

CANNABIS AGREEMENT
Between
THE WINNEMUCCA INDIAN COLONY
And
THE STATE OF NEVADA

I. Introduction

This Agreement (“Agreement”) is made by and between the Winnemucca Indian Colony (“WIC” or “Tribe”) and the State of Nevada. The State is authorized to enter into this Agreement pursuant to Nevada Revised Statutes (“NRS”) §223.250 and by the provisions of Nevada Revised Statutes §§277.080 to 277.170.

II. Definitions

A. “Agreement” means this Cannabis Agreement between the Tribe and the State of Nevada, as may be amended.

B. “Auditor” means a certified public accountant licensed and in good standing in the State of Nevada.

C. “CCB” means Nevada’s Cannabis Compliance Board.

D. “Cannabis” has the same meaning as “Marijuana” defined below.

E. “Essential Government Services” means services provided by the Tribe including, but not limited to, administration, public facilities, fire, police, health, education, elder care, social services, sewer, water, environmental and land use, transportation, utility services, community development, and economic development.

F. “Indian Country” means the lands of the Tribe, including the Tribe’s Reservation, and all lands held in trust status by the United States for the Tribe or its Tribal Members.

G. “Marijuana,” “edible marijuana products,” “marijuana concentrates,” “marijuana- infused products,” and “useable marijuana” as used in this Agreement shall have the same meanings as in NRS Chapters 453A and 453D, or any amendments thereto, including but not limited to Title 56 of the NRS. Together, these terms shall be referred to as “cannabis product” or “cannabis products.”

H. “Cannabis cultivation facility” means any cannabis cultivator in Indian Country licensed or otherwise allowed by the Tribe pursuant to Winnemucca Indian Colony’s Law and Order Code (“Marijuana Code”) Title 25A, Sections 25A.056 and 25A.352, and Regulation and Taxation of Retail Marijuana Act Sections (“Marijuana Tax Code”) Title 25B, Sections 25B.003 and 25B.013, to cultivate and sell cannabis at wholesale to cannabis product manufacturing facilities and other cannabis cultivation facilities.

I. "Cannabis dispensary" or "cannabis store" means any cannabis business in Indian Country licensed or otherwise allowed by the Tribe pursuant to Title 25A, Sections 25A.115 and 25A.352 of the Winnemucca Indian Colony's Law and Order Code to sell or dispense cannabis products.

J. "Cannabis product manufacturing facility" means any cannabis processor in Indian Country licensed or otherwise allowed by the Tribe pursuant to Title 25A, Sections 25A.115 and 25A.352 of the Winnemucca Indian Colony's Law and Order Code to process cannabis into useable cannabis, cannabis concentrates, and cannabis-infused products, package and label useable cannabis and cannabis infused products for sale to cannabis dispensaries or cannabis stores, and sell cannabis products at wholesale to cannabis dispensaries or cannabis stores.

K. "Department" means the Nevada Department of Taxation.

L. "Parties," as defined in Part III, means the State and the Tribe.

M. "Tribe's Law" means any and all Statutes, Law and Order Codes, and Ordinances that have been or will be adopted by the Tribe related to the regulation of cannabis, including but not limited to Title 25A and 25B of the Winnemucca Indian Colony's Law and Order Code.

N. "State," as defined in Part III, means the State of Nevada.

O. "State Licensee" means any cannabis product manufacturing facility, cannabis cultivation facility, cannabis distributor, cannabis testing facility, retail cannabis store or medical cannabis dispensary licensed by the State.

P. "State Tax" means any cannabis excise tax or sales and use tax imposed by the State on sales of recreational marijuana and medical marijuana products.

Q. "Tribal Enterprise" means a business or agency owned in whole or in part by the Tribe and authorized to sell cannabis products under the Tribe's Law.

R. "Tribal Tax" means a tax imposed by the Tribe on cannabis activities.

S. "Tribe" as defined in Part III, means the Winnemucca Indian Colony.

III. Parties

The Parties to this Agreement are the Tribe and the State (collectively, the "Parties").

The Tribe is located on Tribal Trust Lands, known as the Winnemucca Indian Colony, located in Humboldt County, in the State of Nevada. The Tribe is a federally-recognized Indian tribe possessed of the full sovereign powers of a tribal government.

The State is a state within the United States of America, possessed of the full powers of a state government. The Nevada Department of Taxation (the "Department") is an executive department of the State government operating under the authority of the Governor, with statutory authority with respect to Cannabis under Nevada Revised Statutes ("NRS") Chapters 453A and 453D until June 30, 2020. As of July 1, 2020, all statutory authority with respect to Cannabis will be moved to the Cannabis Compliance Board ("CCB") and Title 56 of NRS.

The Tribe and the State are separate sovereigns and each recognizes and respects the laws and authority of the other sovereign.

NRS 223.250 allows the Governor to enter into an agreement with any federally-recognized Indian tribe located within the geographical boundaries of Nevada regarding Cannabis.

IV. Purpose and History

Historically, the cultivation, possession, delivery, distribution, and sale of cannabis have been illegal across the United States and in Indian Country. In 2016, Nevada voters passed Question 2, which sets forth a tightly regulated, state licensed system allowing for the cultivation, processing, and retail sale of cannabis, cannabis concentrates, useable cannabis, and cannabis-infused products for recreational purposes within the State.

While the federal Controlled Substances Act continues to designate marijuana as a Schedule I substance, on August 29, 2013, the United States Department of Justice issued a memorandum to all United States Attorneys (the "Cole Memorandum") setting forth guidance regarding marijuana enforcement. In that memo, James M. Cole, Deputy Attorney General, established eight enforcement priorities of particular importance to the federal government: (1) preventing the distribution of marijuana to minors; (2) preventing revenue from the sale of marijuana from going to criminal enterprises, gangs, and cartels; (3) preventing the diversion of marijuana from states where it is legal under state law in some form to other states; (4) preventing state-authorized marijuana activity from being used as a cover or pretext for the trafficking of other illegal drugs or other illegal activity; (5) preventing violence and the use of firearms in the cultivation and distribution of marijuana; (6) preventing drugged driving and the exacerbation of other adverse public health consequences associated with marijuana use; (7) preventing the growing of marijuana on public lands and the attendant public safety and environmental dangers posed by marijuana production on public lands; and (8) preventing marijuana possession or use on federal property. The Cole Memorandum further stated that the focus of federal law enforcement resources and efforts will be on those whose conduct interferes with the stated priorities and that state and local governments should provide sufficiently robust regulatory and enforcement systems to protect against these harms.

On October 28, 2014, the United States Department of Justice issued another

memorandum to all United States Attorneys (the "Wilkinson Memorandum") providing a policy statement regarding marijuana issues in Indian Country. In that memo, Monty Wilkinson, Director, Executive Office for United States Attorneys, acknowledged that "(t)he eight priorities in the Cole Memorandum will guide United States Attorneys' marijuana enforcement efforts in Indian Country, including in the event that sovereign Indian Nations seek to legalize the cultivation or use of marijuana in Indian Country." The Wilkinson Memorandum effectively treated tribal governments the same as state governments in the decision to legalize marijuana.

Through Nevada law and the Department's implementing rules, the State has decriminalized the cultivation, possession, delivery, distribution, sale, and use of cannabis in Nevada and has attempted to set forth a civil regulatory system that accomplishes the federal priorities set forth above and keeps cannabis cultivation, processing, and sale in Nevada regulated and safe for the public.

After serious deliberation, the Tribe, as a sovereign nation, has also determined that present day circumstances make a complete ban of cannabis within Indian Country ineffective and unrealistic and has decriminalized its sale and possession in certain circumstances. At the same time, consistent with the federal priorities, the need still exists for strict regulation and control over the cultivation, possession, delivery, distribution, sale, and use of cannabis in Indian Country.

The State and the Tribe recognize the need for cooperation and collaboration with regard to cannabis in Indian Country. The State has authorized the entry of this Agreement by the Compacting Legislation, enacted by the 79th (2017) Session of the Nevada Legislature on May 23, 2017, signed by the Governor on June 2, 2017, effective June 2, 2017. Through this Compacting Legislation, the State authorized the Governor to enter agreements with American Indian tribes concerning the regulation of marijuana.

The Parties share a strong interest in ensuring that cannabis production, processing, and sales in Indian Country are well-regulated to protect public safety and community interests.

The Parties acknowledge that pursuant to federal law, 21 U.S.C. § 812, marijuana is a Schedule I controlled substance and that this Agreement does not protect the sales or regulation of marijuana in Indian Country from federal law; however, the Parties have entered into this Agreement in order to strengthen their ability to meet these mutual interests and to provide a framework for cooperation to ensure a robust tribal and state regulatory and enforcement system sufficient to meet the federal priorities identified in the Cole and Wilkinson Memoranda.

The Parties acknowledge that the laws of the Tribal government relating to the possession, delivery, production, cultivation, processing, testing and use of cannabis, edible cannabis products, cannabis-infused products and cannabis products are at least as restrictive as the provisions of Chapters 453A and 453D of the NRS, now located in Title

56 of the NRS, and any regulations adopted pursuant thereto and the Tribal government is enforcing or will enforce those laws.

The Parties agree that it is in the best interests of the Tribe and the State that they enter into this Agreement to enhance public health and safety, ensure a lawful and well-regulated cannabis market, encourage economic development in Indian Country, and provide fiscal benefits to both the Tribe and the State.

V. Terms

A. Applicability

This Agreement applies to the cultivation, processing, and sale of cannabis products in Indian Country where the Tribe or a Tribal Enterprise (i) delivers, causes delivery to be made to, or receives delivery of cannabis products from a State Licensee, or (ii) physically transfers possession of cannabis products from the seller to the buyer within Indian Country. Except as otherwise provided herein, the cultivation, processing, sale, and possession of cannabis products in Indian Country pursuant to Title 25A and Title 25B of the Winnemucca Indian Colony's Law and Order Code, or any other regulation promulgated by the Tribe or Tribal Enterprise, and in accordance with this Agreement are not subject to the terms of NRS 453A, NAC 453A, NRS 453D, NAC 453D or any amendments thereto and any such activities will not be a criminal or civil offense under Nevada state law.

B. Medical Marijuana Dispensary and Retail Store Sales

The Tribe and/or its Tribal Enterprises may sell medical and retail cannabis products in Indian Country pursuant to the Title 25A and Title 25B of the Winnemucca Indian Colony's Law and Order Code and this Agreement.

1. The Tribe shall notify the Department at least 30 days prior to the opening of any medical cannabis dispensary or retail store location owned by the Tribe or a Tribal Enterprise. Such notification shall include:

- a. The identity of the Tribal entity which is operating the medical cannabis dispensary or retail store location;
- b. Location of the premises; and
- c. Certification that the premise is located in Indian Country.

2. Dispensary sales of all cannabis products by the Tribe and any Tribal Enterprise must be conducted in accordance with Title 25A and Title 25B of the Winnemucca Indian Colony's Law and Order Code and the internal policies and controls of the Tribe or Tribal Enterprise. Title 25A and Title 25B of the Winnemucca Indian Colony's Law and Order Code, as it exists on the date of this Agreement, is attached as Exhibit A. Current copies of Title 25A and Title 25B of the Winnemucca Indian Colony's Law and Order Code (in addition to medical marijuana and retail marijuana internal policies and controls of the Tribe and any Tribal Enterprise) will be made available for

review by the State upon request. The Tribe agrees to notify the State of any changes to the Tribe's Law and Order Code that may affect cannabis products within ten (10) working days of the date of adoption by the Tribe.

3. All cannabis products purchased by a medical cannabis dispensary or retail store from a State Licensee will be verified upon delivery in Indian Country, and confirmation of receipt will be made by executing the delivery invoice. The medical cannabis dispensary or retail store will input or cause to be inputted all delivered purchases into the State's tracking system within twenty-four (24) hours of any such delivery.

4. All cannabis products purchased by the Tribe or a Tribal Enterprise from the tribal government, tribal enterprise, or member of another federally- recognized Indian Tribe with a reservation located within Nevada, or sold by the Tribe or a Tribal Enterprise to the tribal government, tribal enterprise, or member of another federally recognized Indian Tribe with a reservation located within Nevada, will be recorded in either the Tribe's or the State's tracking system within twenty-four (24) hours of any such receipt or delivery. The Tribe and any Tribal Enterprise will make such records available for review by the State upon request.

5. **Initial Location:** The Tribe's current medical and retail location dispensary and cultivation is in "Indian Country" and is located at 1985 Hanson Street, Winnemucca Nevada 89445.

6. **White Knife LLC** is the wholly Tribal owned entity which is operating the Tribe's cannabis facilities.

C. Cultivating and Processing of Cannabis Products

The Tribe may allow the cultivating and processing of cannabis products in Indian Country pursuant to the following terms:

1. The Tribe shall notify the Department at least 90 days prior to the start of operations of any cannabis product manufacturing facility or cannabis cultivation facility by the Tribe or a Tribal Enterprise. Such notifications shall include:

- a. The identity of the Tribal entity which is operating the cannabis product manufacturing facility or cannabis cultivation facility;
- b. Location of the premises; and
- c. Certification that the premise is located in Indian Country.

2. Cultivating and processing of cannabis products by the Tribe and any Tribal Enterprise must be conducted in accordance with Title 25A and Title 25B of the Winnemucca Indian Colony's Law and Order Code and the internal policies and controls of the Tribe or Tribal Enterprise. Title 25A and Title 25B of the Winnemucca Indian Colony's Law and Order Code as it exists on the date of this Agreement is attached as Exhibit A. Current copies of Title 25A and Title 25B of the Winnemucca Indian Colony's Law and Order Code and any internal cannabis policies

and controls of the Tribe and any Tribal Enterprise will be made available for review by the State upon request. The Tribe agrees to notify the State of any changes to the Tribe's Law and Order Code that may affect cannabis products within ten (10) days of the date of adoption by the Tribe.

3. The State may require that cannabis products sold by cannabis product manufacturing facilities and cannabis cultivation facilities to State Licensees be packaged, tested and labeled in compliance with State cannabis laws. With respect to "edibles," this may include State preapproval of the product packaging and labeling before sale to State Licensees; PROVIDED, that such preapproval shall not be unreasonably withheld and shall be timely provided. All transactions between the Tribe and State Licensees will be executed through the State traceability system following the same rules as State Licensees.

D. State Licensees

1. The Tribe and Tribal Enterprises may purchase cannabis products from or sell cannabis products to State Licensees or any other entity operating under a valid agreement authorized by the Compacting Legislation, including any amendments thereto, with or otherwise authorized by the State. All transactions between the Tribe and State Licensees must be executed through the State traceability system, and cannabis products purchased from or sold to State Licensees must be tested to equivalent or higher standards as those required by Nevada's cannabis laws.

2. The State will not cite, fine, or otherwise take any other adverse licensing or other action against any State Licensee due to the mere fact that it bought or sold cannabis products from or to the Tribe or a Tribal Enterprise in accordance with the terms of this Agreement and Title 25A and Title 25B of the Winnemucca Indian Colony's Law and Order Code.

3. To the extent necessary, the State will work with the Tribe, Tribal Enterprise, and with any State Licensees or otherwise authorized cannabis product manufacturing facilities, cannabis cultivation facilities, medical cannabis dispensaries and retail stores to assure such entities that the Tribe and Tribal Enterprises are legally authorized to purchase and sell cannabis products pursuant to the terms of this Agreement.

E. Taxes

1. **State Tax.** The State acknowledges that no State Tax or fee, assessment, or other charge imposed by the State or local governments may be assessed against or collected from the Tribe, Tribal Enterprises, State Licensees, or medical marijuana card holders in Indian Country related to any commercial activity related to the production, processing, sale, and possession of cannabis products governed by this Agreement. To the extent Tribal Tax is erroneously collected and remitted to the State, the

State shall reimburse any such amount to the Tribe within a reasonable amount of time of discovery by any party. To the extent that any State Tax is erroneously collected and remitted to the Tribe, the Tribe shall reimburse any such amount to the State within a reasonable amount of time of discovery by any party. Any reimbursed amounts received by the Tribe will be used for Essential Government Services. No reimbursement will be granted of State Tax collected from a consumer, by State Licensees, on the sale of cannabis or cannabis product in non-Indian Country for the reason that the cannabis or cannabis product was originally purchased by the State Licensee from the Tribe or Tribal Enterprises. The State Sales Tax must be collected on sales made in non-Indian Country, in accordance with Chapters 372 and 360B of the Nevada Revised Statutes, and remitted to the State of Nevada.

2. **Tribal Tax.** The Tribe shall impose and maintain a Tribal Tax that is equal to at least 100 percent of the State Tax on all sales of cannabis products in Indian Country, unless (1) the sale is to the Tribe, Tribal Enterprise, or an enrolled member of the Tribe; (2) the transaction is otherwise exempt from State cannabis taxation under state or federal law; or (3) the transaction involves cannabis products used in the course of medical treatments by a clinic, hospital, or similar facility owned and operated by the Tribe within Indian Country. The Tribe may choose to levy a Tribal Tax on any transaction that may otherwise be exempt.

a. While not required under State law, the Tribe agrees to use the proceeds of the Tribal Tax for Essential Government Services or Community Social Programs.

b. At the State's request, the Tribe will obtain, at its own expense, an Auditor to test the Tribe's compliance with this section of the Agreement (Section E). The Auditor will review a sample of records to verify the requirements of this section and will provide the State with a report detailing the results of the testing procedures, to include identification of any instances of noncompliance with the terms of this section.

F. **Safety and Enforcement**

The Tribe shall be responsible for and address safety and enforcement issues in accordance with Title 25A and Title 25B of the Winnemucca Indian Colony's Law and Order Code, this Agreement, and internal policies and controls of the Tribe or Tribal Enterprise.

1. **Premises Checks**

a. **By the Tribe.** The Tribe's Police Department or other authorized agency may conduct its own premises checks in Indian Country to observe compliance with Title 25A and Title 25B of the Winnemucca Indian Colony's Law and Order Code and this Agreement and to provide support and education to Tribal Enterprises and staff. To the extent it is informed of the results of such premises

checks, the Tribe's Tribal Council will share the results of the premises checks with the State.

b. **By the State.** The State, through its staff, may also request premises checks to be done by the Tribe's Police Department and/or other authorized agency. The State may be, and is authorized to be, present to observe any such check to observe compliance with this Agreement and with Title 25A and Title 25B of the Winnemucca Indian Colony's Law and Order Code. The State can observe any part of the program during these checks. The State will contact the Tribe's Police Department and/or other authorized agency to provide twenty-four (24) hours' written notice of such premises check. The Tribe's Police Department and/or other authorized agency and/or authorized Tribal authorities must participate in all requested premises checks. The State is not required to be present at all requested premises checks that the State requests the Tribe's Police to conduct. The State and Tribe will share the results of such premises checks with Tribe's Tribal Council. The State will not request such checks to cause more than one to be conducted every 30 days unless there is a documented complaint or probable cause to believe that there is a compliance issue. If there is such a non-compliance issue, the State may request a premises check at any time with a twenty-four (24) hours' written notice provided to the Tribe's Police Department and/or other authorized agency from the State.

c. **Cooperation.** With regard to Paragraph b., above, both Parties agree to cooperate in good faith to undertake all State-requested premises checks jointly. The Tribe's Police Department and/or authorized Tribal authorities will make reasonable efforts to arrange and conduct all State-requested premises checks within twenty-four (24) hours of receiving written notice of such request by the State. All such written notices shall be sent to the Chief of Police and the Chairman of the Tribe. Should either Party have any concerns arising out of a premises check or the results thereof, the Parties will meet in good faith to discuss any suggested changes to protocols of the premises checks themselves or of cannabis product sales by the Tribe or Tribal Enterprise that were checked.

2. **Compliance Checks/Minors**

a. **By the Tribe.** The Tribe may conduct its own compliance checks in Indian Country using minors ages 18, 19, or 20 through the Tribe's Police Department or other authorized agency in accordance with Tribal regulations and policies. To the extent it is informed of the results of such checks, the Tribe's Tribal Council will provide the results of the checks to the State. No criminal action may be taken against any minor who purchases marijuana as part of such a compliance check.

b. **By the State.** State staff may also conduct compliance checks. Prior to conducting any such compliance check, the State will contact the

Tribe's Police Department or other authorized agency to provide twenty-four (24) hours' written notice of such compliance check. The Tribe's Police Department and/or authorized Tribal authorities must observe and participate in all compliance checks. The State will share the results of such compliance checks with the Tribe's Tribal Council.

c. **Cooperation.** Both Parties will cooperate in good faith to undertake all State-requested compliance checks jointly. The Tribe's Police Department or other authorized agency will make reasonable efforts to arrange and conduct all State-requested compliance checks within twenty-four (24) hours of being provided written notice of such request by the State. All such written notices shall be sent to the Chief of Police and the Chairman of the Tribe. Should either Party have any concerns arising out of a compliance check or the results thereof, the Parties will meet in good faith to discuss any suggested changes to protocols of the compliance checks themselves or of marijuana sales by the Tribe or Tribal Enterprise that were checked.

G. **Dispute Resolution**

Should a dispute arise between the Parties regarding compliance with this Agreement by either Party, or by their officers, employees or agents, the Parties will attempt to resolve the dispute through the following dispute resolution process:

1. **Notice**

Either Party may invoke the dispute resolution process by notifying the other, in writing, of its intent to do so. The notice must set out the issues in dispute and the notifying Party's position on each issue.

2. **Meet and Confer**

The first stage of the process will include a face- to-face meeting between representatives of the two Parties to attempt to resolve the dispute by negotiation. The meeting must be convened within thirty (30) days after the receiving Party's receipt of the written notice described in subsection (a). The representatives of each Party will come to the meeting with the authority to settle the dispute. If the dispute is resolved, the resolution will be memorialized in a writing signed by the Parties.

3. **Mediation**

If the Parties are unable to resolve the dispute within sixty (60) days after the receiving Party's receipt of the written notice sent under subsection (a) above, the Parties will engage the services of a mutually agreed upon qualified mediator to assist them in attempting to negotiate the dispute. Costs for the mediator will be borne equally by the Parties. The Parties will pursue the mediation process in good faith until the dispute is resolved or until the mediator determines that the Parties are not able to resolve the dispute. If the Parties cannot agree on a format for the mediation process,

the format will be that directed by the mediator. If the dispute is resolved, the resolution will be memorialized by the mediator in a writing signed by the Parties, which will bind the Parties.

4. **Arbitration**

a. If a Party terminates the dispute resolution process before completion, or if the mediator determines that the dispute cannot be resolved in the mediation process, or if the dispute is not resolved within one hundred twenty (120) days after the date the mediator is selected, either Party may initiate binding arbitration proceedings under the rules of the American Arbitration Association ("AAA"), but the AAA need not administer the arbitration. If the arbitrator determines that a Party is in violation of a material provision of this Agreement, and such violation is not or cannot be cured within thirty (30) days after issuance of the arbitrator's written decision, then the other Party may terminate this Agreement with sixty (60) days' prior written notice;

- i. The arbitrator shall have no authority to award monetary damages or issue injunctive or other equitable relief; and,
- ii. Each Party will bear its own legal costs incurred under this Section. All costs of the arbitrator will be shared equally.

b. If, at any time after the effective date of this Agreement, the State enters into an agreement, compact, or consent decree with any other federally recognized Indian tribe or governmental agency thereof, of or relating to the regulation of marijuana in Indian Country which includes a "most favored nation" provision, then, upon the Tribe's written request, this Agreement will be amended to include such provision. A "most favored nation" provision is defined as language by which the State agrees to accord a tribe or tribal government agency the same favorable terms that are offered in later agreements with any other tribe or tribal government agency. This will not be construed to require that the State offer the Tribe the option to receive the same terms offered to every tribe or tribal government agency, in the absence of a most favored nation provision in the Agreement.

c. In any action filed by a third party challenging either the Tribe's or the State's authority to enter into or enforce this Agreement, the Parties each agree to support the Agreement and defend their own separate authority to enter into and implement this Agreement; provided, however, that this provision does not waive, and must not be construed as a waiver of, the sovereign immunity of the Tribe, or the State, or any of its subdivisions or enterprises thereof.

H. Termination

This Agreement may be terminated with sixty (60) days' prior written notice that the Tribe is in default if the Department determines that the Tribal government laws relating to the possession, delivery, cultivation, production, processing, testing and use of cannabis products are not as restrictive as the provisions of chapters 453A and 453D of the Nevada Revised Statutes, or any amendments thereto, and any regulations adopted pursuant thereto or that the Tribal government is not enforcing its laws, provided:

1. The State has given the Tribe written notice detailing the claimed default, and granting the Tribe a 45-day period of time to cure the default. In the event that the State determines that the default has been cured or the Tribe has cured the default or is making satisfactory progress toward the cure of the default during the 45-day period, the notice of default shall be withdrawn;

2. In the event that the State determines that the Tribe has not cured the default, that satisfactory progress in the cure of the default is not being made by the Tribe, or that it is impossible for the Tribe to cure the default within 45 days of the notice of default, then, the State shall give written notice to the Tribe of the State's determination, whereupon, the Tribe may invoke the alternative dispute resolution procedures of subsection G, above, by giving notice within ten days to the State that the alternative dispute process has been invoked by the Tribe. The outcome of the alternative dispute resolution process will determine whether the Agreement may be terminated by the State, should the alternative dispute process be invoked.

3. Should the Tribe fail or refuse to invoke the alternative dispute process, then, the State's determination to terminate stands.

This Agreement will become null and void and will no longer have any force or effect if a court with competent jurisdiction issues a final order that invalidates the present Council and membership of the Colony as finally resolved by the United States District Court for the District of Nevada in Case 3:11-cv-00622-RCJ-CLB acknowledging the authoritative rulings of the Tribal Courts in matters WIC-CV-14-001 and WIC-CV-14-002.

I. Sovereign Immunity

The State agrees that, except for the limited purpose of resolving disputes in accordance with subsection G, above, the signing of this Agreement by the Tribe does not imply a waiver of sovereign immunity by the Tribe or any of its subdivisions or enterprises and is not intended as a waiver of sovereign immunity and that any action by the State in regard to marijuana regulation by the Tribe shall

be in accord with this Agreement. Except as expressly provided otherwise, herein, the Tribe retains its sovereignty and immunity from suit.

J. No Limitation

The Parties agree that the signing of this Agreement and the resultant benefits and obligations shall not be construed as limiting any otherwise lawful activity of the Tribe or its subdivisions or enterprises nor subject the Tribe or its subdivisions or enterprises to any State jurisdiction not agreed to in this Agreement.

VI. Communication and Notice

A. Communication

The Parties agree to maintain regular and open communication regarding the administration and implementation of this Agreement. The Parties agree that the following individuals will be designated primary contacts regarding administration of this Agreement:

For the State:

Office of the Governor
General Counsel
101 N. Carson Street
Carson City, NV 89701
(775) 684-5670

Department of Taxation or
Cannabis Compliance Board
Executive Director
1550 College Parkway, Suite 115
Carson City, NV 89706
(775) 684-2000

For the Tribe:

Treva J. Hearne, Esq.
Reno Law Group, LLC
595 Humboldt Street
Reno, NV 89509
(775) 329-5800-Telephone
(775) 329-5819-Facsimile

Dice, LLC
Cassandra Dittus
1030 E. 4th Street
Reno, Nevada 89512

The Parties agree that if either party believes that the goals and objectives of this Agreement are not being met, that they will meet promptly to discuss any issues and concerns.

B. Notice

Any notice that may be or is required to be sent under this Agreement shall be sent as follows:

If to the State: Office of the Governor
General Counsel
101 N. Carson Street
Carson City, NV 89701
(775) 684-5670

With a copy to: Department of Taxation or
Cannabis Compliance Board
Executive Director
1550 College Parkway, Suite 115
Carson City, NV 89706
(775) 684-2000

If to the Tribe: Dice, LLC
Cassandra Dittus
1030 E. 4th Street
Reno, Nevada 89512

With a copy to: Treva J. Hearne, Esq.
Reno Law Group, LLC
595 Humboldt Street
Reno, NV 89509
(775) 329-5800-Telephone
(775) 329-5819-Facsimile

Norberto J. Cisneros, Esq.
Maddox, Isaacson & Cisneros, LLP
11920 Southern Highlands Pkwy., Ste. 100
Las Vegas, Nevada 89141
(702) 366-1900-Telephone
(702) 366-1999

VII. Effect, Duration, and Amendment

A. Term

This Agreement shall remain in effect for a term of ten (10) years, unless the Parties mutually agree in writing that the Agreement should be vacated or terminated and superseded by a new agreement or compact between the Parties within that time frame. The Compact shall be automatically renewed for successive periods of ten (10) years, unless a party provides written notice to the other, no later than one hundred twenty (120) days before the expiration of the then current ten (10) year period that it wishes to modify the terms of the Agreement.

B. Amendment

No amendment or alteration of this Agreement shall arise by implication or course of conduct. This Agreement may be altered only by a subsequent written document, approved by the Parties, expressly stating the Parties' intention to amend this Agreement.

C. Severability

If any provision of this Agreement or its application to any person or circumstance is held invalid, the remainder of the Agreement is not affected.

D. Change in Classification

If the classification of marijuana as a Schedule I drug is altered in any way or current federal marijuana enforcement policy substantively changes, the Parties agree to meet and discuss the need to modify this Agreement. If such modifications cannot be agreed upon, then either Party may invoke the dispute resolution process described in Section V., Subpart G., above.

This Agreement is hereby made this 16th day of March, 2020.

STATE OF NEVADA

WINNEMUCCA INDIAN COLONY

Governor

Chairperson Judy Rojo