

STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
MEDICAL CANNABIS CULTIVATION CENTER SURETY BOND
Proof of Financial Responsibility

THE UNDERSIGNED, _____,
(Full Legal Name & Trade Name If Used)

of _____,
(Full Address of Business Location)

as **PRINCIPAL** and _____,

of _____,

as **SURETY**, are firmly bound unto the State of Illinois (“State”) in the penal sum of \$2,000,000 for the payment of which we jointly and severally bind ourselves and our heirs, personal representatives, successors and assigns, this ____ day of _____, 20____.

WHEREAS, the above-named Principal has made application to the Illinois Department of Agriculture (“Department”) to be licensed as a medical cannabis cultivation center, pursuant to Illinois Compiled Statutes, Chapter 410, Sections 130/15 and 85 and the regulations promulgated thereunder.

WHEREAS, the Department has notified Principal that it has been selected to receive a medical cannabis cultivation center permit.

WHEREAS, by accepting the permit, the Principal is obligated to construct a cultivation center that is fully operational and commence production of medical cannabis as provided for in the permit application of the Principal within six (6) months after the date of issuance of the permit.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT if the Department determines, after a hearing pursuant to Section 1000.700 of the rules of the Department (8 Ill. Adm. Code 1000.700), that the Principal has failed to timely and successfully construct a cultivation center that is fully operational and commence production of medical cannabis as provided for in the permit application of the Principal within six (6) months after the date of issuance of the permit, then the Surety shall immediately make payment of the above penal sum to the State.

If the Department determines that the Principal has timely and successfully met its obligation to construct a cultivation center that is fully operational and has commenced production of medical cannabis as provided for in the permit application of the Principal within six (6) months after the date of issuance of the permit, then this obligation shall be null and void. Until such time, it shall remain in full force and effect.

IN WITNESS WHEREOF, the said Principal _____
has hereunto set his hand and the said Surety has caused this instrument to be signed by
its _____ and its corporate seal to be hereunto affixed, the day and year
first written.

Witness as to Principal

_____ By: _____

Witness as to Surety

_____ By: _____
_____ (Surety)