

LABOR PEACE AGREEMENT

This Labor Peace Agreement (“Agreement”) is between the Professional Technical Union, Local 33 (“the Union”), and The Pottery, 5042 Venice Blvd., Venice CA, 90019 (“the Company” or Employer”) (the Union and Company collectively, “the Parties”).

1. This Agreement is entered into pursuant to California Business and Professions Code §§ 26001 *et seq.* and 26051.5 *et seq.*, and the Proposed Requirements for Commercial Cannabis in the County of Orange under Ordinance No. 17-011. A labor peace agreement has been defined as:

“Labor peace agreement” means an agreement between a licensee and any bona fide labor organization that, at a minimum, protects the state’s proprietary interests by prohibiting labor organizations and members from engaging in picketing, work stoppages, boycotts, and any other economic interference with the applicant’s business. This agreement means that the applicant has agreed not to disrupt efforts by the bona fide labor organization to communicate with, and attempt to organize and represent, the applicant’s employees. The agreement shall provide a bona fide labor organization access at reasonable times to areas in which the applicant’s employees work, for the purpose of meeting with employees to discuss their right to representation, employment rights under state law, and terms and conditions of employment. **This type of agreement shall not mandate a particular method of election or certification of the bona fide labor organization.**

- (a) The Parties mutually recognize that the National Labor Relations Act (“NLRA”) guarantees employees the right to form or select any labor organization to act as their exclusive representative for the purpose of collective bargaining with their employer, or to refrain from such activity. The Parties also agree the California Agricultural Labor Relations Act (“ALRA”) also provides for similar rights for employees specifically subject to the ALRA.
- (b) This Agreement applies to all regular full-time and part-time employees in the following job classification: tenders, trimmer, receptionist, inventory associate, associates, packaging assistant, cultivation assistant, and break coordinator who are eligible to join a collective bargaining unit as a result of their employment with the Employer in its medical cannabis and/or adult use cannabis business pursuant to California Business and Professions Code § 26000 *et seq.*, except as noted herein, at the Company’s facility(ies) located at 5042 Venice Blvd., Venice CA, 90019, (“the Company’s Facility”) (“Employees”).

Employees subject to this Agreement do not include supervisors (as defined in Section 1(c) below), contractors, staffing agency employees, guards, managers, professional employees and confidential employees as defined by the NLRA;

- (c) Supervisor means an individual having authority, in the Company’s interest, to hire, transfer, suspend, lay off, recall, promote, discharge, assign, reward, or discipline other employees, or the responsibility to direct them or to adjust their grievances, or to effectively recommend such action, if, in connection with the foregoing, the

exercise of that authority is not of a merely routine or clerical nature, but requires the use of independent judgment;

- (d) In order to avoid the Union and members from engaging in picketing, work stoppages, boycotts, and any other economic interference with the Company's business in the event the Union decides to conduct an organizing campaign among Employees, the Parties establish the following procedure for the purpose of ensuring an orderly environment for the exercise of Employees' rights; and
 - (e) The Company has at least 10 or more full-time equivalent employees in the City of Los Angeles and/or 20 or more employees in California.
2. **Union's Obligations.** Upon entering into this Agreement, the Union agrees neither it nor any of its agents or members will engage in picketing, work stoppages, lockouts, boycotts or any other economic interference with the Company's business or at the Company's Facility. The Union and any of its agents or members will not coerce, intimidate or threaten any of the Company's Employees, guards, supervisors, or managers in an effort to organize the Employees, obtain authorization cards or represent Employees. The Union also agrees to campaign or communicate in a manner that is not disruptive to the Company's operations or business, and which does not disparage the Company or its management, supervisors or owners.
 3. **Company's Obligations.** By entering into this Agreement, the Company agrees it shall not disrupt the Union's efforts to communicate with Employees and it will not disrupt the Union's attempt to organize and represent the Employees under this Agreement. The Company will take a neutral approach to unionization of Employees. However, the Company may respond to Employees' question(s) with accurate and factual information. The Company will not engage in threatening, coercive, unlawful conduct that interferes with the Employees' right to choose Union representation. However, nothing contained in this paragraph shall prohibit the Company from communicating with its Employees on non-organizing issues, such as operational and business needs, training, safety, productivity and like matters. Nothing contained in the Agreement shall preclude the Company from explaining its wage and benefit packages and working conditions to Employees. The Company also agrees not to engage in communication which disparages the Union, its officers or representatives.
 4. **Reasonable Access to Company Facility.** The Parties agree to the following reasonable access rules to the Company's Facility.
 - (a) If the Employees are subject to the ALRA, the Union access rights and Company rights will be governed by the access procedures, rights and rules established under the ALRA and interpreted by the California Agricultural Labor Relations Board ("ALRB").
 - (b) If the employees are subject to the NLRA, the Union and the Company agree to the following:

1. **Notice of Intent to Take Access.** The Union agrees to file a Notice of Intent to Take Access letter with the Company ten calendar days before starting the access period. The Notice of Intent to Take Access letter will state that the Union intends to exercise its rights under this Agreement and the date the Union will start to use the access rights herein.
2. **Access Period.** The Parties agree the Union can exercise its access rights at the Company's Facility under this Agreement for four, 30-day periods in a calendar year. The Parties agree this is a reasonable time for access. If the Union is selected as the exclusive representative of the Employees for purposes of collective bargaining under the applicable law, the Union's access rights under this Agreement will end. Thereafter, the Union's access rights will be governed by any collective bargaining agreement between the Parties and applicable law.
3. **Access to Lunch Rooms:** The Company will grant up to two (2) Union organizers (selected by the Union) physical access to the employee lunch room or another location at the Company facility approved by the Company and Union for one hour before shift, for one hour after shift and during an agreed scheduled lunch period of no more than one hour.
4. **Access to Employee Entrances.** The Company will grant up to two (2) Union organizers (selected by the Union) physical access to a designated space near an employee entrance for one hour before shift, for one hour after shift and during an agreed scheduled lunch period of no more than one hour.
5. **Temporary Bulletin Board.** At Union's request, the Company will temporarily provide and place a bulletin board in a prominent place in the breakroom for postings authorized by the Union and approved by the Company.
6. **Notification.** The Union will provide to the Company the names of its Union organizers who will be on Company property for such access in writing and electronically at least 24 hours in advance of the dates when such organizers are scheduled to be at the Company's Facility and such list shall immediately be updated if the individuals change. Union organizers granted access will be required to wear an identification badge (bearing their name and that they are a representative of the Union), will be restricted to the lunch room and may not be in work areas or production areas of the Company Facility, and agree not to initiate, support or condone any disruptive behavior to the Company's operations at the Company's Facility or block ingress or egress to the Company's Facility. If there is not a designated lunch room available at the Company Facility, the Parties will mutually agree to another location at the Company's Facility.
7. **Compliance.** The Union understands that the Company has a right to ensure compliance with this Agreement but the Company will not engage in

surveillance of the Union's meetings. Accordingly, the Union agrees not to file any unfair labor practice charge or complaint under this Agreement alleging unlawful surveillance occurring during the periods of such access if the Company is verifying compliance with this Agreement.

5. **No Charges.** The Union and the Company will not file any charges with the National Labor Relations Board in connection with any act or omission occurring within the context of this Agreement. Instead, Arbitration under Paragraph 6 shall be the exclusive remedy.
6. **Resolution of Disputes and Arbitration.** The Parties will each designate a representative with decision-making authority to be the point of contact for all communications and disputes between the Parties regarding this Agreement and to resolve complaints about alleged violations of the Agreement ("Designated Representatives"). The expectation is that the Parties – through their respective Designated Representatives value an on-going and mutually constructive working relationship going forward – will strive to appropriately resolve any disputes between the Parties arising under this Agreement. If the parties are unable to resolve such disputes, the Parties agree to the following procedure for arbitration:
 - (a) The Parties agree that any disputes over the interpretation or application of this Agreement that cannot be amicably resolved shall be submitted to binding arbitration, with an Arbitrator mutually agreed to by the Parties. A party seeking arbitration regarding an issue under this Agreement, must file a request for arbitration with the other party within 30 calendar days of the incident giving rise to the dispute. If the Parties are not able to agree upon an arbitrator within 7 business days after the filing of the intent for arbitration, the Parties shall request from the Federal Mediation and Conciliation Service a list of five arbitrators who are members of the National Academy of Arbitrators and who have their principal residence in Southern California. The Parties shall, within 14 calendar days of receiving the list, select an Arbitrator ("Arbitrator") under this Agreement by alternately striking names from the list. The party to strike first shall be determined by coin toss.
 - (b) After a hearing, the Arbitrator shall hear and decide all disputes regarding the interpretation or application of this Agreement within 30 days from the date of submission of the case by the Parties.
 - (c) The Arbitrator shall conduct the arbitration according to the procedures established by the American Arbitration Association. The Arbitrator shall also have the authority to order the non-compliant party to comply with this Agreement. The Arbitrator shall have no authority to alter, amend, add to, subtract from or otherwise modify or change the terms and conditions of this Agreement or engage in interest arbitration.
 - (d) Any costs incurred by the Parties in instituting proceedings before the Arbitrator or defending against same shall be the responsibility of the respective party. Costs charged by the Arbitrator shall be shared and paid equally by the Parties.

(e) The Parties agree to comply with any order of the Arbitrator, which shall be final and binding. The United States District Court for the Central District of California shall have exclusive jurisdiction over any action concerning arbitration under this Agreement.

7. **Severability.** Should any provision of this Agreement be declared illegal or unenforceable by any court of competent jurisdiction and cannot be modified to be enforceable, such provision immediately shall become null and void, leaving the remainder of this Agreement in full force and effect. The Parties shall meet and negotiate in good faith with respect to any provision found to be in contravention of the law after a written request to do so by either party with the goal of addressing the issue raised.
8. **Agreement Term – One Year.** This Agreement shall be in full force and effect from the date it is fully executed on behalf of the Union and the Company for one calendar year or upon execution of a collective bargaining agreement, which would explicitly supersede this Agreement. This Agreement may be extended by mutual agreement of the Parties.
9. **Counterparts.** This Agreement may be executed in any number of counterparts and by the Parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same Agreement.

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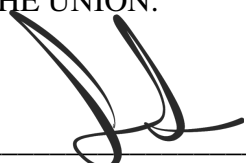
The Parties have read and fully considered the Agreement, understand its meaning and are mutually desirous of entering into such Agreement.

FOR THE COMPANY:

By: Kyle Kazan
Authorized Agent for The Pottery.

Date: _____

FOR THE UNION:

By: 
Authorized agent for Professional
Technical Union, Local 33

Date: December 22, 2022