

Host Community Agreement Certification Form

The applicant and contracting authority for the host community must complete each section of this form before uploading it to the application. Failure to complete a section will result in the application being deemed incomplete. Instructions to the applicant and/or municipality appear in italics. Please note that submission of information that is “misleading, incorrect, false, or fraudulent” is grounds for denial of an application for a license pursuant to 935 CMR 500.400(1).

Applicant

I, THOMAS MOREY, (insert name) certify as an authorized representative of GREENSTAR Herbals (insert name of applicant) that the applicant has executed a host community agreement with TOWN OF MAYNARD (insert name of host community) pursuant to G.L.c. 94G § 3(d) on DECEMBER 18, 2018 (insert date).


Signature of Authorized Representative of Applicant

Host Community

I, Chris DiSilva, (insert name) certify that I am the contracting authority or have been duly authorized by the contracting authority for Town of MAYNARD (insert name of host community) to certify that the applicant and Town of MAYNARD (insert name of host community) has executed a host community agreement pursuant to G.L.c. 94G § 3(d) on December 18, 2018 (insert date).


Signature of Contracting Authority or
Authorized Representative of Host Community

Attest: A True Copy


Town Clerk

**Host Community Agreement
Between
Town of Maynard, Massachusetts
and
GreenStar Herbals, Inc.**

This Host Community Agreement (this “HCA”) is made as of December 18, 2018 (the “**Effective Date**”) by and between the Town of Maynard, a Massachusetts municipal corporation, acting by and through its Town Administrator, (the “**Town**”), and GreenStar Herbals, Inc., a Massachusetts corporation with a principal place of business located at 310 Flagg Hill Road, Boxborough, MA 01719 (“**Greenstar**” or the “**Company**”). The Town and Greenstar are collectively referred to as the “**Parties**” and each as a “**Party**”.

RECITALS

WHEREAS, pursuant to 935 CMR 500.000 et seq. (the “**Adult Use Regulations**”) promulgated by the Massachusetts Cannabis Control Commission (the “**Commission**”), Greenstar intends to submit an application to the Commission for a license or licenses to operate a Marijuana Retailer, as defined by M.G.L. c. 94G, § 1 to be located in Maynard (the “**Greenstar Adult Use Application.**”)”

WHEREAS, the Adult Use Regulations require that Greenstar include in the Greenstar Adult Use Application “[d]ocumentation in the form of a single-page certification signed by the contracting authorities for the municipality and applicant evidencing that the applicant for licensure and host municipality in which the address of the adult-use Marijuana Establishment is located have executed a host-community agreement specific to the adult-use Marijuana Establishment” (a “**Town HCA Certification**”). This HCA is intended to constitute the host-community agreement specific to Greenstar’s proposed adult-use Marijuana Establishment in Maynard, pursuant to 935 CMR 500.101(2)(b)(6).

WHEREAS, this HCA shall also constitute the stipulations of responsibilities between the Town, as host community, and Greenstar, pursuant to M.G.L. c. 94G, § 3(d).

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants set forth in this HCA and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by each Party, the Parties agree as follows:

1. **Community Impact Payments - Greenstar’s Marijuana Establishment.**

(a) **Commitment to Make Community Impact Payments.** Greenstar agrees to pay the community impact payments (the “**CI Payments**”) specified in this Section 1 to the Town pursuant to M.G.L. c. 94G, §3(d) if Greenstar obtains one or more final licenses from the Commission to operate as a Marijuana Retailer (as defined in the Adult Use Regulations) within

the Town of Maynard, Massachusetts (a “**Maynard Adult Use License**”). No CI Payments will be due or payable unless Greenstar obtains a Maynard Adult Use License.

(b) **CI Payment Amount.** The CI Payments, if due and payable pursuant to Section 1(a) above, shall be in the amount of three percent (3%) of the Gross Receipts received by Greenstar from retail sales made by Greenstar at Greenstar retail locations in the Town of Maynard, Massachusetts of Marijuana, Marijuana Accessories and Marijuana Products, as those terms are defined by M.G.L. c. 94G, § 1, under a Maynard Adult Use License (“**Covered Sales**”) during a period of five consecutive 12 month periods commencing with the date of the first Covered Sale at the Greenstar Marijuana Retailer in the Town of Maynard (the “**Greenstar Maynard Marijuana Establishment**”) (such period of five consecutive 12 month periods, the “**CI Period**”). “**Gross Receipts**” means the aggregate retail purchase price paid to Greenstar by retail customers for Covered Sales, but before sales, excise and other taxes and before amounts collected for the CI Payments.

(c) **Schedule of Payments.** Within ninety days of the close of each of the first five calendar years ending after the start of the CI Period, Greenstar shall pay the CI Payment to the Town annually for Covered Sales that were made during the portion (which may be all) of such calendar year that is included in the CI Period. For clarity and by way of example only, if the CI Period starts on November 1, 2018, the first CI Payment is due March 31, 2019 for Covered Sales made from November 1, 2018 through December 31, 2018, the second CI Payment is due March 31, 2020 for Covered Sales made from January 1, 2019 through December 31, 2019 and the fifth and final CI Payment is due January 31, 2024 for Covered Sales made from January 1, 2023 through October 31, 2023. After payment of the fifth payment, the parties shall meet and negotiate in good faith further payments to the extent allowable by law.

(d) **Greenstar Documentation.** Greenstar shall maintain financial records on its Covered Sales made during the CI Period and, upon written request, Greenstar shall make such documentation available for review by the Town on a confidential basis at the end of each fiscal quarter.

(e) **CI Payments Relative to Town Costs.** Pursuant to M.G.L. c. 94G, §3(d), a “community impact fee shall be reasonably related to the costs imposed upon the municipality by the operation of the marijuana establishment...” (“**Town Costs**”). Notwithstanding the foregoing, the Parties acknowledge the difficulty in computing actual Town Costs and agree that three percent (3%) of Gross Receipts is a reasonable approximation of actual Town Costs incurred. The Company acknowledges that the impacts of its operation may be impracticable to ascertain and assess as impacts may result in budgetary increases though not separately identified, and consequently, the Company acknowledges that the payments due under this Agreement are reasonably related to Town Costs and waives any claims to the contrary. The Company acknowledges and agrees that the Town is under no obligation to use the CI Payment in any particular manner.

(f) **No Contest of Local Taxes.** At all times during the CI Period, the real and personal property and automobiles, if any, located in the Town of Maynard, Massachusetts, owned or operated by Greenstar, shall be treated as taxable by the Town in accordance with the

Town's applicable real and personal property and automobile tax laws and regulations. All applicable real estate, personal and excise taxes due to the Town for that property shall be paid either directly by Greenstar or by its landlord for such locations within the Town of Maynard, Massachusetts, and Greenstar for such locations within the Town of Maynard, Massachusetts may not object or otherwise challenge the taxability of such real or personal property and automobiles in accordance with this Section. In the event, Greenstar's landlord objects, Greenstar agrees to remit the full amount of tax. Further, Greenstar will remit payment of the local Marijuana Sales tax for all sales in Maynard in accordance with G.L. c. 64N, § 3.

(g) **Other Payments.** Greenstar anticipates that it will make annual purchases of water, and sewer from all local government agencies. Greenstar will pay any and all fees associated with the local permitting of the Greenstar Maynard Marijuana Establishment.

2. **Term and Termination.**

(a) **Term.** The Term of this Agreement shall be five (5) years from the Effective Date (the "**Term**"), provided however, the provisions for payment under Section 1 herein, shall survive until the fifth payment has been remitted to the Town.

(b) **Termination.** In the event Company ceases all Marijuana Retailer operations in the Town of Maynard for a period in excess of six (6) consecutive months, this Agreement shall terminate on such six month date and thereafter be null and void. In the event Greenstar loses or has its Marijuana Retailer license(s), approvals, and/or permits to operate in the Town of Maynard revoked by the Commission or the Town for a period longer than six (6) consecutive months, this Agreement shall terminate on such six month date and thereafter be null and void. If this Agreement is terminated due to Greenstar's noncompliance with the terms hereof or the obligations contained herein, including compliance with local law or compliance with state law as determined by the Commission or another applicable state authority, the Company shall be required to cease operations as a Marijuana Retailer in the Town of Maynard following the termination of this Agreement, provided however, that prior to termination of this Agreement due to Greenstar's noncompliance with the terms hereof or the obligations contained herein, including compliance with local law or compliance with state law as determined by the Commission or another applicable state authority, Greenstar shall have ninety (90) days to cure the issue that resulted in termination of this Agreement.

(c) **Renewal.** The Parties agree to renegotiate or renew this Agreement prior to the end of the Term. Upon payment of the fifth and final CI Payment due pursuant to paragraph 1 herein, the Parties further agree to renegotiate the terms and payments due under Paragraph 1 to the extent permissible by law.

3. **Community Support - Greenstar's Marijuana Establishment.**

(a) to the extent such practice and its implementation are consistent with federal, state, and local laws and regulations and Greenstar's quality and cost control and security requirements, Greenstar shall use good faith efforts in a legal and non-discriminatory manner to give priority to qualified local businesses and vendors in the provision of goods (other than Marijuana and Marijuana Products) and services for in the construction, maintenance and

operation of Greenstar's business at the Greenstar Maynard Marijuana Establishment;

(b) except for senior management, to the extent such practice and its implementation are consistent with federal, state, and local laws and regulations and Greenstar's quality and cost control and security requirements, Greenstar shall use good faith efforts in a legal and non-discriminatory manner to give priority to hire local qualified residents at the Greenstar Maynard Marijuana Establishment; and

(c) if requested by the Town, Greenstar shall assist the Town with, participate in, or contribute to community educational programs on public health and drug abuse prevention, and prevention programs that address youth marijuana use.

3. **Town Obligations.** The Town agrees: to provide to Greenstar (or directly to the Commission or other applicable governmental authority (the "**Licensing Authority**"), if so requested by the Licensing Authority) all documentation and information required or requested by the Licensing Authority from the Town in connection with the Greenstar Adult Use Application and any licenses requested or issued thereunder and to participate and cooperate (to the extent reasonably requested by Greenstar or the Licensing Authority) in the Licensing Authority's licensing process as it relates to the Greenstar Adult Use Application and such licenses, such documentation, information, participation and cooperation to be provided by the Town on a timely basis and so as not to adversely affect the Commission's evaluation and decision on the Greenstar Adult Use Application. The Town agrees to support the Greenstar Adult Use Application but the Town makes no representation or promise that it will act on any other license or permit request from Greenstar in any particular way other than by the Town's normal and regular course of conduct and in accordance with its codes, rules, and regulations and any statutory guidelines governing them. Without limiting this Section, within two business days after the Effective Date, the Town will execute a Town HCA Certification as prepared by Greenstar according to the applicable requirements of the Commission.

4. **Limits on Marijuana Establishments.** If the Town duly adopts a bylaw in accordance with applicable Massachusetts and Municipal law and regulations and such bylaw imposes limits on the permitted number of Marijuana Establishments (as defined in the Adult Use Regulations) to operate in Maynard, the permitted number of Marijuana Establishments shall be allocated first to Greenstar's proposed or operating Marijuana Establishments but this Section 4 ~~will~~ may be terminated at the election of the Town if the CI Period has not started by the one year anniversary of the Effective Date.

5. **Notices.** All notices or other communications under this HCA shall be in writing and addressed as follows and will be deemed delivered upon actual receipt if actual receipt is on a business day and otherwise on the first business day after such receipt:

Town: Town of Maynard
 195 Main Street
 Maynard, MA 01754
 Attention: Town Administrator

Greenstar: GreenStar Herbals, Inc.
310 Flagg Hill Road
Boxborough, MA 01719
Attention: President

6. **Severability.** If under applicable Massachusetts law any term of this HCA is to any extent illegal, otherwise invalid, or incapable of being enforced, such term will be excluded to the extent of such illegality, invalidity or unenforceability; all other terms of this HCA will remain in full force and effect; and, to the extent permitted and possible, the illegal, invalid or unenforceable term will be deemed replaced by a term that is legal, valid and enforceable and that comes closest to expressing the intention of such illegal, invalid or unenforceable term. If application of the preceding sentence should materially and adversely affect the economic substance of the transactions contemplated by this HCA, the Parties shall negotiate in good faith amendments to this HCA so as to result in neutral economic impact to either Party.

7. **Nonpayment of taxes.** CI Payments are expressly included as “other municipal charges” pursuant to M.G.L. c. 40, § 57. A Town of Maynard licensing authority may deny, revoke or suspend any license or permit, including renewals and transfers, of Greenstar or agent thereof if Greenstar’s name appears on a list furnished to the licensing authority from the Town Collector of individuals delinquent on their taxes and/or water bills. Written notice must be given to Greenstar by the Tax Collector, as required by applicable provision of law, and Greenstar must be given the opportunity for a hearing not earlier than 14 days after said notice.

8. **Security, Reporting and Emergency Contact.**

(a) **Security.** Greenstar shall maintain security at the Greenstar Maynard Marijuana Establishment at least in accordance with the security plan which will be submitted by Greenstar to the Town’s Police Department for approval. Approval of such security plan by the Town’s Police Department is a requirement for the opening of the Greenstar Maynard Marijuana Establishment and such approval shall not be unreasonably withheld, conditioned, or denied. In addition, Greenstar shall at all times comply with all local applicable laws and regulations regarding the operations of the Greenstar Maynard Marijuana Establishment. Such compliance shall include, but will not be limited to this conditions imposed by the Board of Selectmen of the Town as the local licensing authority and by the Planning Board of the Town as part of the Special Permit.

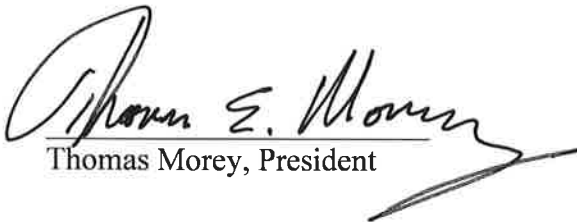
(b) **Reporting.** Greenstar will report any and all incidents to local law enforcement authorities as required pursuant to 935 CMR 500.000 and permit local law enforcement authorities access to the Greenstar Maynard Marijuana Establishment as required pursuant to 935 CMR 500.000.

(c) **Emergency Contact.** Greenstar shall provide to local law enforcement authorities the name, phone number and address for a person responsible for operations who may be contacted after hours; said contact person shall have been registered successfully by the Commission pursuant to 935 CMR 500.030. Said contact information shall be updated as necessary pursuant to 935 CMR 500.105(1)(c).

9. **Miscellaneous.** Amendments to this HCA may be made only by written agreement of the Parties. Waivers of any provision of this HCA may only be given by the Party that is the intended beneficiary of this HCA. This HCA is binding upon the Parties and their respective successors and permitted assigns. Neither Party may assign this HCA without the written consent of the other Party, such consent not to be unreasonably withheld, delayed or conditioned. There are no intended third party beneficiaries of this HCA and only the Parties hereto have the right to enforce this HCA. The headings in this HCA are for reference only and shall not affect the interpretation of this HCA. This HCA will be governed by, construed and enforced in accordance with the laws of the Commonwealth of Massachusetts, other than choice of law principles, and the Parties submit to the jurisdiction of any of the appropriate courts of the Commonwealth of Massachusetts for the adjudication of disputes arising out of this HCA. This HCA will be construed without regard to any presumption or rule requiring construction or interpretation against the Party drafting an instrument or causing any instrument to be drafted.

The Parties have executed and delivered this HCA as of the Effective Date.

GREENSTAR HERBALS, INC.

By: 
Thomas Morey, President

TOWN OF MAYNARD

By: 
Chris DiSilva, Chair
Board of Selectmen

Attest: A True Copy


Michelle L. Sokolowski
Town Clerk