

News Release

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OLCC Commissioners Ratify Stipulated Settlements for Recreational Marijuana Violations

PORTLAND, Ore. – At its monthly meeting April 19, 2018 the Commissioners of the Oregon Liquor Control Commission ratified the following fines and/or <u>marijuana</u> license suspensions based on stipulated settlements:

Jenny's Dispensary, <u>Deschutes County</u>; <u>will pay a fine of \$6,105</u> or <u>serve a 37-day recreational marijuana</u> <u>retailer license suspension</u> for <u>two violations</u>. The <u>first violation</u> is for the licensee or its employees, agents, or representatives failing to keep surveillance recordings for a minimum of 90 calendar days.

The <u>second violation</u> is for is for the licensee or its employees, agents, or representatives failing to store marijuana items 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. Licensee is Jenny's of Oregon, Inc.; David Rosen, President/Secretary.

CBD Oil; <u>permitted its processor license to expire, accepted a Letter of Reprimand for the charged violations, and</u> <u>withdrew its request for a hearing</u> for <u>four violations</u>. The <u>first violation</u> is for the 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.

The <u>second violation</u> is for the 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.

The <u>third violation</u> is for the 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.

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The <u>fourth violation</u> is for the 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.

Licensee is Modern Medicinals, LLC; Jeffrey Hilber, Managing Member.

Medigreen Collective, <u>Multnomah County</u>; <u>will surrender its retail license</u> upon the transfer of ownership of the business for <u>one violation</u>, which was the <u>licensee's **third** Category I violation within two years</u>.

The <u>violation</u> is for the licensee or its employees, agents, or representatives failing to keep surveillance recordings for a minimum of 90 calendar days. 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.

Licensee is MTO Holdings, Inc., Luay Tomeka, President/Stockholder.

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