



## REGULATION CONCERNING CULTIVATION, PROCESSING AND DISTRIBUTION

This Regulation was enacted by  
the Kahnawàke Cannabis Control Board  
on \_\_\_\_\_  
pursuant to sections 20.1, 21.1, 22.1 and 23.1  
of the *Kahnawàke Cannabis Control Law*

### DEFINITIONS

1. The definitions provided in the *Kahnawàke Cannabis Control Law* have the same meaning in this Regulation.

2. For the purposes of this Regulation:

**“cannabis”** or **“cannabis plant”** 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:

(d) a non-viable seed of a cannabis plant;

(e) a mature stalk, without any leaf, flower, seed or branch, of such a plant;

(f) fiber derived from a stalk referred to above; and

(g) the root or any part of the root of such a plant;

**“cannabis accessory”** means:

- (a) a thing, including rolling papers or wraps, holders, pipes, water pipes, bongs and vaporizers, that is represented to be used in the consumption of cannabis; or
- (b) a thing that is commonly used in the consumption of cannabis, such as a thing that is sold at the same point of sale as cannabis.

**“cannabis non-solid concentrates”** means substances that are in non-solid form at a temperature of  $22 \pm 2^{\circ}\text{C}$  and that have a maximum yield percentage of greater than 3% w/w of THC, taking into account the potential to convert THCA into THC;

**“cannabis oil”** means an oil that contains anything in cannabis or a cannabis plant, as defined in this Regulation, and that is in liquid form at a temperature of  $22 \pm 2^{\circ}\text{C}$ ;

**“cannabis plant seed”** means a seed obtained from a cannabis plant;

**“cannabis product”** means cannabis of only one of the classes that are set out in the following table, or a cannabis accessory if that accessory contains such cannabis, after it has been packaged and labelled for sale to a consumer at the retail level, but does not include a drug containing cannabis:

Item	Class of Cannabis
1	dried cannabis
2	cannabis oil
3	fresh cannabis
4	cannabis plants
5	cannabis plant seeds

**“cannabis solid concentrates”** means substances that are in solid form at a temperature of  $22 \pm 2^{\circ}\text{C}$  and that have a maximum yield percentage of greater than 3% w/w of THC, taking into account the potential to convert THCA into THC;

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

**“cultivate”** means to grow, propagate or harvest any cannabis plant or any other living thing from which cannabis may be extracted;

“**cultivator**” means the holder of a valid Standard Cultivation Licence or Micro-cultivation Licence;

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

“**dried cannabis**” means any part of a cannabis plant that has been subjected to a drying process, other than seeds;

“**fresh cannabis**” means freshly harvested cannabis buds and leaves, but does not include plant material that can be used to propagate cannabis;

“**inspector**” means a person that has been designated by the Board to act as an inspector for the purposes of this Regulation;

“**licence**” means a licence issued by the Board under this Regulation;

“**licence holder**” means the holder of a valid licence issued by the Board under this Regulation;

“**non-Onkwehón:we royalty**” means the point of sale royalty referenced in the Law; the amount of which is provided in the *Regulation concerning Prices, Royalties and Contributions*;

“**non-solids containing cannabis**” means substances that are in non-solid form at a temperature of  $22 \pm 2^{\circ}\text{C}$  and that have a concentration of 3% w/w or less of THC, taking into account the potential to convert THCA into THC;

“**organic solvent**” means any organic compound that is explosive or highly or extremely flammable, including petroleum naphtha and compressed liquid hydrocarbons such as butane, isobutane, propane and propylene;

“**person**” includes an individual, corporation, partnership, limited liability company and any other business entity recognized under the laws applicable within the Territory;

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

“**processor**” means the holder of a valid Standard Processing Licence or Micro-processing Licence;

“**QAP**” or “**quality assurance person**” means a quality assurance person as provided for in this Regulation;

“**solids containing cannabis**” means substances that are in solid form at a temperature of  $22 \pm 2^{\circ}\text{C}$  and that have a concentration of 3% w/w or less of THC, taking into account the potential to convert THCA into THC.

### **Special considerations**

3. In accordance with section 16.4 of the Law, a Standard Cultivation Licence and a Standard Processing Licence will only be issued to an entity in which Council, or an entity created by Council on behalf of the Community of Kahnawà:ke, has an ownership interest to ensure a community-wide benefit.
4. Notwithstanding the foregoing section 3, if the Board determines that it is appropriate from a regulatory perspective to do so, it may issue a Standard Cultivation Licence and a Standard Processing Licence to an entity that is located outside the Territory, as long as the Board is satisfied there is a benefit to the Community of Kahnawà:ke for doing so.
5. No person is eligible to apply for or hold a Standard Cultivation Licence, a Micro-cultivation Licence, a Standard Processing or a Micro-processing Licence, unless the facility from which operations are intended to be conducted has been inspected, certified and licensed by the health and safety authorities designated by the Board, which may include Health Canada officials.

### **APPLICATION FOR A LICENCE**

6. Subject to the special consideration set out in the foregoing sections 3 to 5, a person that satisfies the eligibility criteria in section 16.16 of the Law may apply to the Board for a licence.
7. The Board, in its sole discretion, may refuse to accept an application, deny an application at any stage of the application process, suspend or revoke an existing licence when:
  - (a) the location or proposed location of the licensed facility is:
    - (i) likely to negatively impact, or is negatively impacting, the quality of the land, air or water in Kahnawà:ke or surrounding communities;
    - (ii) likely to disturb or endanger, or is disturbing or endangering, the community of Kahnawà:ke due to odour, noise, security concerns, traffic or any other matter the Board deems relevant for consideration;

- (iii) in close proximity to a public facility or institution within Kahnawà:ke, including but not limited to, a school, daycare, playground, church, park, hospital or other facility or institution identified by the Board;
  - (iv) likely to consume, or is consuming, resources, including water and electricity, at a rate that negatively impacts other residents or businesses within Kahnawà:ke; or
  - (v) in close proximity to the location at which another licensed facility is, or will be, operated;
- (b) the Board is not satisfied that, using a process of its choosing, residents in close proximity to the location, have been appropriately informed of, and consulted about, the proposed facility;
- (c) at any given time, the Board is convinced that, given the number of existing licences, the issuance of another licence would be detrimental to peace, order or security within the Territory.
8. For the purposes of section 7, “close proximity” means within 300 metres, or such other distance as the Board may determine is appropriate, based on the circumstances of any given case.
9. Subject to the additional provisions of this Regulation, the process and requirements to apply for a licence are as set out in the *Regulation concerning Licensing Requirements and Procedures*.

### **Distribution**

10. Only a Distribution Licence holder is authorized to distribute cannabis products within the Territory to a Dispensary Licence holder.
11. Only a procurement entity established by the Mohawk Council of Kahnawà:ke is eligible to apply for and hold a Distribution Licence.
12. The Board will issue only one (1) Distribution Licence.
13. The Distribution Licence holder must add an amount equal to the non-Onkwehón:we royalty to the cost of all cannabis products distributed to a Dispensary Licence holder.
14. The Distribution Licence holder will receive applications, in a form prescribed by the Board, from Dispensary Licence holders for

reimbursement of the non-Onkwehón:we royalty on sales to Onkwehón:we consumers.

15. The net amount of non-Onkwehón:we royalties collected by the Distribution Licence holder, after deducting reimbursements to Dispensary Licence holders, will be remitted to the Mohawk Council of Kahnawà:ke for deposit into the [Kahnawà:ke Social and Economic Development Fund].

### **Prohibition**

16. The holder of a Standard Cultivation Licence, a Micro-cultivation Licence, a Standard Processing Licence, a Micro-processing Licence or a Distribution Licence must not sell cannabis directly to a consumer.

### **Lot and batch controls**

17. The holder of a Standard Cultivation Licence, a Micro-cultivation Licence, a Standard Processing Licence, a Micro-processing Licence or a Distribution Licence must establish and maintain a system of controls, satisfactory to the Board, that permit the rapid identification and complete recall of every lot and batch of cannabis that has been sold or distributed.

### **Standard Cultivation and Micro-cultivation licences**

18. Subject to the other provisions of the Law and its Regulations, the holder of a Standard Cultivation licence or a Micro-cultivation licence is authorized to conduct the following activities:
  - (a) to possess cannabis;
  - (b) to obtain dried cannabis, fresh cannabis, cannabis plants or cannabis plant seeds by cultivating, propagating and harvesting cannabis;
  - (c) for the purpose of testing, to obtain cannabis by altering its chemical or physical properties by any means; and
  - (d) to sell cannabis to the holder of a valid Distribution Licence or for export off the Territory to a processor or retailer who holds a valid licence issued by a regulatory authority in the jurisdiction in which the product is being sold.

### **Ancillary activities**

19. The holder of a Standard Cultivation licence or a Micro-cultivation licence that is authorized to conduct the activity referred to in paragraph 18(b) is also authorized, to the extent necessary to

conduct that activity, to conduct ancillary activities such as drying, trimming and milling cannabis.

### **Master grower**

20. The holder of a Standard Cultivation licence or a Micro-cultivation licence must retain the services of one individual as a master grower.
21. The holder of a Standard Cultivation licence or a Micro-cultivation licence may designate one individual as the alternate master grower who is qualified to replace the master grower.
22. The master grower, or alternate master grower, is responsible for the cultivation, propagation and harvesting of cannabis and must have sufficient knowledge of the provisions of the Law, its Regulations and the applicable Health Canada requirements, in relation to those activities.

### **Micro-cultivation licence**

23. A holder of a Micro-cultivation licence:
  - (a) must clearly delineate a surface area that does not exceed 200 m<sup>2</sup> in which all the cannabis plants, including all the parts of the plants, must be contained; and
  - (b) must cultivate, propagate or harvest cannabis plants only from that surface area.
  - (c) may sell cannabis to the holder of a valid Standard Processing Licence or Distribution Licence.
24. If the surface area referred to in paragraph 23(a) consists of multiple surfaces, such as surfaces arranged above one another, the area of each surface must be included in the calculation of the total surface area.

### **Standard Processing licence**

25. Subject to the other provisions of the Law and its Regulations, the holder of a Standard Processing licence is authorized to conduct the following activities:
  - (a) to possess cannabis;
  - (b) to produce cannabis, other than obtain it by cultivating, propagating or harvesting it; and
  - (c) to sell cannabis to the holder of a valid Distribution Licence.

## Micro-processing licence

26. Subject to the other provisions of the Law and its Regulations, the holder of a Micro-processing licence is authorized to conduct the following activities:
- (a) to possess cannabis;
  - (b) to produce cannabis, other than obtaining it by
    - (i) synthesis, or
    - (ii) cultivating, propagating or harvesting it; and
  - (c) to sell cannabis to the holder of a valid Standard Processing Licence or Distribution Licence.
27. The holder of a Micro-processing licence must not possess, in a calendar year, cannabis of one or more classes of cannabis—other than cannabis plants and cannabis plant seeds—that has been sold or distributed to them the total amount of which, as determined in accordance with the following table to this section, is equivalent to more than 600 kg of dried cannabis.

	Column 1	Column 2
Item	Class of Cannabis	Amount that is equivalent to 1 kg of dried cannabis
1	dried cannabis	1 kg
2	fresh cannabis	5 kg
3	solids containing cannabis	10 kg
4	non-solids containing cannabis	10 kg
5	cannabis solid concentrates	0.25 kg
6	cannabis non-solid concentrates	0.25 kg

## Use of organic solvent

28. The holder of Standard Cultivation licence, Micro-cultivation licence, Standard Processing licence or a Micro-processing Licence that is authorized to conduct the activity referred to in paragraphs 18(c) , 25(b) or (a) is also authorized to alter or offer to alter the chemical or physical properties of cannabis by the use of an organic solvent when conducting that activity, provided the organic solvent is used in a controlled and professional laboratory or industrial environment, pursuant to established rules established by the Board.

### **Quality assurance person**

29. The holder of Standard Processing licence or a Micro-processing Licence must retain the services of one individual as a quality assurance person (“QAP”) who has the training, experience and technical knowledge deemed suitable by the Board and by Health Canada.
30. The QAP is responsible for:
  - (a) assuring the quality of the cannabis before it is made available for sale; and
  - (b) investigating every complaint received in respect of the quality of the cannabis and, if necessary, taking corrective and preventative measures.
31. Every complaint received in respect of the quality of cannabis processed by the holder of a Standard Processing licence or a Micro-processing licence must be investigated by the QAP referred to in section 29 who must, if necessary, take corrective and preventative measures.
32. The holder of Standard Processing licence or a Micro-processing Licence may designate up to two individuals as alternate QAPs who are qualified to replace the QAP.
33. The holder of Standard Processing licence or a Micro-processing Licence must obtain the Board’s approval before:
  - (a) designating or replacing an alternate QAP; and
  - (b) replacing the QAP by an individual, other than by the alternate QAP.
34. The cannabis processed by the holder of a Standard Processing licence or a Micro-processing licence, must be produced, packaged, labelled, stored, sampled and tested using methods and procedures that, prior to their implementation, have been approved by a QAP.
35. Every lot or batch of cannabis must be approved by a QAP before it is made available for sale to any person.

### **Approved Agents for Analytical Testing**

36. A person that has been appointed by the Board to be an Approved Agent for the purpose of conducting analytical testing (“Analytical Testing Agent”) is authorized, for the purpose of testing, to conduct

the following activities:

- (a) to possess cannabis;
  - (b) to obtain cannabis by altering its chemical or physical properties by any means;
  - (c) to alter the chemical or physical properties of cannabis by the use of an organic solvent, provided the organic solvent is used in a controlled and professional laboratory or industrial environment, pursuant to established rules established by the Board.
37. An Analytical Testing Agent must destroy all samples of cannabis of a lot or batch that have been provided to them, and all cannabis obtained from those samples, within ninety (90) days after completing the testing of the samples of the lot or batch.
38. If testing of the samples of cannabis provided to an Analytical Testing Agent is not initiated within one hundred twenty (120) days of their receipt, the Agent must destroy the samples within that period.

### **Testing**

39. A holder of a licence must not sell or export a cannabis product unless the applicable requirements set out in sections 40 to 42 have been met.
40. The testing conducted under section 43 and the other requirements in Regulation must be conducted by an Analytical Testing Agent using validated methods.
41. For the purposes of the testing referred to in section 43, a representative sample of the lot or batch must be taken.
42. A portion of the sample referred to in section 41 must be retained for at least one (1) year after the date of the last sale of any portion of the lot or batch and must be of sufficient quantity to enable a determination of:
- (a) whether the lot or batch meets all of the requirements of this Regulation; and
  - (b) the quantity or percentage of THC, THCA, CBD and CBDA, as the case may be.
43. Testing for each of the following must be conducted on each lot or batch of cannabis, other than cannabis plants or cannabis plant seeds, that will become a cannabis product or that will be contained

in a cannabis accessory that is a cannabis product:

- (a) the residues of solvents used in the production of cannabis oil;
- (b) contaminants;
- (c) the quantity or percentage of THC, THCA, CBD and CBDA, as the case may be.

### **Good Production Practices**

- 44. A holder of a licence must not sell, distribute or export cannabis unless the applicable requirements set out in sections 45 to 56 have been met.
- 45. Cannabis must be produced, packaged, labelled, distributed, stored, sampled and tested in accordance with standard operating procedures that are designed to ensure that those activities are conducted in accordance with the requirements of this Regulation.
- 46. Cannabis must not be treated with a pest control product unless the product is registered for use on cannabis under the *Pest Control Products Act* (Canada) or is otherwise authorized for use under that Act.
- 47. Cannabis must be stored under conditions that maintain its quality.
- 48. Cannabis must be distributed in a manner that maintains its quality.
- 49. Cannabis must be produced, packaged, labelled, stored, sampled and tested in a building or part of a building that is designed, constructed and maintained in a manner that permits those activities to be conducted appropriately and under sanitary conditions, and in particular that:
  - (a) permits the building or part of the building to be kept clean and orderly;
  - (b) permits the effective cleaning of all surfaces in the building or part of the building;
  - (c) prevents the contamination of cannabis; and
  - (d) prevents the addition of an extraneous substance to the cannabis.
- 50. Notwithstanding section 49, cannabis may be obtained by cultivating, propagating or harvesting it outdoors.
- 51. The building or part of the building where cannabis is produced,

packaged, labelled and stored must be equipped with a system that filters air to prevent the escape of odours.

52. Cannabis must be produced, packaged, labelled, stored, sampled and tested using equipment that is designed, constructed, maintained, operated and arranged in a manner that:
  - (a) permits the effective cleaning of its surfaces;
  - (b) permits it to function in accordance with its intended use;
  - (c) prevents the contamination of the cannabis; and
  - (d) prevents the addition of an extraneous substance to the cannabis.
53. Subsection 52(d) does not apply to the outdoor cultivation, propagation or harvesting of cannabis.
54. Cannabis must be produced, packaged, labelled, stored, sampled and tested in accordance with a sanitation program that sets out
  - (a) procedures for effectively cleaning the building or part of the building in which those activities are conducted;
  - (b) procedures for effectively cleaning the equipment used in those activities;
  - (c) procedures for handling any substance used in those activities; and
  - (d) all requirements, in respect of the health and hygienic behaviour of the personnel who are involved in those activities, that are necessary to ensure that those activities are conducted in sanitary conditions.
55. Subsection 54(a) does not apply to the outdoor cultivation, propagation or harvesting of cannabis.
56. In the case of a holder of a Standard Processing or Micro-processing licence, every lot or batch of cannabis must be approved by a quality assurance person before it is made available for sale.

## **Packaging**

57. A holder of a licence must not sell, distribute or export a cannabis product unless the applicable requirements set out in the Law and this Regulation have been met.

58. In addition to the specific requirements in this Regulation, it is prohibited for a licence holder to sell cannabis in a package or with a label that does not conform to the comparable requirements established by Health Canada.
59. The immediate container in which a cannabis product, other than a cannabis plant or cannabis plant seeds, is packaged must:
- (a) be opaque or translucent;
  - (b) prevent contamination of the cannabis;
  - (c) in the case of dried cannabis, or a cannabis accessory that contains dried cannabis, keep the cannabis dry;
  - (d) have a security feature that provides reasonable assurance to consumers that it has not been opened prior to receipt;
  - (e) be in a child resistant package; and
  - (f) not contain more than the equivalent of 30 g of dried cannabis.
60. A cannabis plant must not be budding or flowering at the time of packaging.
61. The container in which a cannabis plant is packaged must not contain more than four cannabis plants.
62. The immediate container in which cannabis plant seeds are packaged must:
- (a) keep the cannabis plant seeds dry; and
  - (b) not contain more than the equivalent of 30 g of dried cannabis.

### **Labelling**

63. The following information must be included on the label that is applied to any container in which a cannabis product is packaged:
- (a) the name, telephone number and email address of the following:
    - (i) in the case of a cannabis plant or cannabis plant seeds, the holder of a licence for cultivation that cultivated the cannabis plant or cannabis plant seeds, or
    - (ii) in the case of any other cannabis product, the holder of a licence for processing that manufactured the product;

- (b) the class of cannabis to which the cannabis that is in the immediate container belongs;
- (c) in respect of the product:
  - (i) the brand name;
  - (ii) the lot number;
  - (iii) the recommended storage conditions;
  - (iv) the packaging date, and
  - (v) except in the case of a cannabis plant or cannabis plant seeds, either:
    - A. an expiry date;
    - B. a statement that no expiry date has been determined;
  - (vi) the warning “KEEP OUT OF REACH OF CHILDREN/ TENIR HORS DE LA PORTÉE DES ENFANTS”;
  - (vii) an appropriate health warning message;
  - (viii) in the case of a cannabis product that contains THC in a concentration greater than 10 µg/g, the standardized cannabis symbol that must be obtained from the Board in the form of an electronic file.

64. The label of a container must not include an expiry date unless the holder of the Standard Processing licence or Micro-Processing licence that manufactured the cannabis product has data that establishes the stability period during which, after the cannabis is packaged in accordance with this Regulation and stored under its recommended storage conditions:

- (a) it maintains not less than 80% and not more than 120% of its THC content and CBD content; and
- (b) its microbial and chemical contaminants remain within the limits referred to in subsection 43(b).

65. The holder of the Standard Processing licence or Micro-Processing licence that manufactured the cannabis product must, if they include an expiry date on the label of the container, retain a document that contains the data referred to in section 64 for at least two (2) years after the day on which the last sale of any portion of the lot or batch of the cannabis product with that expiry date takes

place, other than for destruction.

66. All information that is included on a label must be in English and in French.
67. All information that is required to be included on a label must be clearly and prominently displayed and readily discernible under the customary conditions of purchase and use.
68. Unless authorized under the Law, this Regulation or a directive of the Board, it is prohibited to sell cannabis in a package or with a label:
  - (a) if there are reasonable grounds to believe that the package or label could be appealing to persons who are under the prescribed legal age;
  - (b) that uses words or images that reference Kanien'kehá:ka or Onkwehón:we culture, language or traditions;
  - (c) that sets out a testimonial or endorsement, however displayed or communicated;
  - (d) that sets out a depiction of a person, character or animal, whether real or fictional;
  - (e) that associates the cannabis or one of its brand elements with, or evokes a positive or negative emotion about or image of, a way of life such as one that includes glamour, recreation, excitement, vitality, risk or daring; or
  - (f) that contains any information that is false, misleading or deceptive or that is likely to create an erroneous impression about the characteristics, value, quantity, composition, strength, concentration, potency, purity, quality, merit, safety, health effects or health risks of the cannabis.

## **Prohibition**

69. It is prohibited to sell cannabis or a cannabis accessory that has an appearance, shape or other sensory attribute or a function that there are reasonable grounds to believe could be appealing to persons who are under the prescribed legal age.

## **Inspectors**

70. For the purposes of the administration and enforcement of this Regulation, the Board may designate any individuals as inspectors to exercise the powers or perform duties or functions in relation to any matter referred to in the designation.

71. Each inspector must be provided with a certificate of designation in a form established by the Board and, when entering any place for the purpose of conducting and inspection, must, on request, produce the certificate to the person in charge of the place.
72. An inspector may, for a purpose related to verifying compliance or preventing non-compliance with the provisions of the Law or this Regulation, order a person that is authorized under this Regulations to conduct any activity in relation to cannabis to provide, on the date, at the time and place and in the manner specified by the inspector, any document, information or sample specified by the inspector.
73. A person that is ordered by an inspector to provide a document, information or a sample must do so on the date, at the time and place and in the manner specified by the inspector.
74. An inspector may, for a purpose related to verifying compliance or preventing non-compliance with the provisions of the Law or this Regulation, enter any place, including a conveyance, in which they believe on reasonable grounds:
  - (a) an activity that may be regulated under the Law or this Regulation is being conducted;
  - (b) any record, report, electronic data or other document relating to the administration of the Law or this Regulation;
  - (c) any record, report, electronic data or other document relating to the promotion of cannabis, a cannabis accessory or a service related to cannabis is located;
  - (d) an activity could be conducted under a licence that is under consideration by the Board; or
  - (e) an activity was being conducted under a licence before the expiry or revocation of the licence, in which case the inspector may enter the place only within 45 days after the day on which it expired or was revoked.
75. An inspector may in the place entered under section 74:
  - (a) open and examine any receptacle or package found in the place;
  - (b) examine anything found in the place that is used or may be capable of being used for the production, preservation, packaging, labelling or storage of cannabis;

- (c) examine any record, report, electronic data or other document, or any label or promotional material, found in the place with respect to cannabis, other than the records of the medical condition of individuals, and make copies of them or take extracts from them;
- (d) use or cause to be used any computer system at the place to examine any electronic data referred to in paragraph (c);
- (e) reproduce any document from any electronic data referred to in paragraph (c), or cause it to be reproduced, in the form of a printout or other output;
- (f) take the record, report or other document, or the label or promotional material, referred to in paragraph (c) or the printout or other output referred to in paragraph (e) for examination or copying;
- (g) use or cause to be used any copying equipment at the place to make copies of any document;
- (h) take photographs and make recordings and sketches;
- (i) examine any substance found in the place and take, for the purpose of analysis, any samples of it;
- (j) seize and detain cannabis or any other thing found in the place that the inspector believes on reasonable grounds is something in relation to which the Law or this Regulation was contravened or is something the seizure and detention of which is necessary to prevent non-compliance with the provisions of the Law or this Regulation;
- (k) order the owner or person having possession of cannabis or any other thing to which the provisions of the Law or this Regulation apply that is found in that place to move it or, for any time that may be necessary, not to move it or to restrict its movement;
- (l) order the owner or person having possession of any conveyance that is found in the place and that the inspector believes on reasonable grounds contains cannabis to stop the conveyance, to move it or, for any time that may be necessary, not to move it or to restrict its movement;
- (m) order any person in that place to establish their identity to the inspector's satisfaction; and order a person that, at that place, conducts an activity to which the provisions of the Law or this Regulation apply to stop or start the activity.

76. An inspector who seizes a thing under this Regulation may:
- (a) on notice to and at the expense of its owner or the person having possession of it at the time of its seizure, store it or move it to another place; or
  - (b) order its owner or the person having possession of it at the time of its seizure to, at their expense, store it or move it to another place.
77. If the Board or an inspector determines that it is no longer necessary to detain anything seized by the inspector under this Regulation, the inspector must notify in writing the owner or other person in charge of the place where the seizure occurred of that determination and, on being issued a receipt for it, must return the thing to that person.

### **Other prohibitions**

78. It is prohibited to obstruct, by act or omission, an inspector who is engaged in the exercise of powers or the performance of duties or functions under the Law or this Regulation.
79. It is prohibited to knowingly make any false or misleading statement verbally or in writing to an inspector who is engaged in the exercise of powers or the performance of duties or functions under the Law or this Regulation.
80. It is prohibited, without the authority of an inspector, to move, alter or interfere with, in any way, anything seized, detained or taken by an inspector.
81. It is prohibited to knowingly make, or participate in, assent to or acquiesce in the making of, a false or misleading statement in any record, report, electronic data or document that is required to be prepared, retained or provided by any person under this Act.

### **Penalties**

82. A licence holder that breaches a provision of this Regulation is liable to:
- (a) a non-compliance warning;
  - (b) suspension or revocation of the subject licence;
  - (c) a fine of not less than One Thousand (\$1,000.00) Dollars and not more than One Hundred Thousand (\$100,000.00) Dollars.

---

DRAFT