

SKWLAX CANNABIS LAW

(Enacted by Skwlax (Little Shuswap Lake Indian Band) Council on
April __, 2021)

PREAMBLE

WHEREAS:

- A. Skwlax (Little Shuswap Lake Indian Band) (“**Skwlax**”) has and maintains Aboriginal title, rights and interests to its lands and resources throughout its ancestral, unceded territories (“**Territory**”) in the Province of British Columbia (“**Province**”);
- B. The Skwlax has an inherent right to self-government which emanates from its people, culture and land, and which is recognized and affirmed by Section 35 of the *Constitution Act, 1982*;
- C. Article 3 of the *United Nations Declaration on the Rights of Indigenous Peoples* (“**UNDRIP**”) provides that Indigenous peoples have the right to self-determination and the right to freely pursue their economic, social and cultural development;
- D. Article 4 of UNDRIP provides that Indigenous peoples, in exercising their right to self-determination, have the right to autonomy or self-government in matters relating to their internal and local affairs, as well as ways and means for financing their autonomous functions;
- E. Article 5 of UNDRIP provides that Indigenous peoples have the right to maintain and strengthen their distinct political, legal, economic, social and cultural institutions, while retaining their right to participate fully, if they so choose, in the political, economic, social and cultural life of the State;
- F. Article 21 of UNDRIP provides that Indigenous peoples have the right, without discrimination, to the improvement of their economic and social conditions;
- G. Article 23 of UNDRIP provides that Indigenous peoples have the right to determine and develop priorities and strategies for exercising their right to development, and to be actively involved in development and determining economic and social programmes affecting them and, as far as possible, to administer such programmes through their own institutions; and
- H. The Skwlax’s Council (“**Council**”), pursuant to the Skwlax’s inherent rights as described above, has the jurisdiction and authority to enact legislation and regulations in relation to the cultivation, processing, distribution, sale, possession and use of cannabis and derivative products within the Territory.

NOW THEREFORE the Council hereby enacts this *Cannabis Law, 2021* as a law of the Skwlax.

SECTION 1

1. SHORT TITLE

1.1 This Law may be cited as the “Skwlax Cannabis Law”.

2. DEFINITIONS

2.1 For the purposes of this Law and the regulations:

“**accountable**” means having a duty to provide complete and accurate information, provided the information is not subject to privilege or confidentiality;

“**Approved Agent**” means a person or persons approved by the Council to carry out any of the functions set forth in this Law or the regulations, on behalf of the Skwlax;

“**Applicable Laws**” means any Skwlax Law, and any provincial or federal law of general application not inconsistent with Skwlax Laws applicable within the Territory;

“**cannabis**” means a plant that belongs to the genus *Cannabis* and includes

- (a) any part of a cannabis plant, including the phytocannabinoids produced by, or found in, such a plant, regardless of whether that part has been processed or not, other than a part of the plant referred to below;
- (b) any substance or mixture of substances that contains or has on it any part of such a plant; and
- (c) any substance that is identical to any phytocannabinoid produced by, or found in, such a plant, regardless of how the substance was obtained;

but does not include:

- (a) a non-viable seed of a cannabis plant;
- (b) a mature stalk, without any leaf, flower, seed or branch, of such a plant;
- (c) fiber derived from a stalk referenced above; and
- (d) the root or any part of the root of such a plant;

“**Cannabis Act**” means the Cannabis Act, SC 2018, c 16, and all regulations enacted pursuant thereto;

“**Cannabis Licence**” means a licence granted by the Council pursuant to this Law;

“**consumer**” means an individual that purchases cannabis for personal use;

“**Council**” means the duly elected Council of the Skwlax;

“**cultivate**” means to grow, propagate or harvest any cannabis plant or any other

living thing from which cannabis may be extracted;

“**Cultivation Licence**” means a duly issued Cannabis Licence that is in good standing, allowing the licence holder to cultivate cannabis within the Territory, subject to the terms and conditions attached to such licence;

“**cultivator**” means the holder of a valid Cultivation Licence;

“**dispensary**” means a retail location located within the Territory that is operated by the holder of a Dispensary Licence;

“**Dispensary Licence**” means a duly issued Cannabis Licence that is in good standing, allowing the licence holder to sell cannabis to consumers from a physical location within the Territory, subject to the terms and conditions attached to such licence;

“**distribute**” or “**distribution**” in respect of cannabis, means giving, transferring, transporting, sending, delivering, providing or otherwise making available in any manner, whether directly or indirectly, and includes offering to distribute;

“**family member**” means a spouse, parent, child or sibling;

“**individual**” means a single human being;

“**licence holder**” means the holder of a valid Cannabis Licence;

“**Member**” means a person registered on the Skwlax registry as a member of the Skwlax and “**Members**” means all persons making up the Skwlax;

“**Skwlax Law**” means any law, bylaw, or regulation of the Skwlax;

“**person**” includes an individual, corporation, partnership, society, and any other corporate entity recognized under the laws applicable within the Territory;

“**possess**” in respect of cannabis, means to have cannabis in a person's personal possession or knowingly have cannabis in the actual possession or custody of another person, or have cannabis in any place, whether or not that place belongs to or is occupied by the person, for the use of the person or of another person;

“**prescribed legal age**” means the full age of nineteen (19) years, or such other age as is provided in the regulations;

“**process**” in respect of cannabis, means the production, packaging and labelling of cannabis products;

“**processor**” means the holder of a valid Processing Licence;

“**Processing Licence**” means a duly issued Cannabis Licence that is in good standing, allowing the licence holder to process and package cannabis at a physical location within the Territory, subject to the terms and conditions attached to such licence;

“**Provincial Cannabis Law**” means the *Cannabis Control and Licensing Act*, SBC, 2018, c 29; the *Cannabis Distribution Act*, SBC 2018, c 28; and any regulations enacted pursuant to such laws.

“**public area**” means the buildings and areas defined by the regulations;

“**regulation**” means any regulation enacted by the Council under this Law;

“**sell**” or “**sale**” means to transfer ownership in exchange for money or something of value and includes offer for sale, expose for sale and have in possession for sale;

“**Skwlax Elders Group**” means the elders of Skwlax as recognized by Council;

“**Territory**” means:

- (a) the lands presently under the control and jurisdiction of the Skwlax, including the lands referred to by the government of Canada as:
 - (i) Chum Creek 2;
 - (ii) Meadow Creek 3;
 - (iii) Scotch Creek 4;
 - (iv) Quaaout 1; and
 - (v) North Bay 5,
- (b) any and all lands that may be added to the lands now under the control and jurisdiction of the Skwlax through the negotiation and resolution of land claims;
- (c) any and all lands that may be added to the lands now under the control and jurisdiction of the Skwlax as a result of any other means;
- (d) lands, which are returned to the Skwlax as lands within the meaning of subsection 91(24) of the *Constitution Act, 1867*;
- (e) the water and waterways under the control and jurisdiction of the Skwlax; and
- (f) lands that the Skwlax has not relinquished or ceded;

“**use**” in respect of cannabis, means to smoke, vape, inhale, ingest, absorb or otherwise consume.

SECTION 2

3. JURISDICTION

- 3.1 Skwlax has consistently and historically exercised ultimate and exclusive jurisdiction over the Territory.

- 3.2 Skwlax has existing, inherent and inalienable rights which include the right of self-determination, self-government, and autonomy; the right to promote and control economic development with the Territory.
- 3.3 The aforementioned rights of the Skwlax have been recognized and affirmed in the domestic laws of Canada, including the *Constitution Act, 1982* and other federal and provincial legislation, including the *Declaration on the Rights of Indigenous Peoples Act* in the Province.
- 3.4 The aforementioned rights of the Skwlax as an Indigenous people, have been recognized and affirmed in international covenants and declarations, including the *International Covenant on Civil and Political Rights*, the *International Covenant on Economic, Social and Cultural Rights* and UNDRIP.
- 3.5 As cultivation, processing, distribution, sale, possession and use of cannabis has a significant impact on socio-economic development within the Territory, the Council has the ultimate and exclusive right and jurisdiction to regulate and control cannabis within the Territory.
- 3.6 Given that jurisdictions surrounding the Territory are creating legislation that directly impacts the well-being of Skwlax's community, the Council has the obligation to regulate and control cannabis in a way that protects and preserves the best interests of the Skwlax.
- 3.7 The Council, as a governing body in and for the Territory, has the power and authority to enact this Law on behalf of Skwlax.

4. PURPOSES

- 4.1 The purposes of this Law are to:
 - (a) protect the health and safety of Skwlax members and other persons within the Territory and, in particular to protect the health of young persons by restricting their access and exposure to cannabis and derivative products;
 - (b) protect the jurisdictional integrity of the Territory by ensuring mutual respect and cooperation in relation to jurisdiction, economic advancement and enforcement of the Skwlax's domestic affairs;
 - (c) facilitate a regulated and controlled cannabis industry that will promote and enhance socio-economic development, fiscal self-sufficiency and tangible benefits for the Skwlax;
 - (d) provide for the legal cultivation, processing, distribution, sale, possession and use of quality-controlled cannabis within and from the Territory; and
 - (e) deter illicit and illegal activities in relation to cannabis, including but not limited to:
 - (i) preventing cannabis from being diverted into the illicit or illegal market;

- (ii) preventing illicit or illegal cannabis from entering the source of supply of the legal cannabis market through appropriate sanctions and enforcement measures.

5. APPLICATION

- 5.1 This Law applies to:
- (a) all activities related to the cultivation, processing, distribution, sale, possession and use of cannabis within, into and from the Territory; and
 - (b) all persons and business entities situated or found within the Territory.
- 5.2 This Law and the regulations may apply to the Territory to the extent that it is authorized in whole or in part by resolutions of Council.
- 5.3 Applicable Laws of general application, including Provincial Cannabis Laws and the *Cannabis Act* will continue to apply to the extent they are not inconsistent with this Law or the regulations.

6. HARMONIZATION

- 6.1 This Law may serve as the basis for the harmonization of laws and regulations concerning cannabis in other jurisdictions and for co-operation and mutual assistance between Skwlax and other First Nations and other regulatory and law enforcement agencies. However, this Law and the regulations are not dependent on the approval of, or cooperation from, any other governmental body or agency.
- 6.2 For greater certainty, the foregoing section 6.1 is not intended to, and does not in fact, affect, compromise or diminish the authority of internal agencies of Skwlax and any other regulatory or law enforcement agency empowered under Skwlax Law.

SECTION 3

7. PERMITTED ACTIVITIES

- 7.1 A person who has attained the prescribed legal age is permitted to possess cannabis for their personal use provided that:
- (a) the cannabis has been acquired from a dispensary, from a distributor, or the person has cultivated it in accordance with Applicable Laws; and
 - (b) the total amount possessed at any given time does not exceed the amount prescribed by Applicable Laws.
- 7.2 Notwithstanding the foregoing, where a person is a medical patient and holds a valid prescription from a licensed medical practitioner, the terms of the prescription will supersede this Law, but solely for the purposes of the person's medical treatment.

- 7.3 Notwithstanding the foregoing, no person is permitted to smoke or vape cannabis in a public area, including a school zone, or in any building or area that is designated by the owner to be a “no smoking” or a “no vaping” zone.
- 7.4 No person is permitted to use, or be under the influence of, cannabis when operating a motor vehicle and offenders may be charged and prosecuted under the applicable penal or criminal laws of general application.

SECTION 4

8. LICENCES

- 8.1 No person may conduct any commercial cannabis activity within or from the Territory without holding an appropriate Cannabis Licence issued under this Law.
- 8.2 The Council may issue a restricted number of Cannabis Licences in the following categories:
- (a) Cultivation Licence;
 - (b) Processing Licence;
 - (c) Dispensary Licence; and
 - (d) such other licence category that the Council may create by regulation.
- 8.3 A permit holder may hold a Cannabis Licence from more than one category.
- 8.4 Notwithstanding any other provision of this Law or the regulations, the Council may restrict a permit holder to holding only hold one licence in each category and may restrict the number of licences issued per reserve within the Territory.
- 8.5 All licence holders must comply with the provisions of this Law, the regulations, any conditions to which the Cannabis Licence may be subject, and all Applicable Laws, including Provincial Cannabis Laws and the *Cannabis Act*.
- 8.6 All Cannabis Licences will be for a fixed term and may be revoked, amended, suspended or extended by the Council in its sole discretion.
- 8.7 A Cannabis Licence is not valid unless and until any licensing fees and Mandatory Community Contributions prescribed by the Council have been paid in full.
- 8.8 Licence holders will in recruiting, training and hiring employees, give preference to qualified Members and then Indigenous people, in all job categories including management positions.
- 8.9 Subject to the requirements for each Cannabis Licence category, the only persons eligible to apply for a Cannabis Licence are:
- (a) a natural person who:

- (i) is a Member;
 - (ii) has attained the full age of nineteen (19) years old;
 - (iii) is resident within the Territory; and
 - (iv) who has no criminal conviction for an indictable offence or has received a full pardon for any such conviction.
- (b) a corporation or partnership that is majority owned (being at least 51% ownership) and operated by one or more natural persons each of whom:
- (i) is a Member;
 - (ii) has attained the full age of nineteen (19) years old;
 - (iii) is resident within the Territory; and
 - (iv) who has no criminal conviction for an indictable offence or has received a full pardon for any such conviction;
- (c) a band-empowered entity, corporation or partnership in which Skwlax, or a Skwlax-owned entity, and one or more other business entities share a commercial interest.

9. DISPENSARY LICENCES

- 9.1 A valid Dispensary Licence will permit the licence holder to sell cannabis to a person who has attained the prescribed legal age from a dispensary located within the Territory.
- 9.2 The Council will not issue a Dispensary Licence to a person who intends to sell cannabis:
- (a) where the location or proposed location of the dispensary is in a building or area that is easily accessible by persons under the prescribed legal age and such other buildings or areas as may be defined in the regulations; or
 - (b) where in the sole discretion of the Council the proposed location of the dispensary is likely to disturb or endanger Members.
- 9.3 The holder of a Dispensary Licence must not sell, barter, give or exchange:
- (a) cannabis to a person who has not attained the prescribed legal age;
 - (b) cannabis to any person who is not a consumer;
 - (c) to any person, an amount of cannabis that exceeds the amount prescribed hereunder.

10. CULTIVATION AND PROCESSING LICENCES

- 10.1 No person is eligible to be issued a Cultivation Licence or a Processing Licence, unless the facility from which operations are intended to be conducted has been inspected and certified by the health and safety experts acceptable to Council, which may include Health Canada officials or other third-party service providers capable of inspecting the facility for health and safety standards. It is the applicant and permit holder's sole responsibility to procure and obtain such health and safety inspections, and pay all costs associated with such inspections.
- 10.2 A valid Cultivation Licence will permit the licence holder to cultivate cannabis plants and to produce cannabis seeds, cannabis plants, fresh cannabis and dried cannabis for the purposes of sale to the holder of a valid Processing Licence or for export off the Territory to a processor who holds a valid licence issued by a regulatory authority in the jurisdiction in which the processor resides.
- 10.3 A valid Processing Licence will permit the licence holder to purchase, possess, and process cannabis, package, label, and to sell cannabis products to a distributor of cannabis pursuant to Applicable Laws.
- 10.4 The Council will not issue a Cultivation Licence or Processing Licence to a person who intends to cultivate or process cannabis:
- (a) where the location or proposed location of the facility is in a building or area that is easily accessible by persons under the prescribed legal age and such other buildings or areas as may be defined in the regulations; or
 - (b) where in the sole discretion of the Council, the proposed location of the facility is likely to disturb or endanger Members.
- 10.5 The holder of a Cultivation Licence or Processing Licence must not sell, barter, give or exchange:
- (a) cannabis to a person who has not attained the prescribed legal age; or
 - (b) cannabis to any person who is not authorized pursuant to this Law or Provincial Cannabis Laws or the *Cannabis Act* to purchase cannabis for distribution or sale, or directly to a consumer if not authorized pursuant to Applicable Laws.

SECTION 5

11. LICENCE APPLICATIONS

- 11.1 A Person applying for the issuance or renewal of a Cannabis Licence must:
- (a) make application to the Council in the form provided;
 - (b) pay Skwlax the applicable permit fee as set out in Schedule "A" hereto or otherwise prescribed by Council;
 - (c) provide the estimated number of plants projected to be cultivated per month (in the case of a Cultivation Licence) or the estimated quantity of cannabis (in grams)

estimated to be stored and to be sold at the premises per month (in the case of a Dispensary Licence);

- (d) provide a description of the premises including the exact site and structures in which the business is to be carried out, including a plan and details related to independent infrastructure requirements related to such site and structures;
- (e) provide proof of ownership or sole legal possession of the premises from which the applicant intends to operate the business, or details in relation to the applicant's intentions to secure such ownership or legal possession. If the premises are reserve lands in the Territory subject to a certificate of possession, the applicant will provide written approval from all Members who have an interest in such certificate of possession lands;
- (f) provide a security plan for the premises from which the applicant intends to operate the business, that describes adequate security measures to mitigate risks of theft or tampering at the premises;
- (g) provide proof of a security alarm contract that includes regular monitoring at all times during the period for which Cannabis Licence is being sought;
- (h) if requested by the Council, provide an odour impact assessment and odour control plan;
- (i) provide the names and contact information of the applicants, including the names of incorporated entities and the names of all directors and officers if not individual applicants, and the names of each manager; and
- (j) provide a current enhanced criminal record check, for:
 - (i) each applicant (if individuals);
 - (ii) each director or officer (if a corporation);
 - (iii) each on-site manager; and
 - (iv) any other individuals involved in the business as required by Council.
- (k) The application fees and annual permit fees are set out in the Fee Schedule attached as Schedule "A" as may be amended from time to time.

12. APPLICATION REVIEW

- 12.1 As soon as practicable after receiving the prescribed fees and a complete application, the Council or its Approved Agent shall:
- (a) review the application along with all relevant information and documentation; and
 - (b) circulate the application and all relevant information and documentation to internal Skwlax departments for comment.

- 12.2 For each application, the Council or its Approved Agent shall consider the following general principles and factors:
- (a) the economic benefits to be received by Skwlax and Members resulting from the issuance of the Cannabis Permit and the conduct of the business by the Permit Holder;
 - (b) potential employment and training opportunities for Members;
 - (c) potential contracting opportunities for Skwlax or Member-owned businesses;
 - (d) the promotion of health, safety, convenience and welfare of Members and of residents and occupants and other persons who have a lawful interest in the Territory;
 - (e) well-planned and orderly development of Territory;
 - (f) compliance with any applicable Skwlax land use plan, Skwlax zoning and land use Laws, other Skwlax Laws, and applicable federal laws and standards and the implications of breaching any Applicable Laws;
 - (g) environmental protection and enhancement;
 - (h) the protection and enhancement of cultural and heritage resources and sites;
 - (i) the protection or improvement of viewscales, aesthetics and visual qualities;
 - (j) ensuring adequate parking, access and emergency access;
 - (k) the minimalization of excessive noise or odours;
 - (l) the potential impacts on adjacent users, lessees and occupants; and
 - (m) any other factors that may affect the Skwlax community, the Territory, or adjacent communities and lands.
- 12.3 After reviewing the submitted application the Council or its Approved Agent may request additional information, plans, reports, or other relevant material from the applicant.
- 12.4 The Council or its Approved Agent shall as soon as practicable after having reviewed the application, or within fourteen (14) business days of having received additional requested information from the applicant, compile and consider the application including:
- (a) relevant documents, maps, plans, reports and other information;
 - (b) comments received from adjacent land-owners, interest-holders or Members; and
 - (c) comments or recommendations from the Approved Agent (if any) and any directors of departments, managers, employees or consultants of Skwlax.

- 12.5 The Council shall consider, or its Approved Agent shall recommend:
- (i) whether the application should be approved; and
 - (ii) suggested modifications, terms or conditions that should be imposed by the Council.
- 12.6 As soon as practicable after receiving the application and information set out above, and considering the same, without limiting the generality of the Council's authority, the Council may:
- (i) approve the application;
 - (ii) reject the application; or
 - (iii) approve the application subject to any terms or conditions, including, but not limited to, terms or conditions recommended by the Council or its Approved pursuant or other directors of departments, managers, employees or consultants of Skwlax.
- 12.7 If the Council approves the application, Skwlax shall issue the Cannabis Licence to the licence holder and the licence holder may, subject to any terms and conditions of the Cannabis Licence and other requirements under Applicable Laws, commence operation of the licence holder's business in accordance with the Cannabis Licence.
- 12.8 If the Council rejects the application, the Council or its Approved Agent shall inform the applicant of the rejection of the application and shall use reasonable efforts to provide reasons for such rejection to the applicant. However, if no reasons are provided by the Council or its Approved Agent, the applicant shall not have any recourse under the Law.

13. LICENCE CONTENT

- 13.1 Each Cannabis Licence shall include, at a minimum:
- (a) a description of the premises authorized under the licence including the exact site and structures in which the business is to be carried out;
 - (b) the name or names of the approved business operators, including the name of any incorporated entities and the name of the owner or manager responsible for the operations of the business;
 - (c) the contact information for the owner or manager including 24-hour emergency contact information;
 - (d) the maximum number of plants allowed to be cultivated per month (in the case of a Cultivation Licence) or the maximum quantity of cannabis (in grams) allowed to be stored and to be sold at the premises per month (in the case of a Dispensary Licence);
 - (e) the security measures required for the business;

- (f) the contact information for the third-party provider of security and fire alarm services;
- (g) any signage restrictions or requirements;
- (h) the measures required to prevent sales to minors;
- (i) the insurance requirements;
- (j) the method by which sales will be tracked and reported to the Council on a monthly basis;
- (k) an acknowledgement Skwlax officials and enforcement officials have a right of entry to monitor and enforce this Law;
- (l) a release and indemnity to save Skwlax, Council members, Members, and staff, agents, and contractors of Skwlax harmless from any and all claims, losses, damages, and other liabilities of any kind; and
- (m) any other information or requirements prescribed by Council.

14. AUTHORITY TO REFUSE, REVOKE OR SUSPEND A CANNABIS LICENCE

14.1 The Council or its Approved Agent may suspend, revoke, or refuse to issue or renew a Cannabis Licence if:

- (a) the applicant or licence holder, or a shareholder, officer, director or on-site manager of the applicant or licence holder breaches any terms or conditions of the Cannabis Licence or this Law or has been convicted, found guilty of, or liable for any contravention or offence relating to the conduct of a business similar to that to which the Cannabis Licence relates or any Skwlax Law;
- (b) the applicant or licence holder, or a shareholder, officer, director or on-site manager of the applicant or licence holder has been found guilty of any misrepresentation, nondisclosure or concealment of any material fact, relating to the subject matter of the Cannabis Licence or in the application for such Cannabis Licence.

14.2 A decision of the Council or its Approved Agent to refuse, revoke or suspend a Cannabis Licence may be appealed to Council by submitting a request in writing to Council within thirty (30) days of the decision.

SECTION 6

15. REQUIREMENTS FOR ALL CANNABIS RELATED BUSINESSES

15.1 A person carrying on a cannabis-related business must not:

- (a) allow a person under the prescribed age on the premises;
- (b) sell cannabis to a person under the prescribed age;

- (c) advertise or promote the use of a cannabis to a person under the prescribed age;
- (d) allow a person to smoke, vape, consume or otherwise ingest cannabis or products containing cannabis on or about the premises; or
- (e) display any advertising or sign that is visible from outside of the premises except for a maximum of two signs which:
- (f) display no images, other than the business logo;
 - (i) contain only the business logo, the business name, and alpha-numeric characters; and
 - (ii) are no larger than provided for in the licence holder's Cannabis Licence.

16. REQUIREMENTS FOR BUSINESSES THAT KEEP CANNABIS ON PREMISES

16.1 In addition to the requirements above, a person carrying on a business where cannabis is kept or present on the premises must:

- (a) install high quality video surveillance cameras that monitor and record all entrances and exits and the interior of the business premises at all times;
- (b) retain video camera data for at least sixty (60) days after it is recorded;
- (c) install a security and fire alarm system that is, at all times, monitored by a third-party;
- (d) not allow cannabis, products containing cannabis or other valuables to remain on the premises when the business is not open to the public, unless the cannabis, products and other valuables are securely locked in a safe on the premises;
- (e) for businesses involved in cultivating or processing cannabis, install and maintain an air filtration system that effectively minimizes odour impacts on neighbouring lands;
- (f) allow and cooperate with agents of Skwlax to conduct inspections of the premises on which the business is being carried on; and
- (g) comply with any other requirements prescribed by Council.

17. REQUIREMENTS FOR CANNABIS DISPENSARIES

17.1 In addition to the requirements above, a person carrying on a cannabis dispensary business must:

- (a) only conduct the business at the premises specified in the licence Dispensary Licence in the Territory currently zoned or approved by Council for commercial purposes, or designated by regulation or resolution zoned for the purposes of carrying on the cannabis dispensary business;

- (b) prominently display a sign on the premises indicating that no persons under the prescribed age are permitted on the premises;
- (c) ensure that at least two employees are present on the premises at all times when the business is open to the public, including one manager;
- (d) not use the premises to carry on any business other than the cannabis-related business permitted under the licence holder's Dispensary Licence;
- (e) allow Members and other First Nation individuals to use their Indian Status cards as identification;
- (f) not allow the sale of more than thirty (30) grams of dried cannabis flower or equivalent to an individual, or otherwise exceed the maximum possession amounts established by Applicable Law;
- (g) not be open for business between the hours of 11:00 p.m. and 9:00 a.m. the next day;
- (h) promptly bring to the attention of the Council or its Approved Agent the name of any new on-site manager; and
- (i) comply with any other requirements prescribed by Council.

18. REQUIREMENTS FOR CANNABIS CULTIVATORS AND PROCESSORS

18.1 In addition to the requirements above, a person carrying on a cannabis cultivation or processing business must:

- (a) only conduct the business at the premises specified in the licence holder's Cultivation Licence or Processing Licence (as the case may be) within the Territory currently zoned for commercial purposes, or designated by regulation or resolution zoned for the purposes of carrying on such business;
- (b) prominently display a sign on the premises indicating that no persons under the prescribed age are permitted on the premises;
- (c) ensure that at least two employees are present on the premises at all times when the business is open to the public, including one manager;
- (d) not use the premises to carry on any business other than the cannabis-related business permitted under the licence holder's Cultivation Licence or Processing Licence (as the case may be);
- (e) promptly bring to the attention of the Council or its Approved Agent the name of any new on-site manager; and
- (f) comply any other requirements prescribed by Council.

19. MANDATORY COMMUNITY CONTRIBUTIONS

- 19.1 Unless the Council determines that the Cannabis Licence is for the purpose of operating a socio-economic project, in addition to any licensing fees prescribed by the Council, licence holders must remit to the Council a mandatory community contribution, the amount and frequency of which will be determined by the Council in consultation with the licence holder.
- (a) A Cannabis Licence is not valid unless and until all mandatory community contributions have been paid in full.
 - (b) Council will use the amounts of mandatory community contributions collected under this Law to help fund community initiatives within the Territory.

20. POINT-OF-SALE NON-MEMBER ROYALTY

- 20.1 To preserve fairness in the cannabis market within and outside the Territory, when purchasing cannabis from a dispensary, non-First Nation consumers must pay an additional point-of-sale royalty equal to a percentage of the purchase price, to be established by the Council. For greater certainty, Member consumers are exempt from paying the point-of-sale royalty.
- 20.2 The holder of a Dispensary Licence must:
- (a) charge and collect the point-of-sale royalties on all sales to non-First Nation consumers; and
 - (b) remit all point-of-sale royalties to Skwlax on a monthly basis.
- 20.3 Council will use the amounts of point-of-sale royalties collected under this Law to fund the administration of this Law and the regulations; the establishment and operation of the any departments of Skwlax related to this Law; and underfunded projects, community initiatives and other socio-economic projects within the Territory, including addiction prevention and education initiatives.]

SECTION 7

21. STANDARDS AND TESTING

- 21.1 The Council may enact regulations to establish standards and testing procedures to ensure that all cannabis cultivated, processed, distributed and sold within the Territory is consistently of reliably high-quality. For greater certainty, the Council will ensure its regulations are consistent with or exceed the standards and testing procedures established by Health Canada's *Good Production Practices Guide for Cannabis*.
- 21.2 The Council may engage Approved Agents, which may include representatives of Health Canada, to assist and advise the Council in relation to:
- (a) the preparation of appropriate standards to be followed by facilities that intended to be used for the purpose of cultivating or processing cannabis;

- (b) inspections and certifications of facilities, equipment and materials used by facilities for the purpose of cultivating or processing cannabis;
- (c) testing of cannabis cultivated or processed by facilities licensed under this Law and the regulations; and
- (d) the storage and handling of cannabis.

22. PACKAGING AND LABELING

- 22.1 It is prohibited for a licence holder to sell cannabis in a package or with a label that does not conform to the requirements of comparable requirements established by Health Canada.
- 22.2 It is prohibited for a licence holder to sell cannabis in a package that:
- (a) is targeted at or could appeal to young persons;
 - (b) depiction of a person, character or animal, whether real or fictional; and
 - (c) makes any false, misleading, or deceptive claims about the health effects or health risks of the cannabis.
- 22.3 The labeling of cannabis packages sold by a licence holder must include:
- (a) the tetrahydrocannabinol (“**THC**”) or cannabidiol (“**CBD**”) content;
 - (b) the intended use of the cannabis product;
 - (c) the net weight or volume of the cannabis;
 - (d) a list of all ingredients, particularly if the cannabis product is edible, in the cannabis product;
 - (e) a control or batch number to enable tracking of the processing completion date and location of a cannabis product; and
 - (f) such other information as may be provided in the regulations.

SECTION 8

23. REGULATIONS

- 23.1 The Council may enact such regulations it considers necessary to implement the provisions of this Law, including regulations respecting:
- (a) the creation of new categories for Cannabis Licences that may be issued under the regulations, which will include but not be limited to: permitted activities, prohibitions and application requirements and procedures;
 - (b) the forms to be used and processes to be followed to apply for a Cannabis Licence;

- (c) background and security investigations and credential verifications of owners, directors and key persons associated with applicants and licence holders;
- (d) background and security investigations and credential verifications of personnel, staff and companies contracted to conduct business with or on behalf of a licence holder;
- (e) the amount of application, annual and other fees to be charged for Cannabis Licences;
- (f) the amount and frequency of point-of-sale non-Member royalty payments;
- (g) the amount and frequency of Mandatory Community Contribution payments;
- (h) the days and hours during which a dispensary may operate;
- (i) the type of cannabis products that a dispensary may sell;
- (j) the requirements to which the holder of a Cultivation Licence will be subject, including but not limited to: quality assurance standards, plant count, size of growing area, total production and gross revenue;
- (k) changing the limits on Cannabis Licence that will be issued in total and in any geographic location;
- (l) modifying the prescribed legal age that will apply for all purposes of this Law and the regulations;
- (m) establish the maximum amount of cannabis that a dispensary may sell to a consumer within a specified period of time;
- (n) the composition, strength, concentration, potency, purity or quality or any other property of cannabis or any class or type of cannabis;
- (o) standards and testing procedures to ensure that all cannabis cultivated, processed, distributed and sold within the Territory are consistently reliably high-quality;
- (p) eligibility requirements to apply for or hold a Cultivation Licence or Processing Licence for the purpose of ensuring, among other things, that all facilities to be used by licence holders have been inspected, certified and licensed by the appropriate health and safety experts;
- (q) procedures for addressing accusations that a licence holder has breached the provisions of this Law or the regulations and, if a finding of culpability is made, sanctions that may include suspending or revoking the Cannabis Licence and the imposition of fines up to one hundred thousand (\$100,000.00) dollars per breach;
- (r) procedures for seizing cannabis from facilities or persons that are not in compliance with this Law or the regulations;
- (s) the maintenance of public order, security and the safety of persons working in, and

for customers of, dispensaries;

- (t) processes and systems that cultivators, processors, distributors and dispensaries must use to ensure that:
- (i) cannabis is safely handled and stored;
 - (ii) cannabis is safely disposed of;
 - (iii) any noise, smell, other emission or nuisance from cultivators, processors, distributors and dispensaries is minimized;
 - (iv) cannabis is not sold to anyone who has not attained the prescribed legal age;
 - (v) no person can purchase an amount of cannabis that exceeds the amount prescribed by the regulations from a dispensary or a combination of all dispensaries in the Territory;
 - (vi) the Council can accurately track all cannabis sold by a cultivator, processor, distributor and dispensary and the price at which the cannabis is sold;
 - (vii) dispensaries distinguish between sales to Members and non-Member consumers;
 - (viii) the Council can accurately verify that all mandatory community contributions and all point-of-sale fees have been charged, collected and remitted as required by the Law;
 - (ix) the percentage that will be used to calculate the point-of-sale fee required for dispensary sales to non-Member consumers;
 - (x) the definition of “public area” for the purposes of this Law and the regulations; (this requires some thought as to where members and the public can consume cannabis
 - (xi) advertising and marketing that licence holders may or may not conduct;
 - (xii) packaging and labeling requirements; and
 - (xiii) any other regulation necessarily required to achieve the purposes of this Law.

SECTION 9

24. INSPECTOR POWER

- 24.1 Subject to applicable law, an Approved Agent of the Council and any contractor or employee acting under such Approved Agent’s authority may, at all reasonable times, enter upon any property within the Territory for the purpose of administering and

enforcing this Law. No Person shall prevent or obstruct, or attempt to prevent or obstruct, the entry of any authorized official upon any property as authorized under this Law.

25. OFFENCES

- 25.1 A breach of this Law or the regulations, if the breach is regulatory in nature, will be addressed by the Council in accordance with the procedures established by the regulations and, if a finding of culpability is made, will be sanctioned in accordance with the provisions of the regulations, which sanctions may include, but are not limited to, the imposition of a fine and the suspension, amendment or revocation of a Cannabis Licence.
- 25.2 A Person who contravenes this Law, the terms or conditions of any authorization issued under this Law, or an order made by the Supreme Court of British Columbia pursuant to this Law, is guilty of an offence and liable on summary conviction to a fine of not more than ten thousand (\$10,000) dollars daily and accruing daily until rectified.
- 25.3 A breach of this Law or the regulations, if the breach is criminal in nature, will be investigated pursuant to Applicable Law and, where appropriate, criminal proceedings will be initiated and adjudicated in a court of competent jurisdiction.
- 25.4 Notwithstanding the foregoing, any person under the prescribed legal age who is found to be in possession of small quantities of cannabis or using cannabis within the Territory will not be subjected to criminal proceedings under this Law or any other Applicable Law, but will be provided the opportunity to attend a class or program established by the Council, or by another organization identified by the Council, for the purpose of educating young persons about the risks associated with cannabis use.

SECTION 10

26. AMENDING PROCEDURES

- 26.1 Substantive amendments to this Law may only be made in accordance with Skwlax Law.
- 26.2 Any material amendments to this Law must be approved by the Skwlax Elders Group.
- 26.3 Notwithstanding the foregoing, the Council may adopt minor amendments to this Law if approved in writing by a quorum of Council.
- 26.4 Minor amendments include:
- (a) amendments to correct typographical errors;
 - (b) amendments required to reference any relevant new or amended Skwlax Laws;
 - (c) amendments ordered by any court of competent jurisdiction; and

- (d) amendments which serve to clarify this Law, where there is no reasonable dispute about the intention underlying the original provision.

27. IMMUNITY

27.1 No action for damages lies or may be instituted against present or past Council, Members, employees, representatives or agents of either Skwlax or Council:

- (a) for anything said or done or omitted to be said or done by that person in the actual or required performance of the person's duty or exercise of their authority; or
- (b) for any alleged neglect or default in the actual or required performance of the person's duty or exercise of their authority.

27.2 Section 27.1 does not provide a defence if:

- (a) the person in relation to the conduct that is the subject matter of the action, has been guilty of dishonesty, gross negligence or malicious or wilful misconduct; or
- (b) the cause of action is libel or slander.

27.3 None of Skwlax, present or past Council, Members, employees, representatives or agents of Skwlax or Council are liable for any damages or other loss, including economic loss, sustained by any person, or to the property of any person, as a result of neglect or failure, for any reason, to discover or detect any contravention of this Law or any other Skwlax Law, or from the neglect or failure, for any reason or in any manner, to enforce this Law or any other Skwlax Law.

27.4 Subject to the foregoing, any actions against Skwlax (including Council and its employees) for the unlawful doing of anything that:

- (a) is purported to have been done under the powers conferred by this Law or any Skwlax Law; and
 - (b) might have been lawfully done if acting in the manner established by law,
- must be commenced within six (6) months after the cause of action first arose.

27.5 Skwlax is in no case liable for damages unless notice in writing, setting out the time, place and manner in which the damage has been sustained, is delivered to Skwlax within two (2) months from the date on which the damage was sustained. In case of the death of a person injured, the failure to give notice required by this section is not a bar to the maintenance of the action. Failure to give the notice or its insufficiency is not a bar to the maintenance of an action if the court before whom it is tried, or, in case of appeal, the court of appeal, believes:

- (a) there was reasonable excuse; and
- (b) Skwlax has not been prejudiced in its defence by the failure or insufficiency.

28. CONCLUDING MATTERS

- 28.1 If any part of this Law is found by a court of competent jurisdiction to be invalid, it may be severed and will not invalidate the Law in its entirety.
- 28.2 This Law shall come into force and effect on the date that it is enacted by Resolution of the Council.

This Law may be amended in accordance with the procedure set forth the Council from time to time.

THIS LAW IS HEREBY ENACTED BY THE APPROVAL OF A QUORUM OF THE COUNCIL ON THE ____ DAY OF _____, 2021.

VOTING IN FAVOUR OF THE LAW ARE THE FOLLOWING MEMBERS OF COUNCIL: