

1 2. TRB has not filed an Answer in the Administrative Action. Rather, TRB,
2 while initially generally denying the allegations in the Complaint, chose to engage in
3 negotiations to resolve the matter prior to answering the Complaint.

4 3. The Parties have engaged in good faith negotiations to reach an agreement
5 that is mutually acceptable to Respondent and counsel for the CCB for resolution of this
6 matter, with the understanding that this Stipulation and Order must be approved by
7 majority vote of the members of the CCB.

8
9 ACKNOWLEDGEMENTS AND APPLICABLE LAW

10 This Stipulation and Order is made and based upon the following
11 acknowledgements by the Parties:

12 4. TRB has entered into this Stipulation and Order on its own behalf and with
13 full authority to resolve the claims against it and is aware of TRB's rights to contest the
14 violations pending against it. These rights include representation by an attorney at TRB's
15 own expense, the right to a hearing on any violations or allegations formally filed, the
16 right to confront and cross-examine witnesses called to testify against TRB, the right to
17 present evidence on TRB's own behalf, the right to have witnesses testify on TRB's behalf,
18 the right to obtain any other type of formal judicial review of this matter, and any other
19 rights which may be accorded to TRB pursuant to provisions of NRS Chapters 678A
20 through 678D, NAC Chapters 453A and 453D, and any other provisions of Nevada law.
21 TRB is waiving all these rights by entering into this Stipulation and Order. If the CCB
22 rejects this Stipulation and Order, or any portion thereof, TRB reserves the right to
23 withdraw any or all waivers.

24 5. Should this Stipulation and Order be rejected by the CCB or not timely
25 performed by TRB, it is agreed that presentation to and consideration by the CCB of such
26 proposed stipulation or other documents or matters pertaining to the consideration of this
27 Stipulation and Order shall not unfairly or illegally prejudice the CCB or any of its
28 members from further participation, consideration, adjudication, or resolution of these

1 proceedings and that no CCB member shall be disqualified or challenged for bias.

2 6. TRB acknowledges that this Stipulation and Order shall only become
3 effective after the CCB has approved it.

4 7. TRB enters this Stipulation and Order after being fully advised of TRB's
5 rights and as to the consequences of this Stipulation and Order. This Stipulation and
6 Order embodies the entire agreement reached between the CCB and TRB. It may not be
7 altered, amended, or modified without the express written consent of the Parties and all
8 alterations, amendments and/or modifications must be in writing.

9 8. In an effort to avoid the cost and uncertainty of a disciplinary hearing, TRB
10 has agreed to settle this matter. For purposes of settling this matter, TRB acknowledges
11 that the facts contained in the paragraphs in the above "Pertinent Facts" portion of this
12 Stipulation and Order are true and correct. Without waiving any constitutional rights
13 against self-incrimination, TRB further acknowledges that certain facts contained in the
14 CCB Complaint in Case No. 2020-019 could be found to constitute violations of Title 56 of
15 NRS (NRS Chapters 678A through 678D), NRS Chapters 453A and 453D and NAC
16 Chapters 453A and 453D, with penalties up to and including a civil penalty and costs of
17 \$9,138.50 and/or suspension of its license and certificate, if this matter went to an
18 administrative hearing.

19 9. In settling this matter the Executive Director for CCB and counsel for CCB
20 have considered the factors set forth in NCCR 4.030(2), including: the gravity of the
21 violations; the economic benefit or savings, if any, resulting from the violations; the size of
22 the business of the violator; the history of compliance with the NCCR and Title 56 of NRS
23 by the violator; actions taken to remedy and/or correct the violations; and the effect of the
24 penalty on the ability of the violator to continue in business.

25 10. To resolve the Administrative action, and only for those purposes and no
26 other, TRB specifically admits to the following violations with respect to the Complaint in
27 CCB Case No. 2020-019:

28

- 1 a. One violation of NAC 453D.905(3)(e)(14), for failing to comply with
2 required transportation regulations, a Category IV violation.
3 b. One violation of NAC 453D.905(3)(f)(6), for failing to comply with
4 requirements not described in another category of violations, a
5 Category V violation.

6 11. As to the remaining allegations in the Complaint, TRB neither admits nor
7 denies those allegations and no civil penalties shall be assessed as to the remaining
8 violations.

9 12. TRB further agrees to pay a civil penalty in the amount of \$7,888.50 in
10 consideration for its admitted violations in Paragraph 10, above, and in consideration of
11 CCB's agreement to resolve the Administrative Action on the terms set forth herein, and
12 inclusive of time and effort costs.

13 13. If the CCB approves this Stipulation and Order, it shall be deemed and
14 considered disciplinary action by the Board against TRB.

15 14. Both parties acknowledge that the CCB has jurisdiction to consider and
16 order this Stipulation and Order because TRB holds privileged licenses/certificates
17 regulated by the CCB as of July 1, 2020. TRB expressly, knowingly, and intentionally
18 waives the 21-day and/or 5 day notice requirements contained in the Nevada Open
19 Meeting Law and acknowledges that this Stipulation and Order may be presented to the
20 CCB for its consideration and potential ratification at the Board's meeting on November
21 17, 2020.

22
23 **STIPULATED ADJUDICATION**

24 Based upon the above acknowledgments of the Parties and their mutual
25 agreement, the Parties stipulate and agree that the following terms of discipline shall be
26 imposed by the CCB in this matter:

27 15. Violations: As to certificate C092 and license RC092, TRB is found to have
28 one Category IV violation and one Category V violation, as set forth in Paragraphs 10(a)

1 and 10(b), above. In accordance with NAC 453D.905(4)(f)(1), the CCB hereby issues a
2 formal warning to TRB, as to its first Category V violation, for certificate C092 and
3 license RC092: TRB shall take precautions to ensure that the staff of its facilities is fully
4 aware of the required methods and means for proper destruction of cannabis waste.

5 16. Imposition of Civil Penalties. TRB shall pay a total civil penalty in the
6 amount of seven thousand, eight hundred, eighty-eight and 50/100 dollars (\$7,888.50)
7 within 30 days of the date the CCB approves this Stipulation and Order.

8
9 17. Potential Future Action against TRB. The Parties agree that, pursuant to
10 the specific facts of this case, the progressive disciplinary provisions of NAC
11 453D.905(4)(e) and NAC 453D.905(4)(f) of two years shall apply to the disciplinary
12 actions herein. Said two-year period shall commence on the date the CCB approves this
13 agreement. Any additional Category IV and/or Category V violations within said two-
14 year period would invoke the progressive disciplinary provisions of NAC 453D.905(4)(e)
15 and NAC 453D.905(4)(f). After said two-year period expires, the CCB may still consider
16 the compliance history of TRB under NCCR 4.030(2). In addition to the factors listed for
17 consideration in NCCR 4.030(2), in any future disciplinary action involving the license
18 and certificate of TRB at issue in this case, CCB will also take into account and consider
19 the fact that TRB has cooperated in and negotiated in good faith in the resolution of CCB
20 Case No. 2020-019.

21 18. Contingency if Approval Denied. If approval of this Stipulation and Order is
22 denied by CCB, TRB and counsel for the CCB agree to resume settlement negotiations in
23 good faith and attempt to reach an agreement to amend this Stipulation and Order and
24 resubmit an amended Stipulation and Order to the CCB to review for approval at its next
25 regularly scheduled meeting. If such an agreement cannot be reached, the Parties agree
26 to proceed with the Administrative Action, which shall include a disciplinary hearing
27 before the CCB or its assigned hearing officer. TRB shall file its answer to the Complaint
28 no later than December 10, 2020. Should the Administrative Action proceed for the

1 reasons set forth in this Paragraph, CCB preserves all its claims and arguments in the
2 Administrative Action as set forth in its Complaint and TRB preserves all its defenses
3 and arguments set forth in its Answer and withdraws all waivers set forth herein. An
4 unapproved Stipulation and Order shall not be admissible as evidence or referenced in
5 argument at any disciplinary hearing in CCB Case No. 2020-019 or any other matter
6 involving the CCB.

7 19. Contingency if Approval Conditioned. If the CCB approves this Stipulation
8 and Order, but said approval is contingent on certain conditions, the parties will
9 undertake further good faith negotiations to include said conditions in an amended
10 stipulation and order for execution by the CCB Chair. If TRB does not agree to the certain
11 conditions imposed by the CCB, the parties will undertake additional negotiations and
12 attempt to reach an agreement to amend this Stipulation and Order and resubmit an
13 amended Stipulation and Order to the CCB to review for approval at its next regularly
14 scheduled meeting. If such an agreement cannot be reached, the Parties agree to proceed
15 with the Administrative Action, which shall include a disciplinary hearing before the
16 CCB or its assigned hearing officer. TRB shall file its answer to the Complaint no later
17 than December 10, 2020. Should the Administrative Action proceed for the reasons set
18 forth in this Paragraph, CCB preserves all its claims and arguments in the
19 Administrative Action as set forth in its Complaint and TRB preserves all its defenses
20 and arguments asserted in its Answer and withdraws all waivers set forth herein. An
21 unapproved Stipulation and Order shall not be admissible as evidence or referenced in
22 argument at any disciplinary hearing in CCB Case No. 2020-019 or any other matter.

23 20. Closure of Disciplinary Action. Once this Stipulation and Order is fully
24 performed by TRB, the Administrative Action will be closed.

25 21. Communications with CCB Members. TRB understands that this
26 Stipulation and Order will be presented to the CCB in open session at a duly noticed and
27 scheduled CCB meeting. TRB understands that the CCB has the right to decide in its
28 own discretion whether or not to approve this Stipulation and Order. The CCB's counsel,

1 which is the Nevada Attorney General and its staff attorneys, will recommend approval of
2 this Stipulation and Order. In the course of seeking CCB acceptance of this Stipulation
3 and Order, counsel for CCB may communicate directly with individual CCB members.
4 TRB acknowledges that such communications may be made or conducted *ex parte*,
5 without notice or opportunity for TRB to be heard on its part until the public CCB
6 meeting where this Stipulation and Order is discussed, and that such contacts and
7 communications may include, but may not be limited to, matters concerning this
8 Stipulation and Order, the Administrative Action and any and all information of every
9 nature whatsoever related to these matters. TRB agrees that it has no objections to such
10 *ex parte* communications. CCB agrees that TRB and/or its counsel may appear at the
11 CCB meeting where this Stipulation and Order is discussed and, if requested, respond to
12 any questions that may be addressed to TRB and/or the Attorney General's staff
13 attorneys. TRB agrees that, should the CCB decline to approve this Stipulation and
14 Order, TRB will not contest or otherwise object to any CCB member, and/or CCB
15 appointed hearing officer, hearing and adjudicating the Administrative Action based on
16 the aforementioned *ex parte* communications with anyone from the Nevada Attorney
17 General's Office.

18 22. Release. In execution of this agreement, Respondent agrees that the State of
19 Nevada, the CCB, the Office of the Attorney General, and each of their members, staff,
20 attorneys, investigators, experts, hearing officers, consultants and agents are immune
21 from any liability for any decision or action taken in good faith in response to information
22 and data acquired by the CCB. Respondent agrees to release the State of Nevada, the
23 CCB, the Office of the Attorney General, and each of their members, staff, attorneys,
24 investigators, experts, hearing officers, consultants and agents from any and all manner
25 of actions, causes of action, suits, debts, judgments, executions, claims and demands
26 whatsoever, known or unknown, in law or equity, that Respondent ever had, now has,
27 may have or claim to have against any and/or all of the persons, government agencies or
28 entities named in this Paragraph, arising out of, or by reason of, CCB's investigation of

1 the matters set forth in its Complaint, the matters set forth in this Stipulation and Order,
2 or the administration of CCB Case No. 2020-019.

3 23. No Precedence. The Parties agree that this Stipulation and Order shall not
4 constitute a precedent for any other issues or proceedings before the CCB, other than
5 those set forth in this Stipulation and Order. Furthermore, this Stipulation and Order
6 shall not be admissible in any other proceeding or action with respect to any other matter
7 and/or any other licensee, except proceedings brought to enforce this Stipulation and
8 Order under its terms and/or for the CCB's consideration of future disciplinary action
9 against this Respondent, including progressive discipline pursuant to NAC 453D.905¹,
10 and/or NCCR 4.035 through 4.060. As every case concerns different facts and details, this
11 Stipulation does not act as precedence to bind CCB to impose any particular penalty, to
12 charge or allege any particular violation, and/or to impose any particular disciplinary
13 action in the future for this Respondent, or any other respondent, for violations of the
14 same statutes and/or regulations addressed in this Stipulation and Order. Likewise, CCB
15 is not bound by any previous settlement agreements in entering into this Stipulation and
16 Order.

17 24. Attorneys' Fees and Costs. The Parties each agree to bear their own
18 attorneys' fees and costs.

19 25. Further Assurances. The Parties shall cooperate in executing such
20 additional documents and performing such further acts as may be reasonably necessary
21 to give effect to the purposes and provisions of this Stipulation and Order.

22 26. Voluntary and Informed Agreement. The Respondent represents that its
23 owners, officers, and/or its directors, who are responsible for and able to legally bind TRB
24 have read completely and understand fully the terms of this Stipulation and Order, that
25 such terms are fully understood and voluntarily accepted by Respondent in advance of
26 and as memorialized by the signing of this Stipulation and Order, and that the
27

28 ¹ Subject to the limitations set forth in Paragraph 17, above.

1 Respondent's signature to this Stipulation and Order indicates same. Respondent further
2 represents that it has voluntarily entered into this Stipulation and Order to make a full,
3 final, and complete compromise upon the terms and conditions set forth herein.
4 Respondent further represents that any releases, waivers, discharges, covenants, and
5 agreements provided for in this Stipulation and Order have been knowingly and
6 voluntarily granted and without any duress or undue influence of any nature from any
7 person or entity. The Parties, and each of them, hereby expressly acknowledge that they
8 are each represented by counsel of their own choice in this matter and have been advised
9 by counsel accordingly.

10 27. Warranties of Authority. The Parties to this Stipulation and Order, and
11 each of them, expressly warrant and represent to all other Parties that each has the full
12 right, title, and authority to enter into and to carry out its obligations hereunder, with the
13 sole exception of the required approval of this Stipulation and Order by the CCB. The
14 Parties also expressly acknowledge the foregoing authority.

15 28. Binding Effect. This Stipulation and Order shall be binding upon and inure
16 to the benefit of the Parties hereto and the Parties' respective successors, predecessors,
17 parents, affiliates, shareholders, employees, heirs, executors, assigns, and administrators.

18 29. Construction. The headings of all Sections and Paragraphs of this
19 Stipulation and Order are inserted solely for the convenience of reference and are not a
20 part of the Stipulation and Order and are not intended to govern, limit, or aid in the
21 construction or interpretation of any term or provision of this Stipulation and Order. In
22 the event of a conflict between such caption and the paragraph at the head of which it
23 appears, the paragraph and not such caption shall govern in the construction of this
24 Stipulation and Order.

25 30. Governing Law. This Stipulation and Order shall be governed by and
26 construed in accordance with the laws of the State of Nevada, without reference to
27 conflict of law principles.

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1 31. Jurisdiction and Forum Selection. The Parties consent to the jurisdiction of
2 the Eighth Judicial District Court of the State of Nevada, in and for Clark County, to
3 resolve any disputes related to the terms or enforcement of this Stipulation and Order.
4 The successful or prevailing Party or Parties in such action shall be entitled to recover
5 reasonable attorney fees, costs, and expenses actually incurred in initiating or responding
6 to such proceeding, in addition to any other relief to which it may be entitled.

7 32. Interpretation. This Stipulation and Order is the result of negotiations
8 among the Parties who have each negotiated and reviewed its terms. In the event a Court
9 ever construes this Agreement, the Parties expressly agree, consent, and assent that such
10 Court shall not construe this Agreement or any provision hereof against any Party as its
11 drafter for purposes of interpreting any ambiguity or uncertainty in this Stipulation and
12 Order.

13 33. Time is of the Essence. Time is of the essence in the performance of all
14 terms of this Stipulation and Order.

15 34. Severability. If any portion of this Stipulation and Order, or its application
16 thereof to any person or circumstance, shall be deemed to any extent to be invalid, illegal,
17 or unenforceable as a matter of law, all remaining clauses of this Stipulation and Order
18 and its application thereof shall be not affected and shall remain enforceable to the fullest
19 extent permitted by law.

20 35. Counterparts and Copies. This Stipulation and Order may be executed in
21 counterparts, each of which when so executed and upon delivery to counsel of record for
22 the Parties shall be deemed an original ("Counterparts"). This Stipulation and Order
23 shall be deemed executed when Counterparts of this Stipulation and Order have been
24 executed by all the Parties and/or their counsel; such Counterparts taken together shall
25 be deemed to be the Agreement. This Stipulation and Order may be executed by
26 signatures provided by electronic facsimile or email, which signatures shall be binding
27 and effective as original wet ink signatures hereupon. All fully executed copies of this
28 Stipulation and Order are duplicate originals, equally admissible in evidence.

1 IN WITNESS WHEREOF, this Stipulation and Order has been executed by the
2 Parties and attested by their duly authorized representatives as of the date(s) so
3 indicated. The Effective Date of this Stipulation and Order shall be the date it is ordered
4 by the CCB.

5 

6 Date: 11/03/2020

7 Alicia R. Ashcraft (Nev. Bar No. 6890)
8 Counsel for Respondent TRB

9 

10 Date: 11/3/20

11 Clint Cates, Manager
12 On behalf of Respondent TRB

13 

14 Date: 11/4/2020

15 L. Kristopher Rath (Nev. Bar No. 5749)
16 Ashley Baducci (Nev. Bar No. 12687)
17 Senior Deputy Attorney General
18 Counsel for Cannabis Compliance Board

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20 Date: 11/5/20

21 Tyler Klimas, Executive Director for the
22 Cannabis Compliance Board

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