

CANNABIS COMPACT
Between
THE WHITE EARTH BAND OF MINNESOTA THE CHIPPEWA TRIBE
And
THE STATE OF MINNESOTA

Article I. Introduction

- A. Authority. This Cannabis Compact between the White Earth Band of the Minnesota Chippewa Tribe and the State of Minnesota (the “Compact”) is entered into pursuant to Minnesota Statutes 2023, sections 3.9224 and 3.9228 (the “Compacting Legislation”). This document will be cited as the “Cannabis Compact Between the White Earth Band of the Minnesota Chippewa Tribe and the State of Minnesota.”
- B. Parties. The Parties to this Compact are the White Earth Band of the Minnesota Chippewa Tribe (“Tribe”) and the State of Minnesota (“State”) (individually, a “Party” and collectively, the “Parties”).

The Tribe has its headquarters on the White Earth Indian Reservation, which is geographically located in the State of Minnesota. The Tribe is a federally recognized Indian tribe possessed of inherent sovereignty, sovereign immunity, and the powers of self-government, including the power to enter into binding agreements with a state government.

The State is a state within the United States, possessed of the full powers of a state government. The Compacting Legislation allows the Governor or the Governor’s designee to enter into a compact with any Minnesota Tribal Government wishing to enter into a compact regulating any issues related to the Cannabis industry, including medical or adult-use Cannabis flower, medical or adult-use Cannabis products, extracts, concentrates, and artificially derived cannabinoids that affect the interest of both the State and a Minnesota Tribal Government or otherwise have an impact on Tribal-State relations.

- C. Purpose of this Compact. Historically, the production, possession, delivery, distribution, sale, and use of marijuana has been illegal across the United States and in Indian Country. The federal Controlled Substances Act (“CSA”), 21 U.S.C. § 801 et seq., generally prohibits or restricts possession or use of marijuana, the definition of which includes Cannabis and many of its derivatives. However, many states, including Minnesota, have legalized Cannabis for medicinal or adult recreational uses.

In response to the growing number of states legalizing Cannabis in some form, United States Deputy Attorney General James M. Cole issued a memorandum on August 29, 2013 (“Cole Memorandum”) directed to all United States Attorneys establishing federal enforcement guidelines and priorities for federal civil enforcement and criminal investigations and prosecution of offenses related to marijuana. The Cole Memorandum stated that, given its

limited investigative and prosecutorial resources, the Department of Justice (“DOJ”) should refrain from enforcing federal marijuana prohibition in states that “legalized marijuana in some form and ... implemented strong and effective regulatory and enforcement systems to control the cultivation, distribution, sale, and possession of marijuana,” except where a lack of federal enforcement would undermine the following enumerated federal priorities:

- (1) Preventing the distribution of marijuana to minors;
- (2) Preventing revenue from the sale of marijuana from going to criminal enterprises, gangs, and cartels;
- (3) Preventing the diversion of marijuana from states where it is legal under state law in some form to other states;
- (4) Preventing state-authorized marijuana activity from being used as a cover or pretext for the trafficking of other illegal drugs or other illegal activity;
- (5) Preventing violence and the use of firearms in the cultivation and distribution of marijuana;
- (6) Preventing drugged driving and the exacerbation of other adverse public health consequences associated with marijuana use;
- (7) Preventing the growing of marijuana on public lands and the attendant public safety and environmental dangers posed by marijuana production on public lands; and
- (8) Preventing marijuana possession or use on federal property.

(collectively, “Federal Enforcement Priorities”). In summary, the Cole Memorandum (i) provides guidance to United States Attorneys on the proper prioritization of federal enforcement of federal marijuana laws, and (ii) enumerates the eight Federal Enforcement Priorities where the DOJ will focus its limited investigative and prosecutorial resources.

On October 28, 2014, Monty Wilkinson, Director of the Executive Office for United States Attorneys, issued a memorandum to all United States Attorneys (“Wilkinson Memorandum”), which extended the guidance provided in the Cole Memorandum to Indian Country. The Wilkinson Memorandum directs United States Attorneys to use “[t]he eight priorities in the Cole Memorandum [to] guide United States Attorneys’ marijuana enforcement efforts in Indian Country, including in the event that sovereign Indian Nations seek to legalize the cultivation or use of marijuana in Indian Country.” The Wilkinson Memorandum, therefore, effectively acknowledges and recognizes tribal sovereignty by treating tribal Cannabis legalization decisions with the same deference given to state determinations on Cannabis legalization.

The Cole and Wilkinson Memoranda were rescinded by United States Attorney General Jefferson Sessions on January 4, 2018; however, there has been little practical change to federal enforcement policy. A review of federal prosecutions involving Cannabis reflect no cases of purely state-compliant Cannabis Activity. As of May 2024, the Department of Justice (“DOJ”) proposed to transfer marijuana from schedule I of the CSA to schedule III of the CSA, consistent with the view of the Department of Health and Human Services (“HHS”) that marijuana has a currently accepted medical use, as well as HHS’s views about abuse potential and level of physical or psychological dependence of marijuana. This proposed rule, which must navigate the formal rulemaking process, indicates a continuance of the spirit embodied by the policy set forth in the Cole Memorandum and the Wilkinson Memorandum.

The Rohrabacher–Farr amendment, otherwise known as the Rohrabacher–Blumenauer amendment, is a provision that has been included in federal budget bills since 2014. The amendment prohibits the DOJ from using funds to interfere with the implementation of state medical Cannabis laws. It serves as a safeguard against federal interference in states’ rights to establish and regulate their own medical Cannabis programs. The amendment was in effect through September of 2024, and has been extended multiple times over the past decade, most recently extended in March 2024, and further establishes the landscape of federal policy to not expend resources to interfere with the implementation of state medical Cannabis laws, such as the medical Cannabis laws enacted in Minnesota.

The Parties acknowledge that this Compact does not insulate the Tribe, a Tribally Licensed Cannabis Business, a Tribal Enterprise, or a State-Licensed Cannabis Business from federal enforcement of the CSA.

- D. Intent. Through State law, the State has partially decriminalized certain activities relating to Cannabis, including the cultivation, production, possession, delivery, transportation, distribution, sale, and use of Cannabis in the State. State law provides a framework for a civil regulatory system that accomplishes Federal Enforcement Priorities relating to Cannabis. The Tribe, as a sovereign nation, has legalized Cannabis-related activities on, about, and within its Tribally Regulated Land. The Tribe has its own civil regulatory system that accomplishes the Federal Enforcement Priorities.

The Parties desire to cooperate and collaborate with regard to Cannabis Activity. The Parties share an interest in ensuring that Cannabis transactions between the State and Tribal jurisdictions are well regulated to protect public health and safety, in alignment with Federal Enforcement Priorities, and consistent with Compacting Legislation. The Parties intend to enter into this Compact to strengthen their abilities to meet these mutual interests and provide a framework for cooperation and collaboration in a mutual effort to comply with the Federal Enforcement Priorities. Furthermore, the Parties intend for this Compact to provide a regulatory framework and allow for the Tribe, Tribally Licensed Cannabis Businesses, and Tribal Enterprises to engage in Cannabis Activity outside the boundaries of its Tribally Regulated Land in accordance with the terms and provisions of this Compact including, but not limited to,

purchasing Cannabis from State-Licensed Cannabis Businesses for the purpose of selling within and outside the boundaries of its Tribally Regulated Land; selling Cannabis grown or produced by a Tribal Enterprise or Tribally Licensed Cannabis Business to a State-Licensed Cannabis Business; and delivering and transporting Cannabis outside of its Tribally Regulated Land. Notwithstanding anything to the contrary herein, delivery and transportation of Cannabis among Minnesota Tribal Governments is outside the scope of this Compact.

The Parties agree that it is in their best interests to enter into this Compact to protect public health and safety, ensure a lawful and well-regulated Cannabis market, encourage the Tribe's economic development, provide fiscal benefits to the Tribe and the State, while recognizing that unregulated Cannabis Activity threatens the Tribe's health, safety, and welfare.

- E. Compact Applicability Limitation. Compacting Legislation provides a unique set of criteria for authorizing the State to enter into this Compact. Nothing set forth herein shall be interpreted or construed to apply to, for, or to establish precedent for, any matter outside of Cannabis Activity specifically authorized pursuant to this Compact. Amendment or repeal of the Compacting Legislation shall not operate to amend or terminate this Compact.
- F. Compact Authorization and Scope. Subject to the terms set forth herein, this Compact authorizes (i) Cannabis Activity conducted by the Tribe and Tribal Enterprises outside of its Tribally Regulated Land, (ii) Cannabis Activity transactions between Tribal Enterprises and State-Licensed Cannabis Businesses or consumers outside of the Tribe's Tribally Regulated Land, (iii) Tribal Enterprises and Tribally Licensed Cannabis Businesses to conduct Cannabis Activity transactions with State-Licensed Cannabis Businesses provided that Tribally Licensed Cannabis Businesses do not operate outside of the Tribe's Tribally Regulated Land. Except as otherwise provided by the express terms of this Compact and any attachments hereto, Cannabis Activity occurring within its Tribally Regulated Land pursuant to the Tribal Code is outside the scope of this Compact.
- G. Citations to Minnesota Statutes. Any definitions which cite to Chapter 342 of the Minnesota Statutes or any other State law are for short-hand and efficiency purposes only and shall not be deemed a waiver of the immunity of the Tribe, or any of its subsidiary entities entitled to share its inherent sovereign immunity.
- H. The State is a party to this Compact and OCM shall from time to time throughout this Compact be referred to separately, and in this Compact when OCM is required to perform or act the State shall cause OCM to do so. Likewise, the Tribe is a party to this Compact and the TRA shall from time to time throughout this Compact be referred to separately, and in this Compact when the TRA is required to perform or act the Tribe shall cause the TRA to do so.

Article II. Definitions and General Provisions

A. Definitions.

1. “AAA” shall have the meaning set forth herein.
2. “AAA Arbitration Rules” shall have the meaning set forth herein.
3. “AAA Mediation Procedures” shall have the meaning set forth herein.
4. “Annual OCM Site Inspection” shall have the meaning set forth herein.
5. “Artificially Derived Cannabinoid” shall have the meaning set forth in Minn. Stat. § 342.01.
6. “Batch” shall have the meaning set forth in Minn. Stat. § 342.01.
7. “Batch Number” shall have the meaning set forth in Minn. Stat. § 342.01.
8. “Business Confidential Information” shall mean any nonpublic information about the Tribe, a Tribal Enterprise, or a Tribally Licensed Cannabis Business including, without limitation, financial information; business plans and strategies; forecasts; sales information; customer information; vendor and supplier information; strategic partner information; joint venture information; procurement information; security and technical information; employee information; consultant information; names and expertise of directors and officers; trade secrets; inventions; discoveries; methodologies; testing procedures; cultivation techniques; horticultural techniques; product manufacturing techniques; product development information; research and development information; product details; product formulations and recipes; standard operating procedures; facility designs and schematics; promotional and marketing information; and other similar business confidential information.
9. “Cannabis” shall mean and include “Cannabis Concentrate,” “Cannabis Flower,” “Cannabis Plant,” “Cannabis Product,” “Edible Cannabis Product,” and “Artificially Derived Cannabinoid.”
10. “Cannabis Activity” shall mean any action or operation related to the commercial cultivation, production, processing, manufacturing, distribution, wholesaling, sale, possession, use, transportation, or delivery of Cannabis.
11. “Cannabis Concentrate” shall have the meaning set forth in Minn. Stat. § 342.01.
12. “Cannabis Flower” shall have the meaning set forth in Minn. Stat. § 342.01.
13. “Cannabis Plant” shall have the meaning set forth in Minn. Stat. § 342.01.
14. “Cannabis Product” shall have the meaning set forth in Minn. Stat. § 342.01.
15. “Cannabis Technical Authority” shall mean the Cannabis Technical Authority issued annually by OCM setting forth the specific testing requirements for Cannabis applicable to all State-Licensed testing facilities and State-Licensed Cannabis Businesses.
16. “Cannabis Seed” shall have the meaning set forth in Minn. Stat. § 342.01.
17. “Compact” shall have the meaning set forth herein.
18. “Cole Memorandum” shall have the meaning set forth herein.
19. “Compact Proceedings” shall have the meaning set forth herein.

20. "Compacting Legislation" shall mean Minn. Stat. §§ 3.9224 and 3.9228.
21. "Credible Suspicion" or "credible suspicion" shall have the meaning set forth herein.
22. "Credible Suspicion-Based Site Inspection" shall have the meaning set forth herein.
23. "CSA" shall have the meaning set forth herein.
24. "Cultivation License" shall mean a license entitling the licensee to: plant and grow Cannabis Plants within the amount of space authorized by this Compact from seed or immature plant to mature plant; harvest, dry, cure, grade, or trim Cannabis Plants and Cannabis Flower from a mature plant; and package and label immature Cannabis Plants and seedlings and/or Cannabis Flower for sale.
25. "Delivery License" shall mean a license entitling the licensee to purchase and deliver Cannabis Flower, Cannabis Products, Lower Potency Hemp Edibles and Hemp-Derived Consumer Products directly to customers, including delivery to private residences.
26. "DOJ" shall have the meaning set forth herein.
27. "Edible Cannabis Product" shall have the meaning set forth in Minn. Stat. § 342.01.
28. "Effective Date" shall have the meaning set forth herein.
29. "Embargo" shall mean the process of an embargo set forth in Article III(H)(3).
30. "Federal Enforcement Priorities" shall have the meaning set forth herein.
31. "Full Panel Test" shall mean the Cannabis testing required for Cannabis as set forth herein at Article III(D)(5).
32. "Hemp Concentrate" shall have the meaning set forth in Minn. Stat. 342.01.
33. "Hemp-Derived Consumer Product" shall have the meaning set forth in Minn. Stat. 342.01.
34. "Hemp Plant" shall have the meaning set forth in Minn. Stat. 342.01.
35. "Hemp Plant Parts" shall have the meaning set forth in Minn. Stat. 342.01.
36. "HHS" shall have the meaning set forth herein.
37. "Indian Country" shall mean the lands of the Minnesota Tribal Governments as defined by 18 U.S.C. § 1151.
38. "Joint Corrective Action Meeting" shall have the meaning set forth herein.
39. "Local Jurisdiction" shall mean a home rule charter or statutory city, county, or town outside of Tribally Regulated Land with regular governing authority over the location of a Tribal Enterprise.
40. "Lower-Potency Hemp Edibles" or "lower-potency hemp edibles" shall have the meaning set forth in Minn. Stat. § 342.01.
41. "Manufacturing License" shall mean a license entitling the licensee to:
 - a. Purchase Cannabis Flower, Cannabis Products, Hemp Plant Parts, Hemp Concentrate, and Artificially Derived Cannabinoids from a Tribal Enterprise, Tribally Licensed Cannabis Business, or from a State-Licensed Cannabis Business authorized or endorsed to (i) cultivate Cannabis, (ii) manufacture Cannabis Products, or Hemp Concentrate (iii) wholesale Cannabis, Cannabis Flower, Cannabis Products, Hemp Plants, Hemp Plant Parts, or (iv) manufacture Artificially Derived Cannabinoids;

- b. Purchase Hemp Plant Parts and propagules from an industrial hemp grower licensed under Chapter 18K of the Minnesota Statutes or under federal law or Tribal law;
 - c. Purchase Hemp Concentrate from an industrial hemp processor licensed under Chapter 18K of the Minnesota Statutes or under federal law or Tribal law;
 - d. Accept two ounces or less of Cannabis Flower from an unlicensed person who is at least 21 years of age on a single occasion, or in such other amounts as allowed by law;
 - e. Make Cannabis Concentrate;
 - f. Make Hemp Concentrate including hemp concentrate with a delta-9 tetrahydrocannabinol concentration of more than 0.3 percent as measured by weight;
 - g. Manufacture Artificially Derived Cannabinoids;
 - h. Manufacture adult-use Cannabis Products, Lower-Potency Hemp Edibles, and Hemp-Derived Consumer Products for public consumption;
 - i. Package and label adult-use Cannabis Products, Lower-Potency Hemp Edibles, and Hemp-Derived Consumer Products; and
 - j. Sell Cannabis Concentrate, Hemp Concentrate, Artificially Derived Cannabinoids, Cannabis Products, Lower Potency Hemp Edibles, and Hemp-Derived Consumer Products to other Cannabis businesses.
42. “Medical Cannabis” shall mean Cannabis produced by a State-Licensed Cannabis Business authorized or endorsed to cultivate or manufacture for sale medical Cannabis Flower, defined in Minn. Stat. § 342.01, or medical cannabinoid products, as set forth in Minn. Stat. § 342.01.
43. “Minnesota Government Data Practices Act” shall mean Chapter 13 of the Minnesota Statutes, as amended.
44. “Minnesota Tribal Government” shall have the meaning set forth in Minn. Stat. §§ 3.9224, Subd. 1(h) and 3.9228, Subd. 1(g).
45. “Notice of Dispute” shall have the meaning set forth herein.
46. “OCM Notice of Compliance” shall have the meaning set forth herein.
47. “OCM Notice of Material Noncompliance” shall have the meaning set forth herein.
48. “OCM Notice of State Licensee Noncompliance” shall have the meaning set forth herein.
49. “OCM Notice of Tribal Licensee Noncompliance” shall have the meaning set forth herein.
50. “OCM Surveillance Testing” shall have the meaning set forth herein.
51. “OCM Site Inspection Notice” shall have the meaning set forth herein.
52. “Office of Cannabis Management” or “OCM” shall mean that agency of the State of Minnesota which is authorized by Chapter 342 of the Minnesota Statutes to oversee the enforcement of the State’s civil regulatory Cannabis program, as the same may be redesignated from time to time by the State.
53. “Party” or “Parties” shall have the meaning set forth herein.

54. “Personal Data” shall mean any information that is linked or reasonably linkable to an identified or identifiable individual or household, including via a device and does not include de-identified data or publicly available information.
55. “Policy-Level Meet and Confer” shall have the meaning set forth herein.
56. “Regulatory Agency Meet and Confer” shall have the meaning set forth herein.
57. “Reservation Business Committee” or “RBC” shall mean the governing body of the Tribe.
58. “Responsive Notice of Dispute” shall have the meaning set forth herein.
59. “Retail License” shall mean a license entitling the licensee to purchase immature Cannabis Plants and seedlings, Cannabis Flower, Cannabis Products, Lower-Potency Hemp Edibles, Hemp-Derived Consumer Products, and other products identified in approved product categories set forth in Attachment A from a Cannabis business and sell the same to customers.
60. “Seed-to-Sale Tracking System” shall mean the monitoring system for integrated Cannabis tracking, inventory, and verification to track all Cannabis Plants, Cannabis Flower, and Cannabis Products from seed, immature plant, or creation until disposal or sale to a patient or customer.
61. “Sensitive Information” shall have the meaning set forth herein.
62. “State” shall mean the State of Minnesota.
63. “State-Licensed Cannabis Business” shall mean any business holding a license or endorsement from OCM to engage in Cannabis Activity.
64. “Testing Facility License” shall mean a state issued license described in Minn. Stat. § 342.37.
65. “Third Arbitrator” shall have the meaning set forth herein.
66. “Transporter License” shall mean a license entitling the license holder to transport to State-Licensed Cannabis Businesses and Tribal Enterprises immature Cannabis Plants and seedlings, Cannabis Flower, Cannabis Products, Medical Cannabis, Hemp Plant Parts, Hemp Concentrate, Lower-Potency Hemp Edibles, Hemp-Derived Consumer Products, and Artificially Derived Cannabinoids.
67. “Tribal Code” shall mean collectively the laws and regulations of the Tribe.
68. “Tribal Enterprise” shall mean a business licensed by the Tribal Regulatory Agency and organized for the purpose of engaging in Cannabis Activity and wholly owned by the Tribe, by a parent company which is wholly owned by the Tribe, or a business organized for the purpose of engaging in Cannabis Activity and owned and controlled by the Tribe with no less than fifty-one percent (51%) interest. References to “tribal enterprise” shall mean a tribal enterprise other than a Tribal Enterprise.
69. “Tribally Licensed Cannabis Business” shall mean a business licensed by the Tribal Regulatory Agency, pursuant to its Tribal Code to engage in Cannabis Activity; provided, however, this definition does not include those businesses which may be licensed under the Tribal Code and meet the definition of a Tribal Enterprise. References to “tribally licensed cannabis business” shall mean a tribally licensed cannabis business other than a Tribally Licensed Cannabis Business.

70. “Tribal Regulatory Agency” or “TRA” shall mean the agency of the Tribe which is authorized by the Tribe’s governing body to oversee the enforcement of the Tribe’s civil regulatory Cannabis program, as the same may be redesignated from time to time by the Tribe in the Tribe’s sole discretion. References to “tribal regulatory agency” shall mean a tribal regulatory agency or its equivalent other than the Tribal Regulatory Agency.
71. “Tribally Regulated Land” shall mean:
- a. All land held in trust by the United States for the benefit of a Minnesota Tribal government (“trust land”);
 - b. All land held by a Minnesota Tribal government in restricted fee status; and
 - c. All land within the exterior boundaries of the reservation of a Minnesota Tribal government that is subject to the civil regulatory jurisdiction of the Tribal government. For the purposes of this section, land that is subject to the civil regulatory jurisdiction of the Tribal government includes:
 - i. Trust land, or fee land held (including leased land) by the Tribe, entities organized under Tribal law, or individual Indians; and
 - ii. Land held (including leased land) by non-Indian entities or individuals who consent to the civil regulation of the Tribal government or are otherwise subject to such regulation under federal law.
72. “Tribe” shall have the meaning set forth herein. References to “tribe” shall mean a Minnesota Tribal Government other than the Tribe.
73. “Tribe’s Update Implementation Period” shall have the meaning set forth herein.
74. “Wholesaler License” shall mean a license entitling the licensee to:
- a. Purchase immature Cannabis Plants and seedlings, Cannabis Flower, Cannabis Products, Lower-Potency Hemp Edibles, and Hemp-Derived Consumer Products from State-Licensed Cannabis Businesses, Tribal Enterprises, Tribally Licensed Cannabis Businesses, and other tribally licensed cannabis businesses or tribal enterprises licensed by a tribe or the tribal regulatory agency of a tribe authorized or endorsed to (i) cultivate Cannabis, (ii) manufacture Cannabis, (iii) manufacture or sell Lower-Potency Hemp Edibles, or (iv) manufacture or sell Hemp-Derived Consumer Products;
 - b. Purchase Hemp Plant Parts and propagules from industrial hemp growers licensed under Chapter 18K of the Minnesota Statutes, federal law, or Tribal law;
 - c. Purchase Hemp Concentrate from an industrial hemp processor licensed under Chapter 18K of the Minnesota Statutes, federal law, or Tribal law;
 - d. Sell immature Cannabis Plants and seedlings, Cannabis Flower, Cannabis Products, and other products as authorized in Attachment A to State-Licensed Cannabis Businesses, Tribal Enterprises, and tribally licensed cannabis businesses or tribal enterprises licensed by a tribe or a tribal regulatory agency of a tribe;

- e. Sell Lower-Potency Hemp Edibles and Hemp-Derived Consumer Products to State-Licensed Cannabis Businesses, Tribal Enterprises, Tribally Licensed Cannabis Businesses, and other tribally licensed Cannabis businesses or tribal enterprises licensed by a tribe or the tribal regulatory agency of a tribe; and
- f. Import Hemp-Derived Consumer Products and Lower-Potency Hemp Edibles that contain Hemp Concentrate or Artificially Derived Cannabinoids derived from Hemp Plants or Hemp Plant Parts.

75. “Wilkinson Memorandum” shall have the meaning set forth herein.

- B. No Submission to State Jurisdiction. Cannabis Activity occurring within Tribally Regulated Land pursuant to the Tribal Code that does not interact with a State-Licensed Cannabis Business is outside the scope of this Compact and by entering into this Compact the Tribe does not submit to the jurisdiction of the State with regard to any such activities or waive its sovereign immunity.
- C. Authorization to State-Licensed Cannabis Businesses. State-Licensed Cannabis Businesses may conduct Cannabis Activity transactions with any entity duly licensed by the Tribal Regulatory Agency consistent with the terms of this Compact. The State and OCM will not cite, fine, or otherwise take adverse licensing action against a State-Licensed Cannabis Businesses for the mere fact that it conducted Cannabis Activity transactions with the Tribe, a Tribal Enterprise, or a Tribally Licensed Cannabis Business. State-Licensed Cannabis Businesses holding Transporter or Delivery Licenses may be licensed by both the Tribal Regulatory Agency and OCM, provided the State-Licensed Cannabis Business does not maintain a permanent facility within Tribally Regulated Land. No other State-Licensed Cannabis Businesses may be licensed by the Tribal Regulatory Agency and OCM. There is no prohibition against State-Licensed Cannabis Businesses having common ownership with businesses licensed by the Tribal Regulatory Agency. Notwithstanding anything to the contrary herein, nothing prevents the Tribe or the Tribal Regulatory Agency from requiring from and issuing to State-Licensed Cannabis Businesses such licenses, endorsements, registrations, or permits as set forth in the Tribal Code for carrying out Cannabis Activity with the Tribe, Tribally Licensed Cannabis Businesses, or Tribal Enterprises, provided such licenses, endorsements, registrations, or permits are for the purpose of authorizing transactions with Tribally Licensed Cannabis Businesses or Tribal Enterprises, and do not provide such State-Licensed Cannabis Businesses with any authorization to conduct cultivation, manufacturing, wholesale, retail, testing, or event activities within Tribally Regulated Lands. OCM shall respond to any inquiry from the Tribal Regulatory Agency within two (2) business days from the date of the inquiry requesting confirmation that a specific person or entity has or has not been licensed by OCM.
- D. Closed Loop. Other than retail sale to consumers, including delivery, this Compact does not authorize Tribally Licensed Cannabis Businesses or Tribal Enterprises to conduct Cannabis Activity with any person or entity not licensed by OCM; however, nothing in the foregoing shall be construed inconsistently with the authorization and scope in Article I(F) herein. This Compact acknowledges, and nothing shall be interpreted to limit, the authority of the Tribe to

authorize and regulate Cannabis Activity on Tribally Regulated Land, or to regulate Cannabis Activity with and between Tribally Licensed Cannabis Businesses, Tribal Enterprises, and licensees of other Minnesota Tribal Governments except as stated in Article II(F).

E. Criminal Jurisdiction. Nothing in this Compact shall be interpreted as limiting the criminal jurisdiction of the State of Minnesota.

F. Medical Cannabis.

1. This Compact primarily addresses Cannabis intended for adult recreational use. This Compact authorizes Tribally Licensed Cannabis Businesses and Tribal Enterprises licensed by the Tribal Regulatory Agency to purchase Medical Cannabis from State-Licensed Cannabis Businesses licensed or endorsed to sell Medical Cannabis. The Medical Cannabis must be transported or delivered to the Tribally Licensed Cannabis Business or Tribal Enterprise located on, about, or within Tribally Regulated Lands of the Tribe. Once within the Tribally Regulated Lands of the Tribe the Medical Cannabis may be recategorized as adult use, if permitted by the Tribe's Code, provided that any such recategorized Medical Cannabis may thereafter only be sold on the Tribe's Tribally Regulated Land to a customer. Recategorizing a product includes extracting, distilling, and isolating cannabinoids.
2. Any such Medical Cannabis that is not recategorized may thereafter be sold to (i) a State-Licensed Cannabis Business outside of Tribally Regulated Land, (ii) to other Minnesota Tribal Governments (or their respective licensed or authorized tribal enterprises or tribally licensed cannabis businesses), and (iii) a consumer on Tribally Regulated Land. In order to sell Medical Cannabis (which is not recategorized) to a State-Licensed Cannabis Business outside of the Tribe's Tribally Regulated Land, or to another Minnesota Tribal Government (or its respective licensed or authorized tribal enterprises or tribally licensed cannabis business), the Tribe must utilize an exclusively medical Metrc instance to track such Medical Cannabis, and provide OCM appropriate access to the Metrc instance.

G. Acknowledgment of Tribal Sovereignty and Immunity. The State acknowledges the inherent sovereignty of the Tribe as an independent, self-governing nation with the authority to regulate and govern its internal affairs, including without limitation all Cannabis Activity occurring on Tribally Regulated Land. The State recognizes and respects the principle of Tribal immunity. The State acknowledges and agrees that nothing in this Compact shall be construed as a waiver of the Tribe's inherent sovereign immunity.

H. State Does Not Concede Immunity. By entering into this Compact, the State does not concede its immunity, except as otherwise specifically authorized herein or under State law.

Article III. Tribal Regulation and Licensing

A. Tribal Regulatory Agency. The Tribe either has already or shall adopt a Tribal Code that establishes a Tribal Regulatory Agency to carry out enforcement of the Tribal Code with regard to the regulation of Cannabis Activity.

1. No officer or employee of the Tribal Regulatory Agency, or spouse of an officer or employee of the Tribal Regulatory Agency, may own an interest in, be employed by, or be a member of a board of directors of a Tribally Licensed Cannabis Business or Tribal Enterprise.
2. The Tribal Regulatory Agency must be physically and legally independent from any Cannabis Activity conducted by Tribal Enterprises and Tribally Licensed Cannabis Businesses. For example, if the Tribe's Reservation Business Committee establishes a legal entity to own one or more Tribal Enterprises, that entity may not appoint, supervise, or in any way be affiliated with the Tribal Regulatory Agency.
3. This Compact acknowledges that the Tribe's Reservation Business Committee owns or may own interests in a Tribal Enterprise.

B. Standards and Amendments.

1. Attachment A contains select provisions of Chapter 9810 of the Minnesota Administrative Rules which set forth the substantive standards applicable to certain components of Cannabis Activity governed by this Compact. Attachment A is incorporated by reference into this Compact. References to "OCM" in Attachment A shall not be construed to create OCM jurisdiction or authority within the Tribe's Tribally Regulated Land beyond what is specifically set forth in this Compact.
2. The Tribe must ensure that the Tribal Code meets or exceeds the standards set forth in Attachment A, and the Tribal Regulatory Agency must ensure the standards are complied with by all Tribal Enterprises and Tribally Licensed Cannabis Businesses, with regard to: (i) all Cannabis Activity licensed by the Tribal Regulatory Agency off Tribally Regulated Land; and, (ii) all Cannabis which is or will become part of Cannabis Activity between a Tribally Licensed Cannabis Business and a State-Licensed Cannabis Business.
3. The State may, from time-to-time, unilaterally update Attachment A when Chapter 9810 of the Minnesota Administrative Rules is formally amended; provided, however, no updates to Attachment A shall be permitted unless and until amendments to Chapter 9810 of the Minnesota Administrative Rules are formally and finally adopted through a completed administrative rulemaking process. All such updates to Attachment A must be substantively identical to the amendments formally and finally adopted through a completed administrative rulemaking process. The State and OCM shall provide the Tribe with ninety (90) days' notice prior to the commencement of the formal rulemaking process of the proposed amendments or updates to Chapter 9810 of the Minnesota Administrative Rules to review proposed amendments and to allow the Tribe time to request a consultation with OCM and OCM, upon receipt of the Tribe's request for consultation, shall meet

and confer with the Tribe regarding the proposed amendments. Updates to Attachment A shall be formally presented to the Tribe in a written format and pursuant to written notice (i) after amendment to Chapter 9810 of the Minnesota Administrative Rules is formally and finally adopted through a completed administrative rulemaking process; and (ii) given in accordance with the Notice provisions set forth in this Compact. The Tribe shall implement the updates to Attachment A by amending the corresponding provisions of the Tribal Code within one hundred twenty (120) days of receiving formal notice of the updates from the State (“Tribe’s Update Implementation Period”). The Tribe’s Update Implementation Period may be extended by OCM in cases where the Tribe reasonably establishes that the compliance would result in economic loss, or where compliance will reasonably take longer such as improvements to buildings.

4. Nothing in Attachment A (in original or updated form) shall apply to a Tribally Licensed Cannabis Business or Tribal Enterprise that does not also apply to a State-Licensed Cannabis Business.
5. Nothing in Attachment A (in original or updated form) shall be construed as or otherwise operate to be a waiver, in whole or in part, of the Tribe’s sovereign immunity.
6. The Tribal Regulatory Agency shall differentiate within the Seed-to-Sale Tracking System between Tribally Licensed Cannabis Businesses, Tribal Enterprises, and other Tribal licensees for the purpose of informing OCM of the type of Cannabis business for which OCM might have visibility of in the Seed-to-Sale Tracking System and for Compact compliance purposes.
7. The Tribe has the absolute and sole authority to amend, modify, or change the Tribal Code, in whole or in part, at any time in its sole and absolute discretion. The Tribal Regulatory Agency shall ensure that the current Tribal Code is accessible to OCM.

C. Seed-to-Sale Tracking.

1. The Tribe and the State mutually recognize the importance of implementing a robust monitoring system, or “Seed-to-Sale Tracking System,” for the regulation and oversight of Cannabis Activities occurring in their respective jurisdictions. Generally, Seed-to-Sale tracking is an effective means to ensure that Cannabis is not diverted into the black market, and to enable regulatory agencies to order recalls of product determined to be contaminated or otherwise hazardous. The State has selected Metrc as its statewide Seed-to-Sale Tracking System.
2. The Tribe has established a Seed-to-Sale Tracking System for all Cannabis Activity occurring on, about or within Tribally Regulated Land utilizing Metrc. Notwithstanding anything to the contrary herein, neither the State nor OCM shall have access to the Seed-to-Sale Tracking System implemented by the Tribe, the Tribal Regulatory Agency, or any Tribally Licensed Cannabis Business, or Tribal Enterprise with regard to any Cannabis Activity occurring solely in, on, or about Tribally Regulated Land and which will not or has not been part of a transaction with a State-Licensed Cannabis Business.

3. OCM shall contract with Metrc to create and implement the seamless instance-to-instance transfer of Metrc data between the Tribe's Metrc instance and the State's Metrc instance. All Batches transferred between instances shall contain immediate access to all genealogical, historical, and testing data associated with the Batch, allowing the receiving Party's regulatory authority to be able to determine the origin and full product history of any Batch transferred. The Metrc instance-to-instance system shall not require Cannabis transferred from one instance to the other to be retagged.
4. The Tribe shall also maintain a subjurisdiction within its instance containing all Metrc data for Tribal Enterprise facilities located off Tribally Regulated Land, and shall share credentials with OCM to permit online access to the subjurisdiction. Information obtained by OCM from the access to the subjurisdiction shall not constitute the basis of credible suspicion for purposes of Article III(F)(3) if the incident related to an adjustment in Metrc does not deviate from standard market practices and does not establish a recognizable pattern.
5. If the Metrc instance-to-instance capability is not operational at the time of the Compact's implementation, the Tribe shall establish a subjurisdiction within its instance which will permit OCM to have full visibility of all genealogy and data contained in the Tribe's Seed-to-Sale Tracking System for all Cannabis Activity of Tribal Enterprises and Tribally Licensed Cannabis Businesses with regard to those Batches or portions of Batches which leave the Tribally Regulated Land, while not permitting OCM to see any other data contained in the Tribe's Metrc instance. Furthermore, each Party shall provide the other written notice of any external transfers from the State's Metrc instance to the Tribe's Metrc instance. All Cannabis will be retagged when it enters the new jurisdiction.
6. If a Tribal Enterprise or Tribally Licensed Cannabis Business purchases Medical Cannabis from a State-Licensed Cannabis Business, the Medical Cannabis shall also be subject to the Tribe's Seed-to-Sale Tracking System and shall be included in the subjurisdiction permitting OCM to have full visibility with regard to its whereabouts and ultimate disposition.
7. If, after the Effective Date, one of the Parties decides to replace its Seed-to-Sale Tracking System with another Seed-to-Sale Tracking System, the Parties shall meet and determine the transition to and the implementation of the new system to meet the goals of a Seed-to-Sale Tracking System and effectively track Cannabis moving between the State and Tribal regulatory jurisdictions.
8. By accessing the Tribe's "Seed-to-Sale Tracking System" including without limitation any of the Tribe's subjurisdictions, the State shall not be deemed to have collected, created, received, maintained, or disseminated the data therein. By accessing the State's "Seed-to-Sale Tracking System," the Tribe shall not be deemed to have collected, created, received, maintained, or disseminated the data therein. The State and the Tribe agree that information disclosing quantitative Cannabis Activity, price data, and financial information entered into the Seed-to-Sale Tracking System by the Tribe, Tribal Enterprises, or Tribally Licensed Cannabis

Businesses is subject to the exception for disclosure of trade-secret information as defined by Minn. Stat. § 13.37. The State and OCM shall not download, print, copy, collect, store, or share any information or data while accessing or viewing the Tribe's "Seed-to-Sale Tracking System" including without limitation any incidental downloading, printing, copying, collecting, storing, or sharing of information or data by the State or OCM shall not be deemed to be a collection, creation, receipt, maintenance, or dissemination of such information or data.

9. If, in the future, Seed-to-Sale Tracking Systems from different vendors are able to seamlessly interface, the Tribe and the State may use systems from different vendors.

D. Testing.

1. Testing Requirements. In addition to the testing requirements for all Cannabis set forth in Attachment A, and in recognition of the State's agreement to not have any inspection authority with regard to Cannabis Activity within the Tribe's Tribally Regulated Land, the Tribe agrees that all Cannabis that is cultivated or manufactured within its Tribally Regulated Land and is marketed for sale outside of its Tribally Regulated Land must undergo and pass a Full Panel Test prior to the Cannabis leaving its Tribally Regulated Land. The results of the Full Panel Test must be included in the Metrc data for the Batch which shall be visible to OCM in the instance-to-instance transfer utilizing the package trace feature.
2. Off-Tribally Regulated Land Testing Requirements. Cannabis that is cultivated and/or manufactured by a Tribal Enterprise outside of Tribally Regulated Land is subject to the State's testing requirements as set forth in Attachment A and the Cannabis Technical Authority as the same may be amended or updated from time to time. Cannabis that is partially produced within Tribally Regulated Land and partially produced outside of Tribally Regulated Land is always subject to the Full Panel Test requirement prior to leaving Tribally Regulated Land, and is always subject to the State's testing requirements outside of Tribally Regulated Land.
3. Testing Labs. All testing conducted in compliance with this section must be conducted by a Cannabis testing facility licensed by OCM pursuant to Minn. Stat. § 342.37, which may include tribal testing facilities which have been licensed by OCM.
4. Interim Testing Labs. Until such time as at least two (2) Cannabis testing facilities are licensed by OCM pursuant to Minn. Stat. § 342.37, OCM will accept test results from either of the two (2) testing facilities which have historically been authorized to operate in the State. Notwithstanding anything to the contrary herein, OCM will accept results from testing facilities which have not yet been certified by the International Organization for Standardization (ISO) until such time occurs when at least two (2) testing facilities have ISO certification.
5. Cannabis Technical Authority. OCM shall issue an official Cannabis Technical Authority document setting forth the specific testing requirements for Cannabis which shall serve as guidance for all testing facilities licensed by OCM, which may include tribal testing facilities which have been authorized by OCM. OCM shall

update the Cannabis Technical Authority annually. The Cannabis Technical Authority shall include a section specifically setting forth the definition of the Full Panel Test required by subsections 1 and 2 above for Cannabis which will leave the Tribe's Tribally Regulated Land. The Full Panel Test shall not require testing inconsistent with the cumulative testing required for all Cannabis within the jurisdiction of OCM. Except for requirements related to the Full Panel Test, required in Article III(D)(1), nothing in the Cannabis Technical Authority (in original or updated form) shall apply to a Tribally Licensed Cannabis Business or Tribal Enterprise that does not also apply to a State-Licensed Cannabis Business.

6. Previously Tested Cannabis. For a period of six (6) months from the Effective Date, the Tribe is permitted to treat Cannabis tested prior to the Effective Date of this Compact as tested in compliance with this Compact, regardless of whether it is able to be entered into the Metrc system, provided that the testing conducted meets the substantive standards of the Cannabis Technical Authority and the results of the testing are available for OCM's review.

E. License Limitations Outside of Tribally Regulated Land.

1. The Tribe is subject to the following limitations on the issuance of licenses by its Tribal Regulatory Agency to Tribal Enterprises for Cannabis Activity outside of its Tribally Regulated Land:
 - a. Retail License. The Tribal Regulatory Agency may issue up to eight (8) Retail Licenses (each license representing one storefront or retail location) to Tribal Enterprises; provided, however, that no more than one (1) holder of such a retail license shall be located in any municipality and no more than three (3) holders of such retail licenses shall be located in any county.
 - b. Cultivation License. The Tribal Regulatory Agency may issue one Cultivation License to Tribal Enterprises that, cumulatively, constitutes 30,000 square feet of Cannabis Flower canopy, or the maximum permitted by OCM for State-Licensed Cannabis Businesses, whichever is greater. The square feet of indoor canopy shall be calculated pursuant to Attachment A. The holder of a Cultivation License issued hereunder may alternatively cultivate up to two acres of mature, flowering plants (which limit shall be increased to a limit that corresponds to any subsequent increase authorized by OCM of in Chapter 342 of the Minnesota Statutes). The acreage of outdoor canopy shall be calculated pursuant to Attachment A. The Tribal Enterprise holding the Cultivation License issued hereunder may change its choice from indoor to outdoor or vice versa at its discretion and upon reasonable notice from the TRA to OCM, provided once a change is made, the Tribal Enterprise may not change again for at least twelve (12) months.
 - c. Manufacturing License. The Tribal Regulatory Agency may issue one Manufacturing License to a Tribal Enterprise. Currently there is no limit to the amount of Cannabis which may be which may be processed by the holder of a Cannabis manufacturing license issued under Chapter 342 of the

Minnesota Statutes. If, in the future, OCM establishes written and published manufacturing limits for holders of a Cannabis manufacturing license issued under Chapter 342 of the Minnesota Statutes, those limits shall be applicable to Tribal Enterprises through updates to Attachment A.

- d. Transporter License. The Tribal Regulatory Agency may issue one Transporter License to a Tribal Enterprise. There is no limit to the licensee's fleet size or geographical scope of operations with the State of Minnesota.
 - e. Delivery License. The Tribal Regulatory Agency may issue one Delivery License to a Tribal Enterprise. There is no limit to the licensee's fleet size or geographical scope of operations within the State of Minnesota. Deliveries to private residences are permitted.
 - f. Testing Facility License. The Tribe and OCM may negotiate a Memorandum of Understanding to address OCM licensing of Tribally-owned testing facilities.
 - g. Wholesaler License. The Tribal Regulatory Agency may issue one Wholesaler License to a Tribal Enterprise.
 - h. Event License. The Tribal Regulatory Agency may issue Event Licenses to Retail License holders, provided the Events take place on the Retail License holder's premises. Events are limited to participants 21 and over, and are managed consistent with Minn. Stat. § 342.40 as the same may be amended from time to time, and consistent with Article V(A). Events located outside of Retail License premises and not on Tribally Regulated Land must be authorized by Local Jurisdictions consistent with the Local Jurisdiction's event permitting requirements.
2. The holder of a Tribal license issued pursuant to this section shall be authorized to conduct the same actions as State-Licensed Cannabis Businesses per applicable license classification.
 3. Tribal Enterprises and Tribally Licensed Cannabis Businesses are not subject to vertical integration limitation, except that a Tribal Enterprise or Tribally Licensed Cannabis Business holding a Testing Facility License shall not hold any other Cannabis license.
 4. Tribal Enterprises operating outside of Tribally Regulated Land are not by this Compact made exempt from any generally applicable non-Cannabis related State law or regulation.
 5. Nothing in this Compact prohibits Tribal Enterprises from collocating different license operations in the same physical location.
 6. Nothing in this Compact limits, precludes, or prohibits the Tribe, Tribally Licensed Cannabis Businesses, Tribal Enterprises, or other Minnesota Tribal Governments (and their respective tribally licensed cannabis businesses and tribal enterprises) from (i) cooperating with each other, (ii) contracting with each other with regard to the management of Cannabis Activity outside of Tribally Regulated Land, or (iii) sharing of revenue from such Cannabis Activity, provided that one Tribe owns at

least fifty-one percent (51%) of the legal entity, whether such entity is organized under tribal or State law.

7. Subject to the true parties in interest and multiple license ownership limitations imposed in Chapter 342, nothing in this Compact prohibits the Tribe or Tribal Enterprises from the following outside of Tribally Regulated Land: (i) organizing and owning, in whole or in part, interests in a legal entity including, without limitation, corporations, limited liability companies, partnerships, limited partnerships, or joint ventures, with individuals or entities that are not affiliated with the Tribe or other Minnesota Tribal Governments for the purpose of conducting Cannabis activity outside of Tribally Regulated Land; (ii) contracting with individuals or entities that are not affiliated with the Tribe or other Minnesota Tribal Governments with regard to the management of Cannabis Activity outside of Tribally Regulated Land; or (iii) sharing of revenue from such Cannabis Activity, provided that a single Minnesota Tribal Government owns at least fifty-one percent (51%) of the legal entity, whether such entity is organized under tribal or State law.
8. The State acknowledges that the Tribe may elect to contract with other Minnesota Tribal Governments, or a cooperative, to receive or provide regulatory services outside of Tribally Regulated Land. If such contracts are entered into, the State will require the Minnesota Tribal Government whose licensees are subject to the contracted-for regulatory services to appoint one of its tribal officials as a contact for OCM on regulatory matters, and the Parties acknowledge that the State will always default to the Minnesota Tribal Government that is entitled to the licenses under the Compact in the case of a dispute between Minnesota Tribal Governments concerning regulatory authority.

F. State Auditing and Compliance Verification Access.

1. Annual Site Inspection and Compliance Outside of Tribally Regulated Land. For the purpose of auditing compliance with this Compact outside of the Tribe's Tribally Regulated Land, OCM shall, upon the presentation of appropriate identification and subject to the OCM Site Inspection Notice requirement hereinbelow, have the right to gain access during normal business hours to all premises used for the operation of Cannabis Activity by a Tribal Enterprise outside the boundaries of its Tribally Regulated Land on an annual basis ("Annual OCM Site Inspection"). While conducting an Annual OCM Site Inspection on site at the premises used by a Tribal Enterprise for the operation of Cannabis Activity, OCM may inspect the facility, equipment, records, and documents reasonably related to the operation of Cannabis Activity by the Tribal Enterprise. OCM may only conduct one Annual OCM Site Inspection per day and a maximum of two Annual OCM Site Inspections per week. Notwithstanding the foregoing, any "Confidential," "Private," and "Protected Nonpublic Data" (as those three terms are defined by the Minnesota Government Data Practices Act) provided by the Tribe, the TRA, or a Tribal Enterprise, shall remain confidential during such civil investigative proceeding and shall be subject

to confidentiality agreement or protective orders as so mutually agreed to by the Parties.

2. Credible Suspicion-Based Site Inspection Outside of Tribally Regulated Land. In addition to the Annual Site Inspection, when OCM has a credible suspicion to believe a Tribal Enterprise has materially violated the standards set forth in Attachment A and such material noncompliance has a material impact on public health or safety, OCM shall, upon the presentation of appropriate identification and subject to OCM Site Inspection Notice requirement hereinbelow, have the right to gain access for inspection during normal business hours to the specific premises where the material noncompliance with the standards set forth in Attachment A has allegedly occurred (“Credible Suspicion-Based Site Inspection”). While conducting a Credible Suspicion-Based Site Inspection on site at the premises used by a Tribal Enterprise for the operation of Cannabis Activity, OCM may inspect the facility, equipment, records, and documents, specifically related to the substantiated assertion of noncompliance giving rise to the credible suspicion. Notwithstanding the foregoing, any “Confidential,” “Private,” and “Protected Nonpublic Data” (as those three terms are defined by the Minnesota Government Data Practices Act) provided by the Tribe, the TRA, or a Tribal Enterprise, shall remain confidential during such civil investigative proceeding and shall be subject to confidentiality agreement or protective orders as so mutually agreed to by the Parties. For purposes of this Compact, the phrase “credible suspicion” shall mean a suspicion based on a good faith and reasonable belief that is substantiated by specific, articulable facts suggesting a material violation of the standards set forth in Attachment A has been committed by a Tribal Enterprise. Substantiation of a “credible suspicion” must be based on documents, physical evidence, or statements from credible witnesses who can provide firsthand accounts of the suspected material noncompliance. “Credible suspicion” cannot be based upon vague allegations, general suspicions or feelings, or unsubstantiated gossip.
3. Advance Notice of OCM Site Inspections Outside of Tribally Regulated Land. Prior to conducting an Annual OCM Site Inspection or a Credible Suspicion-Based Site Inspection, OCM shall provide the Tribal Regulatory Agency with twenty-four (24) hours prior written notice (collectively “OCM Site Inspection Notice”) of the Annual OCM Site Inspection or Credible Suspicion-Based Site Inspection. Notwithstanding anything to the contrary herein, an Annual OCM Site Inspection or a Credible Suspicion-Based Site Inspection shall only be conducted during normal business hours.
4. Tribal Regulatory Agency Presence During OCM Site Inspections. A representative of the Tribal Regulatory Agency is entitled to accompany OCM representative(s) during any Annual OCM Site Inspection or Credible Suspicion-Based Site Inspection.
5. Notice of OCM Site Inspection Results. OCM shall give written notice of the results of any Annual OCM Site Inspection or any Credible Suspicion-Based Site Inspection to the Tribal Regulatory Agency within five (5) business days of each

such inspection (including, if applicable, a written confirmation of compliance with the standards set forth in Attachment A (“OCM Notice of Compliance”) or including, if applicable, a written OCM Notice of Material Noncompliance (as that term is defined hereinbelow). If during an Annual OCM Site Inspection or a Credible Suspicion-Based Site Inspection, OCM identifies issues of material noncompliance with the standards set forth in Attachment A, OCM shall notify the Tribal Regulatory Agency in writing of such issues of material noncompliance (including, without limitation, a description of the entity(ies) involved, a description of the material facts, a cite to the specific standard(s) set forth in Attachment A which has/have been violated, and the proposed corrective action required) (“OCM Notice of Material Noncompliance”). The corrective action, if any, shall be addressed pursuant to Article III(H) hereinbelow.

6. Audit and Compliance Monitoring Standard. OCM shall utilize the standards set forth in Attachment A as the standard for compliance during any Annual OCM Site Inspection or Credible Suspicion-Based Site Inspection.
7. Discretion on Audit and Compliance Monitoring Format. After a period of clean audits OCM may, at its discretion, cease to physically visit facilities and conduct annual desk audits instead; provided, however, that such desk audits shall not cause the Tribe or the Tribal Enterprise to incur unreasonable cost and expense in providing documents and records for inspection by OCM or place an undue burden on the Tribe or the Tribal Enterprise.

G. Mutual Respect of Sovereigns. It is the intent of the Compact to acknowledge the government-to-government relationship between the parties, and to establish a regulatory relationship based on mutual respect, common interest, and forthright communication.

H. Communication Between Regulatory Agencies; Responsibilities of Agencies.

1. Reporting Noncompliance

a. Immediate Reporting of Material Noncompliance That Poses a Public Health or Safety Risk.

- a. The Tribal Regulatory Agency shall provide written notice to OCM of any material noncompliance or credible suspicion of noncompliance with the Tribal Code or this Compact, which pose a public health or safety risk, arising at a Tribal Enterprise located outside of the Tribe’s Tribally Regulated Land, or at a Tribal Enterprise or Tribally Licensed Cannabis Business that conducts, or has conducted, within 180 days of the material noncompliance or credible suspicion of noncompliance, transactions with a State-Licensed Cannabis Business (“TRA Notice of Tribal Licensee Non-Compliance”). Such written notice shall be provided to OCM within five (5) business days of discovery of the material noncompliance or credible suspicion of noncompliance, and shall include detailed

information about the nature of the noncompliance, the entities involved, and any immediate actions taken by the Tribal Regulatory Agency.

- b. OCM shall provide written notice to the Tribal Regulatory Agency of any material noncompliance or a credible suspicion of noncompliance with Chapter 342 of the Minnesota Statutes or Chapter 9810 of the Minnesota Administrative Rules arising at or committed by a State-Licensed Cannabis Business that conducts, or has conducted, within 180 days of the material noncompliance or credible suspicion of noncompliance, transactions with a Tribally Licensed Cannabis Business or a Tribal Enterprise that poses a public health or safety risk. Such written notice shall be provided within five (5) business days of discovery of the material noncompliance or credible suspicion of noncompliance, and shall include detailed information about the nature of the noncompliance, the entities involved, and any immediate actions taken by OCM (“OCM Notice of State Licensee Non-Compliance”).
- c. OCM shall provide written notice to the Tribal Regulatory Agency of any evidence of material noncompliance or credible suspicion of noncompliance with this Compact or Attachment A arising at a Tribal Enterprise, or at a Tribally Licensed Cannabis Business that conducts, or has conducted, within 180 days of the material noncompliance or credible suspicion of noncompliance, transactions with a State-Licensed Cannabis Business, that poses a public health or safety risk (“OCM Notice of Tribal Licensee Non-Compliance”). Such written notice shall be provided within five (5) business days of discovery of the material noncompliance or credible suspicion of noncompliance, and shall include detailed information about the nature of the noncompliance and the entities involved.
- d. The Tribal Regulatory Agency shall provide written notice to OCM of any evidence of material noncompliance or credible suspicion of noncompliance with Chapter 342 of the Minnesota Statutes or Chapter 9810 of the Minnesota Administrative Rules arising at or committed by a State-Licensed Cannabis Business that conducts, or has conducted, within 180 days of the material noncompliance or substantiated credible suspicion of noncompliance, transactions with a Tribally Licensed Cannabis Business or a Tribal Enterprise that poses a public health or safety risk (“TRA Notice of OCM Licensee Non-Compliance”). Such written notice shall be provided within five (5) business days of discovery of the material noncompliance or credible suspicion of noncompliance, and shall include detailed information about the nature of the noncompliance and the entities involved.

- b. Annual Tribal Regulatory Agency Self-Reporting. Within ninety (90) days following December 31st of each calendar year, the Tribal Regulatory Agency shall submit an annual report to OCM summarizing compliance activities, including inspections conducted, violations identified, and corrective actions implemented for all Tribal Enterprises conducting Cannabis Activity outside of the Tribe's Tribally Regulated Land.
- 2. Collaboration and Follow-Up.
 - a. The Tribal Regulatory Agency shall act in accordance with the Tribal Code and this Compact when requiring a Tribal Enterprise or Tribally Licensed Cannabis Business to correct a documented issue of material noncompliance set forth in an OCM Notice of Material Noncompliance or an OCM Notice of Tribal Licensee Non-Compliance. If the Tribal Regulatory Agency agrees with the OCM Notice of Material Noncompliance or OCM Notice of Tribal Licensee Non-Compliance, it shall notify the OCM in writing of the corrective action taken by the Tribal Enterprise or Tribally Licensed Cannabis Business to correct the material noncompliance set forth in the OCM Notice of Material Noncompliance or OCM Notice of Tribal Licensee Non-Compliance.
 - b. OCM shall act in accordance with Chapter 342 of the Minnesota Statutes and Chapter 9810 of the Minnesota Administrative Rules when requiring a State-Licensed Cannabis Business to correct a documented issue of material noncompliance set forth in an OCM Notice of State Licensee Non-Compliance or TRA Notice of State Licensee Non-Compliance.
 - c. If the Tribal Regulatory Agency disagrees with the OCM Notice of Material Noncompliance or OCM Notice of Tribal Licensee Non-Compliance, or OCM disagrees with the Tribal Regulatory Agency corrective action, the disagreeing Party shall notify the other Party in writing within seven (7) days of the delivery of the notice, or corrective action, whereupon the Tribal Regulatory Agency and OCM shall meet to jointly review and resolve the difference between the regulatory agencies' determinations ("Joint Corrective Action Meeting"). Such a meeting shall either be conducted electronically, by video conference, or by telephone.
 - d. If the Tribal Regulatory Agency and OCM are unable resolve the differences in their regulatory approach or determination, the Parties shall follow the procedures set forth in Article IV of this Compact regarding Dispute Resolution.
- 3. OCM Embargo; Temporary Operating Pause.
 - a. If, as a result of an Annual OCM Site Inspection, a Credible Suspicion-Based Site Inspection, or if a Joint Corrective Action Meeting fails to result in an agreed upon corrective action, OCM determines that a specific and identifiable Batch, Cannabis Product, Cannabis Flower, Cannabis Plants, Hemp-Derived Consumer Product, or Lower-Potency Hemp Edible is materially noncompliant with a standard or standards set forth in Attachment

A, and such material noncompliance poses a present and real material threat to public health and safety outside of Tribally Regulated Land, and OCM is not reasonably satisfied with the actions of the Tribal Regulatory Agency to address the threat, OCM may issue a written notice to the Tribal Regulatory Agency requiring an administrative hold (“Embargo”) on such Batch, Cannabis Products, Cannabis Flower, Cannabis Plants, Hemp-Derived Consumer Product, or Lower-Potency Hemp Edibles. The Tribal Regulatory Agency shall ensure that the Embargo issued by OCM is implemented. OCM’s issuance of an Embargo shall not relieve the TRA of the requirement to report non-compliance and follow up under Article III(H)(1) and (2). If an Embargo is carried out, the Parties shall work together to resolve the compliance issues related to the Batch, Cannabis Products, Cannabis Flower, Cannabis Plants, Hemp-Derived Consumer Product, or Lower-Potency Hemp Edibles to their mutual satisfaction. If the Parties are unable to resolve the compliance issues related to the Embargo, then the Parties shall follow the procedures set forth in Article IV of this Compact regarding Dispute Resolution.

- b. If the specific and identifiable items subject to the Embargo are physically located within the Tribe’s Tribally Regulated Land, or at a Tribal Enterprise facility outside its Tribally Regulated Land, OCM will issue the Embargo notice to the Tribal Regulatory Agency and all relevant State-Licensed Cannabis Businesses, and the Tribal Regulatory Agency shall notify and inform all relevant Tribal Enterprises of the Embargo.
- c. Any items subject to the Embargo shall remain at the Tribal Enterprise’s physical location(s) outside of the Tribe’s Tribally Regulated Land, or may be transported to a Tribal Enterprise facility or the Tribal Regulatory Agency located on or within the Tribe’s Tribally Regulated Land with prior written notice to OCM.
- d. Notwithstanding anything to the contrary herein, an Embargo (i) shall not be utilized by OCM or the State to give effect to an operating pause of the Tribe’s Cannabis Activity outside of the Tribe’s Tribally Regulated Land, (ii) shall not prohibit or otherwise restrict Tribal Enterprises from conducting Cannabis Activity outside of Tribally Regulated Land in connection with Batches, Cannabis Products, Cannabis Flower, Cannabis Plants, Hemp-Derived Consumer Products, or Lower-Potency Hemp Edibles that are not subject to the Embargo, and (iii) shall only apply to prevent the shipment and sale outside of Tribally Regulated Land of a specific Batch, Cannabis Products, Cannabis Flower, Cannabis Plants, Hemp-Derived Consumer Product, or Lower-Potency Hemp Edibles.
- e. OCM may temporarily pause State-Licensed Cannabis Businesses from conducting Cannabis Activity transactions with a Tribal Enterprise or a Tribally Licensed Cannabis Business if OCM determines that the subject Tribal Enterprise or Tribally Licensed Cannabis Business is materially

noncompliant with a standard or standards set forth in Attachment A, and OCM is not reasonably satisfied with the actions of the Tribal Regulatory Agency to address the material threat to public health and safety identified in the OCM Notice of Material Noncompliance or OCM Notice of Tribal Licensee Non-Compliance, and a Joint Corrective Action Meeting failed to result in an agreed-upon corrective action. OCM shall provide the Tribal Regulatory Agency with written notice of the temporary pause at least three (3) business days prior to the temporary pause going into effect.

- f. Notwithstanding anything the contrary herein, a temporary pause shall be effective for up to seven (7) calendar days. The seven (7) calendar days shall be used for discussions between the Tribal Regulatory Agency and OCM concerning the material noncompliance and the regulatory disagreement. If the Parties are unable to agree upon the resolution of the material noncompliance and regulatory disagreement, then the Parties shall follow the procedures set forth in Article IV of this Compact governing Dispute Resolution.

I. Confidentiality and Data Sharing.

1. Confidential Information.

- a. Both parties agree to maintain the confidentiality of Sensitive Information related to the Tribe, Tribally Licensed Cannabis Businesses, or Tribal Enterprises, including proprietary Business Confidential Information and Personal Data of employees and customers. Any and all subprocessors and subcontractors shall be subject to substantially similar contractual confidentiality obligations which receive, access, store or use any Sensitive Information related to Tribally Licensed Cannabis Businesses and Tribal Enterprises, including proprietary business information and Personal Data of employees and customer. For purposes of this Compact, “Sensitive Information” shall include both “Business Confidential Information” of the Tribe, the Tribally Licensed Cannabis Businesses, and Tribal Enterprises, and the term “Personal Data.”
- b. Business Confidential Information shall only be shared with third parties as necessary to ensure compliance with applicable laws and regulations.
- c. OCM classifies Annual Site or Credible Suspicion inspection data as protected civil investigative data.
- d. To the extent possible and reasonable, OCM will provide notice of any request or demand under the Minnesota Government Data Practices Act from any person or entity for data relating to the Tribe, a Tribal Enterprise, or the Tribal Regulatory Agency received by or possessed by OCM under the terms of this Compact for which the Minnesota Data Practices Act or Tribal Code do not provide sufficient protection from release. OCM will not voluntarily disclose Personal Data or Business Confidential Information under the Minnesota Government Data Practices Act. Business Confidential

Information will be considered by OCM to be Protected Nonpublic Data under the Minnesota Government Data Practice Act.

- e. The Parties shall cooperate and collaborate with regard to requests or demands under the Minnesota Government Data Practices Act or other applicable statute or regulation for Sensitive Information. To the extent possible and reasonable, the State shall provide reasonable advance notice to the Tribe of any intended action to release data pertaining to the Tribe, a Tribal Enterprise, or the Tribal Regulatory Agency, including a copy of the data to be released.
- f. Notwithstanding anything herein to the contrary, the requirements on OCM set forth in this Confidential Information section shall apply only to OCM and to the Governor's Office to the extent that the Sensitive Information arises out of the implementation of this Compact or the Sensitive Information is received through OCM, but shall not be binding on any other agency or instrumentality of the State.

2. Data Sharing Protocols.

- a. The Tribal Regulatory Agency and OCM shall develop secure data sharing protocols acceptable to each to facilitate the exchange of information relevant to compliance monitoring and enforcement.
- b. Both parties will ensure that data sharing complies with all applicable privacy and data protection laws.
- c. For the avoidance of doubt, any data shared by the State under this Compact to the Tribe or the Tribal Regulatory Agency for the purposes of their joint enforcement responsibilities under this Compact shall retain its classification and the Tribe and the Tribal Regulatory Agency will not voluntarily disclose confidential data transmitted to it by OCM, subject to the Tribe's laws and policies regarding data practices. To the extent possible and reasonable, the Tribe shall provide reasonable advance notice to OCM of any intended action to release confidential information pertaining to OCM or a State-Licensed Cannabis Business.

J. State Surveillance Testing. As part of its regulatory oversight of the State market, OCM will engage in regular surveillance testing of products marketed for sale in the state market. Products will be randomly selected and procured directly from cultivators, manufactures or Cannabis businesses with a retail endorsement.

- 1. Products identified at State-Licensed Cannabis Businesses. In the event OCM's surveillance testing conducted at a State-Licensed Cannabis facility includes a product cultivated, manufactured, or packaged for final sale on the Tribe's Tribally Regulated Land by a Tribally Licensed Cannabis Business or Tribal Enterprise, OCM will notify the Tribal Regulatory Agency, prior to testing, of the product being tested, the location from which the product was procured, and the exact time the product was procured by OCM as part of the surveillance program. Thereafter, OCM shall provide written notice of the test results of any product subject to surveillance

testing. OCM shall report any evidence of material noncompliance arising from surveillance testing to the Tribal Regulatory Agency pursuant to Article III(H).

2. Surveillance Testing of Tribal Enterprise products. As part of the annual site inspection under Article III(F)(1), OCM may collect samples of products as part of its surveillance testing program. OCM will share all test results with the Tribal Regulatory Agency for informational purposes only and the test results shall not be used for the purpose of inspecting for compliance with Attachment A testing standards or as grounds for a credible suspicion-based site inspection.
3. Notwithstanding subsection 2, if OCM surveillance testing reveals any product obtained directly from a Tribal Enterprise to be harmful to the health and safety of consumers, it may institute an Embargo under Article III(H)(3) and prevent the product from being sold outside Tribally Regulated Land.

Article IV. Dispute Resolution

A. Method. Should a dispute arise between the Parties arising from or relating to this Compact, the Parties shall attempt to resolve the dispute through the following dispute resolution process:

1. Notice. Either Party may initiate the dispute resolution process by notifying the other Party, in writing, of its intent to do so (the “Notice of Dispute”). The Notice of Dispute must be labelled as such and must set out the issues in dispute and the notifying Party’s position on each issue. The notice must include any relevant communication history.
 - a. Responsive Notice of Dispute. If the Party receiving a Notice of Dispute determines that additional disputes related to the terms of this Compact exist which are not addressed by the original Notice of Dispute, the receiving Party may notify the initiating Party of such additional disputes in a written responsive notice of dispute (the “Responsive Notice of Dispute”). The Responsive Notice of Dispute must be delivered to the other Party two (2) business days prior to the date scheduled for the Regulatory Agency Meet and Confer.
 - b. Mutual Agreement to Consolidate. If a Responsive Notice of Dispute is provided, the Parties may mutually agree in writing to consolidate the disputes raised in the Notice of Dispute and Responsive Notice of Dispute at any time prior to the Policy-Level Meet and Confer, mediation process, or arbitration process set forth in this Article IV. Absent a mutual agreement in writing to consolidate disputes, all disputes shall proceed separately through the dispute resolution process set forth in this Article IV.
2. Regulatory Agency Meet and Confer. Within seven (7) days of the notified Party’s receipt of the Notice of Dispute, the Tribal Regulatory Agency and OCM leadership shall meet-and-confer (the “Regulatory Agency Meet and Confer”) to discuss the dispute and reach an agreement for resolution.
3. Policy-Level Meet and Confer. If Regulatory Agency Meet and Confer efforts are unsuccessful in resolving the dispute, then after fifteen (15) days from the date the

notified Party's receipt of the Notice of Dispute have elapsed, either Party may escalate to a meet and confer between the Tribe's Reservation Business Committee (or governing body), or their designees, and the Governor's designees (the "Policy-Level Meet and Confer"), who will discuss the dispute and, if possible, reach an agreement for resolution. This step shall be completed within fifteen (15) days of the escalation of the dispute.

4. Mediation. If the Policy-Level Meet and Confer is unsuccessful, or at any point in the dispute resolution process, the Parties may opt in good faith to settle the dispute by mediation administered by the American Arbitration Association ("AAA") under its Commercial Mediation Procedures (the "AAA Mediation Procedures") before resorting to arbitration, as set forth below. The Parties expressly agree that by entering into this Compact and agreeing to submit disputes to mediation, neither the State nor the Tribe is waiving its sovereign immunity to suit. The mediation process is intended solely as a means to facilitate amicable resolution of disputes. The Parties agree to participate in the mediation process in good faith and to use their best efforts to reach a mutually acceptable resolution of the dispute.
 - a. Qualifications of Mediator. The mediator shall be an impartial individual with expertise in tribal law and experience in mediating disputes involving sovereign entities. The Parties shall jointly select the mediator. If the Parties cannot agree on a mediator within thirty (30) days of the invocation of Mediation, the mediator shall be appointed in accordance with the AAA Mediation Procedures.
 - b. Locale. Mediation hereunder shall be administered by AAA at its Minneapolis Regional Office unless the Parties mutually agree in writing to another location.
 - c. Duration. Unless the Parties mutually agree in writing to another duration, the mediation hearing shall not last more than eight (8) hours in total.
 - d. Termination of Mediation. The mediation may be terminated in accordance with the AAA Mediation Procedures, except that either Party may unilaterally terminate the mediation by providing written notice to the mediator and to the other Party.
 - e. Costs of Mediation. The costs of mediation, including the mediator's fees and expenses, will be shared equally by both Parties unless otherwise agreed upon prior to mediation. Each Party will individually bear its own costs, including attorney's fees, travel, and preparation expenses.
5. Arbitration.
 - a. The Parties acknowledge that the Compacting Legislation prohibits the Compact from including a binding arbitration provision or agreement to the jurisdiction of a particular court for the resolution of disputes. However, the Parties may, at their discretion, agree to settle their disputes by submitting them to binding arbitration. Notwithstanding anything to the contrary herein, the Tribe may elect to submit a dispute to binding arbitration without first

having submitted the dispute to mediation. The Arbitration Panel shall have the authority to award, in connection with a dispute, any remedy or relief that a court of competent jurisdiction could order or grant, including, without limitation, equitable remedies, specific performance of any obligation created under this Compact, and the issuance of an injunction.

- b. Any such arbitration shall be administered by the AAA under its Commercial Arbitration Rules (the “AAA Arbitration Rules”); provided, however, that if there is any inconsistency between the terms of this section and the AAA Arbitration Rules, the terms of this section shall govern.
- c. Notwithstanding anything to the contrary herein, the State agrees that if the Tribe elects to waive its immunity from suit to submit to binding arbitration, the State will also agree to waive its immunity from suit and submit to binding arbitration. If immunity is waived by the Parties, immunity is waived not just for the initial proceedings related to the dispute, but also for any subsequent enforcement of the arbitration award by the Arbitration Panel.
- d. Appointment and Qualifications of the Arbitrators. The dispute shall be heard by a panel of three (3) arbitrators (the “Arbitration Panel”), unless the Parties agree to the contrary. The arbitrators shall be selected as follows: (i) one arbitrator shall be selected by Tribe; (ii) one arbitrator shall be selected by State; and (iii) the third arbitrator shall be selected by the arbitrators selected by the Parties (the “Third Arbitrator”). Before the Third Arbitrator is selected, that person shall make complete disclosures including, without limitation, (i) past connections and relationships with either Party, and (ii) and past appointments as an arbitrator for either Party within the previous five (5) years from the date of the Notice of Dispute. A person who has been appointed by either Party within the previous five (5) years from the date of the Notice of Dispute shall not be appointed as the Third Arbitrator or emergency arbitrator. Each arbitrator must be an impartial individual, disinterested, and independent from the State and from the Tribe. AAA cannot appoint any arbitrator who lacks these qualifications. Upon selection, each arbitrator shall promptly disclose any circumstances that might cause doubt regarding the arbitrator’s independence or impartiality.
- e. All statutes of limitation applicable to any dispute shall apply to any arbitration proceeding.
- f. All discovery activities shall be expressly limited to the dispute being arbitrated. All discovery material received by a Party, including documents and data, shall be maintained by the receiving Party in a safe and secure manner. Access to that discovery material shall be limited to employees of the Parties assigned to work on the arbitration, their attorneys, and experts.
- g. Nothing in this Compact shall be construed to prohibit a Party from seeking emergency relief under the AAA Arbitration Rules. The emergency arbitrator shall be a former judge.

- h. Place of Arbitration. All hearings and other proceedings in the arbitration shall be held at the AAA at its Minneapolis Regional Office unless the Parties mutually agree in writing to another location.
 - i. Costs of Arbitration. All costs of arbitration, including the fees and expenses of the arbitrators, shall initially be borne equally by the Parties, but ultimate responsibility for such costs shall be determined by the arbitrators in the course of their decision and/or award according to the extent to which each Party prevailed on the issues subject to the arbitration.
 - j. Prohibition of Punitive Damages. The Parties hereby agree that notwithstanding any other provision herein, the arbitrators shall have no power to award punitive damages, exemplary damages, or penalties, and any such award shall be null and void and of no effect.
 - k. Validity of Provision; Exhaustion of Remedies. Each Party hereto agrees that this arbitration provision is valid, binding and enforceable, and to the extent permitted by law, waives any defense or claim to the contrary. The Tribe hereby expressly unconditionally and irrevocably waives any right it may otherwise have to require that a dispute be considered or heard first in a Tribal court, or that a Tribal court has jurisdiction over any dispute arising out of this Compact.
 - l. Non-Compliance with Arbitration Awards. In the event a Party that does not prevail in arbitration fails to comply with the original arbitration award, the prevailing Party may re-open the arbitration proceedings to arbitrate whether the original arbitration award has been complied with. If the Arbitration Panel determines that the original arbitration award has not been complied with, in whole or in part, the Arbitration Panel shall issue a follow-up award requiring compliance with the original arbitration award within a reasonably sufficient period of time. If the Arbitration Panel subsequently determines after a hearing that its follow up award has not been complied with within the time required, then the aggrieved Party may terminate the Compact on written notice to the non-terminating Party, and such termination shall not be subject to further arbitration.
6. The State shall treat all data shared as part of the alternative dispute resolution process as trade secret data under Minn. Stat. §13.37 and civil investigative data under Minn. Stat. § 13.39.

B. Termination.

- 1. The Parties may mutually agree to terminate the Compact at any time, and the Tribe may unilaterally decide to terminate the Compact at any time with ninety (90) days prior written notice to the State.
- 2. Termination for Alleged Non-Compliance.
 - a. If voluntary dispute resolution efforts are unsuccessful and the Parties do not agree to binding arbitration, or the Tribe has not elected to submit a dispute to binding arbitration, either Party may terminate the Compact with ninety

(90) days prior written notice to the other Party for alleged non-compliance, provided the non-compliance concerns material matters of health and safety or a willful disregard of the off Tribally Regulated Land license limitations set forth in Article III(E)(1). If the State elects to terminate the Compact unilaterally pursuant to this subsection, then prior to the expiration of the ninety (90) day notice period, the Tribe may elect to submit the dispute to voluntary binding arbitration pursuant to Article IV(A)(5) herein. If the Tribe elects to submit the dispute to the binding arbitration, then (i) the State's election to terminate the Compact shall be rescinded, (ii) the State shall proceed to binding arbitration pursuant to Article IV(A)(5) herein, and (iii) termination of this Compact shall not be a subject of the arbitration.

b. The Arbitration Panel shall have continuing jurisdiction over the State's termination as a remedy, at the request of the State, if the Tribe fails to comply with the arbitration panel's order as set forth above.

3. Termination for Diversion. The Parties share a mutual desire to ensure Cannabis is not diverted into the illegal market. If the State obtains credible evidence that Cannabis is being diverted into the illegal market by a person or entity over which the Tribal Regulatory Agency has jurisdiction with the actual knowledge or willful disregard of either the Tribe's Reservation Business Committee or the Tribal Regulatory Agency, the State may elect to terminate the Compact. Immediately, and no longer than five (5) calendar days upon the State obtaining credible evidence of diversion described herein, the State shall provide the Tribe with written notice of termination that contains (i) a reasonably detailed description of the diversion of Cannabis, (ii) a reasonably detailed description of the facts establishing the Reservation Business Committee and/or TRA's actual knowledge or willful disregard of the diversion, and (iii) a statement that all of the Tribe's trade with State-Licensed Cannabis Business and retail and wholesale sales of Cannabis outside of Tribally Regulated Land shall be suspended for fifteen (15) days from the date the written notice is received. During the aforementioned fifteen (15) day suspension period, the Parties, by and through designees with full decision-making authority, shall meet and confer and the Tribe may present evidence to dispute the State's evidence and/or to present its planned and/or actual corrective actions including any investigations in conjunction with or as a precursor to any corrective actions. At the conclusion of the fifteen (15) day suspension the Compact shall be terminated unless the State has withdrawn the termination based on the meet and confer or the Tribe has provided the State written notice of its intent to initiate arbitration. The Tribe must initiate arbitration pursuant to this section within ten (10) days of the conclusion of the fifteen (15) day suspension.

a. Credible evidence must be based on specific articulable facts which are supported by documents, physical evidence, or statements from credible witnesses who can provide firsthand accounts of the actual knowledge and

willful disregard by the Reservation Business Committee or Tribal Regulatory Agency of the illegal diversion. Credible evidence cannot be based upon vague allegations, general suspicions or feelings, or unsubstantiated gossip.

- b. If, within the scope of this Compact, the Tribe or Tribal Regulatory Agency obtains credible evidence that Cannabis is being diverted into the illegal market by a person or entity over which the Tribal Regulatory Agency has jurisdiction, the Tribe or Tribal Regulatory Agency shall immediately provide written notice thereof to OCM at which time the Tribe or the Tribal Regulatory Agency and OCM shall collaborate to resolve the diversion to the satisfaction of OCM and this Compact shall not be subject to a termination based on diversion under Article IV(B)(3).

Article V. Miscellaneous

A. Compliance with Laws of Local Jurisdiction.

1. Tribal Enterprises operating outside the boundaries of Tribally Regulated Land are exempt from Local Jurisdiction Cannabis-related enforcement and ordinances (and are immune from their enforcement) including, without limitation, Local Jurisdiction registration requirements set forth in Chapter 342 of the Minnesota Statutes and Cannabis-specific zoning ordinances. Tribal Enterprises operating outside the boundaries of Tribally Regulated Land shall not be exempt from non-Cannabis related ordinances adopted by a Local Jurisdiction and their enforcement, including non-Cannabis-specific zoning ordinances, provided that all such non-Cannabis related ordinances are equal in application to all similarly situated businesses or residents including without limitation State-Licensed Cannabis Businesses.
2. In the event of a dispute between a Tribal Enterprise and a Local Jurisdiction over the scope, applicability, or implementation of non-Cannabis related ordinances adopted by a Local Jurisdiction, either the Tribal Enterprise or the Local Jurisdiction may, through OCM, request to initiate the Article IV Dispute Resolution provisions of this Compact, provided:
 - a. The dispute resolution is voluntary for the Tribal Enterprise and the Local Jurisdiction;
 - b. Dispute resolution is limited to this Article V(A), Compliance with the Laws of Local Jurisdiction;
 - c. OCM shall participate in the dispute resolution process as an independent party with an interest in the fair implementation of State law and this Compact; and
 - d. Regardless of participation in the dispute resolution, the election by the Tribal Enterprise or the Local Jurisdiction to participate in binding arbitration is voluntary.

3. Proximity to Sensitive Locations. The Tribal Regulatory Agency shall not issue licenses to Tribal Enterprises operating outside the boundaries of Tribally Regulated Land to conduct Cannabis Activity within 1,000 feet of a school, or 500 feet of a day care, residential treatment facility, or an attraction within a public park that is regularly used by minors, including a playground or athletic field, unless the equivalent laws of the Local Jurisdiction are less restrictive, and then such location limitations are incorporated herein and the Tribal Regulatory Agency shall abide by them. The limitation set forth in this subsection is applicable to the location of Tribal Enterprises. This limitation does not apply to the delivery of Cannabis by a Tribal Enterprise Delivery License holder.
4. Hours of Operation. The Tribal Regulatory Agency shall not authorize the retail sale of Cannabis Flower, Cannabis Products, lower-potency hemp edibles, or hemp-derived consumer products by a Tribal Enterprise Retailer operating outside the boundaries of Tribally Regulated Land between 2:00 a.m. and 8:00 a.m. on the days of Monday through Saturday nor between 2:00 a.m. and 10:00 a.m. on Sunday, unless the equivalent laws of the Local Jurisdiction are less restrictive and then such limitations are incorporated herein and the Tribal Regulatory Agency shall abide by them.

B. Taxation.

1. Consistent with Minn. Stat. § 295.81, subd. 4(d) and Minn. Stat. § 297A.67, subd. 39, the Tribe shall not be required to collect or remit any Tribal or State sales, use, gross receipts, or Cannabis tax for Cannabis retail sales by Tribally Licensed Cannabis Businesses and Tribal Enterprises on Tribally Regulated Land.
2. The Tribe and State agree that a tax agreement, for sharing of sales and gross receipts tax collected from any Tribally owned Cannabis business that operates outside of Tribally Regulated Land, may be negotiated between the Tribe and the Minnesota Department of Revenue in the future.

C. Most Favored Nations.

1. If, at any time prior to or after the Effective Date of this Compact, the State enters into a compact with any other Minnesota Tribal Government that contains more favorable provisions with respect to Cannabis Activity or any provisions of this Compact, at the Tribe's request the State shall meet and confer with the Tribe regarding modifying this Compact. The State's agreement to modify this Compact to include the new or updated provisions, as provided in this section, shall not be unreasonably withheld or delayed by the State, and under no circumstances shall take longer than thirty (30) days, provided that if the more favorable provision is tied to other negotiated terms of the Compact, the Tribe may be required to adopt such other terms in order obtain the more favorable provisions, and the State's good faith and reasonable representations concerning how provisions in the Compact are tied together shall presumed to be accurate.
2. If at any time prior to or after the Effective Date of this Compact, the State enters

into a compact, agreement, or consent decree with any other Minnesota Tribal Government that contains more favorable provisions with respect to the provisions of this Compact set forth below, at the election of the Tribe and upon the Tribe's written notice to the State, this Compact shall be amended so that it conforms, in part or in whole, to any one of such compacts, agreements, or consent decrees, and this Compact shall be deemed so amended by the State immediately upon the State's receipt of such written notice from the Tribe. Implementation of the amendment(s) pursuant to this section shall not be unreasonably withheld or delayed by the State:

- a. Article III(E), License Limitations Outside of Tribally Regulated Land;
- b. Article V(B), Taxation;
- c. Article V(C), Most Favored Nations;
- d. Article III(I), Confidentiality and Data Sharing; and
- e. Article IV, Dispute Resolution in its entirety, with the exception of Article IV(B)(3), Termination for Diversion.

- D. Government Data Practices. The Parties acknowledge that the State is subject to the Minnesota Government Data Practices Act as it applies to data provided by the State under this Compact. The Parties acknowledge that the Tribe is subject to the Tribe's law and policy as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Tribe under this Compact. OCM and the Governor's Office agree to treat and classify all data received from the Tribe in connection with this Compact with the same classification as the data had under the Tribe's law or policy.
- E. No Tribal Consent to State Licenses within the Tribe's Reservation. The Parties agree that the State shall not issue any Cannabis licenses to individuals or entities for facilities located in Indian Country of the Tribe.
- F. Term. This Compact shall remain in effect in perpetuity. The Parties agree to meet every seven (7) years to discuss the status of the Compact and may suggest corrections, updates, and improvements.
- G. Standard Forms. The Parties shall work together to develop standard forms for use and implementation as OCM Site Inspection Notices, OCM Notices of Material Noncompliance, and such other mutually agreed upon forms identified in or incident to this Compact. Final forms shall be agreed-upon within thirty (30) days of the Effective Date of this Compact. The Parties shall cooperate and work together to develop additional forms as deemed necessary throughout the term of this Compact.
- H. Notice and Designated Contacts.
 - 1. The Parties agree to maintain regular and open communication regarding the administration and implementation of this Compact. The Parties agree that the

following individuals will be designated primary contacts regarding administration of this Compact:

For the Tribe: Michael Fairbanks
Chairman
PO Box 418
White Earth, MN 56591
218-983-3285, Ext. 5927
Michael.Fairbanks@whiteearth-nsn.gov

For the State: Eric Taubel
Interim Director
Office of Cannabis Management
P.O. Box 64034
St. Paul, MN 55102
651-539-5000
Eric.Taubel@state.mn.us

The designated individuals and notice recipients (identified in Article V(H)(2) below) may be changed by written notice from the Tribe (or Reservation Business Committee) or the State as described herein.

2. Notice. All notices, requests, consents, claims, demands, waivers and other communications required or permitted hereunder shall be in writing and shall be deemed to have been properly given or served (a) when delivered by hand through a national courier service (with written confirmation of delivery) at the address set forth below; (b) when received by the addressee if sent by a nationally recognized overnight courier (with written confirmation of delivery) at the address set forth below; (c) on the date sent by facsimile or e-mail to the email address set forth below, or to the person's successor, in the form of a PDF document or its equivalent (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next business day if sent after normal business hours of the recipient; or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid to the address set forth below:

If to the Tribe: Michael Fairbanks
Chairman
PO Box 418
White Earth, MN 56591
218-983-3285, Ext. 5927
Michael.Fairbanks@whiteearth-nsn.gov

With copy to: Andrea Kingbird, Esq.
General Counsel
Legal Department
PO Box 238
White Earth, MN 56591
218-935-6239
Andrea.Kingbird@whiteearth-nsn.gov

If to the State: Eric Taubel
Interim Director
Office of Cannabis Management
P.O. Box 64034
St. Paul, MN 55102
651-539-5000
Eric.Taubel@state.mn.us

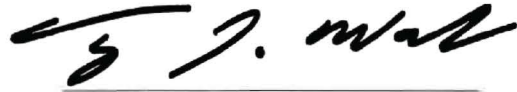
With copy to: Mary Fee
General Counsel
Office of the Governor
30 State Capitol
75 Rev Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155
651-201-3400
Mary.Fee@state.mn.us

- I. Amendment. No amendment or alteration of this Compact shall arise by implication or course of conduct. This Compact, less and except Attachment A (which can only be updated pursuant to the terms of this Compact hereinabove), may be altered only by a subsequent written document, approved by the Parties, expressly stating the Parties intention to amend this Compact. Notwithstanding the foregoing, this Compact shall be amended pursuant to the Most Favored Nations clause set forth hereinabove if requested by the Tribe.
- J. Federal Change. If the scheduling classification of Cannabis as prescribed under the CSA is altered in any material way or written federal marijuana enforcement policy materially comprising the Federal Enforcement Priorities materially change as evidenced in writing, to impact or affect the terms of this Compact, or if Chapter 342 of the Minnesota Statutes is repealed, the Parties agree to meet and discuss in good faith the need to modify this Compact. If such modifications cannot be agreed-upon, then either Party may commence the procedures set forth in the Dispute Resolution section herein.
- K. Cooperation.

1. If the federal government or any agency thereof, commences or threatens to commence an administrative, civil, or criminal action, proceeding, or investigation against the Tribe or an entity of the Tribe related to this Compact (“Compact Proceedings”), the State agrees to cooperate with the Tribe, Tribal Regulatory Agency, Tribally Licensed Cannabis Businesses, and Tribal Enterprises in defense of such Compact Proceedings, including cooperating in the defense of the Tribe’s authority to enter into and implement the terms and provisions of this Compact. Such cooperation shall be administrative in nature; nothing in this section shall require the State or the Minnesota Attorney General to affirmatively commence or join any action, proceeding or investigation. Nothing in this section shall be construed as a waiver of the Tribe’s sovereign immunity.
 2. Upon written request from the Tribe, the Tribal Regulatory Agency, or a Tribal Enterprise, OCM shall issue and direct a letter to a Local Jurisdiction in substantially the same form as that which is attached to this Compact as Attachment B.
 3. The State and OCM shall cooperate with the Tribe as set forth herein in connection with all public data and information requests.
- L. No Limitation. The Parties agree that the execution of this Compact and the benefits and obligations that arise therefrom shall not be construed as limiting any otherwise lawful activity of the Tribe, its government, or its business enterprises, nor subject the Tribe, its government, or its business enterprises to any State jurisdiction not otherwise agreed to in this Compact.
- M. Severability. If any provision of this Compact or its application to any person or circumstance is held invalid, the remainder of the Compact shall not be affected and shall remain in full force.
- N. Ratification. The Parties agree that this Compact has been approved pursuant to the laws of both the Tribe and the State.
- O. Counterparts. This Compact may be executed in counterparts, and any Party may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute one and the same instrument.

This Compact is hereby made and entered into this 20th day of May, 2025 ("Effective Date").

STATE OF MINNESOTA

A handwritten signature in black ink, appearing to read "T. J. Walz", written over a horizontal line.

TIM WALZ, Governor

WHITE EARTH BAND OF THE
MINNESOTA CHIPPEWA
TRIBE

A handwritten signature in black ink, appearing to read "Michael Fairbanks", written over a horizontal line.

MICHAEL FAIRBANKS, Chairman

Attachment A

9810.0100 SCOPE; PURPOSE; APPLICATION.

[Intentionally omitted.]

9810.0200 DEFINITIONS.

Subpart 1. **Scope.** For the purposes of this chapter, the terms defined in Minnesota Statutes, chapter 342, have the meanings given them.

Subp. 2. **Acceptance criteria.** "Acceptance criteria" means the conditions that must be satisfied for a product to be accepted.

Subp. 3. **AOAC International.** "AOAC International" means the Association of Official Analytical Collaboration International.

Subp. 4. **Authorized event retailer.** "Authorized event retailer" means any licensed retailer authorized by the office to make retail sales at a cannabis event.

Subp. 5. **Authorized personnel.** "Authorized personnel" means one or more individuals authorized or assigned by the regulated business or the business's designee to perform a specific type of duty or to be at a specific location.

Subp. 6. **Cannabis clone.** "Cannabis clone" means a cannabis plant that is propagated from a cannabis cutting.

Subp. 7. **Cannabis cultivator.** "Cannabis cultivator" means a person, cooperative, or business authorized by the office to cultivate cannabis plants for sale.

Subp. 8. **Cannabis cutting.** "Cannabis cutting" means the vegetative material removed from a cannabis mother plant that is intended to be used for propagation, including plant tissue for use in tissue culture.

Subp. 9. **Cannabis delivery vehicle.** "Cannabis delivery vehicle" means a motor vehicle used by a cannabis delivery service to transport regulated products to a customer, patient, or designated caregiver.

Subp. 10. **Cannabis mother plant.** "Cannabis mother plant" means a female cannabis plant intentionally maintained in a nonflowering vegetative state for the purpose of producing cannabis cuttings.

Subp. 11. **Cannabis retailer.** "Cannabis retailer" means a cannabis business, as defined in Minnesota Statutes, section 342.01, subdivision 14, that holds:

- A. a valid cannabis license;

B. a retail endorsement; and

C. a retail registration with the appropriate local unit of government.

Subp. 12. **Cannabis seedling.** "Cannabis seedling" means a germinated seed that:

A. originates from a cannabis plant;

B. has no flowers; and

C. is no more than eight inches in height.

Subp. 13. **Cannabis transport vehicle.** "Cannabis transport vehicle" means a vehicle used by a cannabis transporter to transport regulated products to a license holder.

Subp. 14. **Cannabis volunteer.** "Cannabis volunteer" means any individual whose scope of work involves that of a cannabis worker, but who does not, and is not required under applicable local, state, or federal law to, receive compensation for those services.

Subp. 15. **Cannabis waste.** "Cannabis waste" means discarded cannabis materials created from the cultivation, harvesting, processing, manufacturing, packaging, storage, transport, delivery, or sale of products of the cannabis industry or the hemp consumer industry.

Subp. 16. **Caregiver.** "Caregiver" means a patient's registered designated caregiver or a patient's parent, legal guardian, or spouse acting as a registered designated caregiver.

Subp. 17. [Intentionally omitted.]

Subp. 18. [Intentionally omitted.]

Subp. 19. **Crop input.** "Crop input" means any substance other than water that is applied to or used in the cultivation of a cannabis plant for the purposes of pest control, plant health, or plant growth management. Crop input includes pesticides, fungicides, plant regulators, fertilizers, soil amendments, plant amendments, and other agricultural products regulated by the Department of Agriculture.

Subp. 20. **Customer.** "Customer" means an individual making a purchase from a licensee that holds a retail license or retail endorsement.

Subp. 21. **Delivery route.** "Delivery route" means a trip from the retail location where a sale originates to a customer delivery location.

Subp. 22. **Dwelling.** "Dwelling" means a physical structure where people live, such as a house, an apartment, or another type of residential structure.

Subp. 23. **Elements of a crime.** "Elements of a crime" means the component parts of a crime that a prosecutor must prove to a judge or jury in order to convict a person of the crime.

Subp. 24. **Excipient.** "Excipient" means an inert substance formulated alongside an active ingredient.

Subp. 25. **Growth phase.** "Growth phase" means the designation of stages of development of a live cannabis plant as a seedling, immature plant, vegetative plant, and flowering plant.

Subp. 26. **Hazardous cannabis waste.** "Hazardous cannabis waste" means cannabis waste that meets the definition of hazardous waste in Minnesota Statutes, section 116.06, subdivision 11.

Subp. 27. **Homogenized composite batch sample.** "Homogenized composite batch sample" means a representative sample as defined in subpart 52 that is homogenized prior to sample analysis.

Subp. 28. **IEC.** "IEC" means the International Electrotechnical Commission.

Subp. 29. **Immature cannabis plant.** "Immature cannabis plant" means any nonflowering plant of the genus *Cannabis*. Immature cannabis plant includes a cannabis clone, a cannabis cutting, a cannabis seedling, and a cannabis mother plant. Immature cannabis plant does not include industrial hemp as defined in Minnesota Statutes, chapter 18K.

Subp. 30. **Ingestible cannabis product.** "Ingestible cannabis product" means a cannabis product designed to be orally ingested, such as a food product or drink infused with cannabis or a cannabis product that is intended to be swallowed.

Subp. 31. **In-process product.** "In-process product" means a regulated product that has been transformed from raw cannabis or hemp but has not yet become the final form in which the product will be sold to consumers.

Subp. 32. **ISO.** "ISO" means the International Organization for Standardization.

Subp. 33. **Kief.** "Kief" means the granular excess plant material and loose trichomes resulting from the grinding, sifting, or other manufacturing of dried cured cannabis flower or plants.

Subp. 34. **Limited-access area.** "Limited-access area" means an area of a cannabis business that is accessible only by individuals who are over 21 years of age.

Subp. 35. **Lower-potency hemp retailer.** "Lower-potency hemp retailer" means a hemp business, as defined in Minnesota Statutes, section 342.01, subdivision 34, that holds a valid lower-potency hemp edible retail license.

Subp. 36. **Manufacturing.** "Manufacturing" means the process by which cannabis flower or plants, cannabis concentrates, artificially derived cannabinoids, hemp plant parts, or hemp concentrates are prepared into usable consumer products or products intended for further

processing.

Subp. 37. **Manufacturing facility.** "Manufacturing facility" means the building or area in which useable or consumable cannabis and hemp products are processed or otherwise prepared to be useable or consumable products.

Subp. 38. **Marketing layer.** "Marketing layer" means the outermost layer of a retail sale container that is predominantly apparent and visible, such as a box or bag that another container containing saleable cannabis product or cannabis flower is in. If the container consists of only a single layer, then the outer surface of the container is the marketing layer.

Subp. 39. **Mature cannabis plant.** "Mature cannabis plant" means any flowering plant of the genus *Cannabis*. Mature cannabis plant does not include industrial hemp as defined in Minnesota Statutes, chapter 18K.

Subp. 40. **Medical cannabis retailer.** "Medical cannabis retailer" means a cannabis Medical combination business or a cannabis business with a medical cannabis retail endorsement to provide medical cannabis flower, medical cannabinoid products, and medical cannabis paraphernalia to a patient or designated caregiver.

Subp. 41. **Nonhazardous cannabis waste.** "Nonhazardous cannabis waste" means cannabis waste that does not meet the definition of hazardous waste in Minnesota Statutes, section 116.06, subdivision 11.

Subp. 42. **Office.** "Office" means the Office of Cannabis Management.

Subp. 43. **Outdoor mixed-light facility.** "Outdoor mixed-light facility" means a hoop house, greenhouse, or other structure with nonrigid walls that uses natural light, in whole or in part, for cultivation.

Subp. 44. [Intentionally omitted.]

Subp. 45. [Intentionally omitted.]

Subp. 46. [Intentionally omitted.]

Subp. 47. [Intentionally omitted.]

Subp. 48. **Point-of-sale system.** "Point-of-sale system" means the combination of hardware, software, and payment services operated by a business to process payments for the purchase of goods and services.

Subp. 49. **Propagation.** "Propagation" means the activity of growing cannabis plants from a cannabis seed, an immature cannabis plant, or another cannabis plant source.

Subp. 50. **Regulated products.** "Regulated products" means all products subject to regulation

by the office, including cannabis plants, cannabis flower, medical cannabis flower, cannabis products, artificially derived cannabinoids, lower-potency hemp edibles, hemp-derived consumer products, and hemp-derived topical products.

Subp. 51. **Remediation.** "Remediation" means any process that removes or reduces the level of contaminant or excess cannabinoid in a batch of any product regulated under Minnesota Statutes, chapter 342.

Subp. 52. **Representative sample.** "Representative sample" means a small portion of a larger sample or product that accurately reflects the characteristics of the entire sample or product.

Subp. 53. **Responsible worker.** "Responsible worker" means a worker who is in charge of ensuring that a task is completed and recorded in the statewide monitoring system.

Subp. 54. **Restricted-access area.** "Restricted-access area" means an area of a cannabis business that is accessible only to authorized cannabis workers.

Subp. 55. **Retail area.** "Retail area" means the space within a cannabis business or hemp business used to conduct retail sales.

Subp. 56. **Retail sale.** "Retail sale" means a transfer of products from a retailer to a customer, patient, or designated caregiver.

Subp. 57. **Retailer.** "Retailer" means any cannabis retailer, medical cannabis combination business operating a retail location, or lower-potency hemp retailer that holds a valid applicable retailer license.

Subp. 58. **Saleable cannabis product.** "Saleable cannabis product" means a manufactured cannabis product that is prepared for sale.

Subp. 59. **Sample.** "Sample" means a sample of products sold by the retailer that is not for sale and is displayed for customers to observe and smell.

Subp. 60. **Security event.** "Security event" means any potential or actual unauthorized access or compromise of a cannabis business's physical location or electronic systems.

Subp. 61. **Smokeable cannabis product.** "Smokeable cannabis product" means a product containing cannabis flower or cannabis concentrate consumed by combustion or vaporization and inhalation of smoke, aerosol, or vapor from the product.

Subp. 62. **Solvent.** "Solvent" means a substance that is capable of solubilizing cannabinoids extracted from cannabis or hemp plants.

Subp. 63. Intentionally omitted.

Subp. 64. **System inventory.** "System inventory" means a cannabis business's inventory of all

regulated products.

Subp. 65. [Intentionally omitted.]

Subp. 66. **Terpene profile.** "Terpene profile" means the specific combination and concentration of terpenes.

Subp. 67. **THC.** "THC" means tetrahydrocannabinol.

Subp. 68. **Tincture.** "Tincture" means a solution of that is:

- A. derived either directly from a hemp or cannabis plant or from a manufactured hemp or cannabis extract;
- B. dissolved in glycerin, food-grade oils, or other food-grade solvents; and
- C. intended to be consumed through oral administration.

Subp. 69. **Trim.** "Trim" means cannabis plant material that is intentionally removed as part of the cultivation process.

Subp. 70. **Vegetative plant.** "Vegetative plant" means a cannabis plant that is over eight inches in height but has no observable buds or flowers.

Subp. 71. **Volunteer cannabis plant.** "Volunteer cannabis plant" means a cannabis plant that results from a seed or root that is not intentionally planted or grown.

Subp. 72. **Wholesale distribution.** "Wholesale distribution" means the distribution of product between cannabis businesses or hemp businesses in the stages of cannabis or hemp production. Wholesale distribution excludes transfers between physical locations operating under a single ownership structure or single license issued by the office.

9810.1000 LICENSE LIMITS.

[Intentionally omitted.]

9810.1001 DISQUALIFYING OFFENSES.

[Intentionally omitted.]

9810.1002 APPEAL.

[Intentionally omitted.]

9810.1003 PETITIONING THE OFFICE.

[Intentionally omitted.]

9810.1100 GENERAL OPERATIONS.

Subpart 1. [Intentionally omitted.]

Subp. 2. Standard operating procedures.

A. A cannabis business and hemp business must establish and maintain written and up-to-date standard operating procedures in accordance with Minnesota Statutes, chapter 342. Standard operating procedures must include:

- (1) the implementation procedures for the general operational requirements of cannabis businesses or hemp businesses under Minnesota Statutes, chapter 342;
- (2) worker training procedures as described under part 9810.1102;
- (3) worker safety procedures as described under part 9810.1102;
- (4) the creation and entry of accurate data in the statewide monitoring system pursuant to parts 9810.1300 to 9810.1302 and Minnesota Statutes, section 342.24, subdivision 5;
- (5) as described in part 9810.1104, the safe and sanitary storage of cannabis plants, cannabis flower, and cannabis products, including maintaining the cleanliness of any building or equipment that the business uses to store or display cannabis plants, cannabis flower, and cannabis products;
- (6) as required under part 9810.1200, the proper segregation and disposal of a regulated product that:
 - (a) is damaged;
 - (b) has a broken seal;
 - (c) has been contaminated;
 - (d) has not been sold by the expiration date on the label; or
 - (e) is the subject of a recall under part 9810.1101;
- (7) the proper designation of authorized personnel for specified duties of the cannabis business or hemp business and the procedure for issuing necessary worker identification for restricted-access areas.
- (8) the proper designation of authorized personnel who have the authority to access, enter, and update private and nonpublic consumer data;

(9) the procedure for responding to a data security breach, consistent with Minnesota Statutes, sections 325E.61 and 325E.64;

(10) Intentionally omitted; and

(11) the procedure for reporting all potential substances that the business uses during cultivating, manufacturing, and packaging processes to a testing facility licensed under Minnesota Statutes, chapter 342, for batch safety testing.

B. Standard operating procedures must be available on-site to all personnel and to the office upon request.

Subp. 3. Record keeping.

A. Financial records must be maintained according to this item.

(1) Intentionally omitted.

(2) A cannabis business must maintain accurate and comprehensive financial records prepared in accordance with generally accepted accounting principles to document income and expenses, including:

(a) cash logs;

(b) sale records;

(c) purchase of inventory;

(d) invoices;

(e) receipts;

(f) deposit slips;

(g) cancelled checks;

(h) employee compensation records;

(i) security records; and

(j) vendor and business-to-business contact information.

B. [Intentionally omitted.]

C. [Intentionally omitted.]

Subp. 4. **Dwelling prohibitions.** A cannabis business must not conduct an activity authorized by the office in a dwelling. A cannabis business must conduct an activity approved by the office in an area of the premises that personnel may access without passing through a dwelling space. This subpart does not apply to an activity that an individual is specifically authorized to conduct under Minnesota Statutes, section 342.09.

Subp. 5. [Intentionally omitted.]

Subp. 6. **General facilities required.** Any physical location or site where employees routinely conduct activities authorized by the office must:

- A. have at least one toilet facility located on the premises in a completely enclosed room with a tight-fitting and self-closing door. Unless a toilet facility is being cleaned or maintained, the toilet room door must be kept closed; and
- B. comply with chapter 5205; Minnesota Statutes, chapter 182; Code of Federal Regulations, title 29, part 1910; and all Minnesota state building and fire codes and federal and applicable state environmental and workplace safety requirements and policies.

Subp. 7. **Weighing and measuring equipment.** A cannabis business that owns or operates weighing or measuring equipment for the purpose of entering data in the statewide monitoring system must comply with chapter 7601. A cannabis business must develop and use written procedures to ensure the consistent and accurate use of weighing and measuring equipment for mandatory controls and the accurate entry of weights and measurements into the statewide monitoring system. A cannabis business must maintain weighing and measuring equipment in a sanitary manner that does not contaminate any products.

9810.1101 PRODUCT RECALL.

Subpart 1. **Factors for recall.** The office must require license holder to recall any regulated product if the office has evidence that the regulated product:

- A. contains a contaminant level exceeding the acceptance criteria established by the office for foreign material, heavy metals, microbiological contaminants, mycotoxins, pesticide residues, or residual solvents;
- B. contains an undeclared allergen, as defined in the Minnesota Food Law, Minnesota Statutes, chapter 31;
- C. is otherwise unfit for human use, consumption, or application;
- D. was not cultivated or manufactured by a licensed cannabis or hemp business as required by Minnesota Statutes, chapter 342;
- E. has packaging that fails to disclose a known allergen contained in the product;

F. has packaging that does not comply with the labeling requirements in Minnesota Statutes, section 342.63; or

G. otherwise poses a risk to public health or safety.

Subp. 2. **Mandatory recall process.** Upon the office's request, a license holder must perform a traceback and trace-forward investigation to identify all affected businesses, markets, and consumers and must respond to all information requests made by the office related to the recall within 24 hours of the office's request. The office may take control of a product recall process at any time.

A. If the office determines that a recall is necessary under subpart 1, the office must:

(1) issue the license holder a notice of recall with the specific product subject to the recall and the basis for the recall under subpart 1; and

(2) post the notice of recall on the office's website.

B. If the office requires that a license holder recall a regulated product, the business must, within one day of receiving notice from the office:

(1) notify any other business impacted by the recall;

(2) notify all individuals who may have purchased the recalled product and reimburse individuals for any returned product; and

(3) ensure that all products subject to the recall are destroyed in accordance with this chapter and record the destruction in the cannabis business's seed-to-sale tracking system.

C. A license holder must notify the office of the license holder's compliance with item B, subitems (1) to (3), within three days of receiving the notice of recall.

Subp. 3. **Voluntary recall process.** A license holder may initiate a product recall when the license holder has information that a regulated product is mislabeled, defective, or unsafe for consumption. A license holder initiating a recall must:

A. provide notice of the recall to the office, including a description of the recalled product and the basis for the recall. Upon receipt, the office must post the notice on the office's website with information that the license holder initiated the product recall; and

B. comply with subpart 2, item B.

9810.1102 CANNABIS AND HEMP WORKERS.

[Intentionally omitted.]

9810.1103 PRODUCT SAMPLES.

Subpart 1. **Samples.** A cannabis business must record in the statewide monitoring system any sample or regulated product, except lower-potency hemp edibles, that the business provides to an individual. A cannabis business must not provide a sample or regulated product to a person who is under 21 years of age.

Subp. 2. Product samples to cannabis businesses.

A. When providing a sample to a retailer or wholesaler, a cannabis business must:

- (1) hold a valid license issued by the office;
- (2) provide the sample to a retailer or wholesaler solely for the purpose of business-to-business marketing;
- (3) ensure that the sample was tested according to part 9810.3100; and
- (4) ensure that the sample is contained in product packaging in compliance with parts 9810.1400 to 9810.1403 and Minnesota Statutes, section 342.63.

B. [Intentionally omitted.]

C. [Intentionally omitted.]

Subp. 3. [Intentionally omitted.]

Subp. 4. [Intentionally omitted.]

9810.1104 PRODUCT STORAGE.

Subpart 1. **Product storage.** A cannabis business must develop procedures for storing regulated products in a controlled environment. The storage procedures must ensure that regulated products are free from contamination. A cannabis business must ensure that all cannabis or hemp workers employed by the business follow the business's storage procedures and maintain a record of the cannabis or hemp workers' compliance with storage procedures. A cannabis business must ensure that the business's storage procedures and records are readily available for inspection by the office upon request. A cannabis business's storage procedures must include the following requirements.

- A. A cannabis business must ensure that product storage areas are used only for the storage of regulated products. A cannabis business must store regulated products in a manner that ensures that there is no mixing between batch numbers or different types

of regulated products.

- B. A cannabis business must maintain and have available for inspection records that describe the date and time of each occasion when a product storage area was accessed by an individual, the name of the individual, and the regulated products that were added or removed from the storage area.

Subp. 2. **Storage area specifications.** A cannabis business must store regulated products at least six inches above the ground of any storage area. A storage area must be clean, well ventilated, and free from condensation, sewage, dust, dirt, pests, chemicals, and other contaminants.

Subp. 3. **Secure access.** A cannabis business must keep a storage area locked with access restricted only to authorized personnel. A cannabis business must post signage that indicates "Restricted Access. Authorized Personnel Only" at the entrance of a storage area.

Subp. 4. **Cleaning.** While cleaning a storage area, a cannabis business may remove a regulated product from the storage area to prevent the contamination of regulated products. When regulated products are removed for cleaning, a cannabis business may store regulated products temporarily outside of the storage area in a manner that prevents contamination or mixing of batch numbers or different product types.

Subp. 5. **Cannabis waste storage.** A cannabis business must store cannabis waste, including products that failed testing, in a secure and separate location from saleable cannabis products until the business has disposed of or remediated the cannabis waste or failed products. For purposes of this subpart, a secure and separate location includes a container, closet, or room that is able to be locked or secured.

9810.1200 ENVIRONMENTAL STANDARDS AND DISPOSAL.

Subpart 1. [Intentionally omitted.]

Subp. 2. **Waste and disposal.** A cannabis business must determine the classification of all waste, including cannabis waste, of the business. A cannabis business must ensure that all waste is stored, secured, maintained, and disposed of in accordance with this chapter and all other applicable local, state, and federal laws and regulations.

Subp. 3. **Disposal of nonhazardous cannabis waste.** A cannabis business must render nonhazardous cannabis waste for disposal unusable and unrecognizable before allowing the nonhazardous cannabis waste to leave the premises of the business. A cannabis business must follow the requirements of part 7035.2836 when composting unusable and unrecognizable nonhazardous cannabis waste.

Subp. 4. **Disposal of hazardous cannabis waste.** A cannabis business must render hazardous cannabis waste nonretrievable before allowing the hazardous cannabis waste to leave the premises of the business. A cannabis business must follow the requirements of chapter 7045

when handling hazardous cannabis waste.

Subp. 5. **Cannabis waste exceptions.** The following materials are not considered cannabis waste and do not require treatment to render the materials unusable and unrecognizable or nonretrievable, provided that the cannabis does not contain any cannabis flower or leaves with any visible trichomes:

- A. root balls, soil, or growing media;
- B. stalks of cannabis plants; and
- C. leaves and branches removed from immature cannabis plants.

Subp. 6. [Intentionally omitted.]

Subp. 7. **Cannabis waste records.** A cannabis business must enter and maintain accurate and comprehensive waste-tracking records in the statewide monitoring system. A cannabis business must ensure that waste-tracking records describe all the operator's activity related to the disposal of cannabis waste and cannabis plant material.

9810.1300 TRACK AND TRACE; GENERAL REQUIREMENT.

Subpart 1. **Mandatory tracking.** Unless exempted by this chapter or Minnesota Statutes, chapter 342, a cannabis business must comply with all applicable requirements under parts 9810.1300 to 9810.1302 when purchasing, producing, selling, or possessing any regulated products.

Subp. 2. **Weights and measures.** A cannabis business that owns or operates weighing or measuring equipment for purposes of entering data in the statewide monitoring system must comply with chapter 7601.

9810.1301 TRACK AND TRACE; SYSTEM ADMINISTRATION.

Subpart 1. **Statewide monitoring system.** A cannabis business must use the office's statewide monitoring system, including software, tagging, and labeling tools, to fulfill the inventory and tracking requirements of this chapter. A cannabis business is solely responsible for all costs to purchase and use the statewide monitoring system.

Subp. 2. [Intentionally omitted.]

Subp. 3. [Intentionally omitted.]

Subp. 4. [Intentionally omitted.]

Subp. 5. [Intentionally omitted.]

Subp. 6. [Intentionally omitted.]

Subp. 7. **Administrative holds.** A cannabis business must comply with all administrative holds and any other restrictions on the sale or transfer of regulated products issued through the statewide monitoring system.

Subp. 8. [Intentionally omitted.]

Subp. 9. [Intentionally omitted.]

Subp. 10. [Intentionally omitted.]

9810.1302 TRACK AND TRACE; INVENTORY AND TRACKING REQUIREMENTS.

Subpart 1. **Inventory management.** A cannabis business must conduct inventory and tracking functions using the statewide monitoring system.

Subp. 2. **System inventory.** A cannabis business must use the statewide monitoring system to maintain an accurate inventory of all regulated products that the business has in the business's possession. The system inventory must include:

- A. the product category for each product in the business's possession;
- B. the quantity of each product in the business's possession, either by weight or units, as appropriate for the product category;
- C. the batch number assigned to each product in the statewide monitoring system;
- D. for all living cannabis plants:
 - (1) the plant's current growth phase; and
 - (2) for plants over eight inches in height, a unique identification number assigned to the plant; and
- E. the product's location in a facility.

Subp. 3. **Waste.** A cannabis business must report the production and disposal of all cannabis waste as described in part 9810.1200 in the statewide monitoring system.

Subp. 4. **Tagging.**

- A. All cannabis plants over eight inches in height or width must be physically tagged with a unique identifier recorded in the statewide monitoring system.
- B. All units packaged for transfer or sale, other than for final sale or delivery to a

customer, patient, or designated caregiver, must be physically tagged with a unique identifier recorded in the statewide monitoring system.

Subp. 5. Additional tracking requirements. In addition to system inventory maintenance requirements in subpart 2, a cannabis business must report the following actions, events, and information related to regulated products in the statewide monitoring system:

- A. the sale, distribution, transfer, or receipt of products. When reporting a sale in the statewide monitoring system, a business must include the actual price of the product and any discount amount;
- B. each application of a crop input to plants in the cannabis business's possession;
- C. a written description of any products removed from a cannabis business's inventory due to intentional or accidental destruction. The written description must provide the business's justification for intentionally destroying the products, if applicable;
- D. a written description of any products removed from a cannabis business's inventory as a result of sampling for routine inspection purposes. The description must include the date the sample was collected and the quantity of the sample collected;
- E. the theft or loss of any products. A cannabis business must report the theft or loss of a product to the office within eight hours of discovering the theft or loss. A cannabis business must also notify local law enforcement of the theft or loss immediately upon learning of the theft or loss;
- F. the justification for any adjustment to the weight or quantity of any products in the cannabis business's system inventory. A business must report the justification for an adjustment to weight or quantity in the statewide monitoring system at the time that the business makes the adjustment;
- G. notice of any products that the cannabis business removes from the business's system inventory for laboratory testing. If the business removes a product from the business's system inventory for testing, the business must record the product as a laboratory sample package and must only transfer the product to a licensed testing facility;
- H. notice of any products that the business removes from the business's inventory for an approved demonstration purpose, such as:
 - (1) a sample for an employee;
 - (2) a display sample that the business provides to a cannabis retailer; or
 - (3) a promotional sample that the business provides to a licensed cannabis business;
and
- I. [Intentionally omitted.]

Subp. 6. System reconciliation.

- A. A cannabis business must update the system inventory and ensure the system inventory's accuracy at the end of each business day. A cannabis business must ensure that the business's inventory records are available to the office for inspection upon the request of the office.
- B. A cannabis business must develop and make available for inspection a written procedure and schedule for verifying the accuracy of the business's system inventory. A cannabis business must design and implement the procedure to ensure that the business's system inventory is accurate. A cannabis business must update and maintain records regarding the business's compliance with the procedure for verifying accuracy. A cannabis business must ensure that compliance records are available for inspection by the office upon request.
- C. A cannabis testing facility must report the results of any laboratory testing in the statewide monitoring system in the record of the batch tested. In the case of a failed test, a cannabis business must record any remediation steps that the business has taken to address the failure and the results of subsequent testing.

Subp. 7. [Intentionally omitted.]

Subp. 8. **Outages and manual reporting.** If the statewide monitoring system suffers an outage or failure or is otherwise unavailable, a cannabis business:

- A. may record and report all cannabis activity to the office in writing for three calendar days;
- B. after the statewide monitoring system has been unavailable for three calendar days, must cease to record and report all cannabis activity in writing to the office except as provided in item C;
- C. may continue reporting to the office in writing regarding cultivating cannabis plants during the entire time that the statewide monitoring system is unavailable; and
- D. must promptly enter the information from all written reporting under this subpart in the statewide monitoring system when the system becomes available, no later than 12 hours following the time that the statewide monitoring system becomes available.
- E. must not make any sales while the statewide monitoring system is suffering an outage, failure, or is otherwise unavailable.

9810.1400 PACKAGING AND LABELING REQUIREMENTS.

Subpart 1. **General requirements.** A business that is licensed or endorsed by the office to

manufacture or produce a regulated product must comply with all applicable packaging and labeling requirements under this chapter and Minnesota Statutes, chapter 342. All labels required under part 9810.1401, subparts 2 to 7, must comply with items A to E. A cannabis business must:

- A. ensure that all words on the packaging or label of regulated products are written in English. In addition to written English words on the label, a license holder may include an additional, accurate foreign language translation on the label that otherwise complies with this part;
- B. affix a label to the marketing layer of the package or container;
- C. place a label in an unobstructed and conspicuous manner so that a consumer can easily read the label. A business may affix multiple labels to the marketing layer if none of the information required by this part is obstructed;
- D. include the universal symbol under subpart 3 on a label and affix the label to the marketing layer; and
- E. for cannabis products and hemp-derived consumer products, include the batch number assigned to the product in the statewide monitoring system.

Subp. 2. **Universally applicable packaging requirements.** All packaging for a regulated product must comply with the following requirements:

- A. packaging must not contain or be coated with any perfluoroalkyl substance;
- B. packaging must not expose a product to any toxic or harmful substances;
- C. a product must not be packaged in a container that is composed, in whole or in part, of any poisonous or deleterious substance that may render the contents injurious to an individual's health or safety; and
- D. packaging must be designed to maximize the shelf life of a product.

Subp. 3. **Universally applicable labeling requirements.**

- A. A cannabis business must include a universal symbol on each label affixed to the marketing layer of a regulated product. The universal symbol must:
 - (1) be no smaller than 0.5 inches by 0.5 inches and be printed legibly and conspicuously; and
 - (2) replicate the following International Intoxicating Cannabinoid Product Symbol (IICPS), American Society for Testing and Materials (ASTM) D8441 with the letters THC underneath the IICPS:



B. A cannabis business must include a warning symbol on each label. The warning symbol must:

- (1) be no smaller than 0.75 inches tall and 0.6 inches wide and must be printed legibly and conspicuously; and
- (2) replicate the following in form with a yellow background, black text, and a symbol with white text on a red background:



C. A cannabis business must include a warning statement on each label in no less than size 6 font. The warning statement must state: "Keep this product out of reach of children. This product may be unlawful outside the state of Minnesota."

9810.1401 PACKAGING AND LABELING REQUIREMENTS FOR RETAIL SALE.

Subpart 1. **Labeling requirements applicable to immature cannabis plants and cannabis seedlings.** Immature cannabis plants and seedlings sold to customers or patients must be labeled with:

- A. the name and license number of the cannabis business that cultivated the immature cannabis plants or seedlings;
- B. the weight or volume of the plant or seedlings sold, not including the weight or volume of the package or container;
- C. the average or projected cannabinoid profile based on the variety; and
- D. the statement: "This plant or seedling is not required to be and has not been tested for safety compliance under Minnesota Statutes, section 342.61."

Subp. 2. **Labeling requirements applicable to dried cannabis flower products.** In addition to the labeling requirements under parts 9810.1400, 9810.1402, and 9810.1403, and Minnesota Statutes, section 342.63, dried cannabis flower product labels must include:

- A. the product's cannabinoid profile;
- B. the product's strain or cultivar name, listed by scientific terms, if available;
- C. the date that the product is best if used by; and
- D. if the product includes cannabis concentrate, the information in subpart 4.

Subp. 3. Labeling requirements applicable to ingestible cannabis products and **lower-potency hemp edibles**. In addition to the labeling requirements under parts 9810.1400, 9810.1402, and 9810.1403, and Minnesota Statutes, section 342.63, ingestible cannabis product and lower-hemp edible product labels must include:

- A. the cannabinoid profile of the product;
- B. all other ingredients in the product, including excipients, listed in a separate section of the ingredient list in descending order of predominance by weight;
- C. the net weight or net volume of the product;
- D. the serving size of the product and number of servings per container;
- E. the THC content and CBD content per serving, expressed in milligrams per serving;
- F. the THC content and CBD content for the package in its entirety, expressed in

milligrams per package;

G. the expiration date when the product is no longer fit for consumption and when the product must be destroyed; and

H. major allergens in the product declared in common name consistent with the Minnesota Food Law.

Subp. 4. Labeling requirements applicable to cannabis concentrate products. In addition to the labeling requirements under parts 9810.1400, 9810.1402, and 9810.1403, and Minnesota Statutes, section 342.63, a cannabis concentrate product label must include the following information:

A. the name of the cannabis business that produced the product;

B. the date that the product was made;

C. the amount of cannabis concentrate per serving, as measured in grams;

D. the amount of cannabis concentrate per package, as measured in grams;

E. the method used to create the cannabis concentrate;

F. a list of ingredients in the product;

G. major allergens in the product declared in common name consistent with the Minnesota Food Law;

H. the expiration date when the concentrate product is no longer fit for consumption and when the product must be destroyed; and

I. the warning statement "Do Not Eat."

Subp. 5. [Intentionally omitted.]

Subp. 6. [Intentionally omitted.]

Subp. 7. [Intentionally omitted.]

Subp. 8. **Labeling requirements for products containing artificially derived cannabinoids.** In addition to the labeling requirements under parts 9810.1400, 9810.1402, and 9810.1403 and Minnesota Statutes, section 342.63, products that contain artificially derived cannabinoids must be labeled with the following statement: "Contains artificially derived cannabinoids. Not all safety hazards have been evaluated."

9810.1402 PACKAGING AND LABELING FOR MEDICAL PATIENTS.

[Intentionally omitted.]

9810.1403 PACKAGING AND LABELING PROHIBITIONS.

A product regulated under Minnesota Statutes, chapter 342, that is intended for sale in Minnesota must comply with Minnesota Statutes, section 342.62, and must not be labeled, packaged, or presented to a consumer in a manner that:

- A. obscures identifying information on the label or uses a false or deceptive label; or
- B. represents the product as organic unless the cannabis plants and all ingredients used in the product are produced, processed, and certified in a manner that is consistent with the national organic standards established by the United States Department of Agriculture in accordance with the Organic Foods Production Act of 1990, United States Code, title 7, section 6501 et seq.

9810.1500 SECURITY.

Subpart 1. [Intentionally omitted.]

Subp. 2. **Required security measures.**

- A. Security measures under this part must include:
 - (1) an alarm system;
 - (2) video surveillance;
 - (3) lighting;
 - (4) locks; and
 - (5) an immediate response protocol that must be initiated within 30 minutes after a security event occurs.
- B. A cannabis business may implement additional security features that do not violate local, state, and federal laws.
- C. Cannabis delivery and cannabis transport licensees are exempt from item A, subitem (2).

Subp. 3. [Intentionally omitted.]

Subp. 4. **People and resource protection.** A cannabis business must develop, document, implement, and maintain security measures to protect:

- A. business assets;
- B. facilities;
- C. regulated products;
- D. workers;
- E. visitors; and
- F. the community.

Subp. 5. **Theft and diversion.** A cannabis business must develop, document, implement, and maintain effective security measures to guard against:

- A. the theft of cannabis clones, cannabis plants, cannabis seedlings, cannabis flower, cannabis products, artificially derived cannabinoids, hemp plant parts, hemp concentrate, lower-potency hemp edibles, hemp-derived consumer products, or currency; and
- B. the diversion of cannabis clones, cannabis plants, cannabis seedlings, cannabis flower, cannabis products, artificially derived cannabinoids, hemp plant parts, hemp concentrate, lower-potency hemp edibles, hemp-derived consumer products, or currency.

Subp. 6. [Intentionally omitted.]

Subp. 7. **Unauthorized access.** A cannabis business must develop, document, implement, and maintain security measures to guard against unauthorized access to:

- A. the premises of the cannabis business;
- B. motor vehicles used in the transport or delivery of cannabis clones, cannabis plants, cannabis seedlings, cannabis flower, cannabis products, artificially derived cannabinoids, hemp plant parts, hemp concentrate, lower-potency hemp edibles, and hemp-derived consumer products;
- C. electronic business and customer records created and maintained by the cannabis business; and
- D. paper records created and maintained by the cannabis business.

Subp. 8. [Intentionally omitted.]

Subp. 9. [Intentionally omitted.]

Subp. 10. [Intentionally omitted.]

Subp. 11. [Intentionally omitted.]

Subp. 12. [Intentionally omitted.]

Subp. 13. [Intentionally omitted.]

Subp. 14. [Intentionally omitted.]

Subp. 15. **Outdoor cultivation areas.** A cannabis business must ensure that an outdoor cultivation area is enclosed by fencing and locked gates to prevent access to the area by unauthorized persons. A cannabis business must ensure that all fencing and gates are secure, are at least six feet high, and obscure or have a cover that obscures the fenced area from being readily viewed from outside the fenced area. A cannabis business must ensure that fencing around an outdoor cultivation area on the business's premises is commercial or security grade, is not agricultural or residential grade, and is designed to prevent access to the cultivation area by unauthorized persons.

Subp. 16. [Intentionally omitted.]

Subp. 17. **Transportation security requirements.**

A. This subpart applies to persons and businesses engaged in the transport or delivery of cannabis.

B. A cannabis business must ensure that each transport and delivery vehicle:

(1) is equipped with a storage compartment that complies with Minnesota Statutes, section 342.36, subdivision 3, or 342.42, subdivision 5, as applicable;

(2) is equipped with a global positioning system (GPS) device for identifying the geographic location of the vehicle at all times when the vehicle is in operation, regardless of whether the vehicle's engine is running, either permanently or temporarily affixed to the vehicle while the vehicle is in operation. GPS data identifying the geographic location of the vehicle must be saved and maintained for at least 30 days. A cannabis business must make GPS data of all cannabis transportation vehicles and cannabis delivery vehicles available for inspection by the office upon request;

(3) [Intentionally omitted.]

(4) [Intentionally omitted.]; and

(5) [Intentionally omitted.]

C. A cannabis worker must:

- (1) possess a cannabis business identification card and the worker's own valid nonprobationary driver's license appropriate for the type of delivery vehicle driven at all times while transporting or delivering cannabis and must present the identification card and valid driver's license to the office or law enforcement officials upon request;
- (2) not leave cannabis clones, cannabis plants, cannabis seedlings, cannabis flower, cannabis products, artificially derived cannabinoids, hemp plant parts, hemp concentrate, lower-potency hemp edibles, or hemp-derived consumer products in an unattended vehicle; and
- (3) not leave cannabis in a vehicle overnight or outside the operating hours of the cannabis business conducting the transportation or delivery of cannabis.

9810.2000 CULTIVATION.

Subpart 1. [Intentionally omitted.]

Subp. 2. [Intentionally omitted.]

Subp. 3. [Intentionally omitted.]

Subp. 4. **Canopy.** A cultivator's total canopy is determined as follows.

- A. For indoor cultivation, the canopy is measured by calculating the total square footage of each distinct cultivation area containing mature, flowering cannabis plants. Distinct cultivation areas include trays, tables, and shelves or may be demarcated by trellising, tiers, or other identifiable boundaries.
- B. For outdoor mixed-light facilities, outdoor mixed-light cultivation may occur in a greenhouse or hoophouse. The canopy acreage is the total area of the outdoor mixed-light facility containing mature, flowering cannabis plants minus any clearly demarcated walkways.
- C. The canopy acreage for cultivation occurring completely outdoors is the total area of the field containing mature, flowering cannabis plants minus any vehicle access roads and completely fallow areas where no cultivation is occurring.

Subp. 5. [Intentionally omitted.]

Subp. 6. [Intentionally omitted.]

Subp. 7. **Prohibited sales.** A cannabis cultivator must not sell any propagative cannabis material resulting from cannabis cultivation activities to a buyer if the cannabis cultivator knows or should reasonably know that the buyer would use the material to engage in activities prohibited by Minnesota Statutes, chapter 342, or applicable local or state law.

Subp. 8. **Cannabis cultivation premises; requirements.**

- A. A cannabis cultivator must ensure that growing, drying, processing, and storing cannabis plants and cannabis flower does not occur in dwellings unless the activity is specifically authorized under Minnesota Statutes, section 342.09. A cannabis cultivator must ensure that all activities approved by the office occur in an area of the cultivator's premises that can be accessed without passing through a dwelling.
- B. [Intentionally omitted.]
- C. [Intentionally omitted.]
- D. [Intentionally omitted.]
- E. [Intentionally omitted.]
- F. When selling cannabis directly to consumers on the premises where cultivation is authorized by the office, a cannabis cultivator must ensure that a wall or another barrier with proper security measures is in place to separate customer areas of the premises from limited-access areas, including any area where the cultivator collects, packages, and seals cannabis samples for mandatory testing for transport to a cannabis testing facility.

Subp. 9. **Sources of plants and seeds.**

- A. After December 1, 2025, a cannabis cultivator must obtain cannabis seeds, immature cannabis plants, cannabis mother plants, cannabis plants, and other cannabis plant sources intended for propagation from a source authorized by the office to sell those products.
- B. A cannabis cultivator must destroy or dispose of volunteer cannabis plants using a method under part 9810.1200.

Subp. 10. **Plant identification and reporting.** A cannabis cultivator must label each cannabis plant with the plant's batch number according to part 9810.1302.

Subp. 11. **Crop inputs.**

- A. A cannabis cultivator must ensure that crop inputs:

- (1) are handled and applied in a manner that prevents the contamination of cannabis plants with filth, residues, or other substances that would likely render products of the cannabis plant injurious to human health;
- (2) Intentionally omitted;
- (3) Intentionally omitted; and
- (4) are documented in the statewide monitoring system according to parts 9810.1300 to 9810.1302.

B. A cannabis cultivator must ensure that all crop inputs, rinsate, and containers are diluted, applied, stored, and disposed of according to label instructions and in compliance with all applicable laws and regulations.

Subp. 12. **Sanitary practices.** The following sanitary practices apply to all cannabis cultivation activities, including harvesting, drying, curing, and storage.

- A. A cannabis cultivator must conduct cultivation in a manner to limit the exposure of immature cannabis plants and cannabis plants to conditions that would likely render the products of the cannabis plants injurious to human health.
- B. A cannabis cultivator must handle a harvested cannabis plant product intended for human consumption at temperatures and in environmental conditions that protect the product from physical, chemical, and microbial contamination and deterioration of the product as it is described on the product's labeling.
- C. A cannabis cultivator must ensure that utensils and equipment, including storage containers, that come into direct contact with harvested product are cleanable, constructed of materials that will not transfer to the harvested product, and maintained in good condition to prevent contamination of the harvested product.
- D. A cannabis cultivator must store and handle packaging materials that come into direct contact with the harvested product in a manner to prevent contamination from the environment. A cannabis cultivator must:
 - (1) clean packing materials between uses if the materials are designed to be cleaned and used multiple times; or
 - (2) discard packing materials after a single use.

Subp. 13. **Record keeping.**

- A. A cannabis cultivator must keep and maintain records of the cultivator's cultivation activities in the statewide monitoring system according to parts 9810.1300 to 9810.1302. At a minimum, a cannabis cultivator must document:

- (1) the initiation of cultivation for each batch according to item C;
 - (2) the application of crop inputs to the growing medium, plants, or plant material used in production according to item D;
 - (3) a description of plant maintenance, including dates, that involves culling plant parts or plant disposal; and
 - (4) the date that each plant batch is harvested.
- B. A cannabis cultivator must include the following information in the cultivator's records:
- (1) the date that a worker conducted cultivation;
 - (2) the name of the worker conducting cultivation or the name of the responsible worker when there is more than one worker conducting cultivation;
 - (3) Intentionally omitted;
 - (4) the batch number of the plants; and
 - (5) a description of the area where the worker conducted cultivation.
- C. A cannabis cultivator must include the following information in the cultivator's records for the initiation of cultivation:
- (1) a description of the source of immature cannabis plants or seeds; and
 - (2) the volume as measured.
- D. A cannabis cultivator must include the following information in the cultivator's records for crop inputs:
- (1) the weight and concentration of the crop input that was applied to the plant;
 - (2) a copy of the label of the crop input applied to the plant; and
 - (3) the vendor or other origin of the crop input.

Subp. 14. [Intentionally omitted.]

9810.2100 APPROVED PRODUCT CATEGORIES AND CANNABINOIDS.

Subpart 1. **Cannabis flower and cannabis products.** The following product categories, including products manufactured by changing the physical shape or texture of these products, are approved

for sale in Minnesota to both adult-use customers and medical registry participants.

A. The following product categories are approved dried cannabis flower products:

- (1) dried raw cannabis flower;
- (2) fresh cannabis flower; and
- (3) shake.

B. The following product categories are approved ingestible cannabis products:

- (1) edible products;
- (2) beverage products; and
- (3) cannabis-derived tinctures.

C. The following product categories are approved cannabis concentrates:

- (1) hash (hashish);
- (2) hash oils;
- (3) cured or live resin;
- (4) cured or live rosin;
- (5) kief;
- (6) full extract cannabis oil; and
- (7) distillate.

D. Cannabis combination products contain both dried cannabis flower products and cannabis concentrate products. The following product categories are approved cannabis combination products:

- (1) infused pre-rolls; and
- (2) infused dried raw cannabis flower.

E. Transdermal or topical cannabis products intended only for application to external parts of the body.

Subp. 2. **Lower-potency hemp edible products.** Lower-potency hemp edibles are defined in

Minnesota Statutes, section 342.01, subdivision 50. The following product categories are approved lower-potency hemp edible products:

- A. edible products;
- B. beverage products; and
- C. hemp-derived tinctures.

Subp. 3. **Hemp-derived consumer products.** The following are approved hemp-derived consumer products:

- A. dried raw hemp flower; and
- B. hemp-derived oils intended to be consumed by combustion or vaporization of the product and inhalation of smoke, aerosol, or vapor from the product.

Subp. 4. **Cannabinoids.**

- A. The following cannabinoids are approved for use in lower-potency hemp edibles: hemp-derived delta-9 tetrahydrocannabinol.
- B. The following cannabinoids are designated as nonintoxicating:
 - (1) cannabichromene (CBC);
 - (2) cannabidiol (CBD);
 - (3) cannabigerol (CBG); and
 - (4) cannabinol (CBN).

9810.2101 PRODUCTION AND POTENCY LIMITS.

Subpart 1. [Intentionally omitted.]

Subp. 2. **Potency limits.** Unless otherwise stated in law, a product must not exceed the potency limitations in items A to C.

- A. Cannabis concentrate products designed for vaporized delivery methods for sale in the adult-use market must not exceed 80 percent THC potency.
- B. Hemp-derived consumer products must not exceed 0.3 percent THC potency.
- C. Cannabis combination products must not exceed 50 percent total THC.

- D. Transdermal or topical cannabis products must not exceed 1,000 mg of THC per package.

9810.2102 MANUFACTURING.

Subpart 1. [Intentionally omitted.]

Subp. 2. [Intentionally omitted.]

Subp. 3. [Intentionally omitted.]

Subp. 4. [Intentionally omitted.]

Subp. 5. **Prohibited sales.** A cannabis business must not sell any cannabinoid product resulting from cannabis manufacturing to a buyer if the cannabis business knows or should reasonably know that the buyer would be engaging in prohibited activities under Minnesota Statutes, chapter 342, or applicable local or state law with the obtained cannabinoid plant product.

Subp. 6. **Cannabis manufacturing premises requirements.**

A. Manufacturing must take place in a facility that meets the applicable requirements of Minnesota Statutes, section 342.26. A manufacturing facility must:

- (1) have adequate physical space for all manufacturing, including storage, in a fully enclosed and secured indoor facility according to part 9810.1104;
- (2) be supplied with electrical service, water service, sewer service or treatment, and other utilities necessary for operations approved by the office;
- (3) have ventilation and air-handling systems with temperature and humidity controls that are adequate for safe processing and sanitary operations;
- (4) be supplied with lighting fixtures that are adequate to perform manufacturing and sanitation functions in a safe and sanitary manner;
- (5) have floors, walls, and ceilings in the manufacturing area that are constructed with surfaces that can be easily cleaned and maintained in good repair to inhibit microbial growth; and
- (6) have hand-washing facilities located in all manufacturing areas where unpackaged product is handled.

B. If a cannabis business sells regulated products to consumers on the premises where manufacturing is authorized by the office, the cannabis business must ensure that a fence or other adequate security measure is in place to separate customer areas of the premises from limited-access areas, including any area where samples for mandatory

testing are collected, packaged, and sealed for transport to a cannabis testing facility.

- C. A facility that manufactures dried cannabis flower must follow additional requirements under part 9810.2203.
- D. A facility that manufactures ingestible and lower-potency hemp edibles must follow additional requirements under part 9810.2204.
- E. A facility that manufactures cannabis concentrate must follow additional requirements under part 9810.2205.

Subp. 7. [Intentionally omitted.]

Subp. 8. **Batch identification and reporting.** Each plant used in manufacturing must be labeled with a batch number according to part 9810.1302.

Subp. 9. **Manufacturing inputs and ingredients.**

- A. All products other than cannabis-derived ingredients and hemp-derived ingredients must be:
 - (1) safe for the intended purpose and use in the manufacturing process. Any solvent used in manufacturing must be safe for human consumption and approved for use in foods by the federal Food and Drug Administration;
 - (2) handled and used in a manner that prevents contamination with filth, residues, or other substances that would likely render products of the cannabis plant injurious to human health;
 - (3) in conformance with applicable sections of Minnesota Statutes, chapters 18B, 18C, and 18D, and other applicable laws; and
 - (4) stored in original containers with original labels intact or in working containers of diluted or prepared applications labeled with information required by Minnesota Statutes, chapters 18B, 18C, and 18D, and other applicable laws.
- B. All manufacturing inputs, ingredients, and containers must be used, stored, and disposed of according to label instructions and in compliance with all other applicable laws and regulations.

Subp. 10. **Sanitary practices.**

- A. A cannabis business must follow sanitary practices during all manufacturing, including receiving, storing, processing, handling, packaging, and labeling regulated products. At a minimum, a cannabis business's sanitary practices must:
 - (1) ensure that an individual who has a communicable disease or other illness does

not perform any tasks that might contaminate regulated products;

(2) ensure that hand-washing facilities in manufacturing areas are supplied with:

(a) hot and cold running water;

(b) effective hand-cleaning and sanitizing solutions; and

(c) sanitary drying functions, such as electronic drying devices, single-use towels, or a sanitary towel service;

(3) ensure that a worker who comes into direct contact with regulated products uses hygienic practices, including maintaining the cleanliness of the worker's outer garments and washing hands thoroughly in a hand-washing area before starting work and at any other time when the worker's hands may have become soiled or contaminated;

(4) control environmental conditions and ensure that workers use sanitary handling practices to protect products against physical, chemical, and microbial contamination and store products in a manner to prevent the growth of microorganisms;

(5) control environmental conditions to prevent the deterioration of products or contents that are described on the products' labeling;

(6) ensure that tools, utensils, and equipment, including storage containers, that come into direct contact with ingredients, in-process products, and finished products are cleanable and constructed from materials that will not transfer to ingredients or finished products; and

(7) ensure that all product-contact surfaces, utensils, and equipment are cleaned before being used to manufacture products and are maintained in a condition that prevents contamination of ingredients or regulated products.

B. Packaging materials that come into direct contact with ingredients, in-process products, or finished products must be:

(1) safe for use with the intended products;

(2) stored and handled in a manner to prevent contamination of materials from the environment; and

(3) cleaned between uses if designed for cleaning and multiple uses or discarded after single use.

C. A cannabis business must make efforts to prevent pests by:

- (1) using screening or other protection against the entry of pests; and
 - (2) promptly disposing of waste to minimize odors and the potential for waste to attract, harbor, or become a breeding place for pests.
- D. A cannabis business must store toxic cleaning compounds, sanitizing agents, and other potentially harmful chemicals in a separate location away from regulated products and in accordance with applicable local, state, and federal workplace safety requirements.

Subp. 11. **Record keeping.**

- A. A cannabis business must keep records of each batch of manufactured products. A cannabis business must enter manufacturing and batch information in the statewide monitoring system as required by parts 9810.1400 to 9810.1402.
- B. At a minimum, manufacturing records must include the following information for all manufacturing that the cannabis business conducts:
- (1) the date that a worker conducted manufacturing;
 - (2) the name of the worker conducting manufacturing or the name of the responsible worker when more than one worker conducts manufacturing;
 - (3) a description of manufacturing that was conducted;
 - (4) process control measurements; and
 - (5) the batch number of the products involved in manufacturing.

Subp. 12. [Intentionally omitted.]

9810.2203 DRIED CANNABIS FLOWER PRODUCT; MANUFACTURING REQUIREMENTS.

Subpart 1. **Authorized activity.** A manufacturer may manufacture dried cannabis flower products into saleable cannabis products.

Subp. 2. **Labeling.** A manufacturer may sell multiple uniform dried cannabis flower products to another cannabis business under a single label so long as the label reflects the number of units or weight of the product being sold.

Subp. 3. **Infused smokeable products.** A manufacturer with an endorsement to produce cannabis or hemp concentrate may manufacture dried cannabis flower products combined with cannabis concentrate, except an infused dry cannabis flower product must not be infused with any product other than a cannabis-derived product.

9810.2204 INGESTIBLE CANNABIS PRODUCT; MANUFACTURING REQUIREMENTS.

Subpart 1. [Intentionally omitted.]

Subp. 2. **Minnesota food laws.** A manufacturer must manufacture ingestible cannabis products and lower-potency hemp-derived edibles in accordance with Minnesota Food Law, including applicable sections of Code of Federal Regulations that are adopted by reference in Minnesota Statutes, section 31.101, except that a product is not adulterated solely due to the presence of cannabis or hemp ingredients.

Subp. 3. **Homogenous products.** An ingestible cannabis product or a lower-potency hemp edible manufacturer must use production methods that result in a finished product batch with consistent servings and consistent packages, prepared in a manner to ensure that each individual serving has a consistent amount of cannabinoid ingredients pursuant to part 9810.3100. At a minimum, a manufacturer must:

- A. develop stable product formulations that consider and address specific ingredients and the nature of the finished product;
- B. establish written procedures for preparing edible cannabis products or lower-potency hemp edibles specific to the manufacturing site; and
- C. maintain batch records that demonstrate the manufacturer's compliance with product formulations and the manufacturer's written procedures.

9810.2205 CANNABIS AND HEMP CONCENTRATE; MANUFACTURING REQUIREMENTS.

Subpart 1. **Facilities.** Cannabis or hemp extraction and concentration systems must be designed to effectively and consistently function, operate safely, and provide sanitary production conditions. A cannabis or hemp manufacturer must have the manufacturer's electrical, gas, fire suppression, and exhaust systems and storage and disposal plans for hazardous waste certified by an industrial hygienist or a professional engineer qualified to conduct the certification through education, experience, or professional credentialing.

- A. A certifying individual must include the individual's qualifications in writing as part of a facility's record of certification.
- B. The certification of a facility must include an assessment of:
 - (1) all electrical, gas, fire suppression, and exhaust systems in the facility; and
 - (2) the facility's plan for safe storage and disposal of hazardous substances, including any volatile chemicals.

C. [Intentionally omitted.]

Subp. 2. **Inactive ingredients.** A cannabis business may use cannabis-derived ingredients to manufacture cannabis concentrate or hemp-derived concentrate. A cannabis business may use only non-cannabis-derived inactive ingredients listed in the federal Food and Drug Administration inactive ingredient database to manufacture cannabis concentrate or hemp-derived concentrate that is intended for use through a vaporizer delivery device or pressurized metered dose inhaler.

Subp. 3. **Prohibited ingredients.** When manufacturing cannabis concentrate, a manufacturer must ensure that:

A. any concentrate used to create a solution for vaporization or inhalation is 100 percent naturally occurring plant-derived terpene oil;

B. a product for inhalation does not contain artificial or synthetic compounds;

C. a solution prepared for vaporization or inhalation does not contain:

(1) medium-chain triglycerides (MCT);

(2) polyethylene glycol (PEG);

(3) vegetable glycerin (VG);

(4) vitamin E acetate;

(5) diacetyl; or

(6) squalene.

Subp. 4. **Requirements for manufacturers of artificially derived cannabinoid products.** An artificially derived cannabinoid product must not contain any artificially derived cannabinoids other than delta-9 tetrahydrocannabinol, except that a product may include artificially derived cannabinoids created during the process of creating delta-9 tetrahydrocannabinol that is added to the product, if no artificially derived cannabinoid is added to the ingredient containing delta-9 tetrahydrocannabinol and the ratio of delta-9 tetrahydrocannabinol to all other artificially derived cannabinoids is no less than 20 to one. An artificially derived cannabinoid product may contain nonpsychoactive naturally occurring cannabinoids, such as cannabidiol, cannabigerol, cannabinol, or cannabichromene.

9810.2300 TRANSPORTATION.

Subpart 1. **Applicability.** A cannabis business holding a valid transporter license must establish a standard operating procedure to ensure compliance with this chapter and Minnesota Statutes, chapters 221 and 342. A cannabis business holding a valid transporter license must comply with all commercial vehicle requirements imposed by the Department of Public Safety, the Department

of Commerce, and the Department of Revenue.

Subp. 2. **Covered products.** A cannabis transporter must comply with this part when transporting regulated products.

Subp. 3. **Shipping manifest.**

A. Before accepting regulated products from a cannabis business, a cannabis transporter must obtain a shipping manifest. A cannabis transporter must produce a shipping manifest using the statewide monitoring system. A shipping manifest must include:

- (1) the name, phone number, address, and license number of the cannabis transporter;
- (2) the name, phone number, address, and license number of the product shipper;
- (3) the name, phone number, address, and license number of the product recipient;
- (4) the type and quantity of all products being transported;
- (5) the name of each employee or contractor of the cannabis transporter who will participate in the transportation of the products;
- (6) the make, model, year, and license plate number of each cannabis delivery vehicle;
- (7) the planned route;
- (8) the date and time of the cannabis transporter's estimated departure; and
- (9) the date and time of the cannabis transporter's estimated arrival.

B. A copy of the shipping manifest must accompany the products until the products are delivered. The shipping manifest must be available for inspection by the office at any time during transportation. A cannabis transporter may provide the office with a shipping manifest in digital or physical form.

Subp. 4. **Motor vehicle registration.** Motor vehicles used for cannabis transport and regulated under this part must be registered in the state of Minnesota.

Subp. 5. **GPS tracking.** A cannabis delivery vehicle must be equipped with an active global positioning system or other similar satellite-based tracking system.

Subp. 6. **Product secured during transportation.**

A. During transportation, all regulated products must be stored in either a locked compartment of a cannabis delivery vehicle or a locked container inside a cannabis

delivery vehicle.

B. The entire cargo bay, cargo area, or trunk of a cannabis transportation vehicle may be used for holding products if:

- (1) the cargo bay, cargo area, or trunk is protected by a locking mechanism with a lock or keypad separate from vehicle door locks;
- (2) the cargo bay, cargo area, or trunk is inaccessible from the driver and passenger areas of the cannabis delivery vehicle; and
- (3) products stored in the cargo bay, cargo area, or trunk are not visible from outside the cannabis delivery vehicle.

C. A cannabis transporter may use a container that is not integral to the cannabis delivery vehicle for holding regulated products if:

- (1) the container is locked;
- (2) the container is secured to prevent removal from the vehicle; and
- (3) products stored in the container are not visible from outside the cannabis delivery vehicle.

Subp. 7. Identifying logos and business names. A cannabis transportation vehicle or cannabis delivery vehicle must not contain images prohibited by Minnesota Statutes, section 342.36, and must comply with Minnesota Statutes, section 221.031, subdivision 6, and Code of Federal Regulations, title 49, section 390.21.

Subp. 8. Transportation routes.

A. A cannabis transporter must make reasonable efforts to ensure that driving routes and delivery times are randomized. At a minimum, the same individual must not, on a reoccurring scheduled basis:

- (1) deliver regulated products to the same business;
- (2) deliver regulated products on the same day of the week; and
- (3) deliver regulated products at the same time of day.

B. A cannabis transporter must not deviate unnecessarily from a planned route or schedule. A cannabis transporter must include the following information in the shipping manifest and record this information in the statewide monitoring system:

- (1) any necessary stops that the vehicle makes, other than stops made in compliance with traffic laws;

- (2) any changes to a route;
- (3) any changes to departure times; and
- (4) any changes to delivery times.

Subp. 9. **Vehicle occupants.** A cannabis delivery vehicle that is transporting regulated products must be staffed by at least two individuals, and at least one individual must remain with the vehicle at all times. All occupants of a cannabis delivery vehicle must be cannabis workers employed by or contracted with the cannabis transporter who:

- A. are at least 21 years of age; and
- B. must carry a valid driver's license with proper endorsements while operating a cannabis delivery vehicle.

Subp. 10. **Inspection.** All vehicles used by a cannabis business for transporting regulated products must comply with all applicable laws, statutes, regulations, and rules for commercial vehicle inspection.

9810.2400 WHOLESALE.

Subp.1. [Intentionally omitted.]

Subp. 2. **Imported hemp-derived consumer products.** A cannabis wholesaler that imports a hemp-derived consumer product from outside the state of Minnesota must record the following information in the statewide monitoring system before distributing, selling, or transferring imported hemp-derived consumer products:

- A. the manufacturer's name, address, and contact information;
- B. finished product-testing results showing that contaminant levels in the following categories do not exceed the acceptance criteria established by the office:
 - (1) foreign material;
 - (2) heavy metals;
 - (3) microbiological contaminants;
 - (4) mycotoxins;
 - (5) pesticide residue; and
 - (6) residual solvents; and

C. finished product-testing results demonstrating that the finished product was tested for all contaminants in item B unless the cannabis wholesaler demonstrates that:

- (1) the cannabis or hemp-derived ingredient used was previously tested and shown to meet the office's acceptance criteria; and
- (2) the manufacturer used a production process that complied with this chapter and Minnesota Statutes, chapter 342.

9810.2500 GENERAL RETAIL.

Subpart 1. **Applicability.** This part applies to retail sales of all regulated products.

Subp. 2. **Sanitary and clean conditions.** Retail areas must be kept in a clean and sanitary condition and must comply with the requirements specified in this subpart.

- A. Retail areas must have ventilation and filtration for odor control as required by state and local law.
- B. Handling edibles and beverages must be performed pursuant to chapter 4626 and any other relevant local, state, and federal law.
- C. A retailer must develop, document, implement, and maintain the procedures in this item for handling regulated products.
 - (1) A retailer must maintain accurate records documenting compliance with the handling procedures in this subpart.
 - (2) A retailer must ensure that the retailer's records are available for inspection by the office upon request.

Subp. 3. **Fraudulent identification.** A retailer must develop, document, implement, and maintain procedures for retaining fraudulent identification documents as required under Minnesota Statutes, section 342.27, subdivision 4. A retailer must ensure that the records are available for inspection by the office upon request.

Subp. 4. [Intentionally omitted.]

Subp. 5. [Intentionally omitted.]

9810.2501 ADULT-USE CANNABIS RETAIL.

Subpart 1. **Retail area.**

- A. A retailer must establish an area for conducting retail sales that is open to individuals

who are 21 years or older or registered in the medical cannabis patient registry.

- B. A retail area must include a point-of-sale system that is validated and integrated with the statewide monitoring system.
- C. Each point of ingress to a retail area must have conspicuous signage with the following statement: "No persons under 21 allowed."

Subp. 2. Age verification.

- A. A retailer must confirm that an individual in the retail area is 21 years of age or older, enrolled in the medical cannabis patient registry, or a registered caregiver for a patient enrolled in the medical cannabis patient registry.
- B. A retailer must confirm an individual's age or enrollment in the medical cannabis patient registry when selling any regulated product.
- C. Retailers must confirm an individual's age using a form of identification required by Minnesota Statutes, section 342.27, subdivision 4, paragraph (b).

Subp. 3. Restricted-access areas.

- A. A retailer must control access to restricted-access areas. A retailer must ensure that only authorized personnel or members of the office have access to restricted-access areas.
- B. A retailer must maintain an entry log that records the entry of an individual to a restricted-access area that includes:
 - the individual's name;
 - (2) the date of the individual's entry;
 - (3) the time of the individual's entry; and
 - (4) the time of the individual's exit.
- C. A retailer must mark all entries to restricted-access areas with conspicuous signage that states: "WARNING: RESTRICTED AREA, AUTHORIZED PERSONNEL ONLY."

Subp. 4. Display samples.

- A. Displays may include up to one sample of each product that the retailer offers for sale.
- B. A retailer must use methods to prevent theft and access to a display sample.

- C. A retailer must treat a display sample as a contaminated product.
- D. A retailer must destroy a display sample no later than 90 days after the product is designated as a display sample.
- E. A retailer must use measures to prevent a sample from being consumed by a customer if the retailer offers the sample for the customer to smell.

Subp. 5. Preorders.

- A. A cannabis business with a retail endorsement may accept orders and payment for regulated products on the Internet, using a mobile app, or by telephone.
- B. A cannabis retailer that uses online and telephone sales must:
 - (1) require all submitted orders to include the customer's name, address, phone number, email address, and date of birth; and
 - (2) before providing the ordered product to the customer in a store, verify:
 - (a) the customer's name on the form of identification provided under Minnesota Statutes, section 342.27, subdivision 4, paragraph (b); and
 - (b) that the customer is 21 years of age or older using a form of identification required by Minnesota Statutes, section 342.27, subdivision 4, paragraph (b).
- C. A retailer may accept payment from a customer using any legal method of payment, gift card prepayments, or prepayment accounts established with the retailer, except that a customer must not make a payment for a regulated product with an electronic benefits transfer services card.
- D. A retailer must collect only the information necessary to complete a transaction. A retailer must only use collected information for the purpose of completing the transaction. A retailer must establish a standard operating procedure for data security and privacy that applies to the cannabis retailer and any third party with whom the cannabis retailer contracts for the purpose of offering online sales.

Subp. 6. Transaction limits. In a single transaction, a cannabis retailer must not sell more regulated products to a customer than the customer is able to legally transport.

9810.2502 MEDICAL CANNABIS RETAIL.

[Intentionally omitted.]

9810.2503 RETAIL SALES OF LOWER-POTENCY HEMP EDIBLES.

Subpart 1. General requirements.

A. This part applies to the retail sale of lower-potency hemp edibles by a lower-potency hemp edible retailer. A retailer regulated by Minnesota Statutes, chapter 342, must:

- (1) ensure that all products sold comply with the requirements for packaging and labeling under parts 9810.1400 to 9810.1403;
- (2) ensure that all displays of lower-potency hemp edibles comply with part 9810.2501, subpart 4, and Minnesota Statutes, section 342.46, subdivision 4, except that lower-potency hemp edibles that are intended for consumption as a beverage may be stored in a refrigerator or similar cooling unit; and
- (3) verify the age of the customer, as required by Minnesota Statutes, section 342.27, subdivision 4, before any sale.

B. A retailer may sell beverages in multipack units such as cases if the label on the packaging describes the number of individual units contained inside the packaging, describes the potency and number of servings per unit, and complies with part 9810.1400, subparts 2 and 3.

Subp. 2. **Inspections.** All lower-potency hemp edible retailers must comply with regulatory inspections and requests for records by the office.

Subp. 3. [Intentionally omitted.]

9810.2600 DELIVERY.

Subpart 1. **General requirements.** A cannabis business holding a valid cannabis delivery license must establish a standard operating procedure to ensure that the business complies with part 9810.1100 and Minnesota Statutes, chapters 221 and 342. A cannabis business holding a valid delivery license must comply with all commercial vehicle requirements imposed by the Department of Public Safety, the Department of Commerce, and the Department of Revenue.

Subp. 2. **Delivery limits.** A delivery driver may not transport more than \$5,000 worth of regulated products on a single delivery route.

Subp. 3. Operational requirements for delivery businesses.

A. Drivers of delivery vehicles must possess a valid Minnesota driver's license.

B. Any vehicle used by a cannabis delivery license holder must:

- (1) be in working condition, with no defects that prevent the vehicle from being

operated in a manner that complies with all applicable traffic and safety laws;

(2) have a security system to prevent the theft of cannabinoid products; and

(3) carry the amount of insurance required by the Department of Transportation, Department of Commerce, or applicable federal regulations.

C. Drivers of delivery vehicles may only make deliveries of regulated products on behalf of a cannabis business with a retail license or an endorsement to a customer who has paid for the product before the delivery.

D. For each delivery of regulated products, a driver must have a shipping manifest that includes:

(1) the customer's name;

(2) the address of the customer receiving the delivery;

(3) the form of identification that the customer provided to the driver;

(4) the identification number on the government-issued form of identification provided by the customer to the driver;

(5) the name of the delivery driver;

(6) the vehicle's time of departure from the cannabis business where the sale was initiated;

(7) the time of the delivery of the cannabinoid product to the customer; and

(8) a description of the delivered cannabinoid product, including the type of product, amount, and weight.

E. A driver must deliver a cannabinoid product to a customer in person. A delivery driver must verify that a cannabinoid product was received by the customer whose name is on the order. Before taking physical possession of a delivered cannabinoid product, a customer must:

(1) provide the driver with government-issued photo identification; and

(2) sign the shipping manifest or delivery record.

F. A delivery driver must not deliver a cannabinoid product to a customer if:

(1) the delivery driver is unable to verify the identity of the receiving customer;

- (2) the customer does not sign the shipping manifest or delivery record;
 - (3) the cannabis business has not received payment for the product before the delivery; or
 - (4) the customer is a patient or designated caregiver and has not provided evidence of the patient's registry enrollment to the cannabis business before the delivery.
- G. A delivery driver must immediately report a failed delivery to the cannabis business originating the sale. The delivery driver must ensure that all undeliverable products are returned to the retailer and provide details of the failed delivery to the cannabis business, including:
- (1) the time that the driver attempted to complete the delivery; and
 - (2) the reason that the driver was unable to complete the delivery.
- H. A cannabis business must enter the details of each delivery of a regulated product to a customer in the statewide monitoring system.

Subp. 4. **Other regulated products in vehicle.** During the delivery of a regulated product to a customer, a delivery driver must not have any other regulated product that was not ordered by a customer in the delivery vehicle.

9810.2700 EVENTS.

Subpart 1. Duration.

- A. A cannabis event must not last more than four days. The first day that the cannabis event is open to the public is the first day of the event. Every calendar day after the first day is an additional day.
- B. [Intentionally omitted.]
- C. [Intentionally omitted.]

Subp. 2. Secure storage area.

- A. A retailer must store all cannabis plants, cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products sold at a cannabis event in a secure storage area as required under part 9810.1500 and Minnesota Statutes, section 342.40.
- B. A retailer must store all products for retail sale in a limited-access area that restricts access to persons at least 21 years of age.
- C. A retailer must ensure that all cannabis plants, cannabis flower, cannabis products,

lower-potency hemp edibles, and hemp-derived consumer products that are not on display, pursuant Minnesota Statutes, section 342.40, subdivision 7, are contained in a locked storage container that has a separate key or combination pad only accessible to authorized personnel of the retailer.

Subp. 3. **On-site consumption areas.** A cannabis event organizer licensed to permit on-site consumption by event attendees must ensure that:

- A. only individuals 21 years of age or older have access to the consumption area, pursuant to Minnesota Statutes, section 342.40, subdivision 4; and
- B. commercial-grade fencing surrounds the entire perimeter of the consumption area.

Subp. 4. **Promotional items.**

- A. A retailer must not give cannabis flower or cannabis products to an event attendee for no remuneration or to another cannabis business.
- B. A vendor or an event organizer license holder may provide cannabis paraphernalia and merchandise to an event attendee for no remuneration.

Subp. 5. [Intentionally omitted.]

Subp. 6. **Retail sales and record keeping.** A retailer at a cannabis event must update the record of sales within 24 hours of a sale in the statewide monitoring system.

9810.3000 TESTING FACILITY STANDARDS.

[Intentionally omitted.]

9810.3100 PRODUCT TESTING AND PRODUCT SAMPLING PROTOCOLS.

Subpart 1. **Office authority.** To ensure public health and safety, the office may, at any time, require immediate testing of a regulated product suspected to be a potential human health hazard or threat to public safety.

Subp. 2. **Prohibited actions.** A person must not offer any regulated product in the product's final packaging for wholesale distribution or retail sale if the product:

- A. has not undergone testing required by this chapter and Minnesota Statutes, chapter 342; or
- B. does not meet the acceptance criteria established by the office for the regulated product.

Subp. 3. [Intentionally omitted.]

Subp. 4. [Intentionally omitted.]

Subp. 5. **Mandatory testing.**

A. A testing facility must test a batch of regulated products to verify:

- (1) the potency and stability of the cannabinoids in the products for accurate labeling;
and
- (2) the homogeneity of the cannabinoids in each serving in the batch to meet the acceptance criteria established by the office and for accurate labeling.

B. If a testing facility finds any of the following contaminants in a batch of regulated products, the batch does not meet the acceptance criteria established by the office:

- (1) foreign material;
- (2) heavy metals;
- (3) microbiological contaminants;
- (4) mycotoxins;
- (5) pesticide residue; or
- (6) residual solvents.

C. A cannabis-derived ingredient testing report or hemp-derived ingredient testing report meets the testing requirement in this subpart if:

- (1) the production process of the cannabis consumer product does not introduce a contaminant or increase the potential for introducing a contaminant into the regulated product; or
- (2) handling the product has not altered the stability, potency, or homogeneity of the regulated product.

D. A product offered for sale is not required to be tested for a contaminant when the contaminant is not hazardous and the cannabis business provides supporting written documentation to the office that the contaminant is not hazardous.

E. A testing facility must test a batch for stability and homogeneity after the batch has been packaged as a regulated product. A testing facility may test a batch for contaminants and potency before the batch has been packaged as a regulated product.

- F. A testing facility must test a batch of a regulated product for stability, except that the first batch of a regulated product may have a six-month expiration date.
- G. A testing facility must maintain a testing report produced by the facility for at least three years from the date of the report. A testing facility must make all testing reports available for inspection by the office upon request.

Subp. 6. Annual report for testing thresholds.

- A. No later than July 1 each year, the office must publish on the office's website an annual report for testing thresholds that identifies:
 - (1) approved analytical methods for contaminant tests under each category in subpart 5, item B;
 - (2) the specific contaminants listed in subpart 5, item B, required to be tested for each product type in part 9810.2100;
 - (3) the acceptance criteria by product category and contaminant type;
 - (4) analytical methods and acceptance criteria for homogeneity; and
 - (5) reporting requirements for the analytical test labs for each analyte and product category.
- B. A licensed testing facility must ensure that the facility's testing protocols and standard operating procedures are updated to reflect any changes in the annual report no later than August 1 each year.
- C. The office must only amend the annual report for testing thresholds outside the schedule in item A if the office determines an addition or revision is necessary to protect public health and safety.

Subp. 7. Sample collection methods.

- A. [Intentionally omitted.]
- B. A cannabis or hemp business must design methods of sample collection that maintain the integrity of the sample. A cannabis or hemp business must:
 - (1) ensure that sample containers, collection tools, and supplies do not alter the accuracy of the sample analysis;
 - (2) clean sample containers, collection tools, and supplies and handle sample containers, collection tools, and supplies in a manner to prevent contaminants from being introduced into the sample;

- (3) perform sample collection in a manner visible to mandatory recording devices;
- (4) open, fill, and reseal a sample container in a manner designed to prevent the contamination of the container's contents and contamination of other samples;
- (5) use sterile equipment, utensils, and aseptic sampling techniques for the sample analysis;
- (6) identify collected samples with the product's name, the product batch number, the date on which the sample was taken, and the identity of the person who collected the sample; and
- (7) seal sample containers immediately after collecting the sample in a manner to indicate when tampering has occurred or when the integrity of the sample has been compromised.

Subp. 8. **Responsibilities of license holder.** A license holder is responsible for ensuring that:

- A. workers responsible for sample collection have been properly trained on sampling procedures;
- B. all mandatory testing is completed by a testing facility licensed by the office;
- C. the identity and integrity of all samples collected are maintained from the time of sample collection until the testing facility or the licensed transporter receives the sample; and
- D. the license holder makes complete and accurate disclosures to the testing facility of all cultivation and production methods required in Minnesota Statutes, section 342.61, subdivision 4, or other information necessary for the accurate laboratory analysis and reporting of testing results.

Subp. 9. **Remediation.**

- A. A license holder must ensure that batches of regulated products that fail to meet acceptance criteria established by the office for contaminant categories or homogeneity are:
 - (1) disposed of according to part 9810.1200; or
 - (2) remediated according to a plan approved by the office under this subpart.
- B. [Intentionally omitted.]
- C. [Intentionally omitted.]

- D. A license holder must identify and quarantine any product awaiting remediation or disposal to prevent the product's use. A license holder must not use any method of disposal or remediation that is not described in the license holder's remediation plan approved by the office.
- E. A license holder must ensure that all remediated material meets the office's acceptance criteria, standards, and specifications as part of the approved remediation plan.
- F. [Intentionally omitted.]

Subp. 10. Mandatory notifications.

- A. A license holder whose product fails to meet mandatory testing criteria must notify the office of all noncompliant testing reports and include the following information in the notice:
 - (1) the mandatory testing criteria that was not met;
 - (2) the production status of the batch represented; and
 - (3) the license holder's decision to dispose of the batch or remediate the batch under subpart 9.
- B. A license holder must notify the office of all testing results of regulated products, including batches that have completed production processes and batches that have not completed production processes.

Subp. 11. Research and development. Cannabis flower and cannabis product batches are exempt from the requirements of this part if:

- A. a cannabis microbusiness licensed under Minnesota Statutes, section 342.28, subdivision 1a, produces the cannabis flower or cannabis product batches solely for the purposes of research and development; and
- B. the cannabis flower or cannabis product batches are not consumed by humans.

9810.4000 MEDICAL CANNABIS PATIENT REGISTRY; PATIENT ENROLLMENT.

[Intentionally omitted.]

9810.4001 MEDICAL PATIENT REGISTRY; CAREGIVER ENROLLMENT.

[Intentionally omitted.]

9810.4003 MEDICAL CANNABIS PATIENT REGISTRY; HEALTH CARE

PRACTITIONER QUALIFICATIONS AND DUTIES.

[Intentionally omitted.]

9810.4100MEDICAL CANNABIS CONSULTANT PROGRAM.

[Intentionally omitted.]

9810.4200MEDICAL CANNABIS COMBINATION BUSINESS.

[Intentionally omitted.]

9810.5000LOCAL GOVERNMENTS.

[Intentionally omitted.]



To Whom It May Concern:

This letter, incorporated into the Compact between the State of Minnesota and the White Earth Band of the Minnesota Chippewa Tribe, dated May 20, 2025 ("Compact"), may be presented in lieu of a State issued license to satisfy any local unit of government's requirement that a cannabis retailer be licensed by the State of Minnesota. A cannabis business licensed by the Tribal Regulatory Agency and operated by a Tribal Enterprise, consistent with the Compact is authorized to operate off Tribally Regulated Land in the same manner as a cannabis business licensed by the Office of Cannabis Management.

Please direct any questions to the Office of Cannabis Management.

Sincerely,

A handwritten signature in black ink that reads 'Eric Taubel'.

Eric Taubel
Interim Director