

SLGA Backgrounder

Cannabis retail permits are available in the following communities:

Assiniboia	La Ronge	Moosomin	Rosetown
Battleford	Lloydminster (2)	Nipawin	Saskatoon (7)
Canora	Maple Creek	North Battleford (2)	Swift Current (2)
Esterhazy	Martensville	Outlook	Tisdale
Estevan (1)*	Meadow Lake	Prince Albert (2)	Unity
Fort Qu'Appelle	Melfort	Regina (6)	Warman (2)
Humboldt	Melville	RM of Corman Park	Weyburn (2)
La Loche	Moose Jaw (2)	RM of Edenwold	Yorkton (2)

Biggar, Kindersley, Pilot Butte, Shellbrook and White City were also eligible but opted out during this initial allocation of cannabis retail permits. *Estevan opted for one permit at this time (eligible for two). SLGA will confirm intentions of the three eligible First Nations communities (Lac La Ronge Indian Band, Onion Lake Cree Nation, Peter Ballantyne Cree Nation) by the end of March.

Government will assess the effectiveness of the initial allocation and selection process and the potential for additional permit opportunities in 12-18 months.

Key operating details for cannabis retailers:

- Cannabis stores must be standalone, selling only cannabis, cannabis accessories and cannabis ancillary items (no cannabis edibles).
- Cannabis retailers must operate a storefront, and will also be able to sell cannabis online.
- Retailers must purchase product from a wholesaler licensed by SLGA, a federally approved cannabis grower/supplier who has registered with SLGA, a registered extraprovincial wholesaler, and/or from another Saskatchewan licensed retailer.
- Cannabis retailers must meet local zoning bylaws regarding location of their retail store.
- In communities eligible for more than one retail outlet, a proponent can only be selected for one retail permit in this selection process.
- Minors under the age of 19 are not allowed in cannabis retail stores.
- Identification is required for all retail sales and deliveries, regardless of apparent age.
- No consumption of cannabis products is allowed in a retail cannabis outlet.
- All retailers must take mandatory social responsibility training prior to opening for business. All employees at a retail store must take training prior to their first day of employment.
- All retailers will be subject to inspections to ensure compliance with terms and conditions associated with their retail permit. Retailers in breach of operating rules will be subject to

sanctions, including letters of warning, monetary fines and suspension or cancellation of the retail permit.

RFP Process

The process to select operators for cannabis retail stores in Saskatchewan is now underway. Proponents will be selected in a two stage Request for Proposal (RFP) process:

Phase 1 - Initial screening for financial capacity and proposed inventory/sales reporting systems

Phase 2 – Random draw (lottery) from proponents who qualify during Phase 1

The complete RFP documents, outlining information that will be evaluated during the selection process, can be found on SaskTenders.ca. A SaskTenders account is required to access the RFP. It's free to sign up and takes less than five minutes to do so. Having an account also ensures interested proponents will receive any new information or updates on the RFP process.

As is standard with RFP processes, any questions related to the retail selection process must be sent by email (only) to rfp.inquiries@slga.gov.sk.ca. This is an integrity measure that ensures all questions, and answers to those questions, are shared equally with all proponents. Proponents who attempt to obtain information or advantage outside of the specified process could be disqualified.

A \$1,000 non-refundable fee must be included with each submission. Interested proponents are also required to include certified payment to cover the permit application and annual licensing fees (\$5,000 for retail permits in cities and \$3,500 for towns). While the \$1,000 selection process fee is not refundable, other fees will be fully returned if the proponent does not proceed to Phase 2 or is not selected in the lottery process.

Once selected in the lottery process, proponents will have 45 days to begin the actual permitting process, including meeting good character requirements. Permittees have 12 months from the date of legalization to open for business. Selected proponents must meet the application requirements in order for a permit to be issued.

Deadline to submit a proposal under the RFP is 2 p.m. on April 10, 2018. KPMG has been engaged to provide advice on the fairness of the process and criteria and provide oversight to the Phase 1 evaluation and Phase 2 lottery process.

The application process to obtain a wholesale cannabis permit will begin in April.