

**CITY OF ENCINITAS
COMMERCIAL CANNABIS BUSINESS LICENSE
REGISTRATION/APPLICATION
FINANCIAL RESPONSIBILITY, INDEMNITY AND
CONSENT TO INSPECTION TERMS**

Dated: January 17, 2022

I hereby agree to the following terms:

1. I herewith pay the sum of \$6,527.83 for the Registration fee for the review and processing of Registration forms and supporting documentation for a commercial cannabis business license in the City of Encinitas ("City"). If selected through the lottery process to submit Application materials, I understand that an additional Application fee of \$4,712.38 will also be required.
2. Once paid, both the Registration fee and the Application fees are non-refundable in their entirety for any reason. There is no guarantee - expressed or implied - that by submitting the Registration or paying the Registration fee or submitting an Application and paying the Application fee that I will obtain any land use entitlements or a license to operate a commercial cannabis business.
3. I acknowledge and agree to the defense, waiver, and indemnification obligations stated in the attached "Agreement on Limitations of City's Liability, and Certifications, Assurances Warranties and Indemnification to City", incorporated herein by reference.
4. The City will promptly notify the business and Owner(s) of any claim, action, or proceeding that is or may be subject to this Agreement on Limitations of City's Liability, and Certifications, Assurances Warranties, and Indemnification to City. The City may, within its unlimited and sole discretion, participate in the defense of any such claim, action, or proceeding.
5. I consent and expressly allow, authorize, and permit the City, all its departments, agents, and employees, to enter upon and inspect the subject property identified in my Registration/Application, with or without prior notice, for the purposes of processing this Registration/Application or inspection or photographing for compliance with all laws, regulations, and conditions placed on land use approvals or the cannabis business license. No additional permission or consent to enter upon the property is necessary or shall be required. By signing this agreement, 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 business. The undersigned further agrees to promptly take all actions needed to promptly facilitate access to the property for the aforementioned purposes.
6. I understand that all materials submitted in connection with my Registration/Application are public records subject to inspection and copying by members of the public. By filing a Registration/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 City'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 City I represent that I have the authority to grant, and hereby grant, the City permission to make the materials available to the public for inspection and copying, whether in hardcopy or electronic format.

In the event a request for information under the California Public Records Act seeks disclosure of Registration/Application materials marked by me as "Confidential information," the City will make reasonable efforts to provide notice to me prior to such disclosure to allow me to seek a protective order, injunctive relief, or other appropriate remedy. If I contend any designated Registration/Application materials are exempt from the CPRA and wish to prevent disclosure, I agree that I am required, at my own, cost, liability, and expense to obtain a protective order, injunctive relief or other appropriate remedy from a court having jurisdiction over the matter at least two (2) days before City's deadline to respond to the California Public Records Act request. I understand and acknowledge that if I fail to obtain such a remedy before the deadline for the City's response to the request, the City will disclose the requested information and shall not be liable or responsible for such disclosure.

7. This Agreement shall constitute a separate agreement from any cannabis business license approval, and that if the cannabis business license, 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.
8. 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 Santa Barbara 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, and the attached "Agreement on Limitations of City's Liability, and Certifications, Assurances Warranties and Indemnification to City".

Business 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

Agreement on Limitations of City's Liability, and Certifications, Assurances, Warranties, and Indemnification to City

(Must be completed by all business Owners)

A. WAIVER, RELEASE AND HOLD HARMLESS

I hereby waive, release, and hold harmless the City of Encinitas ("City") and its Council, boards and commissions, officers, officials, employees, and agents from any and all actual and alleged claims, losses, damages, injuries, liabilities, costs (including attorney's fees), suits or other expenses which arise out of, or which are in any way relate to my Registration/Application for a cannabis business license, the issuance of the cannabis business license, the process used by the City in making its decision, the enforcement of the conditions of the cannabis business license, or the cannabis business' operations.

I hereby waive, release and hold harmless the City and its Council, boards and commissions, officers, officials, employees, and agents from any and all actual and alleged claims, losses, damages, injuries, liabilities, costs (including attorney's fees), suits or other expenses which arise out of, or which are in any way relate to: (1) any repeal or amendment of any provision of the Encinitas Municipal Code or Zoning Ordinance relating to commercial cannabis activity; or (2) any investigation, arrest or prosecution of me, or the cannabis business' owners, operators, employees, clients or customers, for a violation of state or federal laws, rules or regulations relating to cannabis activities.

B. AGREEMENT TO INDEMNIFY

I shall defend, indemnify, and hold harmless the City and its Council, boards and commissions, officers, officials, employees, and agents from and against any and all actual and alleged liabilities, demands, claims, losses, damages, injuries, actions or proceedings and costs and expenses incidental thereto (including costs of defense, settlement and attorney's fees), which arise out of, or which are in any way related to i) the requested cannabis business license and any land use entitlement related thereto, ii) the proceedings undertaken in connection with the approval, denial, or appeal of the requested cannabis business license and any land use entitlement related thereto, iii) any subsequent approvals or licensing/permits relating to the requested cannabis business license and any land use entitlement related thereto, iv) the processing of the requested cannabis business license and any land use entitlement related thereto, v) any amendments to the approvals for the requested cannabis business license and any land use entitlement related thereto, vi) the City's approval, consideration, analysis, review, issuance, denial or appeal of the cannabis business license; vii) the City's approval, consideration, analysis, review, issuance, denial or appeal of any land use entitlement related thereto, viii) the City's drafting, adoption and passage of an ordinance, and related resolutions, policies, rules and regulations, allowing for cannabis businesses, ix) the City's drafting, adoption and passage of an ordinance, and related resolutions if necessary in the future regarding any zoning law amendment(s) related to my cannabis business, x) the operation of my cannabis business or activity, xi) the process used by the City in making its decision to approve, consider, analyze, review, issue, or deny, my cannabis business license or any related land use entitlement, or the appeal of either, xii) City's compliance or failure to comply with applicable laws and regulations or xiii) the alleged violation of any federal, state or local laws by my

cannabis business or any of its officers, employees or agents, except where such liability is caused by the sole negligence or willful misconduct of the City.

City may (but is not obligated to) defend such challenge as City, in its sole discretion, determines appropriate, all at applicant's sole cost and expense. I shall bear any and all losses, damages, injuries, liabilities, costs, and expenses (including, without limitation, staff time and in-house attorney's fees on a fully-loaded basis, attorney's fees for outside legal counsel, expert witness fees, court costs, and other litigation expenses) arising out of or related to any challenge ("Costs"), whether incurred by me, City, or awarded to any third party, and shall pay to the City upon demand any Costs incurred by the City.

C. OBLIGATIONS INDEPENDENT OF AWARD OF PERMIT, LICENSE, OR ENTITLEMENTS

My obligations under this Agreement shall apply regardless of whether a cannabis business license or any related permits or entitlements are issued.

D. OBLIGATIONS SURVIVE EXPIRATION OF PERMIT, LICENSE, OR ENTITLEMENTS

My obligations under this Agreement shall survive the expiration of any cannabis business license or related permit or entitlement issued by the City. No modification of the license, other approval, change in applicable laws and regulations, or change in processing methods shall alter the applicant's indemnity obligation.

E. PROSECUTION UNDER FEDERAL LAW

I understand that I, other applicants, owners, operators, employees, and members of the cannabis business may be subject to prosecution under Federal Laws.

F. AUTHORIZED TO SIGN *

The person(s) whose signature appears below is/(are) authorized to sign this Agreement on behalf of the business, applicant/licensee, owners, and operators, and each of them, if more than one, has submitted this information and all attachments as required by the application process to obtain a cannabis license from the City of Encinitas.

I declare under penalty of perjury that the information provided on this form is true and correct and do hereby apply for a license pursuant to City of Encinitas Chapter 9.25, and all other applicable sections of this Ordinance.

Applicant Signature

Printed Name and Title

Name of Business Entity

Address of Permitted Location

Date

Applicant Signature

Printed Name and Title

Name of Business Entity

Address of Permitted Location

Date

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

City of _____

Subscribed and sworn to (or affirmed) before me on this _____ day of _____, 20____, by _____, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

(Seal) Signature _____

**Attach additional pages if necessary.*