

TRAILBLAZERS

CANNABIS LAW

SCOTT MOSKOL AND FRANK A. SEGALL BURNS & LEVINSON LLP



PIONEER SPIRIT As the chair of business and finance for an entrepreneurial law firm, Frank A. Segall saw a unique opportunity to be at the forefront of an infant industry. “In Massachusetts, we saw the cannabis train coming, yet no major law firms, locally or nationally, with corporate expertise and sophistication were getting involved.” Running the restructuring group, Scott Moskol had a client who acquired three cannabis licenses in Rhode Island. “We had other interested clients, so we seized on the opportunity to jump in and be corporate counsel to this emerging industry on a national basis.”

TRAILS BLAZED Segall and Moskol created one of the first national cannabis practice groups in Boston helping clients structure deals and work with capital sources. They have worked with multiple banks to establish a framework allowing acceptance of cannabis-derived deposits and have collaborated with Partner Colorado Credit Union (PCCU), and its subsidiary Safe Harbor Private Banking, designing a cannabis banking program compliant with federal and state regulations. “So instead of cannabis operators having to store their cash, they can access the banking system in a compliant way and have access to bank accounts,” said Moskol. “This is comforting to lenders and institutions trying to get into this industry, and it helped bring a number of those parties into play, which helps operators.”

FUTURE EXPLORATIONS Still in its infancy, Segall believes the cannabis industry capital markets will continue to evolve with more legislative clarity. “There will be new players, which will create new business opportunities and current operators will continue to expand or exit. All of which will require experienced corporate cannabis counsel.” Moskol believes capital sources and financial institutions will need help in developing lending platforms for the cannabis industry involving underwriting guidelines, assessing creditworthiness and compliance. “There will be a lot of opportunity for new capital sources and institutional debt.”