

ADMINISTRATIVE HEARINGS DIVISION

October 15, 2026

STIPULATED SETTLEMENT AGREEMENT - MARIJUANA VIOLATION CASE

1. Cold Frame, LLC
Ryan Lundahl, Member
dba **COLD FRAME**

(Producer)

OAR 845-025-8540(2)(a)(C) - On or about November 7, 2023, November 27, 2023 and December 15, 2023, Licensee or its employees, agents, or representatives intentionally or knowingly misrepresented the potency of a marijuana item to a consumer, licensee, laboratory licensee, or the public, when Licensee's employees, agents, or representatives provided a container of resinous trichomes of marijuana that accumulated or fell off marijuana flower, of unknown origin to Kerry Blum, a representative of laboratory licensee Reference Labs, LLC (License #10076340B22), with the intent, or with knowledge, that the Kerry Blum would add the resinous trichomes to the samples of Licensee's usable marijuana being taken for testing, and Kerry Blum did add the resinous trichomes to the samples. Resinous trichomes of marijuana have a higher THC content than the rest of the marijuana flower from which they are separated. Adding resinous trichomes to only the sample increases the potency of the marijuana sample compared to the overall batch of marijuana from which the sample is taken. The increased potency of the sampled marijuana is then attributed to the overall batch of marijuana. This results in the reported potency of the batch of marijuana being higher than the batch's actual potency and testing no longer accurately represents the batch's potency. By adding resinous trichomes of marijuana from unknown origin only to the portion of the marijuana sampled, Licensee misrepresented the potency of the overall batch to which the test results apply.

(Category I)

Note: Licensee was charged with these violations by Amended Notice dated March 25, 2026. The proposed penalty was license cancellation and seizure and destruction of marijuana. Licensee requested a hearing and now wishes to enter into this settlement agreement.

(continue **COLD FRAME**)

OAR 845-025-5700(1) - On or about November 7, 2023, November 27, 2023 and December 15, 2023, Licensee or its employees, agents, or representatives engaged in activity that violates a provision of ORS 475C, OAR 333-007-0300 through OAR 333-007-0500 or OAR 333, Division 64, specifically OAR 333-007-0360(1)(d), when Licensee or Licensee's employee, agent or representative, failed to make an entire batch of marijuana or usable marijuana available for sampling by Reference Labs, LLC, laboratory license #10076340B22.

(Category 1)

SYNOPSIS: An OLCC investigation into marijuana sampling practices revealed that Licensee supplied kief to be added to the samples of marijuana taken for testing. Adding kief to a sample increases the potency of the sample and thereby mischaracterizes the potency of the batch from which the sample is taken. Licensee also failed to have an entire batch present during sampling making the sample not representative of the batch.

TERMS OF AGREEMENT

1. This Settlement Agreement resolves only the violations identified in the Notice.
2. Licensee admits the facts described in the Notice and accepts responsibility for the violations described in the Notice. These were Licensee's first and second Category I violations within two years. Upon execution and final approval of this Settlement Agreement by the Commission, these violations shall become a permanent part of Licensee's Commission file and may be considered in any future application for any license or permit by the Licensee.
3. The standard sanction for the violations described in the Notice is license cancellation and seizure and destruction of marijuana remaining at the former licensed premises after the effective date of the order of license cancellation.
4. As an alternative to the proposed penalty in the Notice:
 - a. Each licensee shall accept a Letter of Reprimand for the violations set forth in the Notice.
 - b. Licensee is in the process of a Change of Ownership for License No. 10078868202. Licensee hereby surrenders License No. 10078868202 effective on the date the Change of Ownership application is approved and completed, or at 7:00 AM on January 13, 2027, whichever is earlier.
 - c. Licensee understands and agrees that the Commission is not representing or guaranteeing that a new owner will have an approved license on or before January 13, 2027, or at any time. Licensee understands and agrees that any new owner will have to fully complete the application process, and the application has to receive final approval by the Commission, prior to a license being issued.

(continue **COLD FRAME**)

- d. Licensee understands and agrees that OLCC may seize and destroy any marijuana items that remain on the formerly licensed premises of License No. 10078868202, or in Licensee's METRC cannabis tracking system inventory, after the surrender of License No. 10078868202.
5. Licensee withdraws the request for a hearing.
6. If Licensee's interest in the license expires or is transferred before the Commission issues the final order incorporating this Settlement Agreement, the Licensee agrees to accept a Letter of Reprimand for these violations. This reprimand becomes a permanent part of the Licensee's Commission file and may be considered in any future application for any license or permit by the Licensee.
7. Licensee accepts this Settlement Agreement without any conditions or reservations. Licensee is aware of Licensee's right to a contested case hearing under the Administrative Procedures Act (ORS Chapter 183) and to judicial review if this matter was not resolved through this Settlement Agreement. Licensee is aware of Licensee's right to seek judicial review of a final order issued in the matter. Licensee freely and voluntarily waives all such rights to a contested case hearing, judicial review, or to otherwise challenge this Settlement Agreement and the Final Order incorporating this Settlement Agreement. In full satisfaction and settlement of this matter, Licensee agrees to Commission's issuance of a Final Order incorporating this Settlement Agreement as described in paragraph 8.
8. This Settlement Agreement is conditioned upon final approval by the Commission and will be reviewed by the Commissioners at their October 2026 meeting. If the Settlement Agreement is not accepted and approved in its entirety by the Commission it is deemed null and void and Licensee's hearing rights, if any, will be restored.
9. The parties agree that this Settlement Agreement constitutes the sole, entire, and complete agreement between the parties to resolve the administrative proceeding commenced by the Notice and that no promises, inducements, or agreement not herein expressed have been made and that all terms of this Settlement Agreement are contractual and not a mere recital.
10. Licensee releases and waives any and all claims of any kind, known or unknown, past or future, against the State of Oregon or its agencies, instrumentalities, employees, officers, or agents arising out of the matters set forth in the Notice or this Settlement Agreement, including but not limited to any claim under federal or state law for damages, declaratory or equitable relief, under 42 USC § 1983 et seq, and for attorney's fees or costs.
11. Licensee of record is an Oregon Limited Liability Company. Ryan Lundahl is a Member of the Licensee of record. Licensee of record represents and warrants that Ryan Lundahl individually has the authority to enter into this Settlement Agreement and bind Licensee of record on its behalf.
12. The parties agree that this Settlement Agreement and Final Order Incorporating Settlement Agreement may be executed in one or more multiple counterparts, including facsimile, scanned, and electronically transmitted counterparts, each of which shall constitute an original and all of which together shall constitute one and the same agreement.
13. The Settlement Agreement must be signed and received by the Commission by September 28, 2026.