



MEMORANDUM OF UNDERSTANDING  
151 ENTERPRISES SAMPLE  
MASTER REGIONAL OPERATOR CONTRACTS ADMINISTRATOR AGREEMENT

Date: 01/01/XXXX

Between:

Mr. Darryl Cotton, an individual (Cotton) and 151 Enterprises (151) jointly  
6176 Federal Boulevard  
San Diego, CA 92114

Ph: 619.954.4447

E-mail: [info@darryl@gmail.com](mailto:info@darryl@gmail.com)

And;

Your Name Here: \_\_\_\_\_

Ph:

E-mail:

This Memorandum of Understanding (MOU) will serve to describe and define the duties, services and responsibilities that would exist between 151 Farmers and a Master Regional Operator Contracts Administrator (MROCA) agreement relative to the development of 151 Farmers Operator Contracts (151-FOC) within specific regions (counties) throughout California.

151 Enterprises is in the business of promoting and providing a platform for urban farming opportunities through 151 Farmers that ties traditional crop cultivation with medical and job crop cultivation, product branding, research and development and legislative improvements. As such, 151 Farmers is interested in providing opportunities through our MROCA agreements for those who are in the position to operate an urban farm in their locale. California is the home to 151 Farmers but we are interested in offering our capabilities to as wide of an audience as possible through our MROCA agreements. A single MROCA agreement is offered for each county in California that would give the holder the discretion as to who would be best suited to own and operate 151 Farmers Operator Contracts (151-FOC) within that county.

Additional information on 151 Farmers can be found on our website @: <https://151farmers.org/sample-page>

This letter confirms our mutual intention with respect to the potential issuance of a Master Regional Operator Contracts Administrator (MROCA) as identified herein and upon terms and conditions described herein. Having completed satisfactory due diligence, this letter records the desire of the parties to cooperate in entering into a License Agreement between them upon mutually acceptable terms.



## **SECTION ONE: The Terms of a 151-Farmers Operator Contract**

- 1.1) Each 151-FOC will require an Operator Contract Fee to be paid in addition to providing the cultivation site and purchasing or leasing a cultivation unit built to 151 Farmers specifications.
- 1.2) Each 151-FOC will be exclusive within a 1 mile radius.
- 1.3) Each 151-FOC agrees to maintain their farm in a clean and safe environment.
- 1.4) Each 151-FOC agrees to operate within the law and maintain all necessary permits and licenses that pertain to the operations of these operations.

## **SECTION TWO: The Terms of a Master Regional Operator Contractor Administrator**

- 2.1) The MROCA represents that they are familiar with cannabis cultivation and the environmentally friendly and sustainable practices 151 Farmers represents. The MROCA further certifies that they will be an advocate and propose to share the value and mission statement of 151 Farmers to as wide an audience as possible.
- 2.2) The MROCA will maintain the highest ethical standards when discussing how 151 Farmers might be suited for a particular client, a location or any government agency that is interested in learning more about our farms.
- 2.3) The MROCA will have decision making priority for their County and will provide 151 Farmers with LiveScan background checks on their 151-FOC holders.
- 2.4) A 151-FOC does not expire. It is the responsibility of the MROCA to confirm that the Operator is in compliance with all terms and conditions as defined within the FOC agreement. Non-compliance will be dealt with in a case by case basis but will be addressed with the 151-FOC by the MROCA. If an operation in our network is non-compliant, 151 Farmers will notified by letter and corrections to the FOC agreement will be made as appropriate. If the corrections are not made by that Operator, the 151-FOC agreement may be terminated.
- 2.5) The MROCA agreement does not expire. The MROCA is required to provide Cotton with a minimum of 2 each legitimate, qualified 151-FOC application opportunities per year to maintain their MROCA agreement. These do not have to be consummated approved 151-FOC agreements they just need to have the realistic potential of going forward should all conditions be met. We realize that at some



point each county will have been built out to where there are no more expansion opportunities. When that occurs (to a minimum of 20 each 151-FOC agreements within any given county) the MROCA agreements will stand and the management functions of the MROCA will continue unabated within the terms of the MROCA agreement.

- 2.6) MROCA agreements are a minimum of \$ 200,000 and go up depending on the location. MROCA positions for larger metropolitan Counties may be competitively awarded. MROCA for each region will represent 151 farmers and act on our behalf. The original MROCA position does come with its own 151-FOC that the MROCA can initiate and operate.
- 2.7) A MROCA agreement may be terminated for unethical or illegal acts committed that could compromise the image or mission of 151 Farmers.
- 2.8.1) Each MROCA will be paid a 25% gross sales commission (Equip-Comm) on all equipment sold by Cotton to the 151-FOC once the equipment is paid for. Equip-Comm payments will be paid to the MROCA within 30 days of Cotton having received payment for those equipment purchases the 151-FOC operator has agreed to.
- 2.8.2) Each MROCA will be paid a 10% net profit commission (Med-Comm) from all finished medical cannabis products associated with that 151-FOC operators year. Med-Comm payments will be made to the MROCA within 30 days of completed packaging accepted into wholesale distribution.
- 2.8.3) Each MROCA will be paid a 5% net profit commission (Sup-Comm) on recurring supplies purchases such as fish, fish food, filters, nutrients, etc. Sup-Comm payments will be made to the MROCA within 30 days of payment having been received for these supplies.

### SECTION THREE: 151 Farmers Responsibilities

- 3.1) 151 Central Processing Centers (151-CPC) will be developed across California to facilitate the packaging and testing of the 151 FOC produced materials. A licensed distribution system will be set up to handle the CalCannabis taxes and Track and Trace issues associated with getting 151 Farmers produced materials to market.
- 3.3) Payments for the plant products will be made to the 151-FOC operator from the local 151-CPC within 30 days of having completed the testing and packaging process. When Cannabis that fails release testing is encountered, the 151-FOC will be notified with confirming data and remediation or disposal will be discussed.



3.6) Each 151-CPC will provide testing, packaging and labeling as medical cannabis products. These products will be distributed through normal Medical Cannabis distribution channels.

I/we accept this Memorandum of Understanding and do hereby agree to the Terms and Conditions as set forth herein:

Sign: \_\_\_\_\_ Print Name: \_\_\_\_\_ Date: \_\_\_\_\_

Darryl Cotton, an individual

Sign: \_\_\_\_\_ Print Name: \_\_\_\_\_ Date: \_\_\_\_\_

\* Your Name Here

**SAMPLE PURPOSES ONLY**  
151farmers.org