

October 20, 2019

**Re: Letter of Assurance Regarding Hemp Flower and Hemp Products**

Dear Customer,

The purpose of this Letter of Assurance is to provide you with adequate assurance that cannabis flower derived from industrial hemp (“hemp flower”) and products made with hemp-derived cannabidiol (“CBD”) sold by For The People, LLC (“FTP”) are legal to sell throughout the United States. This Letter will further serve as notice that FTP operates legally in compliance with federal law. This Letter does not offer any legal opinion as to your own business operations or personal use. Therefore, the information provided in this letter does not and is not intended to constitute legal advice.

**I. The 2018 Farm Bill Legalized Hemp at the Federal Level**

On December 20, 2018, the President signed the Agricultural Improvement Act of 2018 (referred to herein as “FB 2018”) into law. FB 2018 codified the Hemp Farming Act of 2018, and effectively legalized hemp at the federal level. We have summarized the provisions of FB 2018 which will have the most significant effect on the commercial hemp industry and FTP’s business.

**(1) Hemp is No Longer a “Controlled Substance”.** The immediate effect of FB 2018 was to remove hemp from Schedule I of the Controlled Substances Act (“CSA”). It also amended the definition of hemp in the 2014 Farm Bill (referred to herein as “FB 2014”) to include “any cannabis plant, or derivative thereof, that contains not more than 0.3% delta-9 tetrahydrocannabinol (“THC”) on a dry-weight basis”. The express inclusion of the cannabis plant distinguishes hemp flower from marijuana flower. Similarly, the inclusion of hemp derivatives means that hemp products which contain CBD are also legal to possess and sell. FB 2018 also establishes that the trace amounts of THC present in hemp are distinct from the THC present in “marijuana” (as defined in the CSA). In other words, the mere presence of THC in a product does not mean that product is considered contraband so long as the concentration of THC does not exceed 0.3%. In addition, all other cannabinoids - including CBD, tetrahydrocannabinolic acid (“THCa”), cannabigerol (“CBG”), cannabiol (“CBN”), and any others - are omitted from FB 2018 entirely and do not factor into the legal status of a given plant.

**(2) FB 2018 Gives the U.S. Department of Agriculture (“USDA”) Authority to Regulate Hemp.** Because hemp is no longer a controlled substance under federal law, the DEA no longer has authority over the commercial hemp industry. Hemp production is now regulated by the USDA as pursuant to the Agricultural Marketing Act of 1946 (“AMA”). The USDA is responsible for approving all State hemp production plans. The USDA’s Office of General Counsel published a May 28, 2019 Memorandum, which indicated that the USDA “expects to issue regulations implementing the new hemp production authorities in 2019.” As of the date of this Letter, the USDA has not approved

hemp production plans for any State or published a Federal hemp production plan. Meanwhile, FB 2014 will continue to control the domestic production of hemp until the USDA promulgates hemp production regulations. However, States are free to regulate the *intrastate* cultivation, manufacturing and distribution of hemp.

**(3) States Cannot Disrupt the Interstate Transportation of Hemp.** Under FB 2018, all current licensed hemp producers can continue to produce and distribute hemp, in any form, throughout the US. FB 2018 further enables the domestic hemp market by protecting interstate transportation of hemp. Section 297B(f) of the AMA explicitly prohibits States from interfering with or preventing the transportation or shipment of hemp across State lines. This prohibition is particularly significant because, though States are permitted to enact more strict hemp production laws, they cannot prohibit legally produced hemp from being transported through their borders.

## **II. FTP Operates as Legal Hemp Retail Company**

FTP sells legal hemp flower and hemp products internationally through its online store and retail stores located throughout the US. All of the hemp flower and hemp products sold by FTP are sourced from cultivators, processors and manufacturers licensed by their respective State departments of agriculture pursuant to FB 2014. All hemp flower and hemp products sold by FTP contain less than 0.3% THC on a dry-weight basis and are therefore legal to sell under current federal law. The legal analysis contained herein is based on current federal law as of the date letter, and may be affected by future changes or amendments. Please feel free to disclose this Letter to any individual or law enforcement agency that may question or scrutinize the legality of the hemp flower and hemp products sold by FTP.

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CBD For The People  
Newport Beach, CA  
(949) 668-0299



9730 PATUXENT WOODS DRIVE  
SUITE 300  
COLUMBIA, MD 21046

CERTIFICATE OF ANALYSIS

SAMPLE INFORMATION



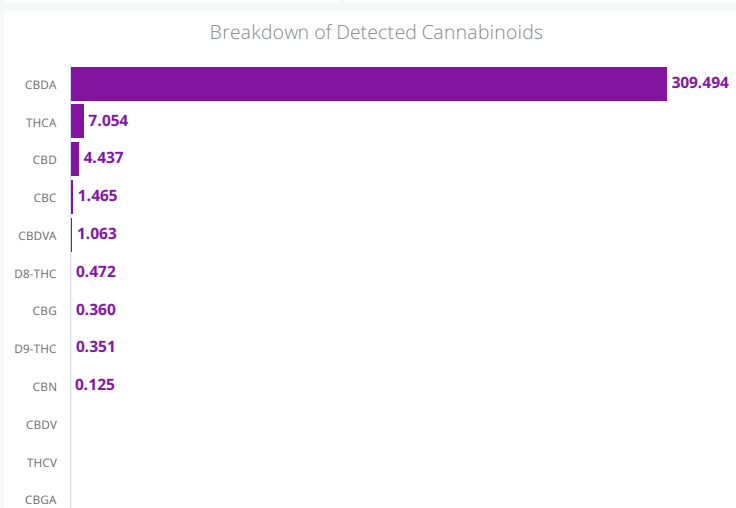
Sample Information	
Sample ID	0000178
Accession Date	2019-10-07
Customer Account	
Product Name	Sample 5
Sample Type	Flower
Carrier Type	Flower
Compliance Sample (Yes/No)	No
Lot/Batch Number	Oct 3
Sample Weight/Volume (g)	5.6
Density	1.000
Moisture Correction (%)	7.08%
Water Activity	0.506



CANNABINOID ANALYSIS

0.035%	27.586%	324.823 mg/g	1819.203 mg
D9-THC %	Total CBD %	Total Cannabinoids	Total Cannabinoids per Sample

Cannabinoids Analysis				
Component^	LOD	LOQ	Amount	Unit of Measurement
CBC	0.005	0.01	1.465	mg/g
CBD	0.005	0.01	4.437	mg/g
CBDA	0.005	0.01	309.494	mg/g
CBDV	0.005	0.01	ND	mg/g
CBDVA	0.005	0.01	1.063	mg/g
CBG	0.005	0.01	0.360	mg/g
CBGA	0.005	0.01	ND	mg/g
CBN	0.005	0.01	0.125	mg/g
D8-THC	0.005	0.01	0.472	mg/g
D9-THC	0.005	0.01	0.351	mg/g
THCA	0.005	0.01	7.054	mg/g
THCV	0.005	0.01	ND	mg/g



SIGNATURE OF CONFIRMATION

Conor Jenkins  
Laboratory Manager

Calculations

Total CBD = (CBDA \* 0.877) + CBD  
 Total THC = (THCA \* 0.877) + D9-THC  
 D9-THC % = D9-THC in mg / 10 to convert to %  
 PPM to % = ((PPM/1000)/1000)\*100  
 Moisture Content Adjustment = (Component Amount / (1000 mg - (1000 \* Moisture Correction %)) \* 1000  
 LOQ = Limit of Quantitation  
 LOD = Limit of Detection  
 ND = Not Detected  
 PPB - Parts per Billion  
 PPM - Parts per Million

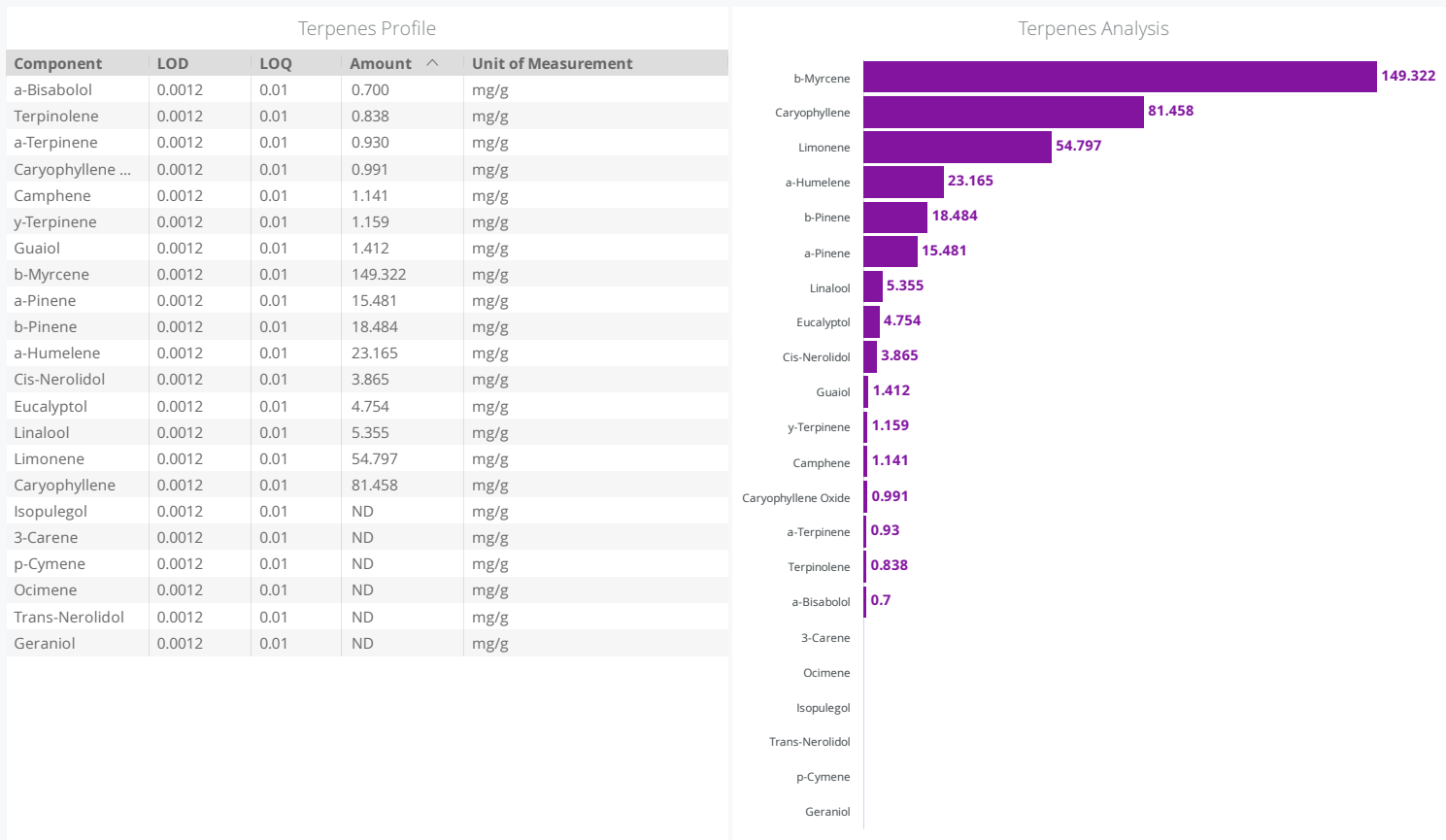
Testing results are based on the sample submitted to Think20 Labs LLC. in the picture and description above. Think20 Labs LLC. states that all analytical testing was performed to the highest standards in accordance with validated methods, designed and verified by Think20 Labs LLC. Data was generated with state and federal compliance. This report may not be reproduced, except in full, without the written approval of Think20 Labs LLC



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SUITE 300  
COLUMBIA, MD 21046

CERTIFICATE OF ANALYSIS  
MMCC LICENSE #: L-19-00001

### TERPENES



### HEAVY METALS

Heavy Metals Profile			
Component	LOD	LOQ	Amount (ppb) ^
Chromium	10	20	ND
Arsenic	10	20	ND
Selenium	10	20	ND
Silver	10	20	ND
Cadmium	10	20	ND
Barium	1000	3000	ND
Mercury	10	20	ND
Lead	10	20	ND

### RESIDUAL SOLVENTS

Solvents Profile			
Component ^	LOD	LOQ	Amount (ppm)
Benzene	0.05	0.7	ND
Butane	1000	2000	ND
Ethanol	10	50	ND
Heptane	10	50	ND
Hexane	5	10	ND
Propane	1000	2000	ND
Toluene	10	50	ND
Xylenes	10	20	ND

### MICROBIALS

Microbials Profile		
Impurity ^	Action Limit (CFU/g)	Pass / Fail
Aerobic	> 100,000	Pass
Aspergillus	> 10,000	Pass
E-Coli	> 100	Pass
Salmonella	> 0	Pass

### MYCOTOXINS

Mycotoxins Profile			
Component ^	LOD	LOQ	Amount (ppb)
Mycotoxin B1	8	20	ND
Mycotoxin B2	8	20	ND
Mycotoxin G1	8	20	ND
Mycotoxin G2	8	20	ND
Ochratoxin A	8	20	ND

## CHEMICAL RESIDUES

Chemical Residues Profile				Chemical Residues Profile			
Component	LOD	LOQ	Amount (ppb)	Component	LOD	LOQ	Amount (ppb)
Abamectin	8	20	ND	Hexythiazol	8	20	ND
Acetamiprid	8	20	ND	Imazalil	8	20	ND
Aldicarb	8	20	ND	Imidacloprid	8	20	ND
Ancymidol	8	20	ND	Kresoxim-Methyl	20	50	ND
Azoxystrobin	8	20	ND	Malathion	10	30	ND
Bifenazate	8	20	ND	Metalaxyl	8	20	ND
Bifenthrin	8	20	ND	Methiocarb	8	20	ND
Boscalid	20	50	ND	Methomyl	8	20	ND
Carbaryl	8	20	ND	Myclobutanil	8	20	ND
Carbofuran	8	20	ND	Naled	8	20	ND
Chlorantraniliprole	20	50	ND	Oxamyl	5	10	ND
Chlorpyrifos	8	20	ND	Palcobutrazole	8	20	ND
Clofentezine	8	20	ND	Permethrin	8	20	ND
Cyfluthrin	20	50	ND	Phosmet	8	20	ND
Daminozide	10	30	ND	Piperonyl Butoxide	8	20	ND
Diazinon	8	20	ND	Propiconazole	8	20	ND
Dichlorvos	8	20	ND	Pyrethrin	8	20	ND
Dimethoate	8	20	ND	Spinosad	8	20	ND
Ethephon	80	200	ND	Spiromesifen	8	20	ND
Etoxazole	8	20	ND	Spirotetramat	8	20	ND
Fenpyroximate	8	20	ND	Thiachloprid	8	20	ND
Fipronil	10	30	ND	Thiamethoxam	8	20	ND
Fludioxinil	20	80	ND	Trifloxystrobin	6	10	ND
Flunicamide	8	20	ND				
Flurprimidol	8	20	ND				

### SIGNATURE OF CONFIRMATION



Conor Jenkins  
Laboratory Manager

### Disclaimer

Testing results are based on the sample submitted to Think20 Labs LLC in the picture and description above. Think20 Labs LLC affirms that all analytical testing was performed consistent with industry standards and in accordance with validated methods designed and verified by Think20 Labs LLC. All testing results were produced in compliance with applicable state and federal laws. This report may not be reproduced, except in full, without the written approval of Think20 Labs LLC.

### Calculations

$$\text{Total CBD} = (\text{CBDA} * 0.877) + \text{CBD}$$

$$\text{Total THC} = (\text{THCA} * 0.877) + \text{D9-THC}$$

$$\text{D9-THC \%} = (\text{Component Amount in mg} / 1000)$$

$$\text{PPM to \%} = ((\text{PPM}/1000)/1000)*100$$

$$\text{Moisture Content Adjustment} = (\text{Component Amount} / (1000 \text{ mg} - (1000 * \text{Moisture Correction \%}))) * 1000$$

LOQ = Limit of Quantitation

LOD = Limit of Detection

ND = Not Detected

PPB - Parts per Billion

PPM - Parts per Million