

ADMINISTRATIVE POLICY & PROCESS DIVISION
April 18, 2019

STIPULATED SETTLEMENT AGREEMENTS FOR MARIJUANA VIOLATION CASES

- | | | |
|---|---|---|
| 1. Elsner, Inc.
Mario Mamone, Pres/Dir/Stockholder
Traci Watson, VP/Director/Stkhldr
Ian Watson, Sec/Dir/Stockholder
Joe Russo, Treas/Dir/Stockholder
dba MARITIME CAFE
(Retailer) | OAR 845-025-2800(3)(j) – Licensee and/or Licensee’s employees, agents, or representatives operated other than as its license permits in OAR 845-025-2800(2) when it transferred, delivered, or returned usable marijuana or marijuana items to a wholesaler (Cosmic Treehouse, License No. 10048798ABC) who did not supply the usable marijuana or marijuana items to Licensee. (On or about October 23, 2018). | Note: Licensee was charged with this violation by Notice dated January 2, 2019. The proposed sanction Commission staff originally proposed the standard sanction of license cancellation Licensee requested a hearing and now wishes to enter into this settlement agreement. |
| (1 st Level Category I) | | |

SYNOPSIS: Maritime Cafe (a retailer) and Cosmic Treehouse (a wholesaler) are owned by the same Licensee. The retailer transferred marijuana items to the wholesaler, and the wholesaler accepted the items. Retailers may return marijuana items to a wholesaler if the items previously came from that wholesaler. In this case, the transfer contained both items that previously came from the wholesaler and items that did not.

TERMS OF AGREEMENT

1. Licensee accepts responsibility for the violation as set out in the Notice. This was Licensee’s first Category I violation within two years.
2. Commission staff originally proposed the standard sanction of license cancellation.
3. The Commission will reduce the sanction for this violation and impose a \$4,950.00 civil penalty or a 30-day license suspension.
4. Licensee will pay a \$4,950.00 civil penalty before 5:00 PM on May 15, 2019 **OR** serve a 30-day suspension beginning at 7:00 AM on May 20, 2019 and ending at 7:00 AM on June 19, 2019.
5. Licensee withdraws the request for hearing.
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 2019 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.

2. Cosmic, LLC
Elsner, Inc., Member
Mario Mamone, Pres/Dir/Stockholder
Traci Watson, VP/Director/Stkhldr
Ian Watson, Sec/Dir/Stockholder
Joe Russo, Treas/Dir/Stockholder
dba COSMIC TREEHOUSE
(Wholesaler)

OAR 845-025-8520(5) - Corporate Principal Joe Russo used or consumed marijuana in or on the licensed premises, or in surrounding areas under the control of the licensee, in a manner not permitted under OAR 845-025-1230(6)(b). (On or about November 29, 2017).

(1st Level Category III)

OAR 845-025-3500(2) - Licensee and/or Licensee's employees, agents, or representatives operated other than as its license permits in OAR 845-025-3500(1), when it received or accepted usable marijuana or marijuana items from a retailer (Maritime Cafe, License No. 10000680436) who did not purchase or receive the usable marijuana or marijuana items from Licensee. (On or about October 23, 2018).

(1st Level Category I)

Note: Licensee was charged with these violations by Notice dated January 2, 2019. Commission staff originally proposed the standard sanction of license cancellation. Licensee requested a hearing and now wishes to enter into this settlement agreement.

AGGRAVATION

Staff added two days of aggravation because corporate principal Joe Russo was personally involved in the violation.

SYNOPSIS: Cosmic Treehouse (a wholesaler) and Maritime Cafe (a retailer), are owned by the same Licensee. The retailer transferred marijuana items to the wholesaler, and the wholesaler accepted the items. Wholesalers may accept the return of marijuana items from retailers if the items previously came from the wholesaler. In this case, the transfer contained both items that previously came from the wholesaler and items that did not. Additionally, during an inspection a licensee was found to be smoking a marijuana item on the premises.

TERMS OF AGREEMENT

1. Licensee accepts responsibility for the violations as set out in the Notice. These were Licensee's first Category I and Category III violations within two years. Any subsequent 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 standard sanction for Violation Number One is a 10-day suspension or a \$1,650.00 civil penalty. The Commission added two days of aggravation because corporate principal Joe Russo was personally involved in the violation. The total proposed sanction for Violation Number One was a 12-day suspension or a \$1,980 civil penalty. The Commission will reduce the sanction for this violation by three days. This is equivalent to a 30% reduction of the standard sanction.
4. The Commission will reduce the sanction for Violation Number Two and impose a \$4,950.00 civil penalty or a 30-day license suspension for that violation.

(continued **COSMIC TREEHOUSE**)

5. Licensee will pay a \$6,435.00 civil penalty before 5:00 PM on May 15, 2019 **OR** serve a 39-day suspension beginning at 7:00 AM on May 20, 2019 and ending at 7:00 AM on June 28, 2019.
6. Licensee withdraws the request for hearing.
7. 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.
8. This agreement is conditional upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their April 2019 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. Atlas Collective, LLC
Spencer Mullen, Member
Richard Hall, Member
dba **ATLAS COLLECTIVE**
(Producer)

OAR 845-025-1440(2)(b) – Licensee and/or its employees, servants, agents or representatives failed to ensure that cameras were placed so that they captured clear and certain images of any individual and activity occurring in all locations within limited access areas on the licensed premises, when there were too few cameras in the outdoor canopy area and the cameras in place were not directed properly to capture clear and certain images of thefts and/or attempted thefts of marijuana plants growing in the outdoor canopy area of the premises. (From about October 8, 2018 to about October 20, 2018).

(1st Level Category III)

OAR 845-025-1470(1) - Licensee and/or its employees, servants, agents or representatives failed to effectively prevent public access to all areas of the licensed premises used in the production of marijuana, when the fence to their outdoor canopy area was repeatedly breached and parts of marijuana plants were stolen. (From about October 8, 2018 to about October 11, 2018).

(1st Level Category III)

Note: Licensee was charged with these violations by Notice dated February 26, 2019. The proposed sanction was a 24-day suspension or a \$3,960.00 civil penalty. Licensee wishes to enter into this settlement agreement.

AGGRAVATION

Staff added two days of aggravation for each violation because they were repeated.

SYNOPSIS: – During a harvest inspection of this outdoor producer, OLCC inspectors noticed gaps cut in the fencing and evidence of a theft of marijuana from the field, which was confirmed by employees at the scene. Despite efforts to shore up the fencing and general security, a second theft occurred three days later. A third theft attempt was successfully thwarted by the licensee about a week later. When inspectors and police attempted to identify the suspects on video, it was determined that camera coverage in that area of the field was not adequate to do so.

TERMS OF AGREEMENT

1. Licensee accepts responsibility for the violations as set out in the Notice. These were Licensee’s first and second Category III violations within two years, charged at the first level. Any subsequent Category III violation within the same two years will be charged at the second level.

(continued **ATLAS COLLECTIVE**)

2. The standard sanction for these violations is a 10-day suspension or a civil penalty of \$1,650.00 each. Staff added two days of aggravation for each violation because they were repeated. The total proposed sanction was a 24-day suspension or a \$3,960.00 civil penalty.
3. The Commission will reduce the sanction by three days for each violation. This is equivalent to a 30% reduction of the standard sanction.
4. Licensee will pay a \$2,970.00 civil penalty before 5:00 PM on May 15, 2019 **or** serve an 18-day suspension beginning at 7:00 AM on May 20, 2019 and ending at 7:00 AM on June 7, 2019.
5. If a licensee's interest in the license expires or is transferred before the Commission issues a final order on this allegation, that licensee agrees to accept a Letter of Reprimand for these violations. This reprimand will become a permanent part of the licensee's Commission file and may be considered in any future application for a license by the licensee.
6. This agreement is conditioned upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their April 2019 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.

4. One Family Farms, LLC
Payam Sadri, Member
Ali Sadeghzadeh, Member
dba **ONE FAMILY FARMS**
(Producer)

OAR 845-025-7520(1)(c) and (e) – Licensee or Licensee’s employees, agents, or representatives failed to tag individual marijuana plants with a unique identification (UID) tag no later than when each plant reached a height of twenty four inches or when the individual plant was identified as female, and place UID tags in a position that they could be clearly read by an individual standing next to the item. (On or about September 16, 2018).

(1st Level Category III)

OAR 845-025-1440(2)(a) and (b) - Licensee or Licensee’s employees, agents, or representatives failed to ensure that cameras were placed so that they captured clear and certain images of any individual or activity occurring within 15 feet both inside and outside all points of ingress and egress to and from the licensed premises, or in all limited access locations, including the gates leading to Licensee’s outdoor production area or the outdoor production area itself. (On or about September 16, 2018).

(1st Level Category III)

OAR 845-025-1175(1) - Licensee or Licensee’s employees, agents, or representatives made physical changes to the licensed premises that materially or substantially altered the licensed premises or the usage of the licensed premises from the plans originally approved by the Commission without the Commission’s prior written approval, when marijuana plants were grown in an area measuring 100 feet by 600 feet and in an area that Licensee described as “unused outdoor grow area.” (On or about September 16, 2018).

(1st Level Category III)

Note: Licensee was charged with these violations by Notice dated February 5, 2019. The proposed sanction was a 39-day suspension or a \$6,435.00 civil penalty. Licensee wishes to enter into this settlement agreement.

AGGRAVATION

Staff added two days of aggravation because the violation involved more than one employee.

(continued **ONE FAMILY FARMS**)

OAR 845-025-1215(1)(b) and (c) - Licensee or Licensee's employees, agents, or representatives failed to use an Oregon Department of Agriculture licensed weighing device as defined in ORS chapter 618 and OAR 603, division 27, whenever marijuana items were packaged for sale by weight or weighed for entry into the METRC Cannabis Tracking System (CTS). (On or about September 16, 2018).

(1st Level Category IV)

SYNOPSIS: During a harvest inspection, inspectors found that Licensee was growing plants in an area previously identified by Licensee as an "unused outdoor grow area," that several plants were not tagged with unique identification tags, and that several surveillance cameras provided blurry images or were positioned too far away to capture clear and certain images of individuals or activity.

TERMS OF AGREEMENT

1. Licensee accepts responsibility for the violations as set out in the Notice. Violations Number One through Three were Licensee's first Category III violations within two years. Violation Number Four was Licensee's first Category IV violation within two years. Any subsequent Category III or Category IV violation within the same two years will be charged at the second level.
2. The standard sanction for Violation Number One is a 10-day suspension or a civil penalty of \$1,650.00. Staff added two days of aggravation because the violation involved more than one employee. The total proposed sanction for Violation Number One was a 12-day suspension or a \$1,980.00 civil penalty.
3. The standard sanction for Violation Number Two is a 10-day suspension or a civil penalty of \$1,650.00.
4. The standard sanction for Violation Number Three is a 10-day suspension or a civil penalty of \$1,650.00.
5. The standard sanction for Violation Number Four is a seven-day suspension or a civil penalty of \$1,155.00.
6. The total proposed sanction was a 39-day suspension or a \$6,435.00 civil penalty.
7. The Commission will reduce the sanction by 11 days. This is equivalent to a 30% reduction of the standard sanctions.
8. Licensee will pay a \$4,620.00 civil penalty before 5:00 PM on May 15, 2019 **OR** serve a 28-day suspension beginning at 7:00 AM on May 20, 2019 and ending at 7:00 AM on June 17, 2019.

(continued **ONE FAMILY FARMS**)

9. 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 the licensee.
10. This agreement is conditional upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their April 2019 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.

5. Green Acre Blend, LLC
Marla Davies, Member/Manager
Richard Davies, Member
dba **GREEN ACRE BLEND – GAB**
(Producer)

OAR 845-025-7580(1)(b) – Licensee and/or its employees, agents or representatives, failed to reconcile all on-premises and in-transit marijuana item inventories each day in the METRC Cannabis Tracking System (CTS) at the close of business pursuant to system requirements, with respect to multiple plants changed to vegetative and UID tags affixed in August 2018 that were not reported until approximately September 23, 2018; multiple plants changed to flowering in September 2018 that were not reported until approximately October 5, 2018; 40 Black Betty plants harvested on October 6, 2018 that were not entered in CTS until October 11, 2018; 262 plants that did not have their harvest or waste timely recorded in CTS even as late as November 27, 2018 and thereafter; and a discrepancy between 262 plants recorded in CTS as flowering and 173 flowering plants actually observed in the ground on the premises (From August 6, 2018 to about November 27, 2018).

(1st Level Category III)

OAR 845-025-1410(3)(a), (b) - during a time when the business was not operating, Licensee and/or its employees, agents or representatives failed to ensure that all points of ingress and egress to and from the licensed premises were security locked and that all useable marijuana and cut and drying mature marijuana plants on the licensed premises were kept in a locked, enclosed area within the licensed premises secured with a properly installed steel door with a steel frame and a commercial grade, non-residential door lock, when the gate into the licensed premises containing growing vegetative marijuana plants was left unlocked, and two shipping containers on the premises containing hanging/drying marijuana were open and unlocked. (On or about October 16, 2018).

(1st Level Category III)

Note: Licensee was charged with these violations by Notice dated February 13, 2019. Staff proposed license cancellation and seizure and destruction of marijuana items for these violations. Licensee requested a hearing and now wishes to enter into this settlement agreement.

AGGRAVATION

Staff recommended aggravation of Violations Number One, Number Two, Number Four, Number Five and Number Six for repeated misconduct. Staff recommended aggravation for three or more violations within a two-year period, regardless of the category, where the number of violations indicate a disregard for the law or failure to control the premises. Commission staff recommended aggravation of Violations Number Six and Number Seven for personal involvement of licensees.

(continued **GREEN ACRE BLEND – GAB**)

OAR 845-025-1420(1) - Licensee and/or its employees, agents or representatives failed to have a fully operational security alarm system activated at a time when the premises was closed for business, when no one was present on the premises and two OLCC regulatory specialists and an OLCC compliance specialist entered the front gate without triggering an alarm, and observed that the alarm had been disconnected. (On or about October 16, 2018).

(1st Level Category III)

OAR 845-025-1430(3) - Licensee and/or its employees, agents or representatives failed to have all video surveillance equipment and recordings stored in a locked secure area that is accessible only to the licensee, licensee representatives and authorized personnel, Commission employees and contractors, and other state or local government officials with jurisdiction, when two OLCC regulatory specialists and an OLCC compliance specialist found that the two doors to the container holding the surveillance equipment at the premises were both unlocked. (On or about October 16, 2018).

(1st Level Category III)

OAR 845-025-2090(1), (2), (5)(a) - Licensee and/or its employees, agents or representatives harvested usable marijuana from one or more mature plants in an outdoor canopy area on the licensed premises without submitting a harvest notification in the form and manner prescribed by the Commission identifying the proposed harvest dates no later than by 9:00 AM on the day of the harvest activity. (On or about October 6, 2018 and October 14, 2018).

(1st Level Category III)

(continued **GREEN ACRE BLEND – GAB**)

OAR 845-025-2090(1), (2), (3), (5)(b) – On or about October 11, 2018, October 15, 2018, October 16, 2018, October 18, 2018, October 19, 2018, October 20, 2018, October 22, 2018, October 24, 2018, October 25, 2018, and October 29, 2018, Licensee and/or its employees, agents or representatives, notified the Commission of its intent to harvest marijuana but did not in fact harvest marijuana on those dates, and failed to properly amend these harvest notifications to show that it was not harvesting on the dates indicated.

(1st Level Category IV)

OAR 845-025-8540(4)(c) - Licensee and/or its employees, agents or representatives refused or failed to promptly give a Commission regulatory specialist video screenshot evidence when requested to do so, when OLCC Inspector L. Brown requested a comprehensive and specific set of screen shots by email on October 17, 2018, and reiterated that request on several occasions, but with the exception of one screen shot produced by Licensee on October 21, 2018, Licensee and/or its employees, agents or representatives failed to comply with the request despite repeated unfulfilled promises to do so. (From about October 17, 2018 to November 27, 2018).

(1st Level Category II)

SYNOPSIS: – This husband and wife outdoor producer had significant violations due to escalating marital difficulties, culminating in a protective order on charges of spousal abuse. The level of marital strife makes it impossible for licensees to effectively work together to ensure compliance, so they have determined to surrender the license.

(continued **GREEN ACRE BLEND – GAB**)

TERMS OF AGREEMENT

1. Licensee accepts responsibility for the violations as set out in the Notice. Violations Number One through Five were Licensee's first through fifth Category III violations. Violation Number Six was Licensee's first Category IV violation. Violation Number Seven was Licensee's first Category II violation.
2. Commission staff recommended aggravation of Violations Number One, Number Two, Number Four, Number Five and Number Six for repeated misconduct. Commission staff recommended aggravation for three or more violations within a two-year period, regardless of the category, where the number of violations indicate a disregard for the law or failure to control the premises. Commission staff recommended aggravation of Violations Number Six and Number Seven for personal involvement of licensees.
3. Commission staff proposed license cancellation and seizure and destruction of marijuana items for these violations. Licensee has begun the process of selling the business. Licensee hereby surrenders its license effective on the date the transfer of ownership of the business is completed or at 7:00 AM on July 18, 2019, whichever is earlier.
4. Each licensee agrees to accept a letter of reprimand for the violations specified in paragraph (1) above. This letter of reprimand will become a permanent part of the licensee's Commission file and may be considered in any future application for any license by the licensee.
5. Licensee hereby relinquishes any and all interest in any marijuana items left at the licensed premises after the effective date of license surrender, and agrees that the Commission may seize and destroy any such marijuana items.
6. Licensee withdraws its Request for Hearing in this matter.
7. This agreement is conditioned upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their April 2019 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.

6. JV Applegate, LLC
Consolidated Ventures of Oregon, Inc.
Member
Adam Berk, Pres/Director/Member
Steve Hubbard, Sec/Treas/Director
Garrett Bender, Director
Draper Bender, Director
Eric Wallberg, Member
Travis Mackenzie, Member
James Orpeza, Director
Kind Care Holdings, LLC, Stockholder
James Orpeza, Member
Jim Murphy, Member
Gated Oregon Holdings, LLC, Member
dba **GREEN T FARMS**
(Producer)

OAR 845-025-1450(1)(a), (b) – Licensee or Licensee’s employees, agents, or representatives failed to ensure that there was 24-hour camera coverage for all areas with mature marijuana plants, usable marijuana plants, and at all points of ingress and egress to and from areas where mature marijuana plants and usable marijuana plants are present when there were no cameras installed inside the cargo trailer to cover harvested marijuana stored therein, and no camera coverage of the side door to the cargo trailer. (On or about September 11, 2018).

(1st Level Category III)

OAR 845-025-1450(2)(j) - Licensee or Licensee’s employees, agents, or representatives failed to make video surveillance records and recordings available immediately upon request to the Commission in a format specified by the Commission for the purpose of ensuring compliance with ORS Chapter 475B and the Oregon Administrative Rules, when Licensee Mackenzie was unable to produce video showing marijuana cultivation and harvest upon request by Inspector C. Girard during an inspection of the premises. (On or about September 11, 2018).

(1st Level Category III)

OAR 845-025-1175(1) - Licensee or Licensee’s employees, agents, or representatives made physical changes to the licensed premises that materially or substantially altered the licensed premises or the usage of the licensed premises from the plans originally approved by the Commission without the Commission’s prior written approval, when a cargo trailer was added to the structures on the premises and used to store post-harvest marijuana. (On or about September 11, 2018).

(1st Level Category III)

Note: Licensee was charged with these violations by Notice dated March 14, 2019. The proposed sanction was to cancel the license and seize and destroy any remaining marijuana items on the licensed premises for these violations. Licensee requested a hearing and now wishes to enter into this settlement agreement.

AGGRAVATION

Staff recommended aggravation for three or more violations within a two-year period, regardless of the category, where the number of violations indicate a disregard for the law or failure to control the premises.

(continued **GREEN T FARMS**)

OAR 845-025-1450(2)(d)(A) - Licensee failed to keep video surveillance recordings of all areas required under OAR 845-025-1450(1) for a minimum of 90 calendar days. (On or about October 4, 2018).

(1st Level Category I)

OAR 845-025-1430(2)(d) - Licensee or Licensee's employees, agents, or representatives failed to have the minimum requirements of a fully operational video surveillance recording system with sufficient battery backup to support a minimum of one hour of recording time in the event of a power outage, when it was determined that the system only had 10 minutes of battery back-up capability (On or about October 9, 2018).

(1st Level Category III)

OAR 845-025-1420(1), (2)(a) - Licensee failed to ensure that the licensed premises had a fully operational security alarm system, activated at all times when the licensed premises is closed for business, and/or that was able to detect unauthorized entry onto the licensed premises and unauthorized activity within any limited access area where mature marijuana plants, usable marijuana, cannabinoid concentrates, extracts or products are present when SOS Alarm ended their service to the premises (From about June 13, 2018 until October 9, 2018).

(1st Level Category III)

OAR 845-025-1410(3)(c) - Licensee or Licensee's employees, agents, or representatives failed to ensure that all usable, cut and drying mature marijuana plants on the licensed premises of a licensee were kept in a locked, enclosed area within

(continued **GREEN T FARMS**)

the licensed premises, including at a minimum, a properly installed steel door with a steel frame, and a commercial grade, non-residential door lock when such items were kept in a cargo trailer lacking these features (On or about September 11, 2018).

(1st Level Category III)

OAR 845-025-1215(1) - Licensee or Licensee's employees, agents, or representatives failed to use an Oregon Department of Agriculture licensed weighing device as defined in ORS chapter 618 and OAR 603, Division 27 (On or about September 11, 2018).

(1st Level Category IV)

SYNOPSIS: Licensee installed a trailer at the licensed premises to transport marijuana to be processed. The trailer did not meet security requirements and sat on the property without being under camera for several days. The video surveillance system did not cover an enough area, have a sufficient back-up battery or have the ability to store 90 days. The security system did not have a way to notify Licensee if there was a breach onto the property. Licensee did not use an Oregon Dept. of Agriculture approved weighing device.

TERMS OF AGREEMENT

1. Licensee accepts responsibility for the violations as set out in the Notice. Violation Four was Licensee's first Category I violation. Violations One, Two, Three, Five, Six and Seven were Licensees first through sixth Category III violations. Violation Number Eight was Licensees first Category IV violation.
2. Commission staff proposed to cancel the license and seize and destroy any remaining marijuana items on the licensed premises for these violations.
3. Commission staff recommended aggravation for three or more violations within a two-year period, regardless of the category, where the number of violations indicate a disregard for the law or failure to control the premises.
4. Licensee has begun the process of selling the business. Licensee will surrender its marijuana producer license on the date the transfer of ownership of the business is completed or at 7:00 AM on August 1, 2019, whichever is earlier.
5. Each licensee will receive a Letter of Reprimand for these violations. 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.

(continued **GREEN T FARMS**)

6. Licensee hereby relinquishes any and all interest in any marijuana items left at the licensed premises after the effective date of license surrender, and agrees that the Commission may seize and destroy any such marijuana items.
7. Licensee withdraws its Request for Hearing in this matter.
8. This agreement is conditioned upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their April 2019 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.