HALL ESTILL
ATTORNEYS AT LAW

Cannabis Law

Hall Estill's Cannabis Law Group is a recognized leader at the forefront of the cannabis industry. With the legalization of recreational and medical marijuana in a growing number of states, as well as the legalization of hemp products at the federal level, we are providing business advice for those in the cannabis and hemp industries, including growers, processors, dispensaries, and transporters. Our cannabis and hemp attorneys assist clients on a range of issues, including state licensing, regulatory compliance, transactional agreements, IP, corporate structuring, real estate issues, and tax and banking issues.

Our cannabis and hemp attorneys represent owners, lenders, investors, producers, sellers, entrepreneurs, landlords, farmers, and various other related businesses in the industry. In all cases, the goal is to assist clients in complying with applicable laws while achieving their specific business objectives.

The legalization of cannabis in multiple states across the country and the legalization of CBD products derived from hemp now legal at the federal level, has created a burgeoning industry for those in the cannabis and hemp businesses. The attorneys in Hall Estill's Cannabis law group have vast experience in the practices that affect cannabis and hemp production, extraction and retail sales on a daily basis, including:

- Banking and Finance
- Business Acquisitions & Sales
- Business Litigation
- Corporate Services, including company formation
- Employment
- Intellectual Property
- Licensing
- Real Estate
- Regulatory Compliance
- Tax

Since 2015, we have assisted clients in states where cannabis is legal and where we have attorneys admitted to practice law, including Arkansas, Missouri, Oregon, Colorado, and Oklahoma. We understand the nuances of this emerging and challenging commerce, especially as it relates to state law and how to navigate the ever-changing landscape of cannabis business and regulatory law.

Specific experience assisting clients in the Cannabis and Hemp fields include:

- Advising clients in all industries with respect to cannabis in the workplace

- Advising food and agribusiness lenders and borrowers with respect to banking, finance and regulatory issues
- Advising growers, producers and manufacturers with respect to various corporate governance and regulatory matters
- Advising cooperatives with respect to rights and liabilities under a broad range of agreements with members and buyers
- Advising producers with respect to USDA compliance and recall issues
- Advising food and beverage clients, including receivers, with respect to liquor licensing issues
- Assisting restaurants in obtaining alcohol permits from the Alcoholic Beverage Control Division of the Arkansas Department of Finance, the Oklahoma ABLE Commission, and other regulatory agencies
- Advising with respect to applicable Federal BATF regulations
- Representation of investors in the cannabis business of all types from start-up to fully functioning production facilities
- Assisting owners and investors through the license application process
- Helping owners of cannabis facilities comply with local zoning laws
- Working with clients on applications for water rights
- Providing employment law advice for employers
- Providing tax advice for determining what is a proper deduction under IRS Section 280 (E)
- Assisting clients in providing the optimum business structure to maximize tax benefits
- Acquisition and leasing of real property
- Preparing all types of agreements from real property leases, equipment leases and employee agreements
- Representing agricultural lenders in analyzing risks and opportunities in transacting business with cannabis related businesses
- Advising clients with respect to protection of intellectual property and branding
- Advising owners or real property with respect to landlord/tenant issues
- Advising banks and credit unions regarding the federal regulations surrounding the cannabis and hemp businesses

Marijuana, exclusive of hemp, is recognized as a Schedule 1 drug. As such, it is illegal under federal law to possess and sell marijuana. The Professional Rules of Conduct preclude a lawyer from counseling a client to engage, or assist a client, in conduct that violates the law; however, a lawyer may discuss the legal consequences of any proposed course of conduct with a client and may counsel or assist a client to make a good faith effort to determine the validity, scope, or meaning or application of the law. Under federal law, certain financial transactions connected to unlawful activity may be illegal. This includes transferring monetary instruments or funds with the intent to promote the carrying on of specified unlawful activity, including the manufacture, importation, sale or distribution of a controlled substance.

With respect to our Oklahoma clients, the Oklahoma Bar Association has adopted rules which will apply to legal work that necessarily arises in connection with the legalization of medical marijuana which permits lawyers to represent clients in the cannabis business as long as the client is in compliance with state law. Hall Estill will agree to provide medical marijuana services in pursuit of state licenses provided the medical marijuana business strictly complies with Oklahoma laws and regulations regarding the production and sale

of medical marijuana.