

1. MTO Holdings, Inc.
Luay Tomeka, President/Stockholder
dba **MEDIGREEN COLLECTIVE**
729 SE Powell Blvd.
Portland, OR 97202
(Retailer)

OAR 845-025-1450(2)(d)(A) – Licensee failed to
maintain surveillance recordings for a minimum of
90 calendar days.
(On or about December 20, 2017
(3rd level Category I)

Note: Licensee was charged with these
violations by Notice dated February 7, 2018.
The proposed sanction was license
cancellation. Licensee requested a hearing and
now wishes to withdraw that request to enter
into this settlement agreement.

TERMS OF AGREEMENT

Licensee and the Executive Director of the Oregon Liquor Control Commission agree as follows:

1. Licensee accepts responsibility for the violation as set out in the Notice of Proposed License Cancellation. The violation was Licensee's third Category I violation within two years.
2. Commission staff proposed to cancel the license for this violation.
3. Licensee has begun the process of selling the business. Licensee will surrender its Marijuana Retail license (#1004769C173) on the date the transfer of ownership of the business is completed or at 7:00 AM on June 15, 2018, whichever is earlier.
4. Licensee withdraws the request for a hearing.
5. Licensee agrees to accept a Letter of Reprimand for this violation. This reprimand will become a permanent part of Licensee's Commission file and may be considered in any future application for any license by Licensee.
6. This agreement is conditional upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their April 2018 Commission Meeting. If the 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. If the agreement is accepted and approved in its entirety by the Commission, Licensee waives any and all rights to a contested case hearing under the Administrative Procedures Act (ORS Chapter 183) and to judicial review, or to otherwise challenge this agreement and the final order.

ADMINISTRATIVE POLICY & PROCESS DIVISION
April 19, 2018

STIPULATED SETTLEMENT AGREEMENTS FOR MARIJUANA VIOLATION CASES

2. Jenny's of Oregon I, Inc.
David Rosen, President/Secretary
Waveseer of Oregon, LLC, Stockholder
dba **JENNY'S DISPENSARY**
932 NE 3rd Street
Bend, OR 97701
(Retailer)

OAR 845-025-1450(2)(d)(A) – Licensee or Licensee's employees, agents, servants, or representatives failed to keep surveillance recordings for a minimum of 90 calendar days. (On or about September 5, 2017).

(1st level Category I)

OAR 845-025-2820(2) - Licensee or Licensee's employees, representatives, or agents failed to store marijuana items offered for sale in such a manner that the items were only accessible to authorized representatives until such time as the final sale to the consumer was completed.

(July 27, 2017)

(1st Level Category III)

Note: Licensee was charged with these violations by Notice dated February 21, 2018. The proposed sanction was license cancellation. Licensee wishes to enter into this settlement agreement.

TERMS OF AGREEMENT

1. Licensee accepts responsibility for the violations as set out in the Notice. Violation Number One was Licensee's first Category I violation within two years. Violation Number Two was Licensee's first Category III violation within two years. Any subsequent Category I or Category III violation within the same two years will be charged at the second level.
2. Commission staff originally proposed the standard sanction of license cancellation.
3. The Commission will reduce the sanction for Violation Number One and impose a \$4,950.00 civil penalty or a 30-day license suspension for that violation.
4. The standard sanction for Violation Number Two is a 10-day license suspension or a \$1,650.00 civil penalty. The Commission will reduce the sanction for Violation Number Two by three days. This is equivalent to a 30% reduction of the standard sanction.
5. Licensee will pay a \$6,105.00 civil penalty before 5:00 PM on May 15, 2018 OR serve a 37-day suspension beginning at 7:00 AM on May 20, 2018 and ending at 7:00 AM on June 26, 2018.
6. If a licensee's interest in the license expires or is transferred before the Commission issues a final order on the allegation(s), the licensee agrees to accept a Letter of Reprimand for the violation(s). This reprimand will become a permanent part of the licensee's Commission file and may be considered in any future application for any license by that licensee.

7. This agreement is conditional upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their April 2018 Commission Meeting. If the 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. If the agreement is accepted and approved in its entirety by the Commission, Licensee waives any and all rights to a contested case hearing under the Administrative Procedures Act (ORS Chapter 183) and to judicial review, or to otherwise challenge this agreement and the final order.

3. Modern Medicinals, LLC
Jeffrey Hilber, Managing Member
dba CBD OIL
(Processor)

ORS 475B.160(1), OAR 845-025-3215(2), and OAR 845-025-7700(1)– Licensee or its employees, agents or representatives, operated other than as its license permits by delivering marijuana items to or on an area that was not a licensed premises, and/or by selling, transferring, delivering, transporting, purchasing, or receiving marijuana items other than as provided in OAR 845-025-3215(1), when it sold, transferred, delivered and transported the product “Modern Medicinals CBD Oil,” a cannabinoid extract, to non-licensed retailers and entities including, without limitation, Mandala Medicine & Wellness in Portland, Oregon, and Salem Hypnosis Solutions in Salem, Oregon. (On or before July 19, 2017).

(1st level Category I)

OAR 845-025-7540(1), (2), (4) - Licensee or its employees, agents or representatives, intentionally failed to accurately enter data into the cannabis tracking system (CTS) that fully and transparently accounted for all inventory tracking activities, by adjusting the weight of packages in order to divert product out of the licensed system and elude the seed-to-sale CTS. (On or before July 19, 2017)

(1st Level Category I)

OAR 845-025-7540(1), (2), (4) and OAR 845-025-7700(3)(c) - Licensee or its employees, agents, or representatives failed to accurately enter data into the cannabis tracking system (CTS) that fully and transparently accounted for all inventory tracking activities, by failing to finish and create manifests for 32 packages in its CTS inventory that were not present on the licensed premises on October 24, 2017, and that licensee claimed to have shipped on October 23, 2017; by failing to discontinue packages in CTS that had no content; and by failing to account for at least seven missing packages that did have content according to CTS. (From on or about October 23, 2017 to October 25, 2017)

(1st Level Category III)

Note: Licensee was charged with these violations by Notice dated December 11, 2017. The proposed sanction was license cancellation. Licensee requested a hearing and now wishes to withdraw that request to enter into this settlement agreement.

(continued)

Modern Medicinals, LLC
Jeffrey Hilber, Managing Member
dba CBD OIL
(Processor)

OAR 845-025-8040(1)(e) - Licensee or its employees, agents, or representatives distributed printed materials advertising its recreational marijuana product "CBD Oil" as having "comprehensive pain relief properties" and "medicinal effects" such as "relieves pain and inflammation," "has antipsychotic effects," "reduces anxiety," "helps fight cancer," "relieves nausea," "may treat seizures and other neurological disorders," and "promotes cardiovascular health." On or about December 1, 2017, Licensee's website at <http://modern-medicinals.com/> claimed that its recreational marijuana product "CBD Oil" has curative or therapeutic effects in that it was stated to be highly effective in treating pain. (On or before July 19, 2017)

(1st Level Category IV)

TERMS OF AGREEMENT

1. Licensee and its managing member accept responsibility for the violations as set out in the Notice.
2. Violation Number One and Number Two were Licensee's first and second Category I violations within two years. Any subsequent Category I violation within two years will be charged at the third level. Violation Number Three was Licensee's first Category III violation within two years. Any subsequent Category III violation within two years will be charged at the second level. Violation Number Four was Licensee's first Category IV violation within two years. Any subsequent Category IV violation within two years will be charged at the second level.
3. Commission staff originally proposed for these violations the standard sanction of License cancellation. Licensee permitted its processor license to expire on February 20, 2018, and will not apply to renew this license.
4. Licensee and its managing member accept a Letter of Reprimand for the violations charged in the Notice. This Letter of Reprimand will become a permanent part of their Commission file and may be considered in any future application for any license by the licensee and/or managing member.
5. Licensee withdraws its request for a hearing.
6. This agreement is conditioned upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their April 2018 Commission Meeting. If the 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. If the agreement is accepted and approved in its entirety by the Commission, Licensee waives any and all rights to a contested case hearing under the Administrative Procedures Act (ORS Chapter 183) and to judicial review, or to otherwise challenge this agreement and the final order.