

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

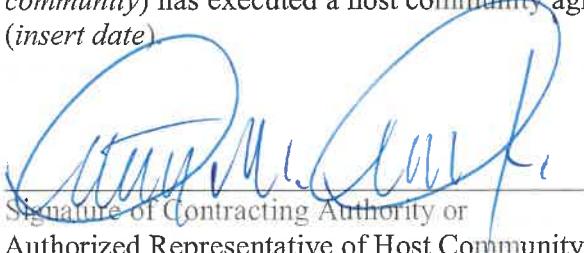
I, Masood Shaikh, (*insert name*) certify as an authorized representative of MRM Industries LLC (*insert name of applicant*) that the applicant has executed a host community agreement with Town of Littleton (*insert name of host community*) pursuant to G.L.c. 94G § 3(d) on July 12, 2022 (*insert date*).



Signature of Authorized Representative of Applicant

Host Community

I, Anthony M. Ansaldi, Jr., (*insert name*) certify that I am the contracting authority or have been duly authorized by the contracting authority for Town of Littleton (*insert name of host community*) to certify that the applicant and Town of Littleton (*insert name of host community*) has executed a host community agreement pursuant to G.L.c. 94G § 3(d) on July 28, 2022 (*insert date*)



Signature of Contracting Authority or
Authorized Representative of Host Community

HOST COMMUNITY AGREEMENT
Between
Town of Littleton, Massachusetts
And
MRM Industries, LLC

This Host Community Agreement (the "Agreement") is entered into this ____ day of July 2022 (the "Effective Date") by and between the Town of Littleton, acting by and through its Select Board, with a principal address of 37 Shattuck Street, Littleton, MA 01460 (the "Town") and MRM Industries LLC, a Massachusetts limited liability company with a principal office address of 160 Ayer Road, Units 1 and 2, Littleton MA 01460 (the "Company"). The Town and the Company are hereinafter collectively referred to hereafter as the "Parties".

WHEREAS, the Company proposes to seek a license from the Cannabis Control Commission (the "CCC") to operate a Marijuana Product Manufacturer within the meaning of 935 CMR 500.002, to operate a manufacturing facility within the building at 160 Ayer Road, Units 1 and 2, Littleton, MA 01460, comprising approximately 6,366 ± square feet (the "Facility") in accordance with and pursuant to applicable state laws and regulations, including, but not limited to 935 CMR 500.00 *et seq.*, and such approvals as may be issued by the Town of Littleton in accordance with its Zoning Bylaw and other applicable local bylaws and regulations; and

WHEREAS, the Parties anticipate that the Town will incur additional expenses and impacts on the Town's road and other infrastructure systems, law enforcement, fire protection services, inspectional services, as well as unforeseen impacts on the Town, due to the operation of the Facility within the Town; and

WHEREAS, the Company will pay a Community Impact Fee to the Town for the reasonably related impacts of its operations in the event that it receives the requisite License from the CCC or such other state licensing or monitoring authority, as the case may be, to operate the Facility and receive all required local permits and approvals from the Town; and

WHEREAS, the Parties intend by this Agreement to satisfy the provisions of M.G.L. c.94G, Section 3(d) applicable to the operation of the Facility in the Town, such activities to be only done in accordance with the applicable state and local laws and regulations in the Town.

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:

1. **Community Impact Fee.** The Company and the Town anticipate that the Town may incur additional expenses and impacts on its road and other infrastructure systems, law enforcement, fire protection services, inspectional services, and permitting and consulting services, as well as unforeseen impacts on the Town. Accordingly, in order to mitigate the financial impact on the

Town and use of Town resources, the Company agrees to pay an Annual Community Impact Fee to the Town, in the amount and under the terms provided herein.

- a. The Community Impact Fee shall be paid for a term of five (5) years that begins on the date that the Company commences sales at the Facility (the "Commencement Date"). The Company shall provide written notice of the Commencement Date to the Town.
- b. The Company shall pay a Community Impact Fee in the amount of one percent (1%) of its gross wholesale value of marketable marijuana or marijuana products produced by the Facility. For purposes of the above, wholesale value shall be determined by arms-length wholesale sales made by the Facility during the year and shall include all marijuana, marijuana infused products, paraphernalia and any other products produced and sold by the Facility. In the event the marijuana or marijuana products produced at the Facility are sold by the Company at a marijuana retail establishment located outside of the Town that is also owned and controlled by the Company, or its affiliates, such that the product is not subject to an arms-length sale, the value of such product for purposes of calculating the quarterly Community Impact Fee shall be based on the wholesale value of the marijuana and marijuana products as determined by arms-length wholesale sales made by the Facility during the preceding quarter, or, if no such sales have taken place, the wholesale value of said product based on available market data.
- c. The Community Impact Fee shall be paid to the Town quarterly. The first payment to be made within ten (10) calendar days after the conclusion of the third month of operation after the Commencement Date, and all subsequent payments shall be made within ten (10) calendar days after the conclusion of each successive three (3) months of operation.
- d. The Town shall use the above referenced payments to offset its costs reasonably related to the operation of the Facility, which shall be deemed to include for purposes of this Agreement: impacts to the road and other infrastructure systems; traffic mitigation measures and/or improvements implemented by the Town; law enforcement activities including, without limitation, calls and responses associated with the Facility, increased inspections of public property deemed by law enforcement to be at increased risk of unauthorized cannabis consumption or intoxication, training in diversionary practices and security precautions, effects of cannabis intoxication, and any other cannabis-related training; fire protection services; inspectional services; cannabis-related public health and addiction services provided by the Town; permitting and expert consulting services; public education relating to cannabis or cannabis consumption, including both in-school and after-school programs and training and seminars for members of the general public; training for Town boards and staff; administrative and legal costs associated with the operation of the Facility in Town, the administration and enforcement of the terms of this Agreement; and any other unforeseen impacts upon or costs incurred by the Town reasonably related to the costs imposed upon the Town by the operation of the Company at 160 Ayer Road, Units 1 and 2.

e. 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. Notwithstanding the foregoing, the Parties hereby acknowledge the difficulty in precisely computing actual Town costs associated with a specific business and agree that impacts may result in municipal budgetary increases that cannot be separately identified or precisely quantified. Consequently, the Company and the Town agree that the Community Impact Fee is reasonably related to Town costs and waives any claim to the contrary.

2. **Additional Costs, Payments and Reimbursements**

- a. **Permit and Connection Fees:** The Company hereby acknowledges and accepts, its obligation to pay all usual and customary Town of Littleton building permit fees and other permit application fees, sewer and water connection fees, and all other local charges and fees generally applicable to other marijuana establishments in the Town of Littleton.
- b. **Facility Consulting Fees and Costs:** The Company shall reimburse the Town of Littleton for any and all reasonable consulting costs and fees related to any land use applications concerning the Facility.
- c. **Other Costs:** The Company shall reimburse the Town of Littleton for the actual costs incurred by the Town of Littleton in connection with holding public meetings and forums devoted principally to discussing the Facility and/or reviewing the Facility, and for any and all reasonable consulting costs and fees related to the monitoring and enforcement of the terms of this Agreement, including, but not limited to independent financial auditors and legal fees.
- d. **Late Payment Penalty:** The Company acknowledges that time is of the essence with respect to their timely payment of all funds required under Section 1 of this Agreement. In the event that any such payments are not fully made with ten (10) calendar days of the date they are due, the Company shall be required to pay the Town of Littleton a late payment penalty equal to five percent (5%) of such required payments.

3. **Reporting for Community Impact Fee:** The Company shall submit financial statements to the Town of Littleton concurrent with the payment of its Community Impact Fee with a statement from the Company that the financial statements provided are a true and accurate report of its sales. The Company shall maintain books, financial records, and other compilations of data pertaining to the requirements of this Agreement in accordance with standard accounting practices and any applicable regulations or guidelines of the CCC. All records shall be kept for a period of at least seven (7) years. Upon request by the Town of Littleton, the Company shall provide the Town with the same access to its financial records (to be treated as confidential, to the extent allowed by law) as it is required by the CCC and Department of Revenue for purposes of obtaining and maintaining a license for the Facility.

During the term of this Agreement and for three (3) years following the termination of this Agreement, the Company shall agree, upon request of the Town to have its financial records examined, copied and audited by an Independent Financial Auditor, the expense of which shall be borne by the Company. The Independent Financial Auditor shall review the Company's financial records for purposes of determining that the payments are in compliance with the terms of this Agreement. Such examination shall be made not less than thirty (30) calendar days following written notice from the Town of Littleton and shall occur only during normal business hours and at such place where said books, financial records and accounts are maintained. The Independent Financial Audit shall include those parts of the Company's books and financial records which relate to the payment, and shall include a certification of itemized gross sales for the previous calendar year, and all other information required to ascertain compliance with the terms of this Agreement. The independent audit of such records shall be conducted in such a manner as not to interfere with the Company's normal business activities.

4. **Local Vendors and Employment:** To the extent such practice and its implementation are consistent with federal, state, and municipal laws and regulations, the Company 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 for in the construction, maintenance and continued operation of the Facility when such contractors and suppliers are properly qualified and price competitive and shall use good faith efforts to hire Town of Littleton residents. This Section 4 shall not require the Company to purchase goods or services from its direct competitors located in the Town of Littleton, or their related entities.
5. **Local Taxes:** At all times during the Term of this Agreement, property, both real and personal, owned or operated by the Company shall be treated as taxable, and all applicable real estate and personal property taxes for that property shall be paid either directly by the Company or its landlord, and neither the Company nor its landlord shall object or otherwise challenge the taxability of such property and shall not seek a nonprofit, agricultural, or other exemption or reduction with respect to such taxes.

Notwithstanding the foregoing, (i) if real or personal property owned, leased or operated by the Company is determined to be non-taxable or partially non-taxable, or (ii) if the value of such property is abated with the effect of reducing or eliminating the tax which would otherwise be paid if assessed at fair cash value as defined in G.L. c. 59, §38, or (iii) if the Company is determined to be entitled or subject to exemption with the effect of reducing or eliminating the tax which would otherwise be due if not so exempted, then the Company shall pay to the Town an amount which when added to the taxes, if any, paid on such property, shall be equal to the taxes which would have been payable on such property at fair cash value and at the otherwise applicable tax rate, if there had been no abatement or exemption; this payment shall be in addition to the payment made by the Company under Section 1 of this Agreement.

6. **Security:** To the extent requested by the Town's Police Department, and subject to the security and architectural review requirements of the CCC, or such other state licensing or monitoring authority, as the case may be, the Company shall work with the Town's Police Department in

reviewing and approving all security plans prior to implementation and commencement of operations.

The Company agrees to cooperate with the Police Department, including but not limited to periodic meetings to review operational concerns, security, delivery schedule and procedures, cooperation in investigations, and communications with the Police Department of any suspicious activities at or in the immediate vicinity of the Facility and with regard to any anti-diversion procedures to ensure that the marijuana and marijuana products sold in the Facility are not being transferred to the illegal market or to minors.

The Company shall implement a comprehensive diversion prevention plan to prevent diversion of marijuana and marijuana products into the illicit market and to minors, such plan to be in place prior to the commencement of operations at the Facility. The Company shall present the diversion plan to the Police Department for its review and feedback and, to the extent required by the Police Department, work collaboratively to implement any suggested changes, amendments or modifications to address local concerns.

The Company shall make the Facility available for annual inspections by the Town's Police Department, Fire Department, Building Department and Board of Health, and their designees, as a condition of continued operation in Town. The Company shall also cooperate with the Town's Police Department, Fire Department and Board of Health in providing access for additional scheduled and unscheduled inspections of the Facility upon request.

The Company shall within twenty four (24) hours report the discovery of the following to the Police Department: diversion of cannabis, unusual discrepancies identified during inventory, theft, loss and any criminal action; unusual discrepancy in weight or inventory or inventory during transportation; any vehicle accidents, diversions, losses, or other reportable incidents that occur during transport; any suspicious act involving the sale, cultivation, distribution, processing or production of cannabis by any person; unauthorized destruction of cannabis; any loss of unauthorized alteration of records related to cannabis or Marijuana Establishment Agents; an alarm activation or other event that requires response by public safety personnel; failure of any security alarm system due to a loss of electrical power or mechanical malfunction that is expected to last longer than eight (8) hours; and any other breach of security.

7. Site Improvement and Operations:

- a. All capital improvements to the property such that the property will match the look and feel of Littleton and be of construction standards at least at the quality of other nearby businesses and construction standards per state and local building code requirements and bylaws.
- b. The Facility will not be expanded in size beyond the space (6,366 square feet), within the building located at 160 Ayer Road, Units 1 and 2 Littleton, MA, shown on Assessor Map R22, Parcel 1-1-3 without the prior approval of the Select Board and an amendment of this Agreement.

- c. The Company will provide parking in an amount and in a layout satisfactory to the Planning Board pursuant to Section 173-200 of the Zoning Bylaw.

Nothing contained in this Section 7 shall prevent the Planning Board from including conditions in a special permit or site plan approval that are more restrictive and/or more protective of the site, the neighborhood and the Town than the terms contained herein.

8. **Community Concerns:** The Company agrees to employ its best efforts to work collaboratively and cooperatively to address comments presented at the Company's Community Outreach Meeting, to work with its neighboring businesses and residents, and to establish written policies and procedures to address mitigation of any unforeseen issues identified by the Town as having arisen through its operation of the Facility, said written policies and procedures, as may be amended from time to time, shall be reviewed and approved by the Town and shall be incorporated herein by reference and made a part of this Agreement, the same as if each were fully set forth herein.
9. **Retention of Regulatory Authority:** By entering into this Agreement, the Town does not waive any enforcement rights or regulatory authority it currently holds over businesses in Town. 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 of the Town, or applicable regulations of those boards, commissions, and departments or to enforce said statutes, 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 Company to operate the Facility in the Town, or to refrain from enforcement action against the Company and/or its Facility for violation of the terms of said permits and approvals or said statutes, and regulations.
10. **Support:** Upon the request of the Company, the Town agrees to execute a certification that the Parties have executed a Host Community Agreement and certification of compliance with applicable local bylaws relating to the Company's application for a CCC Marijuana Product Manufacturer license, to the extent that such compliance has been properly demonstrated. The Town makes no representation in connection with this Agreement that it, or any of its regulatory/permitting boards, commissions, departments or agents will take any particular action on any license or permit application, including, but not limited to, any application for a special permit, building permit, or other local approval. This Agreement does not affect, limit, or control in any way the authority of Town boards, commission, departments or agents to carry out their respective powers and duties to act upon any application for permits, licenses, and approvals within their respective jurisdiction.
11. **Term:** This Agreement shall take effect on the Effective Date, as set forth above, and shall be effective until the expiration of five (5) years from the Commencement Date, or until the permanent cessation of operations, whichever is earlier. At the conclusion of the term of this

Agreement, the Parties shall renegotiate a new Host Community Agreement. Notwithstanding the foregoing, the Town shall retain the right to enforce the terms of this Agreement up to and through the date that it receives the full payment of the Community Impact Fee required pursuant to Section 3 above and any other outstanding payments required to be made pursuant to this Agreement.

In the event that the Company no longer does business in the Town or in any way loses or has its license revoked by the Commonwealth, this Agreement shall become null and void; provided, however, that the Company will be responsible for the prorated portion of all payments provided for in this Agreement up to and including the date that it ceases operation.

12. **Successors and Assigns:** This Agreement is binding upon the Parties hereto, their successors, assigns, and legal representatives (as may be approved as provided for below).

The Company shall not assign, sublet, or otherwise transfer its rights or interest in, nor delegate its obligations under, this Agreement, in whole or in part, without the prior written consent from the Town of Littleton, and shall not assign or obligate any of the monies payable under this Agreement, except by and with the written consent of the Town of Littleton, with said written consents not to be unreasonably withheld or delayed. This Agreement is binding upon the parties hereto, their successors, assigns and legal representatives.

Events deemed an assignment include, without limitation: (i) Company's final and adjudicated bankruptcy whether voluntary or involuntary; (ii) the Company's takeover or merger by or with any other entity; (iii) the Company's outright sale of assets and equity, majority stock sale to another organization or entity for which the Company does not maintain a controlling equity interest; (iv) or any other change in ownership or status of the Company; (v) any assignment for the benefit of creditors; and/or (vi) any other assignment not approved in advance in writing by the Town of Littleton.

13. **Notices:** Except as otherwise provided herein, any notices, consents, demands, requests, approvals or other communications required or permitted under this Agreement shall be in writing and delivered by hand or mailed postage prepaid, return receipt requested, by registered or certified mail or by other reputable delivery service, and will be effective upon receipt for hand or said delivery and three days after mailing, to the other Party at the following address:

If to the Town:

Town Administrator
Town of Littleton
37 Shattuck Street, PO Box 1305
Littleton, MA 01460

If to the Company:

Masood Shaikh, Manager
MRM Industries LLC
160 Ayer Road, Units 1 and 2
Littleton, MA 01460

With a copy to:

Town Counsel:
Thomas J. Harrington
Miyares and Harrington LLP
40 Grove Street, Suite 190
Wellesley, MA 02482

With a copy to:

Counsel for Company:
Blake M. Mensing
The Mensing Group LLC
100 State Street, 9th Floor
Boston, MA 02109

14. **Covenant Not to Sue:** The Company agrees that it will not challenge, in any jurisdiction or venue, the enforceability of any provision included in this Agreement. Notwithstanding the foregoing, in the event that a change in Massachusetts law applicable to host community agreements in effect on the Effective Date, expressly renders any provision contained in this Agreement unenforceable, the Company may seek judicial relief in an appropriate venue to the limited extent needed to make this Agreement comport with such change in law; provided, however, the Company shall first request in writing, an amendment of the offending term from the Town. If, after sixty (60) calendar days or such other time agreed by the Parties, the Town refuses to so amend the Agreement, the Company may seek judicial relief. Nothing herein shall preclude the Town from defending the enforceability of the challenged provisions or appeal an unfavorable decision. If any provision of this Agreement shall to any extent be held invalid or unenforceable, the remainder of this Agreement shall not be deemed affected thereby.
15. **Severability:** If any term or condition of this Agreement 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 Agreement shall not be deemed affected thereby unless the Town would be substantially or materially prejudiced. Further, the Company agrees that it will not challenge, in any jurisdiction, the enforceability of any provision included in this Agreement; and to the extent the validity of this Agreement is challenged by the Company in a court of competent jurisdiction, the Company shall pay for all reasonable fees and costs incurred by the Town in enforcing this Agreement.
16. **Governing Law:** This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Massachusetts and the Company submits to the

jurisdiction of any of its appropriate courts for the adjudication of disputes arising out of this Agreement and the venue for any dispute hereunder shall be Middlesex County.

17. **Entire Agreement:** This Agreement, including all the documents incorporated herein by reference, constitutes the entire integrated agreement between the parties with respect to the matters described. This HCA supersedes all prior agreements, negotiations and representations, either written or oral, and it shall not be modified or amended except by a written document executed by the parties hereto.
18. **Amendments/Waiver:** Amendments, or waivers of any term, condition, covenant, duty or obligation contained in this Agreement may be made only by written amendment executed by all signatories to the original Agreement, prior to the Effective Date of the amendment.
19. **Headlines:** This article, section, and paragraph headings in this Agreement are for convenience of reference only, and shall in no way affect, modify, define or be used in interpreting the text of this Agreement.
20. **Counterparts:** This Agreement may be signed in any number of counterparts all of which taken together, shall constitute one and the same instrument, and any party hereto may execute this Agreement by signing one or more counterparts.
21. **Signatures:** Facsimile signatures affixed to this Agreement shall have the same weight and authority as an original signature.
22. **No Joint Venture:** The Parties agree that nothing contained in this Agreement or any other documents executed in connection herewith is intended or shall be construed to establish the Town of Littleton as joint ventures or partners.
23. **Third Parties:** Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either the Town or the Company.
24. **Contingency:** The obligations of the Company and the Town of Littleton recited herein are specifically contingent upon the Company obtaining a license for operation of the Facility in the Town, and the Company's receipt of any and all necessary local approvals to locate, occupy, and operate the Facility in the Town; provided, however, that if the Company fails to secure any such other license and/or approval as may be required, or any of required municipal approvals, the Company shall reimburse the Town for its legal fees associated with the negotiation of this agreement.

This Agreement shall be null and void in the event that the Company does not locate the Facility in the Town or relocates the Facility out of the Town of Littleton, provided, however,

that if the Company decides not to locate the Facility in the Town of Littleton, the Company shall reimburse the Town of Littleton for its legal fees associated with the negotiation of this Agreement. Further, in the case of any relocation out of the Town of Littleton, the Company agrees that an adjustment of payments due to the Town of Littleton hereunder shall be calculated based upon the period of occupation of the Facility within the Town of Littleton, and in no event shall the Town be responsible for the return of any funds provided to it by the Company.

25. **Confidentiality:** To the extent that information is required to be provided to the Town pursuant to the terms of this Agreement, the Company may provide financial information, investment materials, plans, documents, and other information related to the Company, its affiliates and operations marked clearly as "Confidential". The Town shall use best efforts to keep such information confidential to the extent permitted by law, in the Town's sole discretion.

In witness thereof, the Parties hereto have duly executed this Host Community Agreement on the date set forth above.

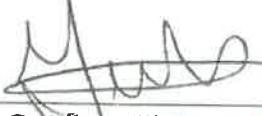
Town of Littleton
Select Board

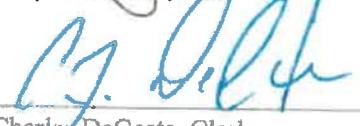
MRM Industries, LLC

Shaikh, Masood

Matthew Nordhaus, Chair

Masood Shaikh, Manager


Gary C. Wilson, Vice Chair


Charles DeCoste, Clerk


Cynthia Napoli


Mark Rambacher

