

**LEASE**

This Indenture made this 15<sup>th</sup> day of November, 2013, by and between CORNER BROOK, LLC, a Massachusetts limited liability company established under the laws of the Commonwealth of Massachusetts and having its usual place of business at 11 Commercial Way, Milford, County of Worcester, Massachusetts 01757 (hereinafter with its successors and assigns called the "Lessor") and BAY STATE RELIEF INC. a Massachusetts non-profit corporation having its usual place of business at 435 Worcester Road, Framingham, Massachusetts (hereinafter with their successors and assigns called the "Lessee").

**WITNESSETH**

In consideration of the rents and covenants herein contained on the part of the Lessee to be paid, performed and observed, the Lessor hereby leases to the Lessee and the Lessee hereby leases from the Lessor, subject to the terms and provisions hereinafter set forth, certain premises defined as the "Demised Premises", located at 13 Commercial Way, Milford, Worcester County, Massachusetts.

**ARTICLE I**

**Reference Data: Demised Premises**

Section 1. Definitions. Each reference in this Lease to any of the terms and titles contained or defined in this Article shall be deemed and construed to incorporate the matters set forth following such term or title in this Article unless the context clearly indicates otherwise:

**Term**

**Definition**

(a) Common Areas:

Those portions of the Property, as they may from time to time exist, which are open generally to the public or to the tenants thereof, including without limitation, sidewalks, parking areas, driveways, service areas, malls, landscaped areas and the like. No representation is hereby made concerning the existence or continuance of any Common Area, all of which the Lessor reserves the right to alter, modify, enlarge, decrease or discontinue, as Lessor, in its sole judgment, shall deem necessary or desirable, provided such changes do not prohibit or materially interfere with Lessee's use of the Demised Premises as provided herein.

(b) Common Facilities:

All of Lessor's equipment (except such equipment used exclusively by a tenant in the Building), systems and facilities within, or used in connection with the operation of the Property, or any part or parts thereof, including without limitation, all building exterior walls, roofs and other structural elements of the Building or buildings upon the Property from time to time, all pipes, wires, conduits, sanitary sewer, storm drains, generators, air conditioning and heating equipment and lighting system,

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including without limitation all of the same within the Demised Premises or upon the roof of the Demised Premises.

- (c) Default Interest Rate: If any payment of Minimum Rent, Additional Rent or other sum due under this Lease is not paid when due (i) such overdue amount shall thereafter bear interest until paid in full at a rate per annum equal to four (4%) above the prime rate announced from time to time by the Wall Street Journal, or if there is no such newspaper, then such other nationally recognized business newspaper selected by Lessor, but not in excess of the highest legal rate.
- (d) The Demised Premises, the Building and the Property: The "Demised Premises" is all of the floor area (approximately 24,920 square feet) located within the building (the "Building"). The Building, the Common Areas and the Common Facilities are situated on a parcel of land, shown as Lot 24 on Exhibit A attached hereto, all of which are collectively referred to herein as the "Property".
- (e) Hazardous Materials: "Oil", "hazardous materials", "hazardous waste", or "hazardous substances", as such terms are defined under the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §9601 et seq., as amended, the Resource Conservation and Recovery Act of 1976, 42 U.S.C. §6901 et seq., as amended, and the regulations promulgated thereunder, and all applicable federal, state and local laws, rules and regulations, including, without limitation, Massachusetts General Laws, Chapters 21C and 21E (the "Superfund and Hazardous Waste Laws").
- (f) Late Payment Charge: If any payment of Minimum Rent, Additional Rent or other sum due under this Lease is not paid when due, Lessee shall pay Lessor twenty (\$20.00) dollars per day accruing from the due date of such payment to the date of actual receipt of such payment.
- (g) Lease Commencement Date: The Lease Commencement Date is the date that this Lease is executed by and delivered to Lessor and Lessee. Lessee's obligations under the Lease do not vest, however, and shall not be binding on Lessee, unless and until Lessee is issued a final registration to operate a Registered Marijuana Dispensary by the Massachusetts Department of Public Health (MDPH). If the Lease has not become binding by May 1, 2014, upon written notice to Lessee, Lessor may terminate the Lease without recourse to either party. If Lessee is advised in writing that it is not granted a registration to operate a Registered Marijuana Dispensary by the MDPH or that its

application for a Certificate of Registration has been denied, Lessee shall promptly give Lessor written notice thereof. Such notice shall automatically terminate the Lease, without recourse to either party.

(h) Lease Year:

Each period of twelve (12) consecutive calendar months during the Lease Term starting on the Rent Commencement Date, except that if the Rent Commencement Date is not on the first day of a month, the first Lease Year shall begin on the first day of the calendar month next following the Rent Commencement Date.

(i) Lessee's Initial Monthly Payments on Account of Lessor's Property & Building CAM Costs & on Account of Real Estate Taxes:

\$4,360.00 per month, subject to adjustment as provided in Article V, Section 3, for Lessor's CAM Costs; and Article III, Section 2, for real estate taxes

(j) Lessee's Percentage Share of Property and Building CAM Costs and Real Estate Taxes:

As Lessee is leasing the entire Building, Lessee is responsible for 100% of the Property and Building common area maintenance charges and real estate taxes for any Lease Year or Tax Year.

(k) Minimum Rent:

<u>Period Covered</u>	<u>Minimum Annual Rent</u>	<u>Minimum Monthly Rent</u>
From the Rent Commencement date until the start of the First Lease Year	\$186,900.00	\$15,575.00 prorated for partial month
Year 1	\$186,900.00	\$15,575.00
Year 2	\$236,740.00	\$19,728.33
Years 3-12	\$299,040.00	\$24,920.00

(l) Mortgage & Mortgagee:

For purposes hereof, the term Mortgage shall mean any real estate mortgage, ground lease, deed of trust or any other security agreement or indenture affecting the Property or the Premises; the term Mortgagee shall mean the holder of any such real estate mortgage, any ground lessor or any trustee or holder of any such deed of trust, security agreement or indenture.

(m) Permitted Use:

Lessee shall use and occupy the Premises for the cultivation, processing, storage, packaging, and/or sale of cannabis in accordance with an Act for the Humanitarian Medical Use of Marijuana (MA S.L. Ch. 369), and Massachusetts Department of Public Health ("MDPH") Regulations (105 CMR 725.000 et seq.)

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subject, however, to zoning and other regulatory requirements and to the limitation set forth in Article VII herein.

(n) Rent Commencement Date: 30 days after Lessee receives a final registration to operate a Registered Marijuana Dispensary (RMD) from the MDPH, or March 1, 2014, whichever is earlier except that if Lessee has been selected to receive a registration and has paid the \$50,000.00 registration fee but has not yet received a final Certificate of Registration, the March 1, 2014 date shall automatically be extended until May 1, 2014 for purposes of payment of rent. The March 1, 2014 date shall still remain in effect as the start of the 1<sup>st</sup> Lease Year, however, as Lessee shall be obliged to pay March rent no later than October 1, 2014 and April rent no later than November 1, 2014. Such rent will not be due and payable if the Lease is terminated prior to May 1, 2014 due to Lessee not receiving its final Certificate of Registration by such date.

(o) Tax Year: "Tax Year" means each twelve (12) month period (deemed, for the purposes of this Lessor, to have 365 days) established as the real estate tax year by the taxing authorities having lawful jurisdiction over the Property. At present, the Tax Year is July 1 through June 30.

(p) Term: From the Lease Commencement Date until twelve (12) years after the start of the first Lease Year. If any extension to the Lease is agreed to in writing, the Term shall end at midnight on the last day of any such extension.

(q) Termination Date: Twelve (12) years from the commencement of the First Lease Year, unless the Term of this Lease is extended in writing or earlier terminated pursuant to the provisions of this Lease, in which case the Termination Date shall be the date on which such earlier termination occurs, or such extension expires, as the case may be.

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Section 2. Common Area and Common Facilities Rights. The Demised Premises are leased together with the non-exclusive right to use, in common with others lawfully entitled thereto, for access and egress and parking, the mall area (if any), sidewalks, parking areas, driveways, loading and service areas and other Common Areas of the Property, as the same may exist from time to time, expressly reserving to the Lessor the right to install, maintain, use, repair, replace, alter, change, relocate and remove such Common Areas and Facilities from time to time, and including the right to change the size, type, location, nature and shape of the Common Areas and Facilities, the Property and the Building including any elevators, stairways, access ways and loading docks located in the Building, provided such changes do not unreasonably interfere with the visibility, adequate parking or permanent access to an entrance to the Demised Premises. Lessor also reserves

the right (without thereby assuming the obligation) to install, maintain, use, repair and replace all pipes, ducts, wires, meters, utility lines and other equipment or materials which now are or hereafter may be, in the judgment of the Lessor, desired or required to be in the Demised Premises provided such changes do not unreasonably interfere with the visibility, adequate parking or permanent access to an entrance to the Demised Premises. The Demised Premises are leased subject to the mortgages and other existing encumbrances of record, if any.

**ARTICLE II**  
**Term and Commencement**

Section 1. Term. To have and to hold the Demised Premises for the Term beginning on the Lease Commencement Date and ending on the Termination Date unless extended by written agreement or unless sooner terminated as hereinafter provided.

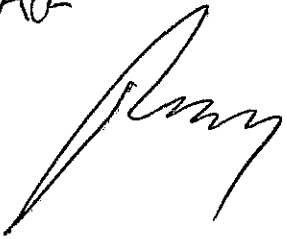
Section 2. Recording. Lessor agrees upon request of the Lessee to execute and deliver to Lessee a notice of lease or short form of lease suitable for recording and setting forth the name of the Lessor and the Lessee, the term of this Lease, an appropriate description of the Demised Premises, and such other information as is required by law for a notice of lease. A copy of this Lease shall not be recorded in any Registry of Deeds or Land Court Registry.

**ARTICLE III**  
**Rent**

Section 1. Minimum Rent Yielding and paying the Minimum Rent during the Term hereof, all such rent to be payable in equal monthly installments in advance beginning on the Rent Commencement Date, and thereafter on the first day of each calendar month during the Term without offset or deduction and without previous demand therefore.

Section 2. Taxes

(a) Beginning on the Rent Commencement Date, the Lessee shall pay Lessor, as Additional Rent hereunder, for each Tax Year during the term hereof, an amount equal to the real estate taxes and other ad valorem taxes, including, without limitation, betterments or other assessments imposed, assessed or levied upon the land and buildings and improvements comprising the Property ("Real Estate Taxes"). For purposes of this paragraph, Lessee's Percentage Share shall be calculated as set forth in Article I. Real Estate Taxes shall also include all costs, including but not limited to attorney's fees, appraiser's fees and Lessor's reasonable administrative costs, for any contest or appeal pursued by Lessor in an effort to reduce the tax or assessment on which any tax or other imposition provided for in this Section is based. As long as Lessee is current on all of its payment and other obligations, Lessor shall not contest or appeal any tax, assessment or imposition, except upon Lessee's request.

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- (b) The payment on account of Real Estate Taxes required hereunder shall be paid by Lessee in equal monthly installments in such amounts as are estimated and billed for each Tax Year by Lessor, at the Rent Commencement Date and thereafter at the beginning of each successive calendar year during the term hereof, the first installment being due on the Rent Commencement Date and subsequent installments being due on the first day of each month thereafter.
- (c) Within ninety (90) days after Lessor's receipt of the first non-estimated tax bill for each Tax Year, Lessor will certify to Lessee the total amount of Real Estate Taxes as specified above.

Lessee's Percentage Share paid or payable for each Tax Year shall be adjusted between Lessor and Lessee, with payment to or payment by Lessor, as the case may require, within thirty (30) days of the aforesaid certification to Lessee, such amount as is necessary to effect such adjustment. Further adjustments shall be made, as necessary, if subsequent tax bills during any Tax Year are adjusted by the taxing authority.

The failure of Lessor to provide such certification within the time prescribed above shall not relieve Lessee of its obligations under this Section 2 or for the specific Tax Year in which any such failure occurs.

For the Tax Years in which the Rent Commencement Date and the Termination Date occur, the provisions of this Section shall apply, but Lessee's liability for Lessee's Percentage Share of any taxes for such year shall be subject to a pro rata adjustment based upon the number of days of such Tax Year falling within the period on and after the Rent Commencement Date or on or before the Termination Date during which the Demised Premises are leased to Lessee pursuant to this Lease.

- (d) Lessee agrees to pay, prior to delinquency, any and all taxes and assessments levied, assessed or imposed during the Term hereof upon or against:
- (i) All furniture, fixtures, signs and equipment and any other personal property installed or located within the Demised Premises;
  - (ii) All alterations, additions, betterments or improvements of whatsoever kind or nature made by or on behalf of Lessee to the Demised Premises, as the same may be separately levied, taxed and assessed against or imposed directly upon Lessee by the taxing authorities.

- (e) The provisions of Article III, Section 2, are predicated upon the present system of taxation in the Commonwealth of Massachusetts. If taxes upon rentals or otherwise pertaining to the Demised Premises shall be substituted, in whole or in part, for the present ad valorem real estate taxes or assessed in addition thereto, then Lessee's obligation to pay such taxes shall be based upon such substituted taxes, to the extent to which the same

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shall be a substitute for present ad valorem real estate taxes, together with such additional taxes. Nothing herein contained shall be construed to require Lessee to reimburse Lessor for any penalties or interest which may be imposed upon Lessor's delinquent payment of taxes.

Section 3. Late Payment Charges Any payment of Minimum Rent, Additional Rent or other sums due under this Lease, received by Lessor more than five (5) business days after its due date, shall be subject to the Late Payment Charge accruing from the due date of such payment to the date of actual receipt of such payment by Lessor.

Section 4. Payment of Rent. All payments of Minimum Rent, Additional Rent or other sums due under this Lease shall be made payable to Lessor, and sent to the address to which notices hereunder to the Lessor are to be delivered or to such other payee or at such other address as Lessor may designate in writing from time to time.

#### ARTICLE IV Condition of the Premises

Section 1. Lessor's Work. Lessor shall take such steps, if any, as are necessary to put the existing HVAC, electrical and plumbing systems in good working condition prior to occupancy. Lessor is not responsible for making any changes needed to make any of such systems compatible with Lessee's use of the Premises.

Lessee's Work. Lessee will, at its own expense and in accordance with the plans and specifications, or such other documentation as may be reasonably satisfactory to Lessor, complete the Buildout of the Premises as necessary and otherwise prepare the Premises for occupancy (Lessee's Work). Lessee shall commence work promptly after Lessor has given Lessee written approval of Lessee's Work and contractor and shall work diligently and continuously to complete Lessee's Work, and shall open for business as soon thereafter as possible. Lessor shall not unreasonably withhold written approval of Lessee's Work and contractor. All Lessee's construction shall be performed in conformity with all rules, regulations and requirements of governmental authorities having jurisdiction. Upon completion of Lessee's Work, and prior to occupancy, Lessee shall furnish evidence, reasonably satisfactory to Lessor, that all labor and materials contracted for by Lessee in and about the Demised Premises have been paid in full.

In the event that any party claiming to have supplied labor and/or materials to the Demised Premises at Lessee's (or Lessee's agents') request shall file a mechanic's lien or other claim, Lessee shall promptly take such steps as may be required to have the mechanic's lien released or the claim resolved. Lessee shall indemnify, defend and hold Lessor harmless against any and all payments, costs or expenses, including but not limited to legal fees, which may be made or incurred by Lessor as a result of Lessee's failure to promptly cause any such lien to be removed or claim resolved. This provision shall be applicable in all circumstances, whether pursuant to Lessee's Work or otherwise.

All improvements made pursuant to Lessor's Work or Lessee's Work shall become part of the Demised Premises and title thereto shall vest in Lessor upon installation. It is provided further, however, that Lessee's trade fixtures may be removed

by the Lessee, provided that all damage resulting from said removal is promptly repaired and the Demised Premises promptly restored by Lessee at Lessee's expense.

**ARTICLE V**  
**Common Area Maintenance**

Section 1. (a) Lessor's Work Lessor shall make all reasonable or necessary repairs and replacements to the Common Area and Common Facilities except for the work described below as Lessee's work.

(b) Lessee's Work Lessee shall keep the Common Areas reasonably free of snow and ice and in a reasonably clean and neat condition.

Section 2. (a) Lessee's Payments In addition to all other payments herein provided to be made by Lessee to Lessor, commencing on the Rent Commencement Date, Lessee shall also pay to Lessor, as additional rent ("Additional Rent" an amount equal to the costs and expenses incurred or accrued by, or on behalf of Lessor in operating, maintaining, and repairing the Common Areas and Common Facilities of the Property and the Building ("Lessor's Costs").

(b) Lessor's Costs include, but are not limited to, all costs and expenses of every kind and nature paid, by Lessor in operating, managing, equipping and policing, the Property; heating and air conditioning Common Areas within the Building; lighting, repairing, striping, maintaining and replacing all parking areas, driveways, mall areas, service and loading areas; landscaping and gardening Common Areas; water and sewer charges; roof repairs and replacements; premiums for liability, property damage, fire, workmen's compensation, and other insurance on the Common Areas and Common Facilities and all other insurance, hazard and otherwise, carried by Lessor on all structures on the Property; wages, unemployment taxes, social security taxes, personal property taxes and assessments; fees for required licenses and permits; supplies and reasonable depreciation of equipment used in the operation of the Common Areas; and administrative costs equal to fifteen percent (15%) of the total of Lessor's Costs. The only exception is that Lessee shall not be responsible for any costs or expenses related to the solar panels situated on the roof of the Premises, except to the extent that such costs or expenses are necessitated by the action or inaction of Lessee.

Section 3. Payment Schedule. Lessee's Percentage Share of Lessor's Costs shall be paid in monthly installments, in advance, in the amount estimated by Lessor, starting on the Rent Commencement Date and continuing on the first day of each and every calendar month, thereafter. Within ninety (90) days after the end of each Lease Year during the Term hereof, Lessor shall furnish to Lessee a statement in reasonable detail setting forth the Lessor's Costs; thereupon there shall be a prompt adjustment between Lessor and Lessee, with payment to, or repayment by, Lessor, as the case may require, to the end that Lessor shall receive the entire amount of Lessor's Costs, and no more or less. Lessee shall have the right during normal business hours at a time convenient to Lessor, upon prior written request and at its own expense to inspect Lessor's records of Lessor's Costs (at Lessor's or its management agent's office), such inspection to be done not more frequently than once per Lease Year. Lessor shall maintain its record of Lessor's Costs for a period of three (3) years after the end of the year to which Lessor's Costs relate. In the event that any such inspection results in Lessor and Lessee agreeing that Lessee's payments have been

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incorrect, Lessor or Lessee shall promptly reimburse the other in the amount necessary so that Lessee's payments are consistent with the requirements of this Lease.

Section 4. Required Improvements. If Lessor shall be obligated by reason of any law, regulation or rule now in effect or hereafter adopted by any governmental authority having jurisdiction over the Property, to make any capital improvement to the Common Areas or Common Facilities for any reason, the cost of such capital improvement pro rated over a reasonable time period determined by Lessor, together with the yearly cost to Lessor to finance the same, shall be included within Lessor's Costs.

## ARTICLE VI Covenants

Lessee covenants and agrees as follows:

- (a) To pay, when due, the Minimum Rent and Additional Rent at the times and in the manner set forth herein;
- (b) To procure any licenses and permits required for any use to be made of the Demised Premises by Lessee;
- (c) To pay promptly when due the entire cost of any work to the Demised Premises undertaken by Lessee so that the Demised Premises shall, at all times, be free of liens for labor and materials; to procure all necessary permits before undertaking such work; to do all of such work in a good and workmanlike manner, employing materials of good quality and complying with all governmental requirements; and to save Lessor harmless and indemnified from all injury, loss, claims or damage to any person or property occasioned by or growing out of such work including, without limitation, reasonable attorneys' fees. Upon receipt of notice from Lessor, Lessee shall take over Lessor's defense in any action related to work undertaken by Lessee on the Demised Premises.
- (d) Subject to MDPH requirements, to permit Lessor and Lessor's agents to examine the Demised Premises during normal business hours upon prior notice (except in the case of an emergency for which there are no notice or timing requirements) and to show the Demised Premises to prospective lenders, purchasers or tenants, but Lessor shall not show the Demised Premises to prospective tenants until the last twelve (12) months of the Lease Term; to permit Lessor to enter the Demised Premises (upon prior notice to Lessee except in the case of an emergency for which there are no notice or timing requirements) to make such repairs, improvements, alterations or additions thereto as may be required in order to comply with the requirements of any public authority having jurisdiction over the Demised Premises, or as may be desired by Lessor or required of Lessor under the terms of this Lease. Lessor shall use reasonable precautions so as not to unnecessarily interfere with Lessee's use and enjoyment of the Demised Premises in the exercise of the Lessor's rights hereunder.

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- (e) To pay, when due, any and all State, Federal or local taxes based upon Lessee's use or occupation of the Demised Premises or pertaining to Lessee's personal property or resulting from any alterations, additions or improvements made on Lessee's behalf or by Lessee to the Demised Premises.
- (f) To comply with all laws, orders, and regulations of any governmental authorities pertaining to Lessee's use and occupation of the Demised Premises.
- (g) To refrain from doing anything, taking any action or failing to act in such a manner that will cause any increase in the fire insurance rates pertaining to the Demised Premises or the Building and to comply with any rules, regulations or recommendations of the National Board of Fire Underwriters, any rating bureau, or any similar association performing such function and failing same, to pay to Lessor any increase in premiums resulting therefrom.
- (h) To keep the Demised Premises adequately heated for the protection of the plumbing therein.
- (i) To permit no waste with respect to the Demised Premises.

**ARTICLE VII**  
**Use of Demised Premises**

Section 1. Permitted Use Only The Lessee shall have the right to use the Demised Premises for the Permitted Use and for no other purposes whatsoever without the Lessor's prior written permission.

Section 2. Lessee acknowledges that no trade or occupation shall be conducted in the Demised Premises or use made thereof which will be unlawful, improper, excessively noisy or offensive, or contrary to any law or any municipal by-law or ordinance in force in the state, city, or town in which the Demised Premises are situated.

(a) Lessee shall give prompt written notice to the Lessor of any written notice it receives of the violation of any law or requirement of public authority, and at its own expense shall comply with all laws and requirements of authorities which shall, with respect to the Demised Premises or Lessee's use and occupation thereof, or the abatement of any nuisance, impose any obligation, order, or duty on Lessor or Lessee arising from (i) Lessee's use of the Demised Premises, (ii) the manner of conduct of Lessee's business or operation of its installations, equipment, or other property, (iii) any cause or condition created by or on behalf of Lessee or (iv) breach of obligations of Lessee under this Lease.

Section 3. Use Restrictions Lessee further agrees to conform to the following provisions during the entire Term of this Lease:

- (a) Lessee shall follow all applicable town and state laws;

- (b) Lessee shall always conduct its operations in the Demised Premises under the Lessee's name as set forth herein, or as it may be legally changed or altered;
- (c) Lessee shall not use the sidewalks, mall area, parking areas, driveways or other Common Area of the Property, for advertising or business purposes without the prior written consent of the Lessor;
- (d) Lessee shall, at its own cost and expense, be responsible for the prompt removal of all trash, refuse and the like, from the Demised Premises and shall insure that same be kept in covered containers at all times and that no trash will be kept in the halls; and
- (e) Lessee shall take whatever measures are necessary to insure that floor load limitations are not exceeded in the Demised Premises.
- (f) Lessee shall keep the display windows, if any, of the Demised Premises clean and free of signs and adequately lighted during such nighttime hours as Lessor shall designate from time to time;
- (g) Lessee shall receive and deliver goods and merchandise only in the manner, at such times, and in such areas, as may be designated by Lessor;
- (h) Lessee shall not use the Demised Premises for any unethical or unfair method of business operation, advertising or interior display nor perform any act or carry on any practice which may injure the Demised Premises or any other part of the Property;
- (i) Lessee shall not permit nor cause any offensive odors or loud noise (including, but without limitation, the use of loudspeakers) to emanate from the Demised Premises;
- (j) Lessee shall not use any portion of the Demised Premises for storage or other services, except as required for its operations in the Demised Premises;
- (k) Lessee shall comply with such other reasonable rules and regulations as Lessor may promulgate during the Term hereof; and
- (l) Lessee shall not permit employees, agents or servants to block or park their vehicles on any Common Area of the Property, except in such areas designated for employee parking and, on request of the Lessor, Lessee agrees to furnish Lessor with the license plate numbers of all such vehicles.
- (m) Lessee shall not permit employees, agents or servants to smoke in the Building.

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**ARTICLE VIII**  
**Repairs and Alterations**

Section 1. Lessee's Work The Lessee shall keep and maintain the Demised Premises, and all facilities and systems outside the Demised Premises but solely serving the Demised Premises, in a neat, clean, sanitary condition and in good working order and repair, and in compliance with all laws, ordinances or regulations of any public authorities having jurisdiction, including, without limitation, all electrical, plumbing, gas, heating, air-conditioning and sewage facilities within or serving the Demised Premises, sprinklers, fixtures and interior walls, floors, ceilings, signs (including exterior signs where permitted) and all interior building appliances and similar equipment and the exterior and interior portions of all windows, window frames, doors, door frames, and all other glass or plate glass thereon, and shall make all repairs and replacements and do all other work necessary for the foregoing, and, in furtherance hereof; provided, however, that subject to the provisions of Article XVII and Article XVIII below, damage to the Demised Premises and common areas caused by fire or other casualty covered by policies of fire insurance carried by the Lessor as provided in Article XI hereof, or caused by action of public authorities in connection with a taking by eminent domain, shall be repaired by the Lessor at Lessor's own cost and expense. Promptly after notice from the Lessor, Lessee shall repair, at its own expense, any damage to the roof, foundation, structural columns or exterior walls of the Demised Premised caused by any act or negligence by the Lessee, its employees, agents, licensees, suppliers, contractors or guests. All such work shall be performed by contractors acceptable to Lessor.

Section 2. Lessor's Work The Lessor shall promptly, after receipt of written notice from the Lessee, make any necessary repairs to the roof, foundation, structural columns and exterior walls of the Demised Premises only (exclusive of glass, window frames, windows, doors, door frames, and signs, which repairs shall be made by the Lessee), except where such repairs are required by reason of any act or negligence by the Lessee, its employees, agents, licensees, suppliers, contractors or guests. The Lessee shall promptly, after notice from the Lessor, repair, at its own expense, any damage to the roof, foundation, structural columns or exterior walls of the Demised Premised caused by any act or negligence by the Lessee, its employees, agents, licensees, suppliers, contractors or guests.

Section 3. Surrender of Premises The Lessee shall at the expiration or earlier termination of this Lease remove its goods and effects and peaceably yield up the Demised Premises, clean and in good working order, repair and condition, reasonable wear and tear excepted, with any injury done to the Demised Premises or the Property by the installation or removal of the Lessee's fixtures or other property, being repaired in a good and workmanlike manner.

All additions or other improvements placed in or on the Demised Premises by the Lessor during the term of this Lease, including without limitation any made as part of Lessor's Work pursuant to Article IV hereof, shall remain on and shall not be removed from the Demised Premises. At the expiration of this Lease, all such additions and improvements shall be the property of the Lessor. Any additions or other improvements placed in or on the Demised Premises by the Lessee, including without limitation all trade fixtures, shall be considered as personal property and shall remain the property of the Lessee, who shall have the right to remove such property from the Demised Premises at

the expiration of this Lease, provided that the Lessee, at the Lessee's expense, promptly repairs any damage to the Demised Premises resulting from the installation and/or removal of such property.

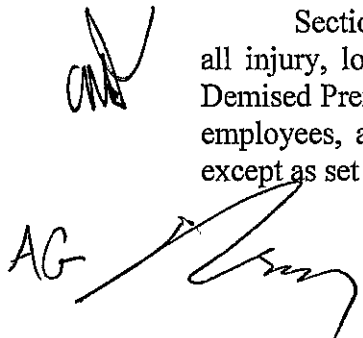
Notwithstanding anything to the contrary herein, any business or trade fixtures, lighting, furniture, machinery and equipment "Personal Property" installed by the Lessee which may be removed from the Demised Premises without injury thereto, shall remain the property of the Lessee and shall be removed by the Lessee from the Demised Premises prior to the expiration or earlier termination of this Lease; provided that if the Lessee is then in default hereunder, such Personal Property insofar as the Lessor shall so direct, shall remain in the Demised Premises and become the property of Lessor or, at Lessor's election, be stored by Lessor for the account of the Lessee and Lessee shall be liable for any costs or expenses incurred by Lessor in connection therewith, and shall pay Lessor for such costs and expenses prior to their release from storage, or such personal property shall be deemed abandoned and may be disposed of by Lessor in any way Lessor sees fit, at Lessee's expense, all without any responsibility by Lessor to Lessee for any loss or damage.

Section 4. Alterations The Lessee shall obtain Lessor's prior written consent for any alterations, improvements or additions to the Demised Premises or to the exterior of the Demised Premises, which consent in the case of interior non-structural work, shall not be unreasonably withheld. All such work shall be performed in accordance with all applicable laws, rules and regulations and in a good and workmanlike manner and shall not impair the safety or the structure of the Building, nor diminish the value of the Building as then constituted.

#### ARTICLE IX Utilities

The Lessee shall pay for all utility services provided to the Demised Premises, including, without limitation, electricity, gas, water, telephone, heat and sewage charges. The Lessor shall not be liable for any interruption of electricity, gas, water, telephone, sewage, heat or other utility service supplied to the Demised Premises, except where such interruption is caused by any negligence of the Lessor, its employees, agents, licensees, suppliers, contractors, or guests. The Lessee shall pay, on being billed therefore, any water and/or sewer use tax imposed by any governmental authority, which is directly or indirectly applicable to the Demised Premises.

#### ARTICLE X Liability

 Section 1. Indemnity Lessee shall save the Lessor harmless and indemnified from all injury, loss, claims or damage of whatever nature to any person or property in the Demised Premises or about the Property arising from any act or omission of Lessor, or the employees, agents, contractors, suppliers, licensees or invitees of any of the foregoing, except as set forth below.

Section 2. Lessor's Non-Liability Neither the Lessor nor any agent or employee of the Lessor shall be liable for any damage to the person or property of the Lessee, or of any subtenant, or concessionaire, or of any employee, customer, licensee, invitee, contractor or supplier, or guest of any of the foregoing, except where such damage is attributable to the gross negligence of the Lessor, or Lessor's agents or employees, in the performance or failure to perform any of the obligations of the Lessor under and pursuant to the terms and provisions of this Lease. Without in any way limiting the generality of the foregoing, Lessor, Lessor's agents or employees, shall not be liable, in any event, for any such damage resulting from (a) the interruption to business or damage to property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain or snow or leaks from any part of said Demised Premises or the Building, or from the pipes, appliances or plumbing or from dampness or any other cause, or (b) any hidden defect on the Demised Premises or the Building.

## ARTICLE XI Insurance

Section 1. Lessor's Casualty and Liability Insurance. The Lessor shall maintain, at all times during the term of this Lease, with respect to the Building, insurance against loss or damage by fire, the so-called extended coverage casualties, coverage for loss of rentals (due to fire or other casualty), and insurance with respect to such other casualties for an amount of not less than one hundred percent (100%) of the full replacement cost and public liability with inclusive limits of not less than Two Million Dollars (\$2,000,000.00) per occurrence in the event of bodily injury or death.

Section 2. Lessee's Insurance The Lessee shall, at its own expense, maintain workman's compensation insurance, and fire and comprehensive casualty insurance of adequate amounts with respect to its own fixtures, merchandise, equipment and other property contained in the Demised Premises. Lessee shall also maintain, during the term of this Lease, at its own expense, comprehensive public liability insurance with responsible companies qualified to do business in Massachusetts which shall insure the Lessor (as a named, insured party), and all persons claiming under the Lessor, as well as the Lessee, against all claims for injuries to persons (including death) and against claims for damages or loss of property occurring in or about the Demised Premises in the amount of at least Two Million Dollars (\$2,000,000.00) per occurrence. The Lessee shall furnish the Lessor with certificates for such insurance prior to the commencement of Lessee's Work as described in Article IV and at least ten (10) days prior to the expiration date of any of such policies. Each policy shall be non-cancelable with respect to the Lessor's interest without at least thirty (30) days prior written notice to the Lessor from the insurer.

## ARTICLE XII Signs

Lessee may, at Lessee's expense, attach a sign to the front of the Premises. The sign is subject to Lessor's approval and applicable town rules and regulations.

**ARTICLE XIII**  
**Assignment or Subletting**

The Lessee shall neither assign nor permit any assignment by operation of law or otherwise of this Lease, nor sublet any portion of the Demised Premises or permit occupation of the whole or any part thereof by another by license or otherwise without, on each occasion, first obtaining the Lessor's written consent, in writing and paying any reasonable attorney's fees incurred by Lessor in connection with such assignment, sublet or permitted occupation. Lessor may withhold its consent for any or no reason. If consent is given, Assignee and Lessee shall promptly execute, acknowledge and deliver to Lessor an agreement in form and substance satisfactory to Lessor whereby Assignee shall agree to be bound by and upon all the covenants, obligations, agreements, terms, provisions and conditions set forth in this Lease on the part of Lessee to be performed, and whereby Assignee shall expressly agree that the provisions of this Article XIII shall, notwithstanding such assignment or transfer, continue to be binding upon it with respect to all future assignments and transfers, and in any such event, Lessee shall remain liable for all obligations of Lessee hereunder.

Should Lessee desire to sublet or assign the Premises, Lessee will deliver the name and address of the proposed assignee or subtenant to Lessor, together with such assignee's or subtenant's complete commercially reasonable financial statement, at the time Lessee so requests Lessor's consent. Notwithstanding anything contained herein to the contrary, in the event that Lessee assigns this Lease or sublets the Premises, fifty percent of the Rent and other compensation payable by the assignee or subtenant over and above Lessee's rent (including, but not limited to, Minimum Rent and all other obligations hereunder) under the terms of this Lease, shall be paid to Lessor within 10 days after Lessee receives each such payment from such subtenant or assignee. Any unauthorized attempted transfer, subletting, assignment, license to use, hypothecation or other alienation of this Lease shall be void and shall confer no rights thereto.

No consent by the Lessor to an assignment or sublease shall be deemed to constitute any consent to any further assignment or sublease, or relieve the Lessee from its obligations under this Lease, and Lessee hereby guarantees the prompt and timely payment of all rent, Additional Rent and other charges hereunder. No indulgence or favor at any time granted by the Lessor to Lessee or to anyone claiming under the Lessee, nor acceptance of rent from, or other dealing with, anyone claiming under the Lessee, shall be deemed to be an assignment, sublease or otherwise. The Lessee and all persons claiming under the Lessee shall be deemed to have waived any and all suretyship defenses. Lessor may require as a condition of any assignment or subletting, that the Assignee or sublessee execute an agreement directly with Lessor agreeing to perform and observe all of the obligations of Lessee hereunder and to secure or guarantee such obligations in a manner acceptable to Lessor.

**ARTICLE XIV**  
**Subordination**

Section 1. Subordination by Lessee The Lessee shall, from time to time, upon request of the Lessor, subordinate this Lease to any existing and /or future Mortgage, as hereinafter defined, heretofore or hereafter placed upon the Property any part thereof, to

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any renewal, modification, replacement or extension of such Mortgage, and to any and all advances made or to be made thereunder, provided that in the instrument of subordination the Mortgagee agrees, for itself and its successors and assigns, that so long as the Lessee shall not be in default under this Lease, the Mortgagee and its successors and assigns will not disturb the peaceful, quiet enjoyment of the Demised Premises by the Lessee.

Section 2. Estoppels and Notices Lessee will, upon request by Lessor or any Mortgagee, execute and deliver to such party (a) an Estoppel Letter in form satisfactory to such party and (b) a copy of any notice of default delivered by Lessee to Lessor at the same time and in the same manner as to Lessor.

Section 3. Mortgagee Not Liable With reference to any assignment by Lessor of Lessor's interest in this Lease, or the rents and other sums payable hereunder, conditional in nature or otherwise, which assignment is made to a Mortgagee, Lessee agrees that the execution thereof by Lessor, and the acceptance thereof by such Mortgagee, shall not be treated as an assumption by such Mortgagee of any of the obligations of Lessor hereunder, unless such Mortgagee shall, by notice sent to Lessee, specifically otherwise elect. Absent such an election, Lessor shall retain its obligations herein. Nevertheless, Lessee shall, upon receipt of written notice from Lessor and any such Mortgagee to whom Lessor may from time to time assign the rents or other sums due hereunder, make payment of such rents or other sums to such Mortgagee, and the Lessor agrees to credit the Lessee for all of such payments made, unless and until Lessee receives a subsequent written notice to the contrary.

#### ARTICLE XV Self-Help

If the Lessee 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 a payment obligation, and shall not cure such default within thirty (30) days after written notice from Lessor specifying the default, Lessor may at any time thereafter, at its option and without waiving any claim for breach of agreement, cure such default for the account of Lessee and make all necessary payments in connection therewith. Any amount paid by Lessor in so doing shall be deemed paid for the account of Lessee and Lessee agrees to promptly reimburse Lessor therefore such sums as Additional Rent; provided that Lessor may cure any such default as aforesaid prior to the expiration of said waiting period but after written notice to Lessee, if the curing of such default prior to the expiration of said waiting period is reasonably necessary to protect the Building or the Property or Lessor's interest therein, or to prevent injury or damage to persons or property.

#### ARTICLE XVI Waiver of Subrogation

Lessee hereby releases Lessor from any and all liability or responsibility to Lessee (or anyone claiming through or under Lessee by way of subrogation or otherwise) for any loss or damage to property caused by fire or any of the extended coverage or supplementary contract casualties, even if such fire or other casualty shall have been caused by the fault or negligence of Lessor, or anyone for whom Lessor may be



responsible, and Lessee hereby agrees that it shall cause such a clause or endorsement to be included in its policies.

**ARTICLE XVII**  
**Damage by Fire, Etc.**

Section 1. Restoration by Lessor If the Demised Premises or the Building shall be damaged or destroyed by fire, windstorm, or other casualty covered by the Lessor's fire insurance policies required to be carried pursuant to the provisions of Article XI hereof, the Lessee shall immediately give notice thereof to the Lessor, and unless this Lease is terminated as hereinafter provided, the Lessor at its own expense shall reasonably promptly repair or rebuild the same so as to restore the Demised Premises to substantially the same condition they were in as of the Rent Commencement Date (excluding any alterations, additions or improvements made by Lessee), subject, however, to zoning and building laws then in existence, provided that the Lessor shall not be responsible for any delay in such repair or reconstruction which may result from any cause beyond its reasonable control and provided further that in no event shall Lessor be obligated to expend for such repair or reconstruction more than the amount of the insurance proceeds (net of all costs and fees incurred by Lessor in collecting the same) received by Lessor on account thereof. In that event, until the Demised Premises are restored by Lessor, the payment of Minimum Rent and Additional Rent and other charges shall cease or be fairly apportioned according to whether the destruction to the Demised Premises or the Building is entire or partial.

Section 2. Termination Rights If either the Demised Premises or the Building shall be damaged or destroyed by fire or other casualty to the extent of twenty percent (20%) or more of the sound insurable value thereof, or if any part of the Demised Premises or the Building shall be damaged by an uninsured casualty by any cause to the extent of twenty percent (20%) or more of its sound insurable value, the Lessor may elect by written notice to the Lessee either to terminate this Lease or to repair or rebuild on the conditions set forth in Article XVII Section 1 above by written notice given within forty five (45) days after such damage or destruction. Notwithstanding anything herein to the contrary, if Lessor elects to repair or rebuild the Demised Premises or the Building, Lessor shall proceed with due diligence; if at any point Lessee concludes that Lessor is not performing as required herein, Lessee may give Lessor written notice thereof, which notice shall be specific with regard to Lessor's perceived failure to perform. Within fourteen (14) days after receipt of Lessee's notice Lessor shall respond to Lessee's concerns in writing. If Lessor's response does not satisfy Lessee that Lessor is using the required diligent efforts, Lessee may send Lessor written notice requesting arbitration (as described in Article XIX below) to determine if Lessor is in default.

Section 3. Lessee's Restoration In the event that the Demised Premises or the Building are damaged or destroyed by any cause described above, then, unless this Lease is terminated as above provided, the Lessee, at its own expense and proceeding with all reasonable dispatch, after receipt of notice from the Lessor that it has elected to repair and rebuild and has, in fact, commenced same, shall repair or replace suitably all alterations, additions, improvements, trade fixtures, equipment, signs or other property installed by or belonging to the Lessee, which shall be damaged or destroyed, in or serving the Demised

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Premises. All such work shall be performed by contractors acceptable to Lessor. However, Lessor shall not unreasonably withhold approval of Lessee's Work and contractor.

Section 4. Cooperation Lessor and Lessee agree to cooperate with each other to enable the prompt repair or replacement of the Demised Premises and the Building arising from any insured loss. Failure by either party to fulfill its obligations hereunder shall be a default under the terms of this Lease. In no event shall Lessee or any person or corporation claiming an interest in the Demised Premises by, through, or under Lessee claim, maintain, or prosecute any action or suit at law or in equity against the Lessor for any loss, cost or damage caused by or resulting from fire or other risk or casualty in the Demised Premises or any part thereof for which Lessee is, may or should be insured under any insurance policy required by the Lease.

## ARTICLE XVIII Eminent Domain, Condemnation

Section 1. Lessor and Lessee Right of Termination. If as a result of any taking by eminent domain which shall be deemed to include a voluntary conveyance in lieu of a taking, the total floor area remaining in the Demised Premises shall be reduced to less than seventy five percent (75%) of the total floor area in the Demised Premises at the Rent Commencement Date, or the Demised Premises shall be permanently deprived of access by motor vehicle to and from a public street or private way, then, at the election of the Lessor or the Lessee, exercisable by written notice given to the other within ninety (90) days after the date of the filing of the notice of such taking, this Lease may be terminated as of the date when the Lessee is required to vacate the Demised Premises or the portion thereof is so taken, or access is so taken, notwithstanding that the entire interest of the party exercising such option may have been divested by such taking. In the event Lessor or Lessee terminate the Lease pursuant to this Section 1, Lessee shall only make such payments for rent or other payments as are due related to periods until and including the date when the Lessee is required to vacate the Demised Premises or the portion thereof is so taken or access is so taken. If, following any such taking, neither the Lessee nor the Lessor terminate this Lease, then the Lessor, at the Lessor's expense, but only to the extent of the award for any such taking, and proceeding with all reasonable dispatch, subject to delays beyond its reasonable control, shall do such work as may be required to put what may remain of the Demised Premises in proper condition for the conduct of the Lessee's business, or to provide alternative access, as the case may be, and the Lessee, at the Lessee's expense and proceeding with all reasonable dispatch, shall make such alterations, repairs and replacements of the alterations, additions, improvements, trade fixtures, equipment, signs or other property installed by or on behalf of or belonging to the Lessee as may be necessary to put the remainder of the Demised Premises in proper condition for the Lessee's business. In that event, the Minimum Rent shall be fairly abated according to the nature, extent, and affect of the taking.

Section 2. Damages. The Lessor reserves all rights to damages to the Building, Property, the Demised Premises and the leasehold hereby created, or awards with respect thereto, then or thereafter accruing, by reason of any taking by eminent domain or by reason of anything lawfully done or required by any public authority, and the Lessee grants to the Lessor all the Lessee's rights, if any, to such damages, except with respect to relocation expenses and the value of Lessee's personal property which may be

compensated by separate award and shall execute and deliver to the Lessor such further instruments of assignment thereof as the Lessor may from time to time request.

**ARTICLE XIX**  
**Default**

Section 1: Events of Default. The occurrence of any one or more of the following occurrences are Events of Default.

(a) Lessee's failure to make any payment of any installment of Minimum Rent, Additional Rent or other sum herein specified, within eight (8) months after such payment is due during the 1<sup>st</sup> Lease year, four (4) months or more after such payment is due during the 2<sup>nd</sup> Lease year, three (3) months or more after such payment is due during the 3<sup>rd</sup> Lease year, and two (2) months or more after such payment is due during the remainder of the Lease term;

(b) Lessee's failure to observe or perform of any other of the Lessee's covenants, agreements or obligations hereunder, if such failure shall not be corrected within ten (10) days after written notice thereof, or, if Lessee diligently and continuously pursues such cure, but such cure cannot reasonably be cured within ten (10) days, such additional period of time as is reasonably necessary to cure such default;

(c) If any proceedings seeking protection from creditors are instituted by the Lessee or any Guarantor herein, under the Bankruptcy Code or any laws amendatory thereof or supplemental thereto;

(d) If any other proceedings are instituted against the Lessee or any Guarantor under the Bankruptcy Code or any insolvency law and not dismissed within thirty (30) days;

(e) If Lessee or any Guarantor shall execute an assignment of his property for the benefit of his creditors; or

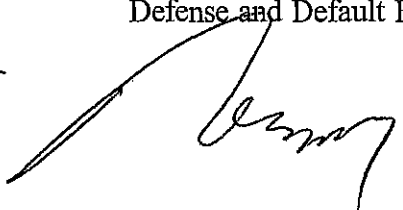
(f) If a receiver or other similar officer for Lessee or any Guarantor shall be appointed and not be discharged within thirty (30) days,

Lessor shall have the right after any Event of Default, to re-enter and take complete possession of the Leased Premises, to terminate this Lease, and remove the Lessee's effects, without prejudice to any remedies which might be otherwise used for arrears of rent or other default.

Section 2: Remedies Upon Default. In the event that this Lease is terminated pursuant to any of the provisions described in Article XIX, Section 1 above or for breach of any obligation of the Lessee, Lessor shall be entitled to immediately exercise all of the rights set forth in the Conditional Assignment of Permits, Licenses and Approvals attached hereto as Exhibit B. Lessor shall also be entitled to the immediate receipt of any and all payments which have been made into the Legal Defense and Default Fund described in Article XXIII. Once the assignment has been completed and Lessor has received the entirety of the Legal Defense and Default Fund (or such portion as has been paid by Lessee immediately prior to

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default), this Lease shall be null and void and with no recourse by either party against the other, except as otherwise specifically set forth herein.

Section 3. Cumulative Remedies All rights and remedies, which the Lessor may have under this Lease, shall be cumulative and shall not be deemed inconsistent with each other, and any two or more of such rights and remedies may otherwise be exercised at the same time insofar as permitted by law. Nothing herein contained shall be construed as limiting or precluding the recovery of Lessor against Lessee of any sums or damages to which, in addition to the damages particularly provided above, Lessor may lawfully be entitled by reason of any default hereunder on the part of Lessee.

Section 4. Lessor's Right to Remedy Lessee's Default If the Lessee shall default in the observance or performance of any conditions or covenants on Lessee's part to be observed or performed under or by virtue of any of the provisions in any article of this Lease, the Lessor, without being under any obligation to do so and without thereby waiving such default, may remedy such default for the account and at the expense of the Lessee. If the Lessor makes any expenditures or incurs any obligations for the payment of money in connection therewith, including but not limited to reasonable attorney's fees in instituting, prosecuting or defending any action or proceeding, such sums paid or obligations incurred, with interest at the Default Interest Rate and costs, shall be paid to the Lessor by the Lessee as Additional Rent.

## ARTICLE XX Notices

Any notice or other communication relating to this Lease shall be deemed to be duly given if in writing and sent by registered or certified mail, postage prepaid, return receipt requested, addressed to the party for whom it is intended at such place as shall have been last designated by such party, either in this Article or in a notice given as herein provided as its address for receiving notices hereunder. Until further notice, the Lessor designates David Pyne, 11 Commercial Way, Milford, MA 01757, with a copy to Steven Greenwald, Esquire, Greenwald & Greenwald LLP, 409 Fortune Boulevard, Milford, MA 01757 for such purpose, and the Lessee designates Executive Director, Bay State Relief Inc. 13 Commercial Way, Milford, MA 01757, as its address for such purpose, but the foregoing shall not be deemed to preclude the giving of written notice hereunder in any other manner, in which case the notice shall have been deemed to have been given when actually received by the party for whom designated. Any such notice or communication shall also be deemed properly given when deposited in any post office regularly maintained by the United States Postal Authority.

## ARTICLE XXI Hazardous Materials

Lessee shall not use any portion of the Demised Premises for the use, generation, treatment, storage or disposal of Hazardous Material without the express written prior consent of Lessor and, if required, its Mortgagees, and then only to the extent that the presence of the Hazardous Materials is (i) properly licensed and approved by all appropriate governmental officials and in accordance with all applicable laws and

regulations and (ii) in compliance with any terms and conditions stated in said prior written approvals by the Lessor or its Mortgagees. Lessee shall promptly provide Lessor with copies of all notices received by it, including, without limitation, any notice of violations, notice of responsibility or demand for action from any federal, state or local authority or official in connection with the presence of Hazardous Materials in or about the Demised Premises. In the event of any release of Hazardous Materials by Lessee or its agents, employees or contractors, Lessee shall promptly remedy the problem in accordance with all applicable laws and requirements and shall indemnify and hold the Lessor and its Mortgagees harmless from and against all loss, costs, liability and damage, including attorney's fees and the cost of litigation arising from the presence or release of any Hazardous Materials in or on the Demised Premises, the Common Area, or Common Facilities. The obligations of Lessee under this Article XXI shall survive expiration or termination of this Lease.

**ARTICLE XXII**  
**Cease and Desist Orders**

If either Lessor or Lessee receives a "cease and desist" order or other similar written communication from any state or federal law enforcement agency relating to Lessee's business or use of the property, alleging the illegal production, sale or distribution of marijuana under Massachusetts or United States law, or if Lessee's business is closed, on what is intended by the law enforcement entity responsible for such closure to be a permanent basis, as a result of any federal or state law enforcement action based on an allegation of illegal production, sale or distribution of marijuana under Massachusetts or United States law, at Lessor's option, Lessee shall be deemed to be in default, Lessor shall be entitled to all of the remedies available to Lessor in the event of Lessee's default and the Lease shall be immediately terminated and except as described in Article XIX, Lessee shall have no further liability under the terms of the Lease. Lessor shall not be obligated to go through supplementary process in order to have Lessee and its property removed from the Building.

In such case, Lessee shall have 30 days from the date of written notice from the Lessor, or such lesser amount of time as may be demanded in such a cease and desist or similar communication, to remove all its personal property then situated on the premises, including but not limited to plants, plant growing apparatus or any other fixtures, equipment, seeds or other items involved in the process of planting, growing, harvesting, packaging or selling marijuana. If Lessee has not done so on its own, Lessor may dispose of such items, without having any liability to Lessee. Lessee willingly waives their supplementary process rights in order to allow Lessor the best opportunity to avoid legal or financial problems as a result of Lessee's activities.

**ARTICLE XXIII**  
**Default and Legal Defense Fund**

Within two (2) years after the Rent Commencement Date, Lessee shall deposit \$50,000.00 with Lessor to be forfeited to Lessor pursuant to Article XIX in the event of Lessee's default, to pay for Lessor's legal defense and other expenses incurred by Lessor in the event any potential criminal or civil issues affecting Lessor arise related to Lessee's

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use of the Building and to pay or reimburse Lessor for any loss or expense incurred by Lessor as a result of Lessee's failure to perform any of its obligations under this Lease (the "Default and Legal Defense Fund"). Within three (3) years after the Rent Commencement Date, Lessee shall deposit an additional \$150,000.00 for the same purpose. Within four (4) years after the Rent Commencement Date, Lessee shall deposit an additional \$200,000.00 for the same purpose and within five (5) years after the Rent Commencement Date, Lessee shall deposit an additional \$200,000.00 for the same purpose, creating a total fund of \$600,000.00. The funds shall be delivered to Lessor, with all interest earned on such funds being retained by Lessor. Such interest shall not be a credit against any of Lessee's obligations herein. If requested by Lessor, Lessee shall cooperate with Lessor's legal representative(s) in any such legal defense.

The timing of the payments set forth above are only intended to define the latest date by which such payments must be made. Lessee is free to make any or all of such payments more quickly than required.

The Default and Legal Defense Fund, to the extent not used by Lessor for the reasons described above shall be returned to Lessee without interest after Lessee has vacated the Premises in compliance with all requirements herein.

#### ARTICLE XXIV Security

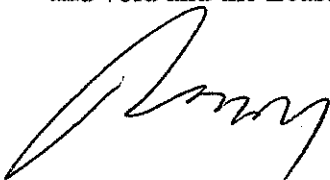
At the time of execution of this Lease, Lessor shall conditionally assign its Certificate of Registration (and any other permits, approvals or other permissive documents as are needed to operate Lessee's business) as security for the performance of its obligations under the Lease. Such assignment shall be in the form attached hereto as Exhibit B. In the event of a default, Lessee shall cooperate in any way needed to effectuate a smooth transfer of the Certificate of Registration (and such other permits, approvals and permissive documents). Upon delivery by Lessee to Lessor of the final installment of the \$600,000 Default and Legal Defense Fund as described in Article XXIII above, the conditional assignment of Lessee's Certificate of Registration shall be returned to Lessee and shall immediately become null, void, and unenforceable.

#### ARTICLE XXV Option

Provided the Lease is still in effect and Lessee is current on all of its obligations to Lessor, upon written notice to Lessor given by Lessee at least fifteen (15) months prior to the end of the Lease Term, Lessee may advise Lessor that it wishes to extend the Lease Term for five (5) years. If within three (3) months of such notice the parties are able to agree, in writing, on the Minimum Rent for the five year extension, the Lease shall be extended for five (5) years upon all of the terms, conditions and covenants and subject to the same restrictions and exceptions as are set forth in the Lease, except for the change in the Minimum Rent and there shall be no further option to extend. If the parties are unable to agree on the Minimum Rent within said three (3) month period, this option shall be null and void and the Lease shall automatically terminate on the Termination Date.



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**ARTICLE XXVI**  
**Miscellaneous Provisions**

Section 1. No consent or waiver, express or implied, by Lessor to or of any breach in the performance by the Lessee, of its agreements hereunder shall be construed as a consent or waiver to or of any other breach in the performance by the Lessee of the same or any other covenant or agreement. No acceptance by the Lessor of any rent or other payment hereunder, even with the knowledge of any such breach, shall be deemed a waiver thereof nor shall any acceptance of rent or other such payment in a lesser amount than is herein required to be paid by the Lessee, regardless of any endorsement on any check or any statement in any letter accompanying the payment of the same, be construed as an accord and satisfaction or in any manner other than as a payment on account by the Lessee, unless otherwise agreed to in writing. No reference in this Lease to any sublessee, licensee or concessionaire, or acceptance by the Lessor of any payment due hereunder from other than the Lessee shall be construed as a consent by the Lessor to any assignment or subletting by the Lessee, or give to the Lessee any right to permit another to occupy any portion of the Demised Premises except as herein expressly provided. No waiver by the Lessor in respect of any one tenant shall constitute a waiver with respect to any other tenant. Failure on the part of the Lessor to complain of any action or non-action on the part of the Lessee or to declare the Lessee in default, no matter how long such failure may continue, shall not be deemed to be waiver by the Lessor of any of its rights hereunder.

Section 2. In no case shall mention of specific instances under a more general provision be construed to limit the generality of said provisions.

Section 3. If the Lessee continues to occupy the Demised Premises after the expiration or earlier termination hereof, it shall have no more rights than a tenant at sufferance, but shall be liable for one and one half (1 ½) times the aggregate rental then payable under this Lease for the period of such occupancy, and shall be liable for any loss or expense incurred by Lessor due to such holding over. Nothing in this section shall be construed to permit such holding over.

Section 4. If any provision of this Lease or the application thereof to any person or circumstance shall be to any extent invalid or unenforceable, the remainder of this Lease and its application to persons or circumstances other than those as to which it is invalid or unenforceable shall not be affected thereby and each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

Section 5. Lessor agrees that upon Lessee's paying the rent and performing and observing the agreements, conditions and other provisions on its part to be performed and observed, Lessee shall and may peaceably and quietly have, hold and enjoy the Demised Premises and the appurtenant rights thereto as set forth in this Lease during the term of this Lease without any manner of hindrance or molestation from Lessor or anyone claiming under Lessor, subject, however, to the rights of holders of present and future Mortgages, and to the terms and provisions of the Lease.

Section 6. The conditions and agreements in this Lease contained to be kept and performed by the parties hereto shall be binding upon and inure to the benefit of said respective parties, their legal representatives, successors and assigns, and the same shall be

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construed as covenants running with the land. Wherever in this Lease reference is made to either of the parties, it shall be held to include and apply to the successors and assigns of such party as if in each case so expressed, unless the context requires otherwise and regardless of the number or gender of such party.

Section 7. This Lease shall constitute the only agreement between the parties relative to the Demised Premises and no oral statements and no prior written matter not specifically incorporated herein shall be of any force or effect. In entering into this Lease, the Lessee relies solely upon the representations and agreements contained herein. This agreement shall not be modified except by a writing executed by both parties.

Section 8. The section and article headings throughout this instrument are for convenience and reference only and the words contained therein shall in no way be held to limit, define or describe the scope or intent of this Lease or in any way affect this Lease.

Section 9. The Lessor shall not be liable for a delay or failure in the commencement, performance or completion of any of its obligations hereunder where such delay or failure is attributable to strikes or other labor conditions, inability or difficulty in obtaining materials or services, wars, delays due to weather, or other cause beyond the reasonable control of the Lessor and in no event shall the Lessor be liable for incidental or consequential damages.

Section 10. If the Lessor shall at any time be an individual, joint venture, tenancy in common, firm or partnership (general or limited), or a trust or trustees of a trust, it is specifically understood and agreed that there shall be no personal liability of the Lessor or any joint venture, tenant, partner, trustee, shareholder, beneficiary or holder of a beneficial interest thereof under any of the provisions hereof or arising out of the use or occupation of the Demised Premises by Lessee. In the event of a breach or default by Lessor of any of its obligations hereunder, Lessee shall look solely to Lessor's casualty and liability insurance for the satisfaction of Lessee's remedies, and it is expressly understood and agreed that Lessor's liability under the terms, covenants, conditions, warranties and obligations of this Lease shall in no event exceed the insurance proceeds which may be available. It is further understood and agreed that the liability of any party who is a Lessor (whether the original Lessor or any successor Lessor) shall be limited to defaults occurring or arising during the period for which such party shall have been a Lessor, and such party shall not be liable for defaults occurring or arising at any time before such party obtained its interest as Lessor or after such party disposed of its interest as Lessor.

Section 11. Lessee warrants and represents that, other than David Consigli (who is to be paid \$52,955.00 only if and when: 1) the parties are able to come to terms on a Lease and 2) Lessee receives its Certificate of Registration), no brokers have either shown or referred Lessee to the Premises, and Lessee will indemnify, defend and save Lessor harmless from all claims for commission or other expenses related to such a claim, including but not limited to attorney fees, made by any other broker who alleges he/she showed or referred Lessee to the Premises. Lessor will be responsible for making the above payment to David Consigli and Lessee shall reimburse Lessor for the full amount (\$52,955.00) on or before November 1, 2015.

Section 12. Employees or agents of Lessor have no authority to make or agree to make a Lease or any other agreement or undertaking in connection herewith. The



submission of this document for examination and negotiation does not constitute an offer to Lease, or a reservation of, or option for, the Demised Premises, and this document shall become effective and binding only upon the execution and delivery hereof by both Lessor and Lessee.

Section 13. On the Rent Commencement Date, Lessee shall prepay the first three (3) months of rent (Minimum Rent, CAM charges and real estate taxes).

Section 14. The Lessee shall at all times maintain a contract, with a company acceptable to Lessor, to provide for the normal and routine maintenance and service of the heating and air conditioning facilities serving the Demised Premises. Such maintenance shall take place no less frequently than once every six months. Lessee shall also have such company make all necessary repairs and replacements to said heating and air conditioning facilities. Promptly upon the completion of any and all such work, Lessee shall provide Lessor with evidence thereof by delivering to Lessor a copy of the paid invoice for such work. Lessee shall also send Lessor a copy of each new maintenance contract (and evidence of payment for such contract) prior to the expiration of the then current contract. All of the above shall be at Lessee's expense.

Section 15. If Lessor makes any expenditures, including but not limited to architectural, engineering or attorney's fees or incurs any obligations for the payment of money in connection with any proposed assignment or subletting (whether the assignment or subletting is approved or not), or for any other matter for which Lessor's approval or permission is sought, or if Lessor incurs any loss or expense performing Lessee's obligations which Lessee fails to timely perform (such as those set forth in Article XXVI, Section 14), which Lessor is hereby permitted to do prior to or after a default, or if Lessor incurs attorneys fees in attempts to enforce Lessee's obligations under this Lease or if Lessor incurs any expenses by virtue of giving Lessee written notice of or taking subsequent action regarding Lessee's failure to observe or perform any of Lessee's covenants, agreements or obligations hereunder, which failure would become a default if not timely cured, such sums paid or costs or obligations incurred, including but not limited to attorney's fees, with interest at the Default Interest Rate, shall be paid to Lessor by Lessee as Additional Rent immediately upon demand therefore.

Section 16. All claims or disputes between Lessee and Lessor arising out of or related to this agreement shall be adjudicated in accordance with the rules of the American Arbitration Association ("AAA") then in effect, except in the case of a conflict between said rules and this agreement, in which case this agreement shall control. There will be one arbitrator, with a background consistent with the nature of the dispute, who will be selected by agreement of the parties from a list provided by AAA. Failing such agreement, AAA will select the arbitrator with the qualifications set forth herein. The parties shall split all costs of arbitration equally, including initiation and administration fees and the fee of the arbitrator. Each party shall pay its own attorney's fees in connection with the dispute. The decision of the arbitrator shall be binding on both parties.

Section 17. If, during the first Lease Year, any payment of Minimum Rent is not received by Lessor within ten (10) days after it is due, Lessee shall present a current statement of Lessee's business line of credit ("Credit Line") to Lessor within said ten (10) day period. If the amount of available credit on the Credit Line is more than three hundred thousand dollars (\$300,000.00), the time period constituting an event of default as

provided in Article XIX(1)(a) herein, shall be reduced from eight (8) months to four (4) months. Lessee represents that one million dollars (\$1,000,000.00) is available through the Credit Line.

**ARTICLE XXVII**

**Exhibits**

Exhibits A and B attached hereto, are incorporated herein by reference.

A - Plan (the Building and the Property)


B - Conditional Assignment of Permits, Licenses and Approvals

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

CORNER BROOK, LLC

  
BY: David Pyne, Manager (LESSOR)

BAY STATE RELIEF INC.

  
BY: Armand Riendeau, President (LESSEE)

  
BY: Andrew Gold, Treasurer (LESSEE)

AC  

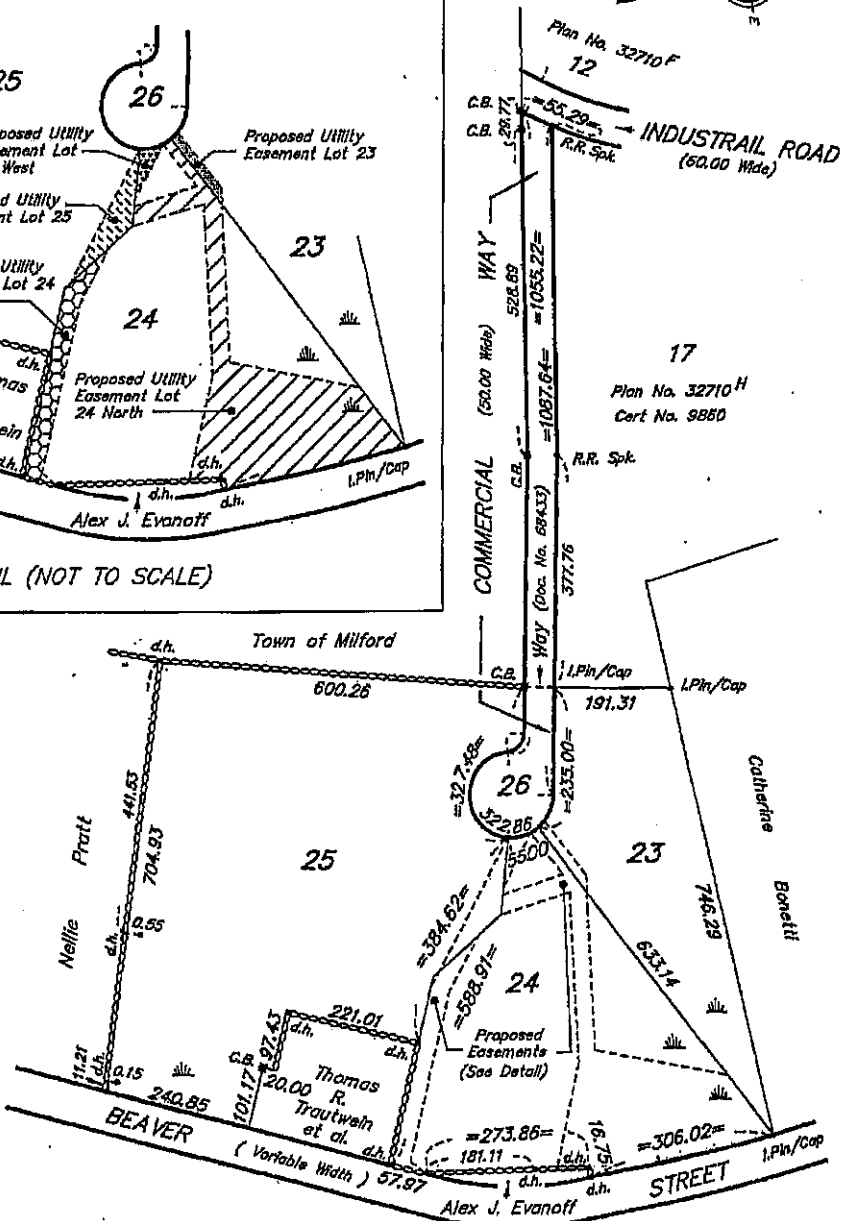
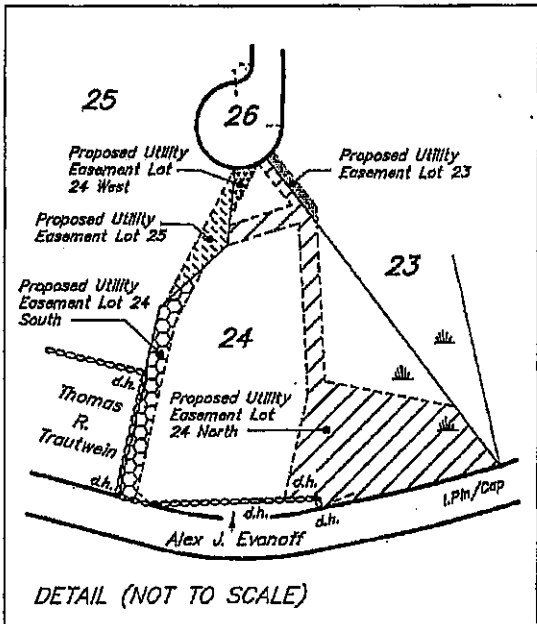
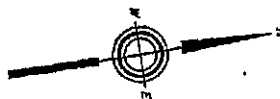

# Exhibit "A"

SUBDIVISION PLAN OF LAND IN MILFORD

Guerriere & Halnon, Inc., Surveyors

November 18, 2003

32710 J



Subdivision of Lots 18, 19, 20, 21 and 22  
 Shown on Plan 32710-I  
 Filed with Cert. of Title No. ....  
 Worcester Registry District of Worcester County

Separate certificates of title may be issued for land  
 shown hereon as Lots 23, 24, 25 and 26  
 By the Court.

*Deborah J. Patterson*  
 Recorder

October 27, 2004

ST-060W

WORCESTER REGISTRY  
 DISTRICT  
 RECEIVED FOR REGISTRATION

NOV 16 2012

3 O'CLOCK P.M.  
 Noted on Certificate No. 24663  
 Registration Book 24

Abutters are shown as  
 on original decree plan.

Copy of part of plan  
 filed in  
**LAND REGISTRATION OFFICE**  
 Sept. 16, 2004  
 Scale of this plan 200 feet to an inch  
 G.T. Copelloni, Engineer for Court

*Handwritten initials*

*Handwritten signature*

**EXHIBIT B**

**CONDITIONAL ASSIGNMENT OF PERMITS, LICENSES AND APPROVALS**

1. Definitions:

The terms used below shall have the meaning there indicated. All other terms are defined in the Lease, dated the date hereof, between Corner Brook, LLC and Bay State Relief Inc. for the property located at 13 Commercial Way, Milford, Worcester County, Massachusetts (the "Lease"), unless otherwise defined in this Assignment.

Date: \_\_\_\_\_, 2013

Assignor: Bay State Relief Inc.

Assignee: Corner Brook, LLC

Permits, Licenses  
and Approvals:

All Permits, Licenses and Approvals (including but not limited to Lessee's Registered Marijuana Dispensary Certificate of Registration) in any way related to the property located at 13 Commercial Way, Milford, Worcester County, Massachusetts.

2. Conditional Assignment.

In consideration of and as an inducement to Assignee entering into the Lease with Assignor, and for other good valuable consideration, the receipt and sufficiency of which Assignor acknowledges, Assignor agrees that upon an Event of Default as defined in the Lease, Assignor shall immediately inform the Massachusetts Department of Public Health ("MDPH") that Assignor intends to assign and transfer to Assignee all of its rights in the Permits, Licenses and Approvals as they now exist or as they may hereafter be issued or amended, and intends to assign all rights Assignor may have against any local, state or federal board, agency or authority with reference to that certain parcel of land with the building thereon known as 13 Commercial Way, Milford, Worcester County, Massachusetts, and shown as Lot 24 on Exhibit A attached hereto and hereby made a part hereof ("Premises"). Assignor shall immediately take any and all steps to initiate any process required by the MDPH to effectuate an assignment and transfer of its Permits, Licenses and Approvals, and Assignee shall fulfill any and all requirements to insure a timely and complete transfer of all Permits, Licenses and Approvals to Assignee. Both Parties represent and warrant that they understand and agree that an assignment of registration to operate a Registered Marijuana Dispensary is dependent upon approval by the MDPH.

3. Obligations Secured.

This Conditional Assignment is made to secure the payment and performance of all of Assignor's obligations pursuant to the Lease (the "Obligations").

4. Termination of Assignment.

This Conditional Assignment shall terminate upon the expiration of the Lease and performance of all of the Obligations or upon receipt by Assignee of the full amount of funds to be used for a security deposit as described in Article XXIV of the Lease.

*AM*

*AG*  
*[Signature]*

5. Representations, Warranties, and Agreements.

Assignor represents, warrants and agrees that:

- a. Permits, Licenses and Approvals are in full force and effect and have not been amended or modified or are in the process of being approved;
- b. There are no defaults under the Permits, Licenses and Approvals by any party thereto;
- c. Assignor has not assigned or pledged the Permits, Licenses and Approvals and will not do so without Lender's prior written consent;
- d. Assignor will not amend or terminate the Permits, Licenses or Approvals;
- e. Assignor will perform all of its obligations under the Permits, Licenses and Approvals in a timely manner; and
- f. Assignor will immediately give Assignee copies of any notices of default which Assignor receives from local, state or federal Boards, Agencies or other authorities.

6. Defaults.

The occurrence of any one or more of the following shall be an "Event of Default":

- a. The occurrence of an Event of Default under the Lease;
- b. Any of the representations or warranties of Assignor in this Agreement are found to have been untrue when made;
- c. Assignor fails to perform any of its obligations under this Assignment.

7. Assignee's Rights on Default.


a. At any time after the occurrence of an Event of Default, Assignee at its option may:

- (1) exercise all rights under the Permits, Licenses and Approvals which Assignor could exercise, such exercise to be unaffected by defaults of Assignor under the Permits, Licenses and Approvals to the extent permitted by law;
- (2) amend, terminate and otherwise deal with the Permits, Licenses and Approvals;
- (3) cure any default of Assignor under the Permits, Licenses and Approvals.

b. Assignee shall have no obligation under the Permits, Licenses and Approvals until, and only so long as, Assignee elects to assume obligations thereunder. Assignee shall have no obligation to continue to exercise any rights under the Permits, Licenses and Approvals.

c. Assignee may exercise its rights in its own name, in the name of another entity or in the name of Assignor as it deems necessary.

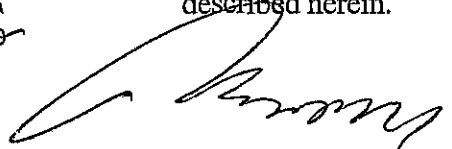
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8. Cooperation.  
Assignor shall fully cooperate with Assignee to the extent needed to effectuate a smooth and efficient transfer of the Permits, Licenses and Approvals.
9. Captions.  
Captions are used for convenience of reference only and not to be construed as part of the terms of this Assignment.
10. Severability.  
The invalidity of any provision of this Assignment shall in no way effect the validity of any other provision.
11. Singular and Plural.  
Where required by the context the singular shall include the plural and the plural shall mean the singular.
12. Gender.  
The masculine, feminine and neuter forms shall be interpreted interchangeably wherever the context requires.
13. Successors and Assigns.  
This Assignment is binding upon and shall inure to the benefit of the parties hereto and their heirs, successors, personal representatives and assigns.
14. Notices.  
All notices given hereunder shall be in writing and shall be deemed received at the earlier of when delivered in hand or seventy-two hours after the same have been deposited in the United States mails, return receipt requested, addressed to the parties at their addresses appearing on the first page hereof, or to such other address or addresses as the parties may from time to time specify by notice so given.
15. Governing Law.  
This Assignment shall be interpreted in accordance with and governed by the law of the Commonwealth of Massachusetts.
16. Changes in Writing.  
This Assignment may not be changed, waived, or terminated except in a writing signed by the party against whom enforcement of the change, waiver, or termination is sought.
17. Costs and Attorney's Fees.  
To the extent permitted by law, if Assignee retains an attorney to enforce any of the provisions hereof, Assignor agrees to pay Assignee, on demand, all costs and expenses in connection therewith including all court costs and reasonable attorney's fees whether or not suit is brought or prosecuted to completion. This provision shall not apply, however, to costs or expenses incurred pursuant to Assignor's cooperative performance of its obligations as described herein.

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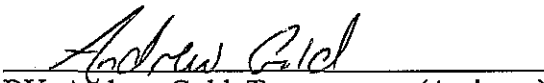


EXECUTED AS A SEALED INSTRUMENT THE DATE AND YEAR FIRST ABOVE WRITTEN.

BAY STATE RELIEF INC.



BY: Armand Riendeau, President (Assignor)

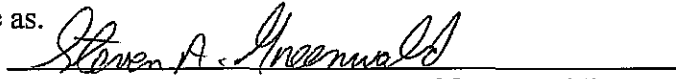


BY: Andrew Gold, Treasurer (Assignor)

COMMONWEALTH OF MASSACHUSETTS

WORCESTER, ss.

On this 15<sup>th</sup> day of November, 2013, before me, the undersigned notary public, personally appeared and proved to me through satisfactory evidence of identification, which was personal knowledge, to be the person whose name is signed above and acknowledged to me that he signed it voluntarily for its stated purpose as.



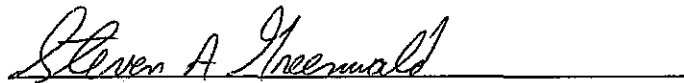
- Notary Public

MY COMMISSION EXPIRES:

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AG



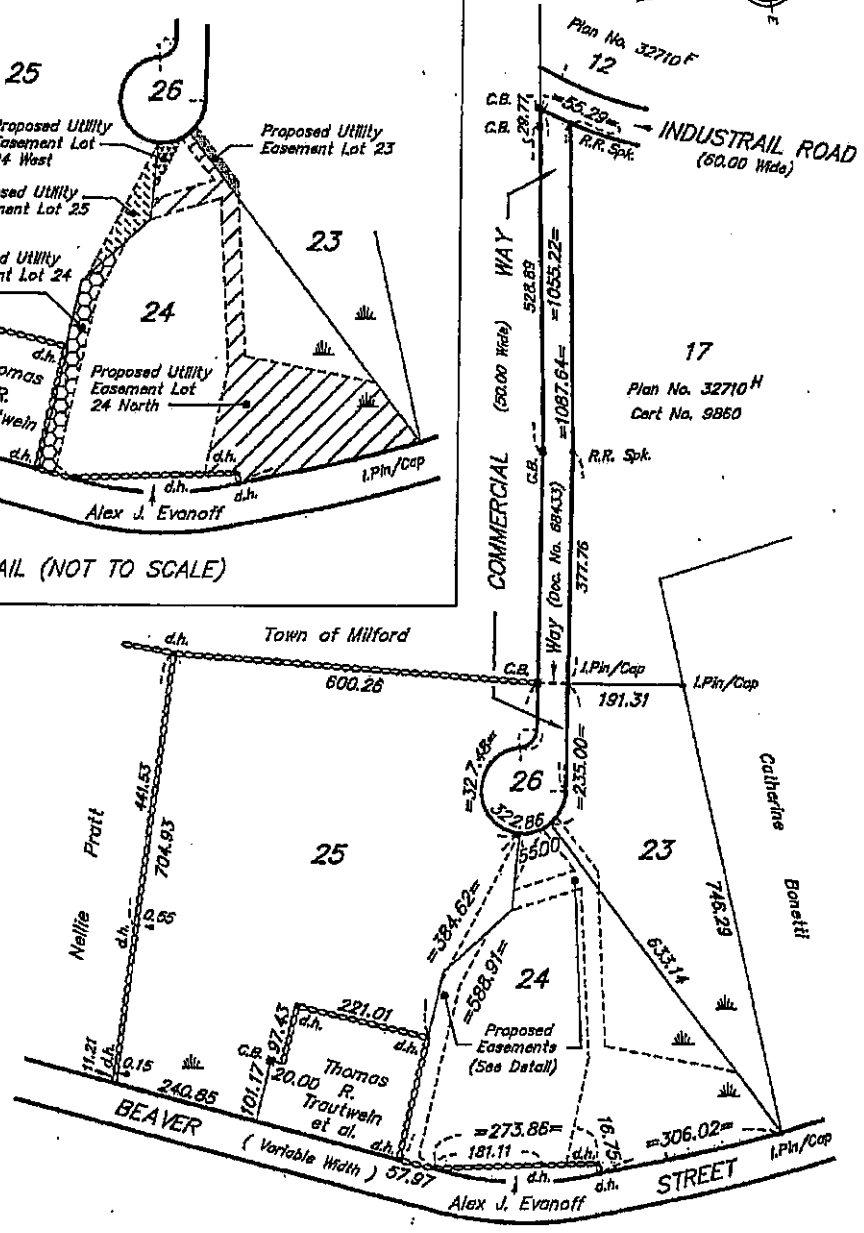
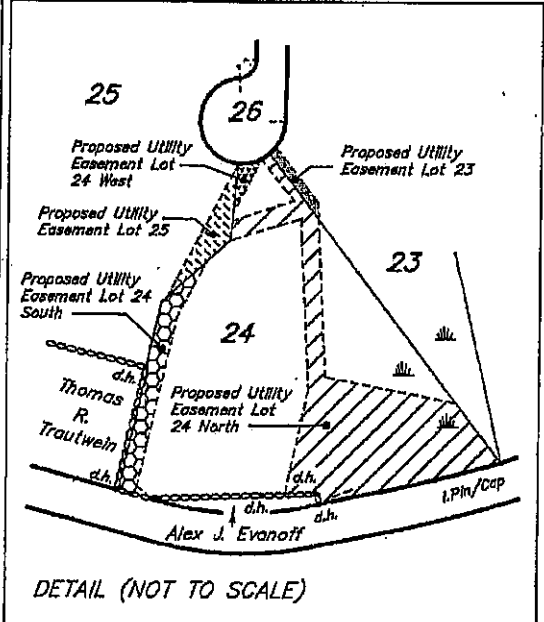
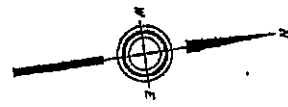
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*Deborah J. Patterson*  
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October 27, 2004  
 ST-060W

WORCESTER REGISTRY  
 DISTRICT  
 RECEIVED FOR REGISTRATION

NOV 16 2004

3 O'CLOCK P.M.  
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 Registration Book 24

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Copy of part of plan  
 filed in

LAND REGISTRATION OFFICE  
 Sept. 16, 2004  
 Scale of this plan 200 feet to an inch  
 G.I. Capelanis, Engineer for Court

*AG*

*AG*