

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (hereinafter MOU) made and entered into this _____ day of _____, _____ between the Kentucky Department of Agriculture (hereinafter KDA) and _____ (hereinafter pilot producer). KDA and pilot producer together, collectively, are hereinafter referred to as the "Parties".

WITNESSETH THAT:

WHEREAS, only KDA and institutions of higher education can be used to grow or cultivate industrial hemp for purposes specifically stated in federal law, the Agricultural Act of 2014 Section 7606 (hereinafter Section 7606);

WHEREAS, Section 7606 requires that sites used for growing or cultivating industrial hemp in Kentucky must be certified by, and registered with, the KDA;

WHEREAS, Section 7606 authorizes KDA to promulgate regulations to carry out the pilot program in Kentucky;

NOW THEREFORE, the Parties hereto agree to the following:

1. Pilot producer or processor (the "Participant") maintaining a KDA certified and registered pilot site will.

- A. Act as an extension of the KDA and adhere to all KDA requirements with respect to industrial hemp pilot programs.
- B. Agree and adhere to all related contracts to which KDA is a party and understands that KDA determines what documents constitute related contracts.
- C. Affirm that the Participant and all individuals with ownership or control of the Participant in the event the Participant is not an individual, has not been convicted of a felony within the last (10) years.
- D. Agree that KDA has ultimate discretion with respect to what pilot producers and sites are included in KDA pilot programs and agree that KDA can de-certify and de-register a site used to grow, cultivate or process industrial hemp at any time.
- E. Agree that the KDA shall notify law enforcement agencies of the location and activities taking place in the pilot sites.
- F. Agree to consent to allow KDA officials to enter onto the producer or processor's premises where the industrial hemp is located to conduct inspections of the industrial hemp.
- G. Immediately inform KDA of any discussions relating to the possible sale of the industrial hemp produced in the pilot programs and obtain prior written permission from KDA for any sales.
- H. Agree to strictly adhere to the research focus of the pilot site, which is located at:

I. Agree to obtain prior written approval from the KDA before making any changes to the research focus of the pilot site or the location of the pilot site, including the cultivation and/or processing of industrial hemp.

- J. Agree to complete all progress notifications and reports as required by KDA.
- K. Agree that if the Participant fails to abide by any of these terms, the KDA shall be able to withdraw from this MOU.
- L. Provide the KDA with all pertinent corporate papers of the Participant, including but not limited to articles of incorporation, operating agreements, shareholder agreements, etc.
- M. Provide the KDA with a list of other persons, including all subcontractors, agents, independent contractors who are reasonably expected and/or who do in fact provide assistance of any sort on the pilot program for the Participant.
- N. Provide the KDA with a copy of any intellectual property agreements the Participant has signed related to the cultivation and processing of industrial hemp, and agree to abide by them.

2. KDA will

- A. Certify and register sites as extensions of KDA with the execution of this document and will inform all pilot producers of the laws and regulations that are applicable to these programs.
- B. Clarify the research focus of each pilot program, which for the undersigned Participant is

- C. Reserve the right to amend or otherwise change the research focus of the certified and registered pilot sites and will immediately inform the Participant of such decisions.
- D. Provide to Participant all pertinent contracts to which KDA is a party.
- E. Coordinate all research data to be shared with all other pilot programs, including institutions of higher education.

3. This MOU shall only be valid for 12 months from the date of signature.

IN WITNESS WHEREOF, the parties hereto have executed this MOU by and through their duly authorized agents as of the day and year first above written.

Kristen Branscum
Kentucky Department of Agriculture

Date

Participant's Signature

Date

Participant's Name Printed

In the event the Participant is not an individual, the person signing on behalf of the Participant must state the capacity in which the person is signing.