

Florida Medical Marijuana Treatment Center (MMTC) Bond

BY THIS BOND, _____, having an address at _____, as PRINCIPAL (“PRINCIPAL”), and _____, having an address at _____, as SURETY (“SURETY”), are firmly bound unto the FLORIDA DEPARTMENT OF HEALTH (“DEPARTMENT”), as OBLIGEE, to pay the DEPARTMENT for damages defined herein to the Maximum Penal Sum of _____ Million Dollars and Zero Cents, for the payment of which we jointly and severally bind ourselves and our heirs, personal representatives, successors and assigns, this _____ day of _____, 20_____.

WHEREAS PRINCIPAL has been issued an MMTC license by the DEPARTMENT pursuant to § 381.986, Florida Statutes, and applicable rules thereunder;

WHEREAS PRINCIPAL is required under § 381.986, Florida Statutes, to post a \$5,000,000.00 bond upon approval as an MMTC;

WHEREAS PRINCIPAL is required under § 381.986, Florida Statutes, to only maintain a \$2,000,000.00 bond if it is serving at least 1,000 qualified patients;

WHEREAS PRINCIPAL’s license as an MMTC from the DEPARTMENT for the cultivation, processing, and dispensing of marijuana for medical use is valid for a period of 2 years (the “Effective Period”);

WHEREAS PRINCIPAL is required to maintain compliance with § 381.986, Florida Statutes, and applicable rules thereunder, for the duration of the Effective Period;

WHEREAS PRINCIPAL’s license as an MMTC is subject to revocation and suspension during the Effective Period for any of the reasons provided in § 381.986, Florida Statutes, and the DEPARTMENT’s rules;

NOW, THEREFORE, THE CONDITION OF THIS BOND is that if the PRINCIPAL maintains its license as an MMTC for the Effective Period without revocation or suspension, and if its license is not renewed, and if the DEPARTMENT does not impose or assess fines, expenses, and costs against the PRINCIPAL, then this BOND shall be NULL AND VOID; otherwise, PRINCIPAL and SURETY will remain liable to the OBLIGEE for the Effective Period for the following covered damages:

- A. All damages resulting from the revocation or suspension of PRINCIPAL's license as an MMTC during the Effective Period, including, without limitation, all costs and expenses (including attorney's fees) incurred by the DEPARTMENT relating in any way to the license revocation or suspension proceedings against the PRINCIPAL and all costs and expenses (including attorney's fees) incurred by the DEPARTMENT relating in any way to the licensure process to secure a replacement MMTC; and
- B. All fines imposed by the DEPARTMENT which the PRINCIPAL fails to pay 30 days after the fine becomes final, and all costs and expenses (including attorney's fees) incurred by the DEPARTMENT resulting from the disciplinary action and the PRINCIPAL's failure to comply with § 381.986, Florida Statutes, and DEPARTMENT rules.

LIABILITY UNDER THE BOND IS GOVERNED BY THE FOLLOWING TERMS AND CONDITIONS:

1. At any time prior to initiation of an action by the DEPARTMENT to revoke or suspend PRINCIPAL's license to operate as an MMTC, this BOND may be cancelled by SURETY on a 90-day written notice to PRINCIPAL and DEPARTMENT, and SURETY shall not be liable to PRINCIPAL nor DEPARTMENT for any alleged costs or damages resulting from the cancellation of the BOND by SURETY, the SURETY's non-renewal of the BOND, and/or the failure or inability of PRINCIPAL to file a replacement bond in the event of cancellation or non-renewal of this BOND, and those are all expressly excluded from covered damages.
2. This BOND may be extended for additional two-year terms at the option of the SURETY, and with payment of additional premium by PRINCIPAL, SURETY shall issue continuation certificates evidencing the same to DEPARTMENT. With each such renewal or extension, the penal sum shall be re-established at the original penal sum amount.
3. This BOND will be governed by and construed in accordance with the laws of the State of Florida, without regard to conflicts of law. Any action to interpret or enforce the terms of this BOND or for breach of this BOND will be litigated exclusively in the state court of appropriate jurisdiction in and for Leon County, Florida. The SURETY and PRINCIPAL submit to the personal jurisdiction of the state courts in and for Leon County, Florida; waive any objection to the convenience of that forum; and agree that the state courts in and for Leon County, Florida, will constitute the exclusive and mandatory venue and jurisdiction.
4. The DEPARTMENT is the only person with legal standing to make a claim on this BOND. This BOND shall not create or be construed to create a contractual relationship of any kind, or otherwise creating rights of any kind, with or in any persons other than the SURETY, PRINCIPAL, and the DEPARTMENT.

5. The SURETY hereby waives notice of and agrees that any changes in applicable Florida law and compliance or noncompliance with any formalities required thereby or the changes made thereto do not affect SURETY's obligation under this BOND.

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.

PRINCIPAL

Company: _____
Print Name: _____
Title: _____

SURETY

Company: _____
Print Name: _____
Title: _____