



Interim Cannabis Processing Agreement
Commencing February 2021
The Six Nations People's Cannabis Coalition

This **Interim Cannabis Processing Agreement** shall serve as a temporary permit issued by the Six Nations People's Cannabis Coalition (SNPCC) and represents a harmonious extension of the previously adopted Six Nations People's Cannabis Coalition Agreement. This "Interim Agreement" advances The People's Will as part of the first steps for establishing a regulated cannabis industry. Business owners who sign this Agreement shall dedicate themselves to the processes of improving the SNPCC policies and collectively working towards making positive changes in our community. All members of the Six Nations People's Cannabis Coalition, which includes signatories to this interim agreement, are dedicated to ensuring youth have no access to cannabis through SNPCC approved business locations.

All products sold shall be thoroughly tested on a random sample basis which may be verified by the SNPCC and comply with any current SNPCC testing guidelines. Testing records shall be kept for at least 12 months from the date of the sale. Business owners agree to allow personnel designated by the SNPCC to perform site inspections and compliance checks at the discretion of the SNPCC. These visits may serve to keep SNPCC members aware of any additions to the agreement, aid businesses with relevant information, and enhance the policies of the SNPCC. This agreement will bind businesses together in the spirit of cooperation; and make all members accountable to one another and to our community.

All businesses will contribute a minimum of 1% of net sales to the coalition's community initiative fund on a monthly basis. We are of the belief that those who have the ability to make our community safer and better have the obligation to do so. The community initiative fund will be used to enhance pre-existing programs running in our territory as well as establishing others that look to make a positive impact for our people. From infrastructure to social programming, strong communities raise strong people. The SNPCC, in consultation with the community, shall determine which initiatives are to be funded so as to benefit the community.

Breaches of this Interim Cannabis Processing Agreement will be subject to penalties according to SNPCC policies or at the discretion of the SNPCC where policies have not yet addressed certain types of breaches. Any penalty fines levied shall be payable to the SNPCC community initiative fund. Repeat offenses may result in the loss of certification or approval of this Interim Cannabis Processing Agreement and any subsequent SNPCC permits - and in severe cases may include the permanent banning of the business and the location.

As an interim agreement, these are the principals we will use to move forward together with the priorities of community safety, product quality, active business cooperation, and giving back to our community. Applicants for the Interim Cannabis Processing Agreement agree that she or he accepts and shall adhere to all elements of this agreement and the previously adopted Six Nations People's Cannabis Agreement of the Six Nations People's Cannabis Coalition.

Business Owner Signature:

Date:

SNPCC Designate Signature:

Date:



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Application

Businesses shall be required to submit information regarding the operations and ownership of their business as determined by the SNPCC as part of this application. Inadequate information or discrepancies may lead to loss of permit and loss of membership with the SNPCC. The "SNPCC" in this agreement refers to The Six Nations People's Cannabis Coalition.

Business Name:

Owner: (Copy of status card must be attached)

General manager:

Location:

Phone:

Email:

Proposed Business Activities and Products to be Processed and Sold:

Security and Safety Outline (What measures are being taken to ensure the community, businesses, and products are safe):

Please list programs and initiatives that you believe should be funded through the community fund:



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Regulations

Within these regulations, the short form "Processing Agreement" refers to this Interim Cannabis Processing Agreement. A business owner approved for the Interim Cannabis Processing Agreement agrees to the following:

1. This Agreement applies to activities related to the processing and sale of cannabis grown on Six Nations for SNPCC approved business owners for the Processing Agreement.
2. Businesses must be owned and operated by a Six Nations member.
 - a) The owner(s) must be 19+ years of age.
 - b) The applicant business must have 70% equity controlling interest by Six Nations members
3. In Harmony with paragraph 13.10 of the previously adopted Six Nations People's Cannabis Coalition Agreement: This Processing Agreement authorizes the processing of harvested cannabis plants. Processing cannabis shall include drying, curing, breaking down cannabis plant constituents, and packaging for selling to the following businesses:
 - I. A Holder of a valid SNPCC Distribution Permit or Agreement,
 - II. A Holder of a valid SNPCC Production Permit or Agreement,
 - III. A Holder of a valid SNPCC Dispensary Permit or Agreement,
 - IV. Or for export to a producer or retailer who holds a valid permit issued by a regulatory authority in the jurisdiction in which the product is being sold or produced.
4. The Processing Permit does Not authorize activities that are only authorized with a Production Permit - which are the production, manufacturing or synthesis of the following types of products:
 - I. Edibles,
 - II. Tinctures and Distillates,
 - III. Oils,
 - IV. Creams, Lotions, Balms and Other (Body Surface) Topicals
 - V. Textiles,
 - VI. Concentrates,
 - VII. THC Based Extracts,
 - VIII. CBD Based Extracts,
 - IX. Other Cannabinoid and Terpene Based Extracts,
 - X. Products Requiring Altering the Cannabis Plant or Bi-Products by Chemical and Physical Manufacturing Processes Beyond the Drying and Curing of Cannabis Plants.
5. Processing Agreements shall be in effect until the SNPCC implements a new updated Cannabis Processing Permit or implements a new overall SNPCC Agreement that includes regulations for Cannabis Processing Permits. At that point in time, business owners operating with this Processing Agreement shall agree to and sign the new SNPCC processing permit documents and/or this Processing Agreement will no longer be valid. Furthermore, it is understood that the SNPCC may make amendments to any authorizing agreements, regulations or permits from time



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to time and the amendments shall constitute additional binding agreements for SNPCC approved cannabis businesses. SNPCC approved business owners shall adhere to such amendments or else all SNPCC agreements they are signatories to will no longer be valid. Any liabilities resulting from the transition to a new SNPCC Processing Permit shall fall solely on the signatories to this Interim Cannabis Processing Agreement.

6. Business owners must submit a separate business plan that includes how the proposed business benefits the Community of Six Nations, benefits the new cannabis industry at Six Nations, and illustrates how their proposed cannabis business meets Six Nations community standards. Processing business plans may be included as sections of the Standard Cultivation business plan or the Micro-Cultivation business plan.
7. Business owners with an approved Processing Agreement must prevent unauthorized access to the processing operations and processing site(s) using walls or fences or other similar physical barriers along the perimeter of the processing site and must have secured entry points. Business owners with an approved Processing Agreement who operate under the Interim Cannabis Standard Cultivation Agreement or Standard Cultivation Permit or a lone Processing Agreement must install security cameras and record all parts of the secure perimeter and site access points daily, 24 hours per day, and maintain such video recordings in a secure location for one year. The video surveillance system's fault tolerance as well as solutions to any possible video surveillance system's failures must be demonstrated as adequate prior to this agreement being authorized. All cannabis products must be stored in a secure location prior to sale.
8. Business owners with an approved Processing Agreement must restrict access to the processing site(s) with the use of keys or key cards or other such devices, to owners, employees performing job duties, and previously designated business personnel impacting the operations of the approved processing business.
9. All employees and individuals entering a Processing Agreement approved processing site or processing facility must be at least 19 years old.
10. The identity of every person who enters the premises or facilities of a business operating with a Processing Agreement must be recorded for entry and exit and the records shall kept in a secure location for one year.
11. All Processing Agreement business owners who also operate under the Interim Cannabis Standard Cultivation Agreement or Standard Cultivation Permit are required to hire or contract a security person or security business prior to the commencement of processing activities in order to respond immediately to any security breaches or security system failures and to ensure sound security business practices are being deployed at all cannabis processing and processing operations. All Processing Agreement business owners are required to submit a security plan within the business plan submitted as part of the application for this agreement. This paragraph reiterates requirements that are also stated in the Standard Cultivation authorizing documents.
12. Security clearances shall be required only at the discretion of the Processing Agreement business owner signatories. Processing Agreement business owners are encouraged to require



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their employees and previously designated business personnel impacting the operations of the approved processing business to submit a police check for their employment or services. Employees with a record of any indictable offense may be employment restricted on a case by case basis by the SNPCC where such employment may jeopardize public confidence in the cannabis industry at Six Nations - as determined by the SNPCC and where such a determination may include a consultation process with community members of Six Nations.

13. It is understood and agreed to that no person shall be approved for a Processing Agreement unless all facilities and processing areas have been inspected and certified by SNPCC designated personnel as being in compliance with the standards set forth in this agreement and any applicable regulations in the previously adopted Six Nations People's Cannabis Coalition Agreement.

14. All Processing Agreement business owners undertaking cannabis processing activities are required to carry out analytical testing to detect microbial contamination, pesticides, heavy metals, THC, and CBD in the cultivated or processed cannabis product.

15. All Processing Agreement business owners who also operate under the Interim Cannabis Standard Cultivation Agreement or the Standard Cultivation Permit and are expecting to process in excess of 600 kg (1,322 lbs.) of dried cannabis plant product per year are required to hire or contract a "safety and quality assurance" person or business prior to the commencement of processing and processing activities in order to ensure sound safety and quality assurance business practices are enabled for cannabis processing and processing. This paragraph reiterates this requirement that is also stated in the Standard Cultivation authorizing documents.

16. No Processing Agreement business shall cultivate or process commercially intended cannabis in a residence dwelling.

17. All Processing Agreement business owners are required to maintain cannabis processing and processing tracking systems and record keeping. Records shall be kept for dated cannabis crop quantities, dated processing cannabis quantities, for the standards and testing provisions as outlined in Parts 19 through 21 of the previously adopted Six Nations People's Cannabis Coalition Agreement, inventory control, and sales transactions.

18. All Processing Agreement business owners are required to adhere to the applicable Part 23 Community Contributions sections of the previously adopted Six Nations People's Cannabis Coalition Agreement. A community contribution minimum of 1% of net sales shall be submitted to the SNPCC each month for the community initiative fund.

19. Applicant business owners for the Interim Cannabis Processing Agreement agree that upon signing the agreement she or he indemnifies the Six Nations People's Cannabis Coalition from and against any liability relating to the business owner's cannabis business, investment, and any instances of theft, fire, or injury, and any and all expenses related to the conduct of the business or the termination of the business. The business owner signatory to this Processing Agreement accepts that any and all liabilities related to any activities delineated in this agreement shall fall



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solely upon the business owner. The business owner hereby declares agreement with this paragraph and to indemnifying the SNPCC by signing this Processing Agreement.

20. No advertising is permitted for a Processing Agreement approved business during the period that this agreement is in effect. Direct solicitation to businesses may be undertaken to business purchasers with authorizations or permits such as those identified in section 3 of these regulations. Businesses authorized under this Processing Agreement form the first tier of a supply chain intended to complement permitted cannabis retail establishments located at Six Nations and other legally permitted establishments in jurisdictions outside of Six Nations.

21. All Processing Agreement businesses approved under this Processing Agreement may sell or transfer ownership of their businesses during the time period that this Processing Agreement is in effect, provided the buyer(s) or new owners agree to the same tenets, assertions and regulations as the original permit holders did. Such agreements will be superseded if a more current SNPCC processing regulatory agreement is adopted, in which case the buyer(s) or business transfer beneficiaries must agree to and sign the most current version of an SNPCC Processing Agreement or Permit. Ultimately, the SNPCC shall determine whether or not to approve new ownership permits.

22. All Processing Agreement businesses approved under this Processing Agreement shall adhere to current COVID-19 health and safety requirements stipulated by the SNPCC.

23. Cannabis business locations operating using this Processing Agreement must not be located within 200 meters of public parks, schools, churches, longhouses, burial grounds, daycares, and community buildings. This provision requires that no processing agreements or permits will be approved for in-Ohsweken locations until such time as the SNPCC deems them appropriate.

24. Please be advised that product price minimums or price controls may be established at some point in the future to anchor pricing for the SNPCC based market - if severe pricing conflicts warrant such regulations - in order to protect business owners from being driven from industry participation as a result of monopolization tactics. Pricing minimums would be adopted only if pricing conflicts rise to a level of being clearly threatening as a trend towards industry monopolization within the membership industry. The adoption of price controls would require a consensus agreement amongst members.

25. A filing fee of \$100 shall accompany this application and agreement and shall be due after an applicant's business premises have been inspected and approved and the business plan has been approved. It is understood that a total filing fee of \$1,000 shall come due at the time the SNPCC implements a new updated Cannabis Processing Agreement or implements a new superseding Six Nations People's Cannabis Coalition Agreement that includes regulations for holders of Cannabis Processing Permits. The interim \$100 filing fee may be applied to a subsequent \$1,000 filing fee, consequently reducing the required balance due to \$900.

26. A community contribution minimum of 1% of net sales shall be submitted to the SNPCC each month for the community initiative fund.



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27. Penalties for non-compliance or breaches of this agreement shall be tiered as follows:

- a. A prescribed fine for offenses forgivable to be determined by the SNPCC (yet to be defined.)
- b. Suspension of this Processing Agreement and an accompanying cultivation agreement until compliance is met and penalties are paid
- c. Banning of the business permanently (e.g.: for illegal drug sales)

I, _____, The Owner of _____, Agree

I, _____, Also an Owner of _____, Agree

To Abide by the Terms and Regulations in this Processing Agreement. I understand that any breaches of this agreement by me (or us) could result in a temporary or permanent suspension of this Agreement by the SNPCC. I/We also understand that it is my and our responsibility to be accountable to the community and act with the highest standards of integrity and safety. I am declaring that all sections of this Interim Cannabis Processing Agreement are acknowledged and agreed to by me.

Business Owner Signature:

Date:

SNPCC Designate Signature:

Date: