

Pheasant Rump Nakota First Nation #68

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Chronological # 2020 / 10 / 122 - 01
Year Month Day BCR #

WHEREAS Pheasant Rump Nakota First Nation (“Pheasant Rump”) enacted the Pheasant Rump Traditional Medicinal Plants Act (“Traditional Plants Act”) and the Cannabis Regulation (“Cannabis Regulation”) on June 19, 2019;

WHEREAS Section 30 of the Traditional Plants Act provides that the Traditional Plants Act, and any regulations enacted pursuant to the Traditional Plants Act, may be amended by way of a resolution of the Band Council of Pheasant Rump (“Council”);

WHEREAS the Council wishes to amend the Traditional Plants Act to provide for the regulation of production, cultivation, and processing of traditional medicinal plants in accordance with the traditional governance practices of Pheasant Rump;

WHEREAS the Council wishes to amend the Cannabis Regulation to enable the sale and distribution of cannabis by a Permittee through a website;

WHEREAS Part IV of the Traditional Medicinal Plants Act provides that the Council may enact regulations consistent with the purpose of the Traditional Medicinal Plants Act; and

WHEREAS Pheasant Rump has prepared a draft Cannabis Production Regulation pursuant to Part IV of the Traditional Medicinal Plants Act to regulate the production and distribution of cannabis.

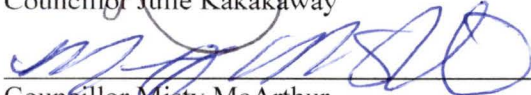
NOW THEREFORE THE COUNCIL OF PHEASANT RUMP NAKOTA FIRST NATION RESOLVES TO:

1. Take such steps as are necessary to amend the Traditional Medicinal Plants Act and Cannabis Regulation as provided in the amendments attached as Schedule “A” to this resolution;
2. Take such steps as are necessary to enact and implement the Cannabis Production Regulation attached as Schedule “B” to this resolution.

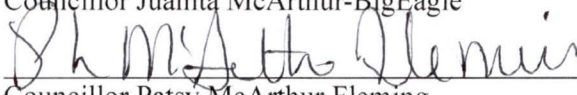
Signatures (quorum: 3) attesting to the approval and validity of this resolution:



Councillor Julie Kakakaway



Councillor Misty McArthur

Councillor Juanita McArthur-BigEagle


Councillor Patsy McArthur Fleming

Approval, and witness to signatures:



Chief Ira McArthur

SCHEDULE "B"
Cannabis Production Regulation

(see attached)

CANNABIS PRODUCTION REGULATION

Pheasant Rump Nakota First Nation Traditional Medicinal Plants Act

This Regulation is enacted by the Council of Pheasant Rump pursuant to the *Pheasant Rump Nakota First Nation Traditional Medicinal Plants Act*.

1. DEFINITIONS

1.1 The definitions set out in Part I of the Act apply to this Regulation.

1.2 In this Regulation:

- (a) “Facility” means the premises on Pheasant Rump Reserve from which a Permittee carries on its production and distribution activities, authorized by the Council of Pheasant Rump, and stated on the Permittee’s Permit.
- (b) “First Nation Importer” means a First Nation, First Nation owned or controlled business, or a business licensed to sell cannabis pursuant to such First Nation’s law, approved as an importer by the Council of Pheasant Rump.

2. PERMITS

2.1 Application and Renewal Fee

- (a) The Application Fee for a Permit for the production and distribution of cannabis is \$10,000.
- (b) The Renewal Fee for an application for the renewal of a Permit for the production and distribution of cannabis is \$10,000.

2.2 Licence Requirements

- (a) A Person applying for a Permit for the production and distribution of cannabis must:
 - (i) complete and submit an application for a Permit in a form satisfactory to the Council of Pheasant Rump;
 - (ii) pay the Application Fee;
 - (iii) provide a security plan for the Facility;
 - (iv) provide proof of a security alarm contract that includes monitoring at all times of the Facility;
 - (v) provide proof of ownership or legal possession of the Premises on which the Facility is to be located;
 - (vi) provide contact information for a responsible person or persons available

to be contacted at any time;

(vii) provide a criminal record check for:

- A. the applicant;
- B. if the applicant is a corporation, each director and officer of the applicant; and
- C. each on-site manager of the Facility;

(viii) provide a report summarizing the following information:

- A. a floor plan for the Facility and Premises where the production will occur;
- B. how and when cannabis will be stored at the Facility in a way that maintains its quality;
- C. the filtration and ventilation system at the Facility, describing how it will prevent the escape of odours, prevent the contamination of cannabis, and be protective of human health;
- D. a description of the water supply source;
- E. a description of the sanitation program for the Facility;
- F. a description of the proposed quality assurance process;
- G. the identity of the quality assurance person and their qualifications; and
- H. a description of the proposed cannabis testing process.

3. AUTHORITY TO REFUSE OR SUSPEND A LICENCE

3.1 The Council of Pheasant Rump may refuse, suspend, or revoke any Permit if the Permittee, or any of its shareholders (holding more than 20% of the outstanding shares of the corporation), officers, directors, or on-site managers:

- (a) was convicted, found guilty of, or liable for any contravention or offence in Canada involving dishonesty or a false statement, including but not limited to fraud;
- (b) was convicted, found guilty of, or liable for any contravention or offence in Canada relating to the conduct of a business;
- (c) was guilty of misrepresentation, nondisclosure or concealment of any material fact relating to the subject matter of the Permit or required to be stated in the application for the Permit.

4. AUTHORIZED ACTIVITIES FOR PERMITTEES

A Permittee carrying on cannabis production and distribution activities must:

- (a) secure the perimeter of the Facility's premises with a fence;
- (b) install and maintain a security system and protocols for the Facility in accordance with best industry practices, including:
 - (i) video surveillance cameras that monitor all entrances and exits and the interior of the Facility at all times with high definition resolution;
 - (ii) video camera data retention for at least twenty-one (21) days after it is gathered;
 - (iii) security and fire alarm system that is at all times monitored by a licenced third party;
 - (iv) access controls or restriction devices on operations areas (including grow areas and storage areas) such as door lock and key, padlock, combination lock, or keypads with electric door strikes or electromagnetic locks; and
 - (v) a record of how and which managers, employees, or other personnel will be given access to operations areas.

5.3 Health and Safety

A Permittee carrying on cannabis production and distribution activities must:

- (a) install and maintain an air filtration system at the Facility that effectively minimizes odour impacts on neighbouring properties to the Facility;
- (b) install and maintain a ventilation system at the Facility that prevents the contamination of cannabis and is protective of human health;
- (c) ensure that water used at the Facility is appropriate for the activity conducted and that measures are taken on a continuing basis to eliminate risks of contamination of cannabis or anything that will be used as an ingredient in any cannabis products;
- (d) adopt and implement a sanitation program that sets out procedures for effectively cleaning the Facility and equipment used at the Facility, and all requirements in respect of health and hygiene of the personnel involved in the activities conducted at the Facility;
- (e) comply with the *Pest Control Products Act*, S.C. 2002, c. 28;
- (f) ensure that all cannabis produced and distributed from the Permittee's Facility:
 - (i) conforms as closely as possible to the best available standards for cannabis products;
 - (ii) will meet or exceed the highest health and safety standards under Federal

4.1 A Permittee holding a Permit for production and distribution is authorized to conduct the following activities on Pheasant Rump Reserve:

- (a) produce cannabis;
- (b) possess cannabis;
- (c) produce cannabis by altering its chemical or physical properties by any means; and
- (d) distribute or sell cannabis to a holder of a Permit for sale and distribution, a First Nation Importer, or a person who holds a valid licence to sell or distribute cannabis issued by governmental authority.

5. REQUIREMENTS FOR ALL PERMITTEES

5.1 General

A Permittee carrying on cannabis production and distribution activities must:

- (a) be legally possessed of the lands on which the Facility is located either by way of lease, permit, or otherwise;
- (b) prominently display a sign at the Facility indicating that no person under the age of nineteen (19) years are permitted to enter the Facility or be on the Facility's premises;
- (c) maintain a cannabis register to record all production and distribution of cannabis at and from the Facility that accurately tracks all inventory produced at the Facility;
- (d) maintain a logbook of any cannabis lost or destroyed;
- (e) maintain an incident log of any incident that adversely affects the activities at the Facilities;
- (f) promptly provide the Council of Pheasant Rump with:
 - (i) the name of any new on-site manager, officer, director, shareholder, or partner of the Permittee;
 - (ii) details of any criminal or administrative charge laid or pending against the Permittee or an on-site manager, officer, director or employee of the Permittee; and
 - (iii) a current criminal record check, and the copy of the birth certificate and most recently issued driver's licence and passport, for any on-site manager, officer, director, shareholder, or partner of the Permittee if an individual, or a certificate of good standing from the public registry if a corporate entity.

5.2 Security

Law;

- (iii) on a lot or batch basis, is tested for content of delta-9-tetrahydrocannabinol, delta-9-tetrahydrocannabinol acid, cannabidiol, and cannabidiol acid;
- (iv) on a lot or batch basis, is tested for contaminants, including pesticides;
- (v) is subjected to such laboratory testing or other testing available to ensure the above health and safety standards are met;
- (vi) is approved, on a lot or batch basis, by a quality assurance person before it is made available for distribution;
- (g) ensure that the Facility has appropriate temperature and humidity levels;
- (h) ensure that no ingredients used in production poses a risk of injury to human health;
- (i) ensure that no animals are present at the Facility or on the premises where the Facility is located;
- (j) ensure that any individual who enters the Facility wears protective coverings including gloves, a hairnet, a beard net, and a smock,
- (k) ensure that the production of cannabis complies with all Provincial Laws, Federal Laws, and Pheasant Rump laws in relation to environmental protection;
- (l) provide information, including test results and other relevant information, to the Council of Pheasant Rump to ensure compliance with the above health and safety standards.

6. PROHIBITED ACTIVITIES

6.1 Production and Distribution

- (a) No Person shall produce on, or distribute cannabis from, a Pheasant Rump Reserve without a valid Permit.
- (c) No Person shall smoke, vape, consume or otherwise ingest cannabis at the Facility.
- (d) No Permittee shall produce cannabis on, or distribute cannabis from, a Pheasant Rump Reserve other than in or from the Facility identified in the Permittee's Permit.
- (e) Except as expressly provided in the Act or this Regulation, no Permittee shall display or advertise cannabis for sale or distribution.
- (f) No Permittee shall distribute or sell cannabis to a Person who:

- (i) is not the holder of a Permit for sale and distribution issued by Pheasant Rump;
- (ii) has not been approved as a First Nation Importer; or
- (iii) possesses a valid licence to sell or distribute cannabis issued by a governmental authority.

6.2 No Permit shall be issued to a Permittee to construct, establish, or operate a Facility on a Pheasant Rump Reserve within 100 metres from:

- (a) a school or on the grounds surrounding a school;
- (g) a childcare facility; or
- (h) a playground.

7. PENALTIES

7.1 If a Person fails to comply with any provision of the Act or this Regulation or any term or condition imposed on a Permit for the sale and distribution of cannabis, the Council of Pheasant Rump may;

- (a) issue a penalty of not more than \$100,000, and
- (i) if applicable, suspend or revoke the Permit.

7.2 No penalty is to be issued by the Council of Pheasant Rump more than 3 years after the date on which the failure to comply with the Act or this Regulation or any term or condition of a Permit first came to the knowledge of the Council of Pheasant Rump.

7.3 Before issuing a penalty against a Person or suspending or revoking a Permit, the Council of Pheasant Rump shall provide the Person with written notice:

- (a) setting out the facts and circumstances that, in the opinion of the Council of Pheasant Rump, render the Person liable to the penalty or the suspension or revocation of the Permit, the proposed amount of the penalty, and, if applicable the period of time during which the Permit may be suspended; and
- (b) advising the Person that he or she may make written representations to the Council of Pheasant Rump respecting the proposed penalty and any other circumstances which are relevant to the violation within fifteen (15) days of receipt of the written notice.

7.4 If a Person does not provide written representations to the Council of Pheasant Rump within fifteen (15) days of receiving the notice, the Council of Pheasant Rump may:

- (a) assess a penalty up to the amount proposed in the notice;
- (j) determine the date by which the penalty is to be paid in full;

- (k) if applicable, order that the Permit is revoked or suspended for a period of time as determined by the Council of Pheasant Rump.

7.5 If a Person provides written representations to the Council of Pheasant Rump within fifteen (15) days of receiving the notice, the Council of Pheasant Rump may:

- (a) issue a further notice to the Person rescinding or varying the proposed penalty and suspension of the Permit, if applicable, or assess a penalty up to the amount proposed in the notice;
- (l) if applicable, determine the date by which the penalty is to be paid in full; and
- (m) if applicable, order that the Permit is revoked or suspended for a period of time as determined by the Council of Pheasant Rump.