

Host Community Agreement
Between
Town of Montague, Massachusetts
and
The GreenHouse Cannabis Group, Inc.

This Host Community Agreement ("HCA") is made by and between the Town of Montague, a Massachusetts municipal corporation with an address of One Avenue A, Turners Falls, MA 01376, acting by and through its Board of Selectmen ("Town"), and The GreenHouse Cannabis Group, Inc. a Massachusetts C-corporation with a principal place of business at 26 East Main Street, Millers Falls, MA 01349, ("Operator"). The Town and Operator collectively are referred to as the "Parties."

WHEREAS, the Operator intends to utilize commercial space located at 26 East Main Street, Millers Falls, MA (the "Premises") for the purposes of operating as an adult use marijuana delivery-only establishment pursuant to G. L. c. 94G and the Cannabis Control Commission (the "Commission") Regulations 935 CMR 500.00.

WHEREAS, the Operator intends to submit license applications to the Commission for licenses to operate as an adult use marijuana delivery-only establishment at the Premises.

WHEREAS, the Operator intends to provide certain benefits to the Town in the event that it receives the necessary licenses from the Commission, or such other state licensing or monitoring authority, as the case may be, to operate an adult use marijuana delivery-only administrative office (the "Office").

WHEREAS, the Parties intend by this HCA to satisfy the provisions of G.L. c.94G, §3(d), this HCA shall constitute the stipulations of responsibilities between the Town as host community and Operator pursuant to G. L. c. 94G, § 3 (d)for the Facility.

NOW THEREFORE, in consideration of the mutual promises and covenants set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

I. Community Impacts

The Operator anticipates that the Town will incur additional expenses and impacts upon the Town's road systems, public safety services, educational system, inspectional services and permitting services, as well as unforeseen impacts upon the Town. Accordingly, in order to mitigate the financial impact upon the Town and the use of Town resources, the Operator agrees to the following annual payments (collectively, the "Annual Payments"):

- A. The Operator shall make an annual Community Impact Payment pursuant to G. L. c. 94G, § 3 to the Town in the amount of **three percent (3%) of delivery-only Operator gross revenues from deliveries of marijuana and marijuana products to consumers from participating dispensaries.**

The Annual Payments shall expire at the end of the five (5) year period beginning on the date the Office begins operation in the Town. At the conclusion of each five (5) year period, the Parties shall negotiate new Annual Payments in accordance with G. L. c. 94G, § 3; provided, however, that the Annual Payments shall not be reduced below the amount set forth above.

If the Legislature raises the current three percent (3%) maximum amount of Community Impact Payment that an adult use marijuana delivery-only establishment may pay to a municipality pursuant to G. L. c. 94G, § 3(d), the Operator shall pay a Community Impact Payment based on the adjusted percentage of gross revenue from deliveries conducted by the Operator.

The Annual Payments shall be paid by the Operator not later than thirty (30) days after the close of the operator's fiscal year.

II. Review

It is expressly agreed by the Parties that in the event the Operator executes a Host Community Agreement pursuant to G. L. c. 94G, § 3, with any other municipality that requires the Operator to pay to said municipality a percentage community impact fee greater than the percentage Community Impact Payment provided in Paragraph One of this HCA, the Operator shall pay to the Town the same percentage community impact fee provided to said other municipality.

III. Local Preference

To the extent consistent with State and Municipal law requirements, the Operator shall give hiring preference to residents of the Town who otherwise meet the qualifications for employment with the Office, and will make every effort in a legal and non-discriminatory manner to give priority to local businesses, suppliers, contractors, builders, and vendors in the provision of goods and services called in for the construction, maintenance and continued operation of the Office.

IV. Security

The Operator shall coordinate with the Montague Police Department and the Turners Falls Fire District in the development and implementation of security measures as required pursuant to applicable regulations and otherwise, including but not limited to, periodic meetings to review operational concerns and communication to Montague Police Department of any suspicious activities on the site.

V. Annual Reporting

The Operator shall submit financial records to the Town within thirty (30) days after payment of the Annual Payment with a certification of revenues/gross receipts with respect to each such payment. The Operator shall maintain its books, financial records, and other compilations of data pertaining to the requirements on this Agreement in accordance with standard accounting practices and any applicable regulations or guidelines of the Commission. All records shall be kept for a period of at least seven (7) years. During the term of this Agreement and for three (3) years following termination of this

Agreement, the Town shall have the right to examine, audit, and copy (at its sole cost and expense), those parts of the Operator's books and financial records which relate to the determination of the required Annual Payment and to the Operator's compliance with this Agreement. Such examinations may be made upon not less than thirty (30) days prior written notice from the Town and shall occur only during normal business hours at such place where said books, financial records and accounts shall be conducted in such manner as not to interfere with the Operator's normal business activities.

VI. Other Payments

In addition to any funds specified herein, the Operator will annually donate funds to local community initiatives in the Town in such amounts as it determines from time to time, with a target goal of \$15,000 in donations per year.

VII. Community Support

The Operator agrees to provide no less than 150 man hours annually, to be provided by the Office's management and employees, to participate in community meetings and community service activities, including but not limited to: community educational programs and drug abuse prevention, senior assistance, community clean up or veteran's assistance within the Town of Montague.

VIII. Additional Obligations

Amendments to the terms of this HCA may be made only by written agreement of the Parties. This HCA is binding upon the Parties, their successors, assigns and legal representatives. Neither the Town nor the Operator shall assign or transfer any interest in the Agreement without the written consent of the other.

The Operator agrees to comply with all state and local laws, rules, regulations, and orders applicable to the Premises, such provisions being incorporated herein by reference, and shall be responsible for obtaining all necessary licenses, permits, and approvals required for the performance of renovation or construction of the Premises. This Agreement does not affect, limit, or control the authority of Town boards, commissions, and departments to carry out their respective powers and duties to decide upon and to issue, or deny, applicable permits and other approvals under the statutes and regulations of the Commonwealth, the General and Zoning Bylaws of the Town, or applicable regulations of those boards, commissions, and departments or to enforce said statutes, bylaws, and regulations. The Town, by entering into this Agreement, is not thereby required or obligated to issue such permits and approvals as may be necessary for the Office to operate in the Town, or to refrain from enforcement action against the Operator for violation of the terms of said permits or approvals or said statutes, bylaws, or regulations.

IX. Notice Requirements

Any and all notices, or other communications required or permitted under the HCA, shall be in writing and delivered by hand or mailed postage prepaid, return receipt requested, by registering or certified

mail or by other reputable delivery service, to the Parties at the addresses set forth on Page One or furnished from time to time in writing hereafter by one party to the other party.

Any such notice or correspondence shall be deemed given when so delivered by hand, if so mailed, when deposited with the U.S. Postal Service or, if sent by private overnight or other delivery service, when deposited with such delivery service.

X. Indemnification

The Operator shall indemnify, defend, and hold the Town harmless from and against any and all claims, demands, liabilities, actions, causes of actions, costs and expenses, including attorney's fees, arising out of the Operator's breach of this Agreement or the gross negligence or misconduct of the Operator, or the Operator's agents or employees.

XI. Severability

If any term or condition of this HCA or any application thereof shall to any extent be held invalid, illegal, or unenforceable by a court of competent jurisdiction, the validity, legality, and enforceability of the remaining terms and conditions of this HCA shall not be deemed affected thereby unless one or both Parties would be substantially or materially prejudiced.

XII. Governing Law

This HCA shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Massachusetts and the parties submit to the jurisdiction of any of its appropriate courts for the adjudication of disputes arising out of this Agreement.

IN WITNESS THEREOF, the parties hereto have executed this Agreement on this _____ day of _____, 2020.

TOWN OF MONTAGUE
BOARD OF SELECTMEN

THE GREENHOUSE CANNABIS GROUP, INC.
dba/GreenHouse Mobility Solutions

Signature

Name

Title



Joseph Price
The GreenHouse Cannabis Group, Inc.
dba/GreenHouse Mobility Solutions
133 Clarendon St #170360
Boston, MA 02117

October 5, 2020

The Board of Selectmen
Town of Montague
1 Avenue A
Turner Falls, MA 01376

Ladies and Gentlemen of The Board of Selectmen:

This letter is to inform you of the intent of The GreenHouse Cannabis Group, Inc to apply for & receive a Host Community Agreement & Letter of Support from the Town of Montague to operate a Delivery-Only Marijuana Establishment at 41A East Main Street Miller Falls, MA 01349 beginning November 1, 2020.

Operating under the dba "GreenHouse Mobility Solutions," The GreenHouse Cannabis Group, Inc. will use the commercial space in the Millers Falls' General Business District to develop & administer its proprietary online marketplace. As such, it will not have nor require the possession of cannabis onsite, & through its cashless transaction platform, there will be no possession nor requirement for cash onsite either.

This project is being led by [Joseph Price](#), President & CEO of The GreenHouse Cannabis Group, Inc., a senior startup executive who has over a decade of experience in leading mobility, payment processing, & consumer technology development ([Merchant Warehouse](#), [Spotlight Parking](#), [UBERDoc](#)).

Mr. Price has helped design & bring to market successful web-based reservation platforms that connect valets to drivers, patients to medical specialists, & business owners to payment services. He is currently a participant in the Massachusetts Cannabis Control Commission's second Social Equity cohort, & as such is one of only eleven participants statewide to receive The Commission's pre-certification to operate this license type thus far.

Pursuant to this letter of intent, The GreenHouse Cannabis Group, Inc. will provide 1.) *a synopsis of its upcoming Community Outreach Meeting*, 2.) *a copy of the Site Plan Review and/or Special Permit*, 3.) *a copy of the draft license application*, & 4.) *a draft of a GreenHouse Mobility Solutions/Town Of Montague host community agreement that meets or exceeds previously approved HCAs with the Town of Montague, as allowable by the General Laws of Massachusetts.*

Please note that this letter does not constitute an official offer & all details would have to be negotiated & executed via a formal agreement.

Sincerely,

Joseph Price

President & CEO The GreenHouse Cannabis Group, Inc.

