

SETTLEMENT AGREEMENT

This “Settlement Agreement” is made by and between Culture Hoboken Inc. (“Culture”), a corporation, on the one hand, and the City of Hoboken, i/p/a Municipal Council of the City of Hoboken (“Hoboken”), a municipal corporation, and the City of Hoboken Cannabis Review Board (“CRB”), a governmental entity, on the other hand, (collectively, the “Parties”) and shall be deemed entered into as of the date of signature of the last party or party representative to sign this Settlement Agreement (the “Effective Date”).

RECITALS

WHEREAS, on or about April 5, 2022, Culture filed an application with the CRB in conjunction with a proposed Class 5 retail use cannabis dispensary (the “Application”) to be located within an existing retail space located at 321 Washington Street, Hoboken, New Jersey, also identified as Block 214, Lot 9 on the official tax maps of the City of Hoboken; and

WHEREAS, on or about April 6, 2022, Hoboken adopted Ordinance Number B-446 (the “Amendment Ordinance”) amending §196-33.1.G of the Hoboken City Code to limit the number of permitted cannabis facilities/locations to six (6) within Hoboken City limits and three (3) facilities/locations in any single Hoboken City Ward; and

WHEREAS, on or about May 16, 2022, the Application was heard by the CRB via a presentation made by Culture and its counsel under Case Number CRB-22-9 and the CRB denied an endorsement of the Application on the record by a vote of two commissioners to one commissioner; and

WHEREAS, on or about July 6, 2022, a Resolution of Denial of Support was prepared by counsel for the CRB under Case Number CRB-22-9 (“Resolution”) and was memorialized; and

WHEREAS, on August 9 and September 13, counsel for Culture appeared before the Hoboken Planning Board for a completeness review of the Application, which was tabled due to pending litigation; and

WHEREAS, on August 22, 2022, Culture commenced an action in lieu of prerogative writs entitled, Culture Hoboken Inc. v. Municipal Council of the City of Hoboken and City of Hoboken Cannabis Review Board, Docket No. HUD-L-2770-22, in the New Jersey Superior Court of Hudson County (the “Action”), to overturn the CRB Resolution and remand the Application to open and operate a retail cannabis dispensary to the CRB; and

WHEREAS, the Planning Board Application was stayed due to the pending Action; and

WHEREAS, the Parties each desire to settle all claims which were or could have been asserted in the Action as between the Parties with respect to the Resolution without incurring further costs of litigation, and without admission as to any of the allegations set forth in the Action; and

WHEREAS, mutual consideration has been given and received by the parties hereto, and except for claims arising out of the breach of this Settlement Agreement, the Parties hereto agree as follows:

AGREEMENT

NOW, THEREFORE, it is hereby stipulated and agreed by and between the undersigned Parties upon the foregoing premises and in consideration of the promises, mutual covenants, and agreements set forth herein, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, as follows:

1. Dismissal. The Parties agree to the Stipulation and Order of Dismissal, in the form attached hereto as **Exhibit A**, which shall be submitted by counsel for Culture to the Court for entry within five (5) days of the Effective Date.

2. Settlement. Within ninety (90) days of the Effective Date, unless Culture consents otherwise, Culture shall appear before the CRB and present the Application, amended as necessary. The CRB shall consider the Application *de novo*, amended as necessary, as if it were submitted and deemed complete April 5, 2022.

3. Release. The Parties hereby release and hold harmless one another from any and all claims which were or could have been asserted in the Action, subject to the terms and conditions set forth in the Stipulation and Order of Dismissal attached hereto as **Exhibit A**. It is expressly understood that the arrangement herein is predicated exclusively upon the special circumstances of this matter and shall not be construed to represent any policy or procedure of Hoboken. This Settlement Agreement does not in any way constitute an admission of liability or wrongdoing by Hoboken, or any of its current or former employees, concerning the allegations raised in the Complaint.

4. Representations and Warranties. The Parties hereto represent and warrant that: (a) they have read and fully understand the terms of this Settlement Agreement and agree to be legally bound by it; (b) they execute this Settlement Agreement will full knowledge of any and all rights which they may have; and (c) they have full and complete authority to make the agreement provided herein and to execute this Settlement Agreement. This Settlement Agreement must be formally approved by the Hoboken City Council as this Settlement Agreement will be deemed null and void without said approval.

5. Consultation with Counsel. The Parties acknowledge that each of them has consulted with, or had the opportunity to consult with, legal counsel of their own selection about this Settlement Agreement and its attachments. The Parties each understand how this Settlement Agreement will affect their legal rights and voluntarily enter into this Settlement Agreement with such knowledge and understanding.

6. Consent to Jurisdiction. This Settlement Agreement will be governed by and construed under the laws of the State of New Jersey. The Parties hereby consent and waive all objections to the non-exclusive personal jurisdiction of, and venue in, New Jersey state court for

the purposes of all cases and controversies involving this Settlement Agreement and its enforcement.

7. Entire Agreement. This Settlement Agreement constitutes the entire understanding and agreement between the Parties respecting the settlement of the Action. This Settlement Agreement may not be changed or modified, except by a writing signed by the Parties hereto.

8. This Settlement Agreement is for the benefit of the Parties hereto and may not be assigned without the written consent of all Parties.

9. Counterparts. This Settlement Agreement may be executed in multiple counterparts, each of which shall constitute an enforceable original.

10. This Settlement Agreement shall inure to the benefit of the Parties hereto, and their respective heirs, successors, and permitted assigns.

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By: _____

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Dated: _____

Name: _____

Title: _____