

**COMMERCIAL CANNABIS ACTIVITY LICENCE APPLICATION
FINANCIAL RESPONSIBILITY, INDEMNITY AND CONSENT TO INSPECTION**

TERMS

Dated: _____, 2018

I hereby agree to the following terms:

1. I am herewith depositing the sum of \$8,500 as an initial deposit for the review and processing of a commercial cannabis activity permit.
2. The entire amount deposited is non-refundable for any reason. There is no guarantee - expressed or implied - that by submitting the application or making the deposit identified above that I will obtain any land use entitlements or a permit to operate commercial cannabis activities. I understand that County staff may recommend denial of the application for any reason, that staff may change its recommendation at any time, and that staff's recommendation of approval does not guarantee approval by any board or commission.
3. All costs incurred by the County in processing said application, including staff time and overhead, shall be paid by me. This is my personal obligation and shall not be affected by sale or transfer of the property subject to the application, changes in business organization, or any other reason. As work proceeds on an application, actual County costs, as established by County Ordinance, will be charged against the deposit account. The County will deduct such costs from said deposits at such times and in such amounts as County determines. The County may demand additional deposits be made by me over the course of processing the application such as prior to each submittal, public review, and hearing(s), as applicable to the permit. "Costs incurred by the County" as identified in this paragraph shall include costs for the services of contractors or consultants. The County shall exercise its sole discretion in determining whether it is necessary to engage the services of an outside contractor to assist with application processing, which costs are to be paid by me.
4. If it is determined that the amount on deposit will not be adequate to cover all costs associated with application processing, I shall deposit additional monies or the application will be deemed withdrawn. If at any point in the processing of the application the amount on deposit becomes depleted, County staff will suspend work on the application until sufficient funds are restored. County may make a written demand for additional deposit(s) and I shall deposit with County such additional sums within the time stated in County's demand. If I fail to deposit such additional sums within said period, County staff will cease work on said application. The application will not be finalized for hearing or decision and will be deemed withdrawn and refer any deficit owed to the Treasurer-Tax Collector's Office for collection of the outstanding balance.
5. To the fullest extent permitted by law, I shall defend, indemnify, save and hold harmless the County of Stanislaus and its agents, officers, elected officials and employees for any claims, damages, or injuries brought against the County, its agents, officers, elected officials and

employees arising from the processing of the application and my conduct of commercial cannabis activities. The indemnification shall apply to any damages, costs of suit, attorneys' fees or other expenses awarded against the County, its agents, officers and employees in connection with any such action. In addition, I shall release the County of Stanislaus and its agents, officers, elected officials and employees from any injuries, damages, or liabilities of any kind that result from any arrest or prosecution for violation of state or federal laws. My obligations under this indemnification shall apply regardless of whether a license or any permits or entitlements are issued.

6. The County will promptly notify the Applicants and Owner of any such claim, action, or proceeding that is or may be subject to this Agreement. The County may, within its unlimited discretion, participate in the defense of any such claim, action, or proceeding.
7. In the event that any claim, action, or proceeding as described above is filed against the County, I shall within 30 days of the filing make an additional deposit of \$5,000 to the County to cover the costs or expenses involved in County defense. If during the litigation process, actual costs or expenses incurred reach 80% of the amount on deposit, I shall deposit additional funds sufficient to bring the balance up to the amount of \$5,000.
8. The County shall have the absolute right to approve any and all counsel employed to defend the County. To the extent the County uses any of its resources to respond to such claim, action or proceeding, or to assist the defense, I will reimburse the County for those costs. Such resources include, but are not limited to, staff time, court costs, County Counsel's time, or any other direct or indirect cost associated with responding to, or assisting in defense of, the claim, action or proceedings.
9. I consent and expressly allow, authorize, and permit the County, all its departments, agents, and employees (collectively, "County"), to enter upon and inspect the subject property identified herein, with or without prior notice, for the purposes of inspecting, photographing, and/or processing this application and to inspect for compliance with all laws, regulations, and conditions placed on land use approvals or the permit. No additional permission or consent to enter upon the property is necessary or shall be required. By signing this application I further certify and warrant I am authorized to, and hereby do, consent and allow such inspections on my behalf and on the behalf of each and all Owners of the property and Applicants.
10. I understand that all materials submitted in connection with my application are public record subject to inspection and copying by members of the public. By filing an application, I agree that the public may inspect and copy these materials and the information contained therein, and that some or all of the materials may be posted on the County's website. For any materials that may be subject to copyright protection, or which may be subject to sections 5500.1 and 5536.4 of the California Business and Professions Code, by submitting such materials to the County I represent that I have the authority to grant, and hereby grant, the County permission to make the materials available to the public for inspection and copying, whether in hardcopy or electronic format.

11. This Agreement shall constitute a separate agreement from any permit approval, and that if the permit, in part or in whole, is revoked, invalidated, rendered null or set aside by a court of competent jurisdiction, I agree to be bound by the terms of this Agreement, which shall survive such invalidation, nullification or setting aside.

12. This Agreement shall be construed and enforced in accordance with the laws of the State of California and in any legal action or other proceeding brought by either party to enforce or interpret this Agreement; the appropriate venue is the Stanislaus County Superior Court.

After review and consideration of all of the foregoing terms and conditions, I agree to be bound by and to fully and timely comply with all of the foregoing terms and conditions.

Applicant(s)/Owner(s):

Printed Name

Signature

Printed Name

Signature

Printed Name

Signature

Printed Name

Signature

Printed Name

Signature

Property Owner(s): (if different)

Printed Name

Signature

Printed Name

Signature

Printed Name

Signature