his knowledge, there are no assessment or improvement districts being planned which would affect the Leased Premises other than as in effect as of the date of this Lease.

B. Tenant shall pay all personal taxes and any other charges which may be levied against the Leased Premises and which are attributable to Tenant's use of the Leased Premises, along with all sales and/or use taxes (if any) that may be due in connection with lease payments. Accordingly, Tenant shall pay before delinquency all taxes levied or assessed on Tenant's fixtures, improvements, furnishings, merchandise, equipment and personal property in and on the Leased Premises, whether or not affixed to the real property. If Tenant in good faith contests the validity of any such personal property taxes, then Tenant shall at its sole expense defend itself and Landlord against the same and shall pay and satisfy any adverse determination or judgment that may be rendered thereon and shall furnish Landlord with a surety bond satisfactory to Landlord in an amount equal to 150% of such contested taxes. Tenant shall indemnify Landlord against liability for any such taxes and/or any liens placed on the Leased

Premises in connection with such taxes. If at any time after any tax or assessment has become due or payable Tenant or its legal representative neglects to pay such tax or assessment, Landlord may elect, but not be obligated, to pay the same at any time thereafter and such amount so paid by Landlord shall be repaid by Tenant to Landlord with Tenant's next rent installment together with interest at the highest rate allowable by law.

8. Insurance.

A. If the Leased Premises or any other part of the Building is damaged by fire or other casualty resulting from any act or negligence of Tenant or any of Tenant's agents, employees or invitees, rent shall not be diminished or abated while such damages are under repair, and Tenant shall be responsible for the costs of repair not covered by insurance.

B. Tenant shall maintain casualty property insurance on the Premises and all improvements against loss or damage by fire and lightning and against loss or damage by other risks in an amount not less than 100% of the full replacement value. Landlord shall be named as an additional insured in such policies. Tenant shall deliver appropriate evidence to Landlord as proof that adequate insurance is in force issued by companies reasonably satisfactory to Landlord. Landlord shall receive advance written notice from the insurer prior to any termination of such insurance policies. All insurance proceeds payable by the occurrence of any covered loss shall be payable to Landlord, and Tenant shall have no right or claim to any such insurance proceeds payable with respect to the improvements, excluding, however, any such proceeds that may be payable with respect to Tenant's personal property or trade fixtures. Tenant shall also maintain any other insurance which Landlord may reasonably require for the protection of Landlord's interest in the Premises. Tenant is responsible for maintaining casualty insurance on its own property.

C. Tenant, at its own expense, shall provide and keep in force with companies acceptable to Landlord, liability insurance coverage for no less than \$1,000,000 per occurrence and \$2,000,000 in aggregate, annually, pursuant to the requirements in 105 CMR 725.105(Q). Tenant will make reports documenting compliance with 105 CMR 725.105(Q) in a manner and form determined by the Massachusetts Department of Public Health pursuant to 105 CMR 725.105(M).

9. Utilities.

Landlord shall pay all charges for water, sewer, electric, and gas during the term of the Lease. Tenant will be responsible for all other services and utilities used by Tenant on the Leased Premises, unless otherwise expressly agreed in writing by Landlord. In the event that any utility or service provided to the Leased Premises is not separately metered, Landlord shall pay the amount due and separately invoice Tenant for Tenant's pro rata share of the charges. Tenant shall pay such amounts to Landlord within fifteen (15) days of receipt of an invoice from Landlord.

10. Signs.

Following Landlord's consent, Tenant shall have the right to place on the Leased Premises, at locations selected by Tenant, any signs which are permitted by applicable laws, zoning ordinances, and private restrictions, as shall be amended from time to time. Landlord may refuse consent to any proposed signage that is, in Landlord's sole discretion, too large,

deceptive, unattractive or otherwise inconsistent with, or inappropriate to, the Leased Premises or use of any other tenant. Landlord shall assist and cooperate with Tenant in obtaining any necessary permission from governmental authorities or adjoining owners and occupants for Tenant to place or construct the foregoing signs. Tenant shall repair all damage to the Leased Premises resulting from the removal of signs installed by Tenant.

11. Entry.

Landlord shall have the right to enter upon the Leased Premises at reasonable hours to inspect the same, provided Landlord shall not thereby unreasonably interfere with Tenant's business on the Leased Premises. Notwithstanding anything contained to the contrary within this Paragraph 11, Landlord's right to enter will be subject to the restrictions on visitors pursuant to 105 CMR 725.000.

12. Parking.

During the term of this Lease, Tenant shall have the non-exclusive use in common with Landlord, of the non-reserved common automobile parking areas, driveways, and footways, subject to rules and regulations for the use thereof as prescribed from time to time by Landlord. Landlord reserves the right to designate parking areas within the Leased Premises or in reasonable proximity thereto, for Tenant and Tenant's agents and employees. Tenant shall provide Landlord with a list of all license numbers for the cars owned by Tenant, its agents and employees.

13. Damage and Destruction.

Subject to Section 8 A. above, if the Leased Premises or any part thereof or any appurtenance thereto is so damaged by fire, casualty or structural defects that the same cannot be used for Tenant's purposes, then Tenant shall have the right within ninety (90) days following damage to elect by notice to Landlord to terminate this Lease as of the date of such damage. In the event of minor damage to any part of the Leased Premises, and if such damage does not render the Leased Premises unusable for Tenant's purposes, Tenant shall promptly repair such damage at the cost of the Tenant. Tenant shall be relieved from paying rent and other charges during any portion of the Lease term that the Leased Premises are inoperable or unfit for occupancy, or use, in whole or in part, for Tenant's purposes. In making the repairs called for in this paragraph, Tenant shall not be liable for any delays resulting from strikes, governmental restrictions, inability to obtain necessary materials or labor or other matters which are beyond the reasonable control of Tenant. Rentals and other charges paid by Tenant in advance for any such periods shall be credited on the next ensuing payments, if any, but if no further payments are to be made, any such advance payments shall be refunded to Tenant. The provisions of this paragraph extend not only to the matters aforesaid, but also to any occurrence which is beyond Tenant's reasonable control and which renders the Leased Premises, or any appurtenance thereto, inoperable or unfit for occupancy or use, in whole or in part, for Tenant's purposes.

14. Default.

If default shall at any time be made by Tenant in the payment of rent when due to Landlord as herein provided, and if said default shall continue for fifteen (15) days after written notice thereof has been given to Tenant by Landlord, or if default shall be made in any of the other covenants or conditions to be kept, observed and performed by Tenant, and such default shall continue for

thirty (30) days after notice thereof in writing is provided to Tenant by Landlord without correction thereof then having been commenced and thereafter diligently prosecuted, Landlord may declare the term of this Lease ended and terminated by giving Tenant written notice of such intention, and if possession of the Leased Premises is not surrendered, Landlord may reenter said premises. Landlord shall have, in addition to the remedy above provided, any other right or remedy available to Landlord on account of any Tenant default, either in law or equity. Landlord shall use reasonable efforts to mitigate its damages.

15. Quiet Possession.

Landlord covenants and warrants that upon performance by Tenant of its obligations hereunder, Landlord will keep and maintain Tenant in exclusive, quiet, peaceable and undisturbed and uninterrupted possession of the Leased Premises during the term of this Lease.

16. Condemnation.

If any legally, constituted authority condemns the Building or such part thereof which shall make the Leased Premises unsuitable for leasing, this Lease shall cease when the public authority takes possession, and any rent owing up to that date shall become immediately payable, and the Lease shall terminate with no further obligation to either party. Such termination shall be without prejudice to the rights of either party to recover compensation from the condemning authority for any loss or damage caused by the condemnation. Neither party shall have any rights in or to any award made to the other by the condemning authority.

17. Subordination.

Tenant accepts this Lease subject and subordinate to any mortgage, deed of trust or other lien presently existing or hereafter arising upon the Leased Premises, or upon the Building and to any renewals, refinancing and extensions thereof, but Tenant agrees that any such mortgagee shall have the right at any time to subordinate such mortgage, deed of trust or other lien to this Lease on such terms and subject to such conditions as such mortgagee may deem appropriate in its discretion. Landlord is hereby irrevocably vested with full power and authority to subordinate this Lease to any mortgage, deed of trust or other lien now existing or hereafter placed upon the Leased Premises of the Building, and Tenant agrees upon demand to execute such further instruments subordinating this Lease or attorning to the holder of any such liens as Landlord may request. In the event that Tenant should fail to execute any instrument of subordination herein required to be executed by Tenant promptly as requested, Tenant hereby irrevocably constitutes Landlord as its attorney-in-fact to execute such instrument in Tenant's name, place and stead, it being agreed that such power is one coupled with an interest. Tenant agrees that it will from time to time upon request by Landlord execute and deliver to such persons as Landlord shall request a statement in recordable form certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as so modified), stating the dates to which rent and other charges payable under this Lease have been paid, stating that Landlord is not in default hereunder (or if Tenant alleges a default stating the nature of such alleged default) and further stating such other matters as Landlord shall reasonably require.

18. Security Deposit.

Intentionally Omitted.

19. Common Area Maintenance.

Tenant shall be responsible for 100% of maintenance and improvement costs, whether classified as capital or otherwise that relate to or flow from Tenant's occupancy of the Leased Premises.

20. Notices.

Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

If to Landlord:

Timbuktu Real Estate, LLC
Paul Overgaag, Manager
10 Eliot Street
Cambridge, Massachusetts 02138

If to Tenant:

Healthy Pharms, Inc.
[REDACTED]
401 East Main Street
Georgetown, MA 01833

Landlord and Tenant shall each have the right from time to time to change the place notice is to be given under this paragraph by written notice thereof to the other party.

21. Brokers.

Tenant represents that Tenant was not shown the Leased Premises by any real estate broker or agent and that Tenant has not otherwise engaged in, any activity which could form the basis for a claim for real estate commission, brokerage fee, finder's fee or other similar charge, in connection with this Lease.

22. Waiver.

No waiver of any default of Landlord or Tenant hereunder shall be implied from any omission to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by Landlord or Tenant shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition.

23. Memorandum of Lease.

The parties hereto contemplate that this Lease should not and shall not be filed for record, but in lieu thereof, at the request of either party, Landlord and Tenant shall execute a Memorandum of Lease to be recorded for the purpose of giving record notice of the appropriate provisions of this Lease.

24. Headings.

The headings used in this Lease are for convenience of the parties only and shall not be considered in interpreting the meaning of any provision of this Lease.

25. Successors.

The provisions of this Lease shall extend to and be binding upon Landlord and Tenant and their respective legal representatives, successors and assigns.

26. Consent.

Landlord shall not unreasonably withhold or delay its consent with respect to any matter for which Landlord's consent is required or desirable under this Lease.

27. Performance.

If there is a default with respect to any of Landlord's covenants, warranties or representations under this Lease, and if the default continues more than fifteen (15) days after notice in writing from Tenant to Landlord specifying the default, Tenant may, at its option and without affecting any other remedy hereunder, cure such default and deduct the cost thereof from the next accruing installment or installments of rent payable hereunder until Tenant shall have been fully reimbursed for such expenditures, together with interest thereon at a rate equal to the lesser of twelve percent (12%) per annum or the then highest lawful rate. If this Lease terminates prior to Tenant's receiving full reimbursement, Landlord shall pay the unreimbursed balance plus accrued interest to Tenant on demand.

28. Compliance with Law.

Tenant shall comply with all laws, orders, ordinances and other public requirements now or hereafter pertaining to Tenant's use of the Leased Premises. Landlord shall comply with all laws, orders, ordinances and other public requirements now or hereafter affecting the Leased Premises.

29. Final Agreement.

This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties.

30. Governing Law.

This Agreement shall be governed, construed and interpreted by, through and under the Laws of the Commonwealth of Massachusetts.

31. Limitation of Remedies.

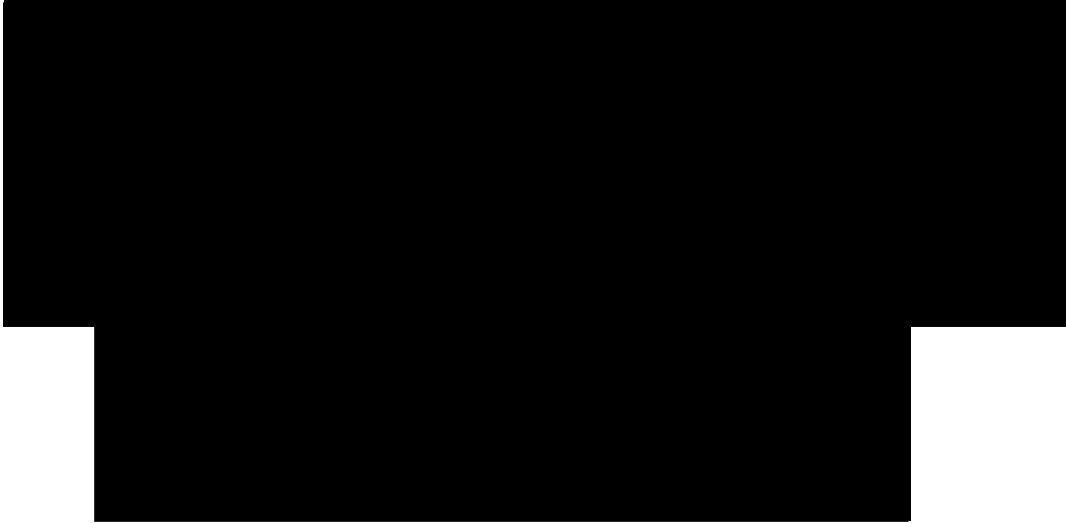
Notwithstanding any provision of this Lease, Landlord hereby agrees that Landlord's rights and remedies following termination of this Lease, shall not include the sale of assets protected by the Humanitarian Medical Use of Marijuana Act, Ch. 369 of the Acts of 2012, i.e. any product containing any amount of marijuana. Notwithstanding any provision of this Lease, Landlord agrees that Landlord's rights and remedies following a default, breach, surrender or any other failure to perform under this Lease, shall not include the seizure of assets protected by the Humanitarian Medical Use of Marijuana Act, Ch. 369 of the Acts of 2012, i.e. any product containing any amount of marijuana. Landlord shall not be entitled to a repayment or remedy that provides Landlord inventory of Tenant that contains any amount of marijuana, in any form, whether flower or infused product. Landlord hereby forfeits any such remedy. In addition, Landlord hereby acknowledges and agrees that a Certificate of Registration for a RMD, whether provisional or final, is non-transferable, and may not be assigned or transferred without prior Department of Public Health approval. Landlord acknowledges and agrees that Tenant's Certificate of Registration for a RMD is not an asset that may be seized by Landlord or available as a remedy for Tenant's default, breach or other failure to perform under this Lease.

32. Current Tenant.

Tenant acknowledges that the Leased Premises is currently occupied by Tomolly, Inc. ("**Current Tenant**"). As a condition of entering into this Lease, Tenant agrees to buy out the lease from Current Tenant for one million dollars (\$1,000,000.00) ("**Buy Out Price**"). Tenant agrees to enter into a separate agreement with the Current Tenant whereby the Buy Out Price will be paid by Tenant to Current Tenant in quarterly payments over a period of five (5) years with the first payment due to Current Tenant on the date that Tenant takes possession of the Leased Premises. In the event that Tenant is unable to pay Current Tenant the full Buy Out Price at the end of the five (5) year period, the unpaid balance will begin to accrue interest at a rate of 15%, compounded annually until the unpaid balance is fully repaid.

[Signatures on Following Page]

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first



Massachusetts Commercial Lease Agreement
3 Brothers Real Estate, LLC, Landlord
Healthy Pharms, Inc., Tenant

Table of Contents

1. Term..... 1

2. Rent Payments and Security Deposit..... 1

3. Use..... 2

4. Sublease and Assignment..... 2

5. Repairs..... 2

6. Alterations and Improvements..... 2

7. Taxes..... 3

8. Insurance..... 3

9. Utilities..... 4

10. Signs..... 4

11. Entry..... 4

12. Parking..... 5

13. Damage and Destruction..... 5

14. Default..... 5

15. Quiet Possession..... 5

16. Condemnation..... 6

17. Subordination..... 6

18. Security Deposit..... 6

19. Common Area Maintenance..... 6

20. Notices..... 6

21. Brokers..... 7

22. Waiver..... 7

23. Memorandum of Lease..... 7

24. Headings..... 8

25. Successors..... 8

26. Consent..... 8

27. Performance. 8

28. Compliance with Law. 8

29. Final Agreement. 8

30. Governing Law. 9

**Massachusetts Commercial Lease Agreement
3 Brothers Real Estate, LLC, Landlord
Healthy Pharms, Inc., Tenant**

This Commercial Lease Agreement ("Lease") is made and effective June 24, 2015 (this Lease is being executed prior to the Landlord closing on the Property as allowed pursuant to Rizika v. Donovan, 45 Mass. App. Ct. 159 (1998)), by and between 3 Brothers Real Estate, LLC, a Massachusetts Limited Liability Company with an address of 10 Eliot St., Cambridge, MA 02138 ("Landlord") and Healthy Pharms, Inc. a Massachusetts Non-Profit Corporation with an address of 22 Milton St. #2, Somerville, MA 02144 ("Tenant").

Landlord is entering into an Agreement for the purchase of the land and improvements commonly known as 401 East Main Street, Georgetown, MA 01833 and legally described as follows (the "Property"): Essex County South District Registry of Deeds, Book 11857, Page 80. This lease shall be contingent on Landlord's purchase of the Property.

Landlord will make repairs and renovations to the existing 65,580 sq. ft. building on the property ("the Building") and will make the Building and finished parking lot and access road, ("the Leased Premises") available to Tenant.

Landlord desires to lease the Leased Premises to Tenant, and Tenant desires to lease the Leased Premises from Landlord for the term, at the rental and upon the covenants, conditions and provisions herein set forth.

THEREFORE, in consideration of the mutual promises herein, contained and other good and valuable consideration, it is agreed:

1. Term.

A. Landlord hereby commits to lease the Leased Premises to Tenant, and Tenant hereby leases the same from Landlord, for an "Initial Term" beginning at the time a Special Permit is obtained from the Town of Georgetown, MA for the construction of the Tenant's medical use of marijuana facility and ending on the first (1st) day of the sixty-first (61st) month after that date. Landlord shall use its best efforts to give Tenant possession as nearly as possible at the beginning of the Lease term. Tenant shall make no other claim against Landlord for any such delay.

B. Tenant may renew the Lease for two extended terms of five (5) years each. Tenant shall exercise such renewal option, if at all, by giving written notice to Landlord not less than ninety (90) days prior to the expiration of the Initial Term. The renewal term shall be at the rental set forth below and otherwise upon the same covenants, conditions and provisions as provided in this Lease.

2. Rent Payments and Security Deposit.

A. Tenant shall pay to Landlord base rent according to the following rent schedule during the Initial Term: Payment of rent shall begin thirty (30) days after Tenant begins serving patients of the Commonwealth.

	Monthly Rent	Annual Rent
Year 1	\$22,000.00	\$264,000.00
Year 2	\$23,100.00	\$277,200.00
Year 3	\$24,255.00	\$291,060.00
Year 4	\$25,467.75	\$305,613.00
Year 5	\$27,741.14	\$320,893.70

Each installment payment shall be due in advance on the first day of each calendar month during the lease term to Landlord at 10 Eliot St., Cambridge, MA 02138 or at such other place designated by written notice from Landlord or Tenant. The rental payment amount for any partial calendar months included in the lease term shall be prorated on a daily basis.

B. The rental for any renewal lease term, if created as permitted under this Lease, shall be negotiated by the parties at the beginning of the such term and be based on Fair Market Value.

C. Tenant shall not be required to pay a Security Deposit.

3. Use

Notwithstanding the forgoing, Tenant shall not use the Leased Premises for the purposes of storing, manufacturing or selling any explosives, flammables or other inherently dangerous substance, chemical, thing or device. Tenant's use of the property shall be compliant with OSHA standards. Notwithstanding anything in this section, Tenant shall be entitled to produce Marijuana Infused Products in accordance with Massachusetts Regulations for their production.

4. Sublease and Assignment.

Tenant shall not sublease all or any part of the Leased Premises, or assign this Lease in whole or in part without Landlord's consent, such consent not to be unreasonably withheld or delayed.

5. Repairs.

During the Lease term, Tenant shall make, at Tenant's expense, all necessary repairs to the Leased Premises. Repairs shall include such items as repairs of floors, walls, ceilings, and other parts of the Leased Premises. By signing this lease, Tenant agrees that this is a true "Triple Net" lease and Tenant shall be responsible for the cost of all maintenance, taxes and insurance for the Leased Premises.

6. Alterations and Improvements.

Tenant, at Tenant's expense, shall have the right, following Landlord's consent, to remodel, redecorate, and make additions, improvements and replacements of and to all or any part of the Leased Premises from time to time as Tenant may deem desirable, provided the same are

made in a workmanlike manner and utilizing good quality materials. Tenant shall have the right to place and install personal property, trade fixtures, equipment and other temporary installations in and upon the Leased Premises, and fasten the same to the premises. All personal property, equipment, machinery, trade fixtures and temporary installations, whether acquired by Tenant at the commencement of the Lease term or placed or installed on the Leased Premises by Tenant thereafter, shall remain Tenant's property free and clear of any claim by Landlord. Tenant shall have the right to remove the same at any time during the term of this Lease provided that all damage to the Leased Premises caused by such removal shall be repaired by Tenant at Tenant's expense.

7. Taxes.

A. Tenant shall pay all real estate taxes and assessments which are assessed against the Premises during the time of this Lease. Real Property Taxes shall include any form of assessment, license, fee, rent, tax, levy, penalty or tax imposed by any authority having the direct or indirect power to tax, including any improvement district, as against any legal or equitable interest of Landlord in the Premises or as against Landlord's business of renting the Premises. Tenant's share of Real Property Taxes shall be equitably prorated to cover only the period of time within the fiscal tax year during which this Lease is in effect. With respect to any assessments which may be levied against or upon the Premises, and which may be paid in annual installments, only the amount of such annual installments (with appropriate proration for any partial year) and interest due thereon shall be included within the computation of the annual Real Property Taxes. Landlord represents that, to the best of his knowledge, there are no assessment or improvement districts being planned which would affect the Premises other than as in effect as of the date of this Lease.

B. Tenant shall pay all personal taxes and any other charges which may be levied against the Premises and which are attributable to Tenant's use of the Premises, along with all sales and/or use taxes (if any) that may be due in connection with lease payments. Accordingly, Tenant shall pay before delinquency all taxes levied or assessed on Tenant's fixtures, improvements, furnishings, merchandise, equipment and personal property in and on the Premises, whether or not affixed to the real property. If Tenant in good faith contests the validity of any such personal property taxes, then Tenant shall at its sole expense defend itself and Landlord against the same and shall pay and satisfy any adverse determination or judgment that may be rendered thereon and shall furnish Landlord with a surety bond satisfactory to Landlord in an amount equal to 150% of such contested taxes. Tenant shall indemnify Landlord against liability for any such taxes and/or any liens placed on the Premises in connection with such taxes. If at any time after any tax or assessment has become due or payable Tenant or its legal representative neglects to pay such tax or assessment, Landlord shall be entitled, but not obligated, to pay the same at any time thereafter and such amount so paid by Landlord shall be repaid by Tenant to Landlord with Tenant's next rent installment together with interest at the highest rate allowable by law.

8. Insurance.

A. If the Leased Premises or any other part of the Building is damaged by fire or other casualty resulting from any act or negligence of Tenant or any of Tenant's agents, employees or invitees, rent shall not be diminished or abated while such damages are under repair, and Tenant shall be responsible for the costs of repair not covered by insurance.

B. Tenant shall maintain casualty property insurance on the Premises and all improvements against loss or damage by fire and lightning and against loss or damage by other risks in an amount not less than 100% of the full replacement value. Landlord shall be named as an additional insured in such policies. Tenant shall deliver appropriate evidence to Landlord as proof that adequate insurance is in force issued by companies reasonably satisfactory to Landlord. Landlord shall receive advance written notice from the insurer prior to any termination of such insurance policies. All insurance proceeds payable by the occurrence of any covered loss shall be payable to Landlord, and Tenant shall have no right or claim to any such insurance proceeds payable with respect to the Improvements, excluding, however, any such proceeds that may be payable with respect to Tenant's personal property or trade fixtures. Tenant shall also maintain any other insurance which Landlord may reasonably require for the protection of Landlord's interest in the Premises. Tenant is responsible for maintaining casualty insurance on its own property.

C. Tenant shall maintain liability insurance on the Premises in a total aggregate sum of at least \$1,000,000.00. Tenant shall deliver appropriate evidence to Landlord as proof that adequate insurance is in force issued by companies reasonably satisfactory to Landlord. Landlord shall receive advance written notice from the insurer prior to any termination of such insurance policies.

9. Utilities.

Tenant shall pay all charges for water, sewer, gas, electricity, telephone and other services and utilities used by Tenant on the Leased Premises during the term of this Lease unless otherwise expressly agreed in writing by Landlord. In the event that any utility or service provided to the Leased Premises is not separately metered, Landlord shall pay the amount due and separately invoice Tenant for Tenant's pro rata share of the charges. Tenant shall pay such amounts within fifteen (15) days of invoice.

10. Signs.

Following Landlord's consent, Tenant shall have the right to place on the Leased Premises, at locations selected by Tenant, any signs which are permitted by applicable zoning ordinances, private restrictions, the Massachusetts Department of Public Health ("DPH"), and 105 CMR 725.105(L) as shall be amended from time to time. Landlord may refuse consent to any proposed signage that is in Landlord's opinion too large, deceptive, unattractive or otherwise inconsistent with or inappropriate to the Leased Premises or use of any other tenant. Landlord shall assist and cooperate with Tenant in obtaining any necessary permission from governmental authorities or adjoining owners and occupants for Tenant to place or construct the foregoing signs. Tenant shall repair all damage to the Leased Premises resulting from the removal of signs installed by Tenant.

11. Entry.

Landlord shall have the right to enter upon the Leased Premises at reasonable hours to inspect the same, provided Landlord shall not thereby unreasonably interfere with Tenant's business on the Leased Premises.

12. Parking.

During the term of this Lease, Tenant shall have the non-exclusive use in common with Landlord, of the non-reserved common automobile parking areas, driveways, and footways, subject to rules and regulations for the use thereof as prescribed from time to time by Landlord. Landlord reserves the right to designate parking areas within the Leased Premises or in reasonable proximity thereto, for Tenant and Tenant's agents and employees. Tenant shall provide Landlord with a list of all license numbers for the cars owned by Tenant, its agents and employees.

13. Damage and Destruction.

Subject to Section 8 A. above, if the Leased Premises or any part thereof or any appurtenance thereto is so damaged by fire, casualty or structural defects that the same cannot be used for Tenant's purposes, then Tenant shall have the right within ninety (90) days following damage to elect by notice to Landlord to terminate this Lease as of the date of such damage. In the event of minor damage to any part of the Leased Premises, and if such damage does not render the Leased Premises unusable for Tenant's purposes, Tenant shall promptly repair such damage at the cost of the Tenant. Tenant shall be relieved from paying rent and other charges during any portion of the Lease term that the Leased Premises are inoperable or unfit for occupancy, or use, in whole or in part, for Tenant's purposes. In making the repairs called for in this paragraph, Tenant shall not be liable for any delays resulting from strikes, governmental restrictions, inability to obtain necessary materials or labor or other matters which are beyond the reasonable control of Tenant. Rentals and other charges paid in advance for any such periods shall be credited on the next ensuing payments, if any, but if no further payments are to be made, any such advance payments shall be refunded to Tenant. The provisions of this paragraph extend not only to the matters aforesaid, but also to any occurrence which is beyond Tenant's reasonable control and which renders the Leased Premises, or any appurtenance thereto, inoperable or unfit for occupancy or use, in whole or in part, for Tenant's purposes.

14. Default.

If default shall at any time be made by Tenant in the payment of rent when due to Landlord as herein provided, and if said default shall continue for fifteen (15) days after written notice thereof shall have been given to Tenant by Landlord, or if default shall be made in any of the other covenants or conditions to be kept, observed and performed by Tenant, and such default shall continue for thirty (30) days after notice thereof in writing to Tenant by Landlord without correction thereof then having been commenced and thereafter diligently prosecuted, Landlord may declare the term of this Lease ended and terminated by giving Tenant written notice of such intention, and if possession of the Leased Premises is not surrendered, Landlord may reenter said premises. Landlord shall have, in addition to the remedy above provided, any other right or remedy available to Landlord on account of any Tenant default, either in law or equity. Landlord shall use reasonable efforts to mitigate its damages.

15. Quiet Possession.

Landlord covenants and warrants that upon performance by Tenant of its obligations hereunder, Landlord will keep and maintain Tenant in exclusive, quiet, peaceable and undisturbed and uninterrupted possession of the Leased Premises during the term of this Lease.

16. Condemnation.

If any legally, constituted authority condemns the Building or such part thereof which shall make the Leased Premises unsuitable for leasing, this Lease shall cease when the public authority takes possession, and Landlord and Tenant shall account for rental as of that date. Such termination shall be without prejudice to the rights of either party to recover compensation from the condemning authority for any loss or damage caused by the condemnation. Neither party shall have any rights in or to any award made to the other by the condemning authority.

17. Subordination.

Tenant accepts this Lease subject and subordinate to any mortgage, deed of trust or other lien presently existing or hereafter arising upon the Leased Premises, or upon the Building and to any renewals, refinancing and extensions thereof, but Tenant agrees that any such mortgagee shall have the right at any time to subordinate such mortgage, deed of trust or other lien to this Lease on such terms and subject to such conditions as such mortgagee may deem appropriate in its discretion. Landlord is hereby irrevocably vested with full power and authority to subordinate this Lease to any mortgage, deed of trust or other lien now existing or hereafter placed upon the Leased Premises of the Building, and Tenant agrees upon demand to execute such further instruments subordinating this Lease or attorning to the holder of any such liens as Landlord may request. In the event that Tenant should fail to execute any instrument of subordination herein required to be executed by Tenant promptly as requested, Tenant hereby irrevocably constitutes Landlord as its attorney-in-fact to execute such instrument in Tenant's name, place and stead, it being agreed that such power is one coupled with an interest. Tenant agrees that it will from time to time upon request by Landlord execute and deliver to such persons as Landlord shall request a statement in recordable form certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as so modified), stating the dates to which rent and other charges payable under this Lease have been paid, stating that Landlord is not in default hereunder (or if Tenant alleges a default stating the nature of such alleged default) and further stating such other matters as Landlord shall reasonably require.

18. Security Deposit.

Intentionally Omitted

19. Common Area Maintenance.

Tenant shall be responsible for 100% of maintenance and improvement costs, whether classified as capital or otherwise that relate to or flow from Tenant's occupancy of the Leased Premises.

20. Notices.

Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

If to Landlord:

3 Brothers Real Estate, LLC

[REDACTED]

Manager

[REDACTED]

[REDACTED]

If to Tenant:

Healthy Pharms, Inc.

[REDACTED]

[REDACTED]

[REDACTED]

Landlord and Tenant shall each have the right from time to time to change the place notice is to be given under this paragraph by written notice thereof to the other party.

21. Brokers.

Tenant represents that Tenant was not shown the Premises by any real estate broker or agent and that Tenant has not otherwise engaged in, any activity which could form the basis for a claim for real estate commission, brokerage fee, finder's fee or other similar charge, in connection with this Lease.

22. Waiver.

No waiver of any default of Landlord or Tenant hereunder shall be implied from any omission to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by Landlord or Tenant shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition.

23. Memorandum of Lease.

The parties hereto contemplate that this Lease should not and shall not be filed for record, but in lieu thereof, at the request of either party, Landlord and Tenant shall execute a Memorandum of Lease to be recorded for the purpose of giving record notice of the appropriate provisions of this Lease.

24. Headings.

The headings used in this Lease are for convenience of the parties only and shall not be considered in interpreting the meaning of any provision of this Lease.

25. Successors.

The provisions of this Lease shall extend to and be binding upon Landlord and Tenant and their respective legal representatives, successors and assigns.

26. Consent.

Landlord shall not unreasonably withhold or delay its consent with respect to any matter for which Landlord's consent is required or desirable under this Lease.

27. Performance.

If there is a default with respect to any of Landlord's covenants, warranties or representations under this Lease, and if the default continues more than fifteen (15) days after notice in writing from Tenant to Landlord specifying the default, Tenant may, at its option and without affecting any other remedy hereunder, cure such default and deduct the cost thereof from the next accruing installment or installments of rent payable hereunder until Tenant shall have been fully reimbursed for such expenditures, together with interest thereon at a rate equal to the lesser of twelve percent (12%) per annum or the then highest lawful rate. If this Lease terminates prior to Tenant's receiving full reimbursement, Landlord shall pay the unreimbursed balance plus accrued interest to Tenant on demand.

28. Compliance with Law.

Tenant shall comply with all laws, orders, ordinances and other public requirements now or hereafter pertaining to Tenant's use of the Leased Premises. Landlord shall comply with all laws, orders, ordinances and other public requirements now or hereafter affecting the Leased Premises.

29. Final Agreement.

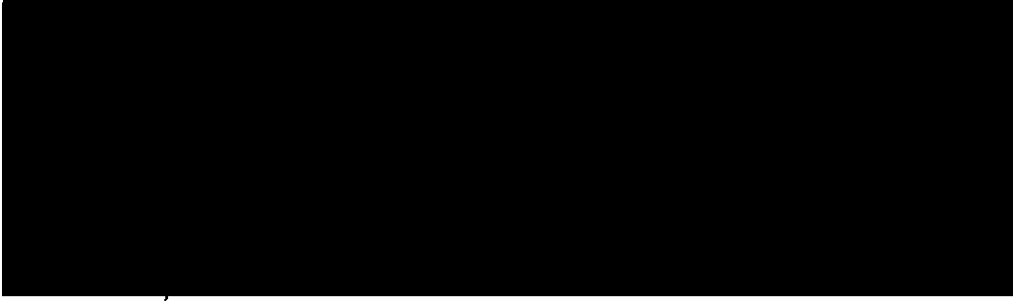
This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

30. Governing Law.

This Agreement shall be governed, construed and interpreted by, through and under the Laws of the Commonwealth of Massachusetts.

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.



FIRST AMENDMENT TO LEASE

THIS FIRST AGREEMENT TO AMEND THE LEASE DATED JUNE 24TH 2015 BETWEEN:

3 BROTHERS REAL ESTATE LLC
("LANDLORD")
AND
HEALTHY PHARMS, INC.
("TENANT")

I. Background

- A. The Landlord and Tenant entered into a Lease for the property located at 401 East Main St., Georgetown, MA 01833 on June 24th, 2015 (the "Lease").
- B. The Landlord and Tenant desire to amend the Lease as set forth in this Lease Amendment.
- C. This is the first Amendment to the Lease.

II. Amendment

The Landlord and Tenant hereby add and incorporate into the Lease an additional Section 31 which reads as follows:

Limitation of Remedies

Notwithstanding any provision of the Lease, Landlord hereby agrees that Landlord's rights and Remedies following a default, breach, surrender or any other failure to perform under this Agreement, shall not include the seizure of assets protected by the Humanitarian Medical Use of Marijuana Act, Ch. 369 of the Acts of 2012, i.e. any product containing any amount of marijuana. Landlord shall not be entitled to a repayment or remedy that provides Landlord inventory of Tenant that contains any amount of marijuana, in any form, whether flower or infused product. Landlord hereby forfeits any such remedy. In addition, Landlord hereby understands and agrees that a Certificate of Registration, whether provisional or final, is nontransferable, and may not be assigned or transferred without prior Department of Public Health approval. Landlord agrees that Tenant's Certificate of Registration is not an asset that may be seized by Landlord or available as a remedy for Tenant's default, breach or other failure to perform under this Lease.

III. No Other Change

Except for as provided in Section II of this Amendment, there are no other changes to the Lease. The Lease is otherwise affirmed in its entirety by the Landlord and Tenant.

IV. Governing Law

This Lease Amendment shall be governed, construed, and interpreted by, through and under the Laws of the Commonwealth of Massachusetts.

By signing this Amendment, the Parties agree that the Language in Section II, Amendment is part of their Agreement to Lease the Premises at 401 East Main St., Georgetown, MA 01833 dated June 24th, 2015. The Parties agree to be bound by the provisions of this Amendment.



Dated: 30 June 2016

Dated: 6/30/2016

City of Cambridge

Louis A. DePasquale • City Manager



Executive Department

Lisa C. Peterson • Deputy City Manager

November 15, 2016

Department of Public Health
Medical Use of Marijuana Program
RMD Applications
99 Chauncy Street, 11th Floor
Boston, MA 02111

To Whom It May Concern:

The Cambridge City Council does hereby provide support/non-opposition to Healthy Pharms, Inc. to operate a Registered Marijuana Dispensary in the City of Cambridge, Massachusetts. I have been authorized to provide this letter on behalf of the Cambridge City Council by a vote taken at a duly noticed meeting held on September 26, 2016.

The Cambridge City Council has verified with the appropriate local officials that the proposed RMD facility is located in a zoning district that allows such use by right or pursuant to local permitting.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Louis DePasquale", is written over a horizontal line.

Louis A. DePasquale
City Manager

LAD/mec



*Town of Georgetown
Massachusetts*

LETTER OF NON-OPPOSITION

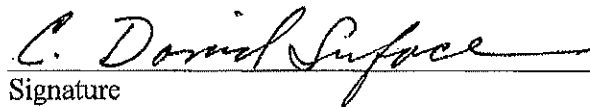
October 17, 2016

The *Georgetown Board of Selectmen* does hereby provide non-opposition to *Healthy Pharms, Inc.* to operate a Registered Marijuana Dispensary in the Town of Georgetown. I have been authorized to provide this letter on behalf of the Georgetown Board of Selectmen by a vote taken at a duly noticed meeting held on Monday, October 17, 2016.

The Board of Selectmen are aware that Healthy Pharms, Inc. will cultivate and produce marijuana for medical use at its Georgetown facility for dispensing in Georgetown and other places in Massachusetts, including Cambridge, and does not oppose such activity.

The Georgetown Board of Selectmen has verified with the appropriate local officials that the proposed RMD facility is located in a zoning district that allows such use by right or pursuant to local permitting.

C. David Surface, Chairman, Georgetown Board of Selectmen


Signature

October 17, 2016