

**INDEMNIFICATION AGREEMENT FOR
CANNABIS DELIVERY SERVICE LICENSE**

THIS AGREEMENT is made and entered into on the _____ day of _____, 2018, by _____ (“Applicant”) and the Town of Truckee, a municipal corporation organized under the laws of the State of California (“Town”).

R E C I T A L S

WHEREAS, Section 18.58.075.C.2 of Town’s Development Code requires a person or business wishing to operate a cannabis delivery service within Truckee to obtain a Cannabis Delivery Service License from Town; and

WHEREAS, Town Council Resolution 2018-53 requires an applicant for a Cannabis Delivery Service License to execute an agreement indemnifying the Town of Truckee against liability arising from the issuance of such a license; and

WHEREAS, Applicant has applied to Town for a Cannabis Delivery Service License (“License”);

NOW, THEREFORE, IT IS MUTUALLY AGREED between Town and Applicant as follows:

1. Parties

For the purposes of this Agreement, the term Town shall include the Town of Truckee, the Town of Truckee Planning Commission, Town Council, Town Manager, Town Attorney and/or any Town of Town agencies, departments, commissions, agents, officers, and/or employees. For the purposes of this Agreement, the term Applicant shall include all parties applying for approval on the License issued to Applicant, including but not limited to the owner or owners of the property or properties upon which the cannabis delivery service will be sited and the Applicant’s successor(s)-in-interest, if any.

2. Indemnification and Defense by Applicant

Applicant shall defend (with legal counsel chosen by Town), indemnify, and hold harmless the Town from and against any and all claims, damages, demands, suits and/or proceedings of any kind brought by anyone challenging the validity and/or legality of the License and/or the process followed in issuing the License. Applicant shall further defend, indemnify, and hold harmless the Town from and against any and all claims, damages, demands, suits, and/or proceedings of any kind brought by anyone challenging the validity and/or legality of the Applicant’s cannabis delivery service that is the subject of the License. Applicant shall defend (with legal counsel chosen by Town), indemnify, and hold harmless the Town from and against any and all liability whatsoever that relates in any way to the cannabis delivery service that is the subject of the License, including without limitation any liability arising out of the acts or omissions of Applicant in the operation of such service. Applicant shall pay all costs of defense, including but not limited to, attorneys’ fees and costs, Town staff time, and Town Attorney time.

3. Cooperation in the Event of Initiative or Legal Challenge

In the event an initiative measure is passed which may affect the validity of the License, Applicant and Town shall meet and confer in good faith to mutually determine the proper course of action. In the event Town and Applicant jointly determine to challenge such initiative measure, Applicant shall provide for any challenge to such initiative measure at its sole cost and expense. In the event that a court determination has the effect of preventing, delaying or modifying the issuance or use of the License, Town and Applicant shall meet and confer in good faith to determine if there are alternative means of achieving the mutual goals and objectives of this Agreement, in light of such court action.

4. Release

Applicant acknowledges and waives its rights under California Civil Code Section 1542 which provides as follows:

“A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.” _____
(Applicant’s initials)

5. Notices

Except as may be otherwise required by law, any notice to be given shall be written and shall be either personally delivered, sent by facsimile transmission or sent by first class mail, postage prepaid and addressed as follows:

Town: Town of Truckee
Attention: Town Manager
110183 Truckee Airport Rd
Truckee, CA 96161

Applicant: _____

Notice personally delivered is effective when delivered. Notice sent by first class mail shall be deemed received on the fifth day after the date of mailing. Either party may change the above address by giving written notice pursuant to this paragraph.

6. Issuance of Building Permits

In the event the Applicant submits an application for an early building permit wherein the Town issues the building permit for the purpose of construction or refurbishing a property for the purposes of operating a cannabis delivery service and the building permit is issued prior to the Town’s issuance of the License, Applicant waives any vested rights under the building permit or right to operate a cannabis delivery service from such location until and unless the License is

issued. To the greatest extent permitted by law, Applicant waives any vested rights otherwise obtained.

7. Entire Agreement

This Agreement represents the complete understanding between the parties with respect to matters set forth herein. No amendment to this Agreement shall be binding unless executed in writing and signed by Town and Applicant.

8. Enforcement Action

In the event it becomes necessary for Town to take any action against the Applicant to enforce or interpret the terms of this Agreement, Town shall be entitled to its reasonable attorneys' fees and costs, including all costs of investigation, and all pre-litigation costs.

9. Severability

If any provision of this Agreement is held by an arbitrator or court of competent jurisdiction to be invalid or unenforceable, the remainder of the Agreement shall continue in full force and effect and shall in no way be impaired or invalidated.

10. Governing Law

The rights and obligations of the parties and the interpretation and performance of this Agreement shall be governed by the laws of the State of California and venue shall be in the County of Nevada.

11. No Third Party Beneficiaries; No Duty of Town

Unless specifically set forth, the parties to this Agreement do not intend to provide any other party with any benefit or enforceable legal or equitable right or remedy. Applicant acknowledges and agrees that the cannabis delivery services that is the subject of the License is a private business and Town has no interest in, responsibility for, or duty to anyone such business or the License.

12. Waiver

The failure of either party to insist on strict compliance with any provision of this Agreement shall not be considered a waiver of any right to do so, whether for that breach or any subsequent breach. The acceptance by either party of either performance or payment shall not be considered to be a waiver of any preceding breach of the Agreement by the other party.

13. Authority to Execute Agreement.

The undersigned Applicant (or members or officers thereof) expressly warrant his/her authority to enter into this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed, the day and year first-above written.

TOWN OF TRUCKEE

Approved by:

Approved as to Form:

Jeff Loux
Town Manager

Andrew Morris
Town Attorney

APPLICANT

[If the Applicant is an individual, use the following signature line:]

By: _____ Date: _____

[If the Applicant is a corporation, use the following signature lines:]

Note: Two signatures are required. One from any of the following corporate officers: chairperson of the board, the president or any vice-president; and one from any of the following corporate officers: the secretary, any assistant secretary, the chief financial officer, or any assistant treasurer.

By: _____ Date: _____
Board Chairperson, President or Vice President

By: _____ Date: _____
Secretary, Assistant Secretary, Chief Financial Officer, or Assistant Treasurer

[If the Applicant is an LLC, use the following signature lines:]

Note: Signatures from two managers (of the LLC, not of the cannabis business) are required, unless the applicant furnishes a certified copy of the LLC's articles of organization stating that the LLC is managed by only one manager.

By: _____ Date: _____
Manager's Name

By: _____ Date: _____
Manager's Name