

**Michigan Department of Agriculture & Rural Development
Industrial Hemp Ag-Pilot Program
Research Agreement for Growers or Processor-Handlers.**

Research Agreement # _____

This Research Agreement (Agreement) is made and entered into between the Michigan Department of Agriculture and Rural Development (MDARD) and

_____ (Researcher)
(collectively, the Parties).

This Agreement, and the documents expressly incorporated by reference herein, together constitute the terms and conditions for Researcher's participation in the Michigan Industrial Hemp Research Pilot Program (hereinafter "Program").

Pursuant to the terms of this Agreement, Researcher agrees to perform research to study the growth, cultivation, or marketing of industrial hemp. In exchange, MDARD, pursuant to the terms of this Agreement, shall permit Researcher to conduct the research on behalf of MDARD as permitted under the 2014 Farm Bill.

Section 1: Research

- A. Researcher agrees to conduct research that studies the growth, cultivation and marketing of industrial hemp as set forth in the Researcher's application to participate in the Program.
- B. Researcher agrees that the industrial hemp research is limited to the research plan as outlined in the Researcher's approved application. Any changes to the research plan must be approved in writing by MDARD and any applicable fees paid to MDARD
- C. Researcher shall provide MDARD with a report that summarizes the research conducted pursuant to this Agreement no later than December 30, 2019.

Section 2: Researcher's Responsibilities

- A. Researcher shall comply with the requirements of this Agreement and the Industrial Hemp Research and Development Act.
- B. Researcher shall maintain the appropriate license or registration as required by the Industrial Hemp Research and Development Act.

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- C. **Researcher shall not grow, handle, or store hemp at any location other than the MDARD approved locations listed on the Researcher's application unless otherwise approved in writing by MDARD.**
- D. **Researcher shall pay all applicable fees as required by the Industrial Hemp Research and Development Act and this Agreement.**
- E. **Researcher shall permit MDARD and law enforcement with or without cause and with or without advance notice to enter onto and inspect all premises where hemp or other cannabis plants or materials are located or registered to be located.**
- F. **Researcher shall forfeit and destroy, without compensation, any of the following:**
 - 1. **All plants or material found to have a measured delta-9-THC content in excess of 0.3 percent on a dry weight basis;**
 - 2. **All plants or materials found to have illegal pesticide residues.**
 - 3. **All plants or material located in an area that is not registered by MDARD; or**
 - 4. **All plants or material not properly accounted for in required reporting to MDARD.**
- G. **Researcher shall not interplant hemp with any other crop without the express written permission from MDARD.**
- H. **Researcher shall maintain a copy of this Agreement and a copy of this Agreement shall accompany any hemp produced under this Agreement during.**
- I. **Researcher shall immediately produce a copy of this Agreement for inspection upon request from MDARD or a law enforcement agency.**
- J. **Researcher shall submit a Final Research Report on or before the deadlines set by MDARD.**
- K. **Researcher shall monitor unregistered fields and destroy any volunteer cannabis plants identified. Researcher's obligations under this paragraph shall continue for three (3) years from the last date of planting reported to MDARD.**
- L. **Researcher shall not employ or rent land to cultivate hemp from any person who was denied a registration or license under the Industrial Hemp Research Act; whose registration or license under the Industrial Hemp Research Act was revoked or suspended; or who was not admitted to the Program for either of the following reasons:**

1. Failure to obtain an acceptable criminal background check; or
 2. Failure to comply with an order from a representative of MDARD.
- M. Researcher shall not use land for hemp cultivation or storage if the land is owned by, leased from, or previously identified in a registration or license application by any person who was denied a registration or license under the Industrial Hemp Research Act; whose registration or license under the Industrial Hemp Research Act was revoked or suspended; or who was not admitted to the Program for one or both of the following reasons:
1. Failure to obtain an acceptable criminal background check; or
 2. Failure to comply with an order from a representative of MDARD.
- N. Researcher shall notify MDARD in writing of any drug related arrest, indictment or prosecution, within three (3) calendar days of the occurrence.
- O. Researcher shall notify MDARD if any hemp or other cannabis materials, whether growing or not, are stolen from Researcher.
- P. Researcher shall not allow another person to grow hemp under this Agreement.
- Q. For all seed, plants, or other propagules to be used by Researcher, Researcher shall maintain documentation showing that mature plants grown from that seed variety or strain have a floral material delta-9-THC content of not more than 0.30 percent on a dry weight basis;
- R. Researcher shall provide to MDARD, upon request, a copy of:
1. Any intellectual property agreement Researcher has signed or executed related to hemp or other cannabis; and
 2. Any contract or other agreement related to the planting, replication, harvest, storage, transfer, transport, processing, and/or sales of hemp.
- S. Researcher shall comply with the federal Food Drug and Cosmetic Act and all other applicable local, state, and federal laws and regulations relating to product development, product manufacturing, consumer safety, and public health.
- T. Researcher shall comply with any restrictions established by MDARD or USDA limiting the movement of hemp plants and plant parts.

Section 3: Reporting

- A. Researcher agrees to submit a Final Report on all research activities identified on the Research Application by December 30, 2019.

Section 4: Effect of Felony Convictions

- A. Any person convicted of a felony relating to a controlled substance under State or Federal law before, on, or after the enactment of the 2018 Farm Bill is ineligible during the 10-year period following the date of conviction to participate in the Program.

Section 5: Site Modification Request

- A. If Researcher intends to implement any change to the sites approved under this Agreement, Researcher shall submit a Site Modification Request Form and the required fees as required by Sections 15 and 16 of the Industrial Hemp Research and Development Act. No site modifications shall be made unless the Researcher obtains prior written approval from MDARD.

Section 6: Agent of MDARD [OR INSERT NAME OF COLLEGE OR UNIVERSITY]

- A. Researcher understands that this Agreement permits Researcher, its representatives, agents, and employees to act on MDARD's behalf and shall comply with all instructions from MDARD and law enforcement agencies.

Section 7: Incorporation of Other Documents

- A. The following documents are incorporated into and made part of this Agreement:
 1. Researcher's Program application.
 2. Researcher's license or registration issued under the Industrial Hemp Research and Development Act.

Section 8: Financial Risk and Indemnity

- A. Researcher shall bear all risk of financial or other loss arising from Researcher's participation in the Program, Researcher's licensing or registration under the Industrial Hemp Research and Development Act, or otherwise arising out of Researcher's industrial hemp cultivation or marketing.
- B. MDARD does not assume any liability by entering into this Agreement and this Agreement shall not be construed to be an indemnity by MDARD for the benefit of the Researcher or any other person.
- C. Researcher shall indemnify and hold harmless MDARD and its officials, agents, employees, contractors and representatives for any claims or causes of action that arise from, or on account of, acts or omissions of Researcher, its officers, employees, agents, or any other person acting on its behalf or under its control, in performing any activities under this Agreement or the Program.

- D. MDARD shall not be responsible for reimbursing or compensating Researcher for any loss resulting from Researcher's involvement with the Program and Researcher waives any right to seek compensation for the value of such losses from MDARD.

Section 9: Entire Agreement

- A. The Parties acknowledge that there are no representations, agreements, or understandings related to the Parties' obligations under this Agreement other than those expressly contained in this Agreement.

Section 10: Severability

- A. The provisions of this Agreement shall be severable. If a court of competent jurisdiction declares that any provision of this Agreement is inconsistent with state or federal law and therefore unenforceable, the remaining provisions of this Agreements shall remain in full force and effect.

Section 11: Termination

- A. This Agreement may be terminated by either party upon (30) days prior written notice.
- B. MDARD may terminate this Agreement immediately if any of the following occur:
 - 1. Researcher is convicted of a felony relating to a controlled substance under state or federal law;
 - 2. Researcher violates the terms of this Agreement;
 - 3. Researcher's registration or license issued under the Industrial Hemp Research and Development Act is suspended or revoked; or
- C. Termination of this Agreement pursuant to Paragraph B of this Section shall not limit MDARD's or any law enforcement agency's authority to take any other appropriate enforcement action for violations of state or federal law.
- D. If this Agreement is terminated pursuant to Paragraph B of this Section, Researcher shall not be able to participate in the Program for five years from the date this Agreement is terminated.

Section 12: Applicable Law

- A. This Agreement shall be governed, construed, and enforced in accordance with the laws of the State of Michigan.

Section 13: Non-Discrimination

- A. MDARD does not discriminate on the basis of race, color, religion, sex, national origin, sexual orientation or gender identity, ancestry, age (40 and over), disability, veteran status or genetic information in employment or the provision of services and provides, upon

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request, reasonable accommodation including auxiliary aids and services necessary to afford individuals with disabilities an equal opportunity to participate in all programs and activities.

Section 14: Expiration

A. This Agreement shall expire November 30, 2019. Future participation in the Program will require Researcher to reapply to participate in the Program and be approved by MDARD to participate.

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

[SAMPLE COPY – NOT VALID]

Gary McDowell, Director
Michigan Department of Agriculture & Rural Development

Date

Signature of Signing Authority

Date

Name Title _____
Printed Name of Signing Authority Title, if applicable*

Signing Authority*In the event the Registration Holder is not an individual, the person signing on behalf of the Registration Holder must have legal signing authority for the Registration Holder on file with MDARD and state the capacity in which the person is signing.