



Local 338

RWDSU/UFCW

JOHN R. DURSO
President

JOSEPH FONTANO
Secretary-Treasurer

NEIL GONZALVO
Executive Vice President

DEBRA BOLLBACH
Recorder

August 23, 2022

Tremaine Wright
Chair, New York State Cannabis Control Board
P.O. Box 2071
Albany, NY 12220

Re: Labor Peace Agreement between Local 338, RWDSU/UFCW and QUBE USA, LLC.

To Chairwoman Wright:

Local 338, RWDSU/UFCW ("Local 338") is a labor organization, as defined by 29 U.S.C. § 402(i) and 29 U.S.C. § 152(5), representing approximately 13,000 employees in New York State and its environs.

The enclosed document entitled, Labor Peace Agreement, is intended in part to satisfy and comply with New York State's requirement that an applicant seeking license to conduct business relating to the use of marijuana in New York State submit proof that it has entered into a labor peace agreement with a bona-fide labor organization that is actively engaged in representing or attempting to represent the applicant's employees. See Marijuana Regulation and Taxation Act (S.854A/A.1248A).

The Labor Peace Agreement contains explicit language which protects the State's proprietary interests by prohibiting Local 338 from engaging in picketing, work stoppages, boycotts, and any other economic interference with the business of an entity licensed to engage in the business relating to the use of marijuana in New York State.

Should any changes in the Labor Peace Agreement be necessary for an applicant to comply with New York State Law, please feel free to communicate with us directly.

Thank you for your consideration.

Sincerely,

Joseph Fontano
Secretary-Treasurer

CC: Christopher Alexander, Executive Director of the Office of Cannabis Management

STRONGER | TOGETHER

Our Mission: To Better the Lives of Our Members and All Working People
1505 Kellum Place • Mineola, NY 11501 • (516) 294-1338 • www.local338.org

LABOR PEACE / NEUTRALITY AGREEMENT
BY AND BETWEEN
QUBE USA, LLC. AND
LOCAL 338, RWDSU/UFCW

By this Agreement dated December 21, 2021, Qube Usa, LLC (the “Employer”) and Local 338, RWDSU/UFCW, 1505 Kellum Place, Mineola, New York (the “Union”), hereby establish the following procedure to address the Union’s efforts to organize employees in any existing or new facility owned or operated by the Employer in the State of New York in which the employees are not represented by a labor organization:

1. The term, "employees," used herein shall include all full time and part-time employees of the Employer, including, but not limited to, pharmacists, pharmacy technicians, dispensaries, consultants, drivers, growers, retail, manufacturers, trimmers, and anyone else performing work for or on behalf of the Employer, and shall exclude only those statutorily excluded by the National Labor Relations Act ("NLRA").

2. Within ten calendar (10) days after receiving written notice of the Union’s intent to organize employees, the Employer agrees to furnish the Union with a complete list of employees in the shop designated in the notice, including names, job classifications, departments, street addresses, telephone numbers, and e-mail addresses. The Employer agrees to thereafter provide updated lists as reasonably requested. The Employer waives the right under the NLRA to file any petition with the National Labor Relations Board for any election in connection with the invocation of this Agreement and agrees to refrain from directly or indirectly supporting any such petition.

3. The Employer agrees to take a neutral approach to unionization of employees. Neutrality means that the Employer will neither help nor hinder the Union's organizing effort by, for example, directly or indirectly demeaning by word or deed the Union or its representatives, or directly or indirectly supporting or assisting in any way any person or group who may oppose the Union. The Employer agrees not to communicate to any employee that it disfavors the Union or the signing of authorization cards, or that they may suffer adverse consequences for supporting the Union or signing cards. The Employer also agrees that it, and its managers, supervisors and other representatives will refer to the Union by name and not as “third party,” “outsider” or in similar manner. The parties will conduct themselves with mutual respect for each other during any organizing effort.

4. During organizing efforts, the Employer's managers, supervisors and other representatives will remain neutral and will refrain from communicating with employees about how they should respond to the Union. The Employer agrees to inform all of its managers, supervisors and representatives of this obligation and that the Employer has no objection to employees supporting the Union or engaging in union activities, including meeting with Union representatives or signing authorization cards. The Employer will promptly terminate any violation of this provision and immediately act to discourage any additional violation, including disciplining any manager or supervisor - or terminating its relationship with any independent

contractor representative - who violates it. The Employer agrees to take prompt action to mitigate the effects of any violation, including informing employees of the Employer's position on organizing and the rights of employees to organize.

5. The Employer agrees to permit Union representatives access, to the workplace to communicate with employees including through the distribution of materials. Union representatives will not disrupt the Employer's operations or unreasonably interfere with employee production.

6. The manager at the facility will meet with and tell employees that the Employer has no objection to employees meeting with Union representatives, supporting the Union, or signing authorization cards. That manager will also tell employees that the Employer is neutral in their selection of union representation.

7. If the Union informs the Employer that a majority of the employees described in the Union's initial notice has signed authorization cards designating the Union as their collective bargaining representative, then the Employer shall meet with the Union within five (5) business days to count the cards. Alternatively, the parties may agree to have a neutral count the cards but only if they can agree on a neutral who is available to administer the count within the five (5) day period. The neutral's fee shall be borne by the requesting party. Immediately after verifying the Union's majority, the Employer will recognize the Union as the representative of the employees in the bargaining unit described in the Union's notice and sign the attached Recognition Agreement.

8. If both the Union and the Employer mutually agree that additional Agreement provisions are necessary for the new unit or if the National Labor Relations Board or a court determines that the parties may not lawfully extend this Agreement to the unit, the parties agree to bargain in good faith over a collective bargaining agreement to cover the employees. The parties agree to commence bargaining within twenty (20) business days from the date the Union's evidence of majority support is verified. If they are unable to agree to a collective bargaining agreement within nine (9) months after the count of the authorization cards, the parties agree to submit all open provisions and issues to final and binding interest arbitration. If they are unable to mutually select an arbitrator, the parties shall select an arbitrator to set the open provisions and resolve any other issues in accordance with the procedures of the American Arbitration Association's Labor Arbitration Rules.

9. The parties agree to resolve any dispute over the interpretation of this provision through expedited arbitration in accordance with the American Arbitration Association's Labor Arbitration Rules. The parties will invoke expedited arbitration by requesting an arbitrators list from the American Arbitration Association. Within 10 days of receiving AAA's arbitrators' list, the parties will submit their struck lists to the AAA. The parties agree that AAA will follow its labor arbitration rules to select an arbitrator based on the list or lists the parties submit. The AAA will strictly apply its rule requiring struck lists to be timely submitted in accordance with this provision. The arbitrator will hear the dispute on either the first or second date the arbitrator is available and issue an award within 20 days thereafter. The parties will equally share the arbitrator's fees and costs.

10. The parties agree that the arbitrator has the authority to direct the breaching party to specifically perform its obligations under this provision. The arbitrator may award a penalty of up to \$10,000 for willful breaches. A willful breach is one that clearly violated this provision and was not corrected after the aggrieved party provided notice of it to the violating party. The parties agree that in the event the arbitrator determines that a party to this Agreement has breached a term of this Agreement, the non-breaching party may choose to terminate this Agreement by providing thirty (30) days' written notice to the breaching party; such notice must be issued within ten (10) calendar days after receiving the arbitrator's decision. The parties consent to the entry of the arbitrator's award as the order of judgment of a United States District Court, without notice.

11. The Union and the Employer recognize that this Agreement is in their mutual best interests and therefore agree to prevent evasion of the terms of this Agreement through the use of contractors and/or subcontractors. To comply with the spirit of this Agreement, the Employer shall, as a condition of its relationship with any contractor and/or subcontractor that will be used to manufacture, process, warehouse, sell, deliver, transport, grow or dispense marijuana, require that: (a) the contractor and/or subcontractor enter into a neutrality agreement with the Union; and (b) immediately notify the Union when seeking to form a business relationship with the contractor and/or subcontractor.

12. This Agreement shall be effective for three (3) years from its signing and shall be automatically renewed for a one (1) year period unless, at least sixty (60) days prior to the renewal date, either party give the other party written notice of its intent not to continue the Agreement.

13. Labor Peace. During the term of this Agreement, the Union hereby promises that it and its members will not engage in any picketing, work stoppages, boycotts or any other economic interference with the Employer's business at any Employer location.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the dates set forth below by their duly authorized representatives.

LOCAL 338, RWSDU/UFCW

By: Joseph Fontano

Date: August 23, 2022

Name: Joseph Fontano

Title: Secretary-Treasurer

QUBE USA, LLC.

By: George T. Vlamis
Cannapreneur

Date: 08-23-2022

Name: George T. Vlamis

Title: Chief Operating Officer