

MEDICAL MARIHUANA FACILITY LICENSE IRREVOCABLE BANK LETTER OF CREDIT

IRREVOCABLE STANDBY LETTER OF CREDIT

Issue Date: _____

Letter of Credit No. _____

Beneficiary:

Charter Township of Waterford
5200 Civic Center Drive
Waterford, MI 48329

We hereby open and establish our Irrevocable Standby Letter of Credit No. _____ in your favor for the account of _____ (Named Applicant) in the amount of Ten thousand and 00/100 U.S. Dollars (\$10,000.00), available by your demand upon presentation of:

1. Your draft(s) drawn on us, payable at sight. Each draft must be marked, "Drawn under _____ (Bank), Irrevocable Standby Letter of Credit No. _____."
2. A statement on your stationery addressed to _____ (Bank) signed by your purportedly authorized representative stating as follows:

"Under the Charter Township of Waterford Medical Marihuana Facility Licensing Ordinance ("Ordinance"), your Letter of Credit was provided as the bond required for an Application for a Facility License by _____ (Named Applicant.) Under Section 10-301(b)(23) of the Ordinance the Beneficiary's Draft for the full amount of your Letter of Credit is immediately payable because the Named Applicant, other Applicant as defined in the Ordinance, or person on behalf of the Named Applicant has filed or commenced a complaint, petition, claim of appeal, or other proceeding with a court or governmental administrative agency, challenging, contesting, or otherwise seeking to invalidate a decision or money damages based on a decision by the Charter Township of Waterford on a Facility License Application by _____ (Named Applicant) under the Ordinance."

3. The original of this Letter of Credit and the original of all amendments hereto.

Each presentation must be made in person or by commercial overnight delivery service, to:

[Location must be in Oakland County, Michigan]

_____ (BANK INFORMATION)

Attention: _____

We warrant that we will honor each draft under this Letter of Credit, up to its remaining amount, upon your complying presentation to us on or prior to the applicable expiration date. Our obligation under this Letter of Credit is our individual obligation, not contingent in any way upon our reimbursement or our ability to perfect any lien or security interest.

This Letter of Credit cannot be amended, modified or revoked without the written consent of Beneficiary and is not transferable.

We acknowledge that the bond under Section 10-301(b)(23) of the Charter Township of Waterford Medical Marihuana Facility Licensing Ordinance that this Letter of Credit is provided to satisfy is required until the earlier of: (1) 21 days after the Township's final decision on the Named Applicants Application for Facility License(s) and the Named Applicant and all other Applicants (as defined in that Ordinance) providing the Township with a signed written agreement that waives any and all rights to apply for leave to appeal from the Township's decision or file any other court or governmental agency complaint, petition, or other proceeding against the Township or its officials, employees, or agents based on the Township's final decision, or (2) the expiration of six (6) years after the date of the Township's final decision. This Letter of Credit is issued on the condition that Beneficiary will provide us with prompt written notice when the bond represented by this Letter of Credit is no longer required.

If an Expiration Date is stated on this Letter of Credit, it is a condition of this Letter of Credit that it shall be deemed automatically extended without amendment or further action other than our written notice to Beneficiary of such an extension for successive periods of at least one year, unless at least thirty (30) days prior to an Expiration Date we mail you our notice by registered or certified mail, or send such notice by overnight courier of national reputation, at your address set forth herein, informing you that the Letter of Credit will not be automatically extended (a "Notice of Non-Renewal"). Upon receipt of any Notice of Non-Renewal you may draw on us up to the amount then available under this Letter of Credit by presenting to us in accordance with the terms hereof on or before the Expiration Date, accompanied by the original of this Letter of Credit (and any amendments thereto), a Sight Draft, and payment demand signed by an authorized representative of the Beneficiary that includes the following written statement: "A bond is still required from _____ (Named Applicant) under the Charter Township of Waterford Medical Marihuana Facility Licensing Ordinance, _____ (Named Applicant) has failed to deliver to the Beneficiary a substitute letter of credit to replace this Letter of Credit, and the Charter Township of Waterford is entitled to draw on this Letter of Credit and is requesting payment."

This Letter of Credit is subject to the substantive laws of Michigan, including, without limitation, Article 5 of the Uniform Commercial Code (the "Code") and, except as provided below, will also be subject to the International Standby Practices as published by the International Chamber of Commerce in ICC Publication No. 590 in 1998 (the "ISP98") and engages us in accordance with the terms thereof. In the event of any conflict between this Letter of Credit and the Code or ISP98, this Letter of Credit will prevail to the extent permitted by applicable law; and in the event of any conflict between ISP98 and the Code, the Code will prevail. This Letter of Credit sets forth in full our undertaking, and such undertaking shall not in any way be modified, amplified or limited by reference to any other document, instrument, or agreement.

_____ (Bank)

By
Its: