

October 17, 2022

Re: Legal Analysis Concerning the Legality of Cannabis Seeds

Dear PC Creative Works LLC:

As you know, you have engaged the legal services of Clark Hill, in part, to perform an analysis of the relevant federal laws concerning products within the sales portfolio of PC Creative Works LLC. Clark Hill PLC's Cannabis Industry Group is the leading national cannabis legal team in the United States. The talented attorneys dedicated to this group have largely been credited with creating the modern class of "cannabis lawyers." The practice is co-chaired by me, Founder and President of the former Hoban Law Group, and Sander Zagzebski, who founded his own firm and led the cannabis practice at another nation-wide law firm before joining Clark Hill.

This letter serves to define the business activities of PC Creative Works LLC and elucidate the legality of said activities under the 2018 Farm Bill and other relevant law.

In December of 2018, the relevant Farm Bill was signed into law. Under 7 USC 1639(o), hemp is defined as the plant *Cannabis sativa* L. and any part of that plant, including seeds thereof, and all derivatives, extracts, cannabinoids, isomers, acids, salts and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3% on a dry weight basis. This definition removed hemp, cannabis seeds, and derivatives of cannabis with no more than 0.3% THC on a dry weight basis from the definition of marijuana in the Controlled Substance Act, effectively legalizing hemp throughout the United States.

The plain language of the 2018 Farm Bill therefore considers the THC content of the seed itself at harvest, not the THC content of the cannabis plant those seeds will grow into because no part of the cannabis plant is "marihuana" until harvested at 0.3% THC content or above—even if the genetics of the plant are designed to produce marijuana. This means that seeds are not inherently illegal because they can be "hemp" at harvest if THC content does not exceed 0.3% by dry weight.

On January 6, 2022, the DEA issued a letter reinforcing this interpretation. In that letter the DEA clarified its position that material that is derived or extracted from the cannabis plant such as tissue culture and any other genetic material that has a delta-9 THC concentration of not more than 0.3% on a dry weight basis meets the definition of hemp and is therefore not a controlled substance under the CSA. Because all seeds of the *Cannabis sativa* L. plant do not contain more than 0.3% delta-9 THC, the DEA's position bolsters and reinforces our analysis and conclusion that cannabis seeds are lawful hemp material and not controlled substances.

PC Creative Works LLC products are organic material which include seeds as defined by the 2018 Farm Bill. PC Creative Works LLC products are void of chemical treatment and are not intended for planting, reproduction, or transformation. PC Creative Works LLC products are sold as-is, void of noxious weed and controlled substances. All PC Creative Works LLC seeds are sold as souvenirs to preserve valuable genetics only and are not intended for illegal use. All products advertised by PC Creative Works LLC are for novelty value only.

PC Creative Works LLC does not condone, promote, or incite the use of illegal or controlled substances. PC Creative Works LLC disclaims that customers are prohibited from distributing seeds supplied by PC Creative Works LLC where possession and/or trafficking in Cannabis seeds or other seeds is illegal.

On the basis of the foregoing, our analysis concludes that PC Creative Works LLC engages in the lawful business of selling lawful seeds falling under the purview of 7 USC 1639(o).

Sincerely,
CLARK HILL

A handwritten signature in black ink, appearing to read 'R. Hoban', with a long horizontal stroke extending to the right.

Robert Hoban
Member
Clark Hill Denver