



1 considered TOI No. 20006. In sum, TOI No. 20006 sought a transfer of 50% of the  
2 ownership interest in MOL to several potential new owners.

3 3. On presentation of TOI to the CCB at its December 14, 2021, meeting, CCB  
4 staff identified several areas of concern, including the fact that there was evidence that,  
5 prior to approval of the TOI, the putative new owners/investors had provided funds for their  
6 interests and MOL had used said funds for operating capital, the putative new  
7 owners/investors had participated in capital calls, and the putative new owners/investors  
8 had participated in decisions regarding collaboration with other licensees, among other  
9 issues.

10 4. At the CCB's meeting on December 14, 2021, the CCB unanimously approved  
11 TOI No. 20006 and also referred the issue of the unapproved transfers of interest back to  
12 the CCB staff and the Attorney General's office to further investigate possible disciplinary  
13 action, as well as the potential for a settlement agreement to resolve regulatory violations.

14 5. Subsequently, CCB staff, working with the Attorney General's Office, entered  
15 into good faith settlement negotiations with MOL, though its counsel, Derek Connor, Esq.,  
16 to attempt to resolve the violations at issue. During the course of these negotiations, on  
17 March 18, 2022, counsel for MOL reported to the CCB that MOL had provided false  
18 information to the CCB in its TOI No. 20006 application. Specifically, said application  
19 stated that one of the new owners of MOL, RKA Investments, LLC ("RKA"), was solely  
20 owned by Richard Bailitz ("Mr. Bailitz")<sup>1</sup>. In fact, Mr. Bailitz only owned 30% of RKA.  
21 Kathryn Maurer (Mr. Bailitz's spouse) owned 30% and another individual, Arie Konforte,  
22 owned the remaining 40%. MOL, though its counsel, stated that Mr. Bailitz had advised  
23 MOL that he was 100% owner of RKA and that MOL discovered this error when preparing  
24 the necessary forms to notify the relevant jurisdictions of the CCB's approval of MOL's  
25 change of ownership.

26 6. The facts set forth in Paragraph 5 were unknown to the CCB staff until MOL  
27 reported them on March 18, 2022, which altered the course of ongoing settlement

28 <sup>1</sup> As part of MOL's application for TOI No. 20006, MOL included an affidavit from Mr. Bailitz in which Mr. Bailitz represented he owned 100% of RKA.

1 negotiations. However, after further negotiations, the Parties were able to come to a  
2 mutually acceptable resolution of all pending issues of which the CCB is currently aware  
3 (as of the date of this Stipulation and Order) and which is acceptable to CCB staff and the  
4 Attorney General, without the necessity of filing a Complaint for Disciplinary Action. MOL  
5 has agreed to waive the filing and service of a CCB Complaint, and the Parties understand  
6 and agree that this Stipulation and Order must be approved by majority vote of the  
7 members of the CCB to become effective.

8 7. As set forth herein, Respondent stipulates to pay a \$18,000 civil penalty for  
9 one violation of NCCR 4.040(1)(a)(6) for effecting a change of ownership interest without  
10 meeting the Board's requirements for approval of transfers of ownership interests, and to  
11 pay an additional civil penalty of \$45,000 for one violation of NCCR 4.040(1)(a)(1) for  
12 making an unintentional false statement or representation of fact to the Board, in lieu of  
13 the CCB filing and serving a Complaint for Disciplinary Action ("Complaint") and  
14 proceeding to a disciplinary hearing.

#### 15 ACKNOWLEDGEMENTS AND APPLICABLE LAW

16 This Stipulation and Order is made and based upon the following acknowledgements  
17 by the Parties:

18 8. MOL has entered into this Stipulation and Order on its own behalf and with  
19 full authority to resolve the claims against it and is aware of MOL's rights to contest the  
20 violations pending against it. These rights include the filing and service of a disciplinary  
21 complaint specifying the charges against Respondent, representation by an attorney at  
22 MOL's own expense, the right to a hearing on any violations or allegations formally filed,  
23 the right to confront and cross-examine witnesses called to testify against MOL, the right  
24 to present evidence on MOL's own behalf, the right to have witnesses testify on MOL's  
25 behalf, the right to obtain any other type of formal judicial review of this matter, and any  
26 other rights which may be accorded to MOL pursuant to provisions of NRS Chapters 678A  
27 through 678D, the Nevada Cannabis Compliance Regulations (NCCR), and any other  
28 applicable provisions of Nevada law. MOL is waiving all these rights by entering into this

1 Stipulation and Order. If the CCB rejects this Stipulation and Order, or any portion thereof,  
2 MOL reserves the right to withdraw any or all such waivers.

3 9. Should this Stipulation and Order be rejected by the CCB or not timely  
4 performed by MOL, it is agreed that presentation to and consideration by the CCB of such  
5 proposed stipulation or other documents or matters pertaining to the consideration of this  
6 Stipulation and Order shall not unfairly or illegally prejudice the CCB or any of its  
7 members from further participation, consideration, adjudication, and/or resolution of these  
8 proceedings and that no CCB member shall be disqualified or challenged for bias.

9 10. MOL acknowledges that this Stipulation and Order shall only become  
10 effective after the CCB has approved it.

11 11. MOL enters this Stipulation and Order after being fully advised of MOL's  
12 rights and as to the consequences of this Stipulation and Order. This Stipulation and Order  
13 embodies the entire agreement reached between the CCB and MOL. It may not be altered,  
14 amended, or modified without the express written consent of the Parties and all alterations,  
15 amendments and/or modifications must be in writing. The Parties stipulate and agree that  
16 this Stipulation and Order, if approved by the Board, resolves only the issues discovered  
17 during the investigation of TOI No. 20006 pertaining to MOL, and MOL's self-report of  
18 undisclosed owners of March 18, 2022. The CCB reserves its rights to pursue other  
19 disciplinary actions for violations discovered in any future TOI investigations and/or other  
20 investigations, and/or pursue disciplinary action against any of the individual cannabis  
21 establishment agent registration cards of any person supplying the Board and/or its agents,  
22 and/or causing to be supplied to the Board and/or its agents, any false statements or  
23 misrepresentation of facts concerning and/or involving TOI No. 20006.

24 12. In an effort to avoid the cost and uncertainty of a disciplinary hearing, MOL  
25 has agreed to settle this matter. For purposes of settling this matter, MOL acknowledges  
26 that the facts contained in the paragraphs in the above "Pertinent Facts" portion of this  
27 Stipulation and Order are true and correct. Without waiving any constitutional rights  
28 against self-incrimination, MOL further acknowledges that, if the CCB filed and served a

1 Complaint and the Administrative Action proceeded to an administrative hearing, the  
2 “Pertinent Facts” could be found to constitute multiple violations of Title 56 of NRS (NRS  
3 Chapters 678A through 678D), and the NCCR, with discipline up to and including  
4 revocation or suspension of P073 and RP073, and \$100,000 or more in civil penalties for  
5 P073 and RP073, if this matter went to an administrative hearing.

6 13. In settling this matter, the Executive Director for CCB and counsel for CCB  
7 have considered the factors set forth in NCCR 4.030(2), including: the gravity of the  
8 violations; the economic benefit or savings, if any, resulting from the violations; the size of  
9 the business of the violator; the history of compliance with the NCCR and Title 56 of NRS  
10 by the violator; actions taken to remedy and/or correct the violations; and the effect of the  
11 penalty on the ability of the violator to continue in business. The Executive Director for  
12 CCB and counsel for CCB also considered the fact that MOL self-reported the fact that Mr.  
13 Bailitz provided false information for MOL’s TOI application.

14 14. To resolve the Administrative Action, and only for those purposes and no  
15 other, MOL specifically admits to the following violations with respect to CCB Case No.  
16 2022-77 for licenses P073 and RP073:

- 17 a. One violation of NCCR 4.040(1)(a)(6) for effecting a change of  
18 ownership interest without meeting the Board’s requirements for  
19 approval of transfers of ownership interests, which constitutes one  
20 Category II violation.
- 21 b. One violation of NCCR 4.040(1)(a)(1) for making an unintentional false  
22 statement or representation of fact to the Board or Board agents, which  
23 constitutes a second Category II violation.

24 15. With respect to P073 and RP073, MOL further agrees to pay civil penalties in  
25 the amount of \$63,000<sup>2</sup> in consideration for its admitted violations in Paragraphs 14(a) and  
26 14(b), and in consideration for the CCB’s agreement to resolve the Administrative Action  
27 on the terms set forth herein. MOL further agrees that it shall submit a new TOI request  
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<sup>2</sup> To be apportioned \$31,500 to P073 and \$31,500 to RP073.

1 to the CCB within 30 days of approval of this Stipulation and Order to correct its ownership  
2 structure. MOL may petition the CCB for an extension of this deadline if unusual or  
3 extraordinary circumstances arise, which the CCB may grant in its discretion for good  
4 cause shown. The CCB may delegate the decision on such a petition to the CCB's  
5 Chair. Respondent must file such petition no less than 5 business days prior to the deadline  
6 to submit the new TOI request for the CCB to consider it.

7 16. If the CCB approves this Stipulation and Order, it shall be deemed and  
8 considered disciplinary action by the CCB against MOL.

9 17. Both parties acknowledge that the CCB has jurisdiction to consider and order  
10 this Stipulation and Order because MOL holds privileged licenses regulated by the CCB as  
11 of July 1, 2020. MOL expressly, knowingly, and intentionally waives the 21-day and/or 5-  
12 day notice requirements contained in the Nevada Open Meeting Law and acknowledges  
13 that this Stipulation and Order may be presented to the CCB for its consideration and  
14 potential ratification at the CCB's meeting on June 28, 2022.

15 **STIPULATED ADJUDICATION**

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

19 18. Violations: As to licenses P073 and RP073, MOL is found to have committed  
20 two Category II violations, as set forth in Paragraphs 14(a) and 14(b), above.

21 19. Imposition of Civil Penalties. MOL shall pay a total civil penalty in the  
22 amount of sixty-three thousand dollars (\$63,000) within the time set forth in Paragraph 21  
23 below, to be apportioned as set forth in Paragraph 15, above.

24 20. Submission of Corrective Transfer of Interest Application. Within 30 days of  
25 the date the CCB approves this agreement<sup>3</sup>, MOL must submit to the CCB a new transfer  
26

27 <sup>3</sup> If this Stipulation and Order is approved at the Board's meeting on June 28, 2022, then the deadline to  
28 submit the new TOI request would be Thursday, July 28, 2022, by 5:00 p.m., Pacific Time. As set forth the in  
Paragraph 15, above, MOL may petition for an extension of the deadline for this submittal. If there is such  
an extension granted, and MOL still has not submitted its required TOI request by the new deadline, then  
the penalties set forth in this Paragraph for failure to timely submit the TOI request shall apply.

1 of interest application which identifies all the members of RKA so that the CCB can  
2 undertake a suitability investigation of the two owners who were not previously disclosed  
3 in the prior TOI No. 20006. Should MOL fail to comply with this deadline, then MOL  
4 agrees that licenses P073 and RP073 shall be immediately suspended and shall remain  
5 suspended until the CCB receives said new transfer of interest application; however, said  
6 suspension shall not last longer than 90 days and if the CCB has not received the new  
7 transfer of interest application by close of business on the 90<sup>th</sup> day, then licenses P073 and  
8 RP073 shall be deemed voluntarily surrendered.

9       21. Payment of Civil Penalties. *If the CCB approves this Stipulation and Order*  
10 *at its June 28, 2022, meeting, MOL must pay the civil penalty set forth in this agreement*  
11 *no later than 5:00 p.m., Pacific Time, on Thursday, July 28, 2022. If the CCB approves this*  
12 *Stipulation and Order, or an Amended Stipulation and Order, at a CCB meeting which*  
13 *occurs after June 28, 2022, then MOL must pay the civil penalty set forth in this agreement*  
14 *within 30 days of the date the CCB approves this (or an amended) Stipulation and Order*<sup>4</sup>.  
15 MOL acknowledges that it is critical to comply with the strict requirements of the deadline  
16 for payment. MOL agrees that, should it fail to timely make payment of the civil penalty,  
17 the following penalties and procedures will be in effect:

- 18       a. CCB will allow a five-business day grace period for late payment<sup>5</sup>.
- 19       b. If payment is not physically received by CCB at its Carson City office by 5:00  
20 p.m., Pacific Time, on the last day of the grace period, MOL shall be deemed  
21 to be in breach of this Stipulation and Order, deemed to be in default, and  
22 shall pay all amounts due under this Stipulation and Order, as well as an  
23 additional late payment penalty of fifty thousand dollars (\$50,000), and shall  
24 have its licenses P073 and RP073 immediately suspended, with such  
25

26 <sup>4</sup> Should the due date fall on a Saturday, Sunday, or a holiday recognized by the State of Nevada, payment  
27 shall be due on the first following business day, to be received no later than 5:00 p.m., Pacific Time, on that  
date.

28 <sup>5</sup> If a check or other form of payment is returned for insufficient funds, or otherwise rejected, the failed  
payment will not be considered a payment and no additional time beyond the five business day grace period  
will be granted for payment.

1 suspension remaining in place until all amounts due under this Stipulation  
2 and Order are paid in full (inclusive of the \$50,000 late payment penalty). The  
3 CCB will enter an order of default to this effect after default and all amounts  
4 due under this subsection shall be immediately due and payable to CCB. If  
5 all amounts due under this section are not paid within 90 days after the date  
6 of the order of default, licenses P073 and RP073 shall be deemed voluntarily  
7 surrendered. MOL agrees it cannot and will not file any petition for judicial  
8 review and/or any action in any forum for relief from this order of default and  
9 that CCB may file any judicial action necessary to recover the amounts owed  
10 under this subsection, along with its attorneys' fees and costs for recovery of  
11 amounts owed.

- 12 c. MOL may petition the CCB for an extension of the date to pay the civil  
13 penalty. However, for the CCB to consider any such petition, the CCB must  
14 receive said petition no later than 5 business days prior to the payment  
15 deadline (which does not include any grace period). The CCB is not required  
16 to grant such a petition. In such a petition, MOL must demonstrate to the  
17 satisfaction of the CCB that there are extraordinary and unusual  
18 circumstances necessitating the extension requested. The CCB may delegate  
19 the decision as to whether to grant such a petition to the CCB Chair.
- 20 d. If an extension is granted under Paragraph 21(c), there shall be no grace  
21 period on the new payment date. If MOL does not pay by the new payment  
22 date, the provisions and penalties of Paragraph 21(b) apply.

23 22. Plan of Correction. Respondent represents and warrants that it has  
24 submitted a plan of correction, which CCB staff has approved, that will remedy and  
25 prevent the recurrence of the violations set forth in this Stipulation and Order. In  
26 summary, the plan of correction includes the following: (1) Respondent has updated its  
27 standard operating procedures ("SOP") to confirm that no proposed transfer of interest will  
28 be effectuated in any way until MOL has first received approval from the CCB and the



1 applicable local jurisdictions; (2) The SOP further states MOL's members will cooperate  
2 with investigative requests from the CCB staff and will provide accurate and truthful  
3 statements to the CCB; and (3) On March 18, 2022, MOL self-reported its failure to provide  
4 the CCB with all ownership interests when it submitted TOI No. 20006. Respondent  
5 further represents and warrants that it is now, as of the date it has executed this  
6 Stipulation and Order, operating in full compliance with NRS Title 56 and NCCR.

7       23. Contingency if Approval Denied. If approval of this Stipulation and Order is  
8 denied by CCB, MOL and counsel for the CCB agree to resume settlement negotiations in  
9 good faith and attempt to reach an agreement to amend this Stipulation and Order and  
10 resubmit an amended Stipulation and Order to the CCB to review for approval at a  
11 subsequent regularly scheduled meeting. If such an agreement cannot be reached, the  
12 Parties agree to proceed with the Administrative Action, which shall include the filing and  
13 service of a disciplinary complaint and a disciplinary hearing before the CCB or its assigned  
14 hearing officer. Should the Administrative Action proceed for the reasons set forth in this  
15 Paragraph, CCB preserves all its claims and arguments in the Administrative Action as  
16 set forth in its Complaint<sup>6</sup> (to be filed) and MOL preserves all its defenses and arguments  
17 it may assert. An unapproved Stipulation and Order shall not be admissible as evidence or  
18 referenced in argument at any disciplinary hearing in CCB Case No. 2022-77 or any other  
19 matter involving the CCB.

20       24. Contingency if Approval Conditioned. If the CCB approves this Stipulation  
21 and Order, but said approval is contingent on certain conditions, the parties will undertake  
22 further good faith negotiations to include said conditions in an amended stipulation and  
23 order for execution by the CCB Chair. If MOL does not agree to the certain conditions  
24 imposed by the CCB, the parties will undertake additional negotiations and attempt to  
25 reach an agreement to amend this Stipulation and Order and resubmit an amended  
26 Stipulation and Order to the CCB to review for approval at a subsequent regularly

27 <sup>6</sup> Should the CCB proceed with a disciplinary complaint, said complaint will not be limited to the violations  
28 set forth in this settlement agreement and the CCB reserves its rights to include additional regulatory  
violations in any such disciplinary complaint.

1 scheduled meeting. If such an agreement cannot be reached, the Parties agree to proceed  
2 with the Administrative Action, which shall include the filing and service of a disciplinary  
3 complaint and a disciplinary hearing before the CCB or its assigned hearing officer. Should  
4 the Administrative Action proceed for the reasons set forth in this Paragraph, CCB  
5 preserves all its claims and arguments in the Administrative Action as set forth in its  
6 Complaint<sup>7</sup> (to be filed) and MOL preserves all its defenses and arguments it may assert.  
7 An unapproved Stipulation and Order shall not be admissible as evidence or referenced in  
8 argument at any disciplinary hearing in CCB Case No. 2022-77 or any other matter.

9       25. Closure of Disciplinary Action. Once this Stipulation and Order is fully  
10 performed by MOL, the Administrative Action will be closed.

11       26. Nothing in this Stipulation and Order shall preclude the CCB from pursuing  
12 any separate disciplinary actions against the individual cannabis establishment agent  
13 registration cards of the past, present, and/or putative officers, managers, members,  
14 associates, owners, employees and/or agents of Respondent who participated in and/or  
15 perpetrated the acts and omissions set forth in Paragraph 5, above, and the CCB  
16 specifically reserves its rights to do so. Should the CCB proceed with disciplinary action  
17 against any such cannabis establishment agent, Respondent agrees that it will cooperate  
18 with the CCB staff and the CCB's counsel in any investigations of the actions of such  
19 cannabis establishment agents and provide any related documents or information  
20 requested in such investigations that is within its custody and/or control<sup>8</sup>. Respondent also  
21 agrees to make available, upon reasonable notice, any of its employees, owners, officers,  
22 managers, members, and/or directors, to the extent such individuals remain under  
23 Respondent's control, to testify at any disciplinary hearings involving the subject cannabis  
24 establishment agents. The Parties agree that, should the CCB approve this Stipulation  
25 and Order, this Stipulation and Order, may be used as evidence at any subsequent

26 \_\_\_\_\_  
27 <sup>7</sup> Should the CCB proceed with a disciplinary complaint, said complaint will not be limited to the violations  
28 set forth in this settlement agreement and the CCB reserves its rights to include additional regulatory  
violations in any such disciplinary complaint.

<sup>8</sup> Respondent further agrees that it will preserve for at least five years any documents and/or other evidence  
relevant to such a disciplinary action against the subject cannabis establishment agents.

1 disciplinary proceedings and hearings regarding the cannabis establishment agents  
2 involved with providing false information to the Board and/or Board agents, as set forth in  
3 this Paragraph and Paragraph 5, above.

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

24       28. Release. In execution of this agreement, Respondent agrees that the State of  
25 Nevada, the CCB, the Office of the Attorney General, and each of their members, staff,  
26 attorneys, investigators, experts, hearing officers, consultants and agents are immune from  
27 any liability for any decision or action taken in good faith in response to information and  
28 data acquired by the CCB. Respondent agrees to release the State of Nevada, the CCB, the

1 Office of the Attorney General, and each of their members, staff, attorneys, investigators,  
2 experts, hearing officers, consultants and agents from any and all manner of actions, causes  
3 of action, suits, debts, judgments, executions, claims and demands whatsoever, known or  
4 unknown, in law or equity, that Respondent ever had, now has, may have or claim to have  
5 against any and/or all of the persons, government agencies or entities named in this  
6 Paragraph, arising out of, or by reason of, CCB's investigation of the matters set forth in  
7 its Complaint, the matters set forth in this Stipulation and Order, or the administration of  
8 CCB Case No. 2022-77.

9       29. No Precedence. *Except as otherwise set forth in Paragraph 26, above,*  
10 the Parties agree: (1) That this Stipulation and Order shall not constitute a precedent for  
11 any other issues or proceedings before the CCB and/or in any other forum, other than those  
12 set forth in this Stipulation and Order; (2) That this Stipulation and Order shall not be  
13 admissible in any other proceeding or action with respect to proof of fact or any other matter  
14 and/or any other licensee and/or cannabis establishment, except proceedings brought to  
15 enforce this Stipulation and Order under its terms and/or for the CCB's consideration of  
16 future disciplinary action against this Respondent, and except with respect to any  
17 disciplinary proceedings against the cannabis establishment agents who participated in  
18 and/or perpetrated the acts and omissions set forth in Paragraph 5, above.

19       Furthermore, the CCB may consider the discipline imposed herein in any future  
20 disciplinary action against Respondent, as required under NCCR 4.030(2), along with the  
21 other factors set forth in NCCR 4.030(2), and possible progressive discipline pursuant to  
22 NCCR 4.035 through 4.060. As every case concerns different facts and details, this  
23 Stipulation does not act as precedence, or persuasive authority, to bind CCB to impose any  
24 particular penalty, to charge or allege any particular violation, and/or to impose any  
25 particular disciplinary action in the future for this Respondent, or any other respondent  
26 (except as set forth in Paragraph 26, above), for violations of the same statutes and/or  
27 regulations addressed in this Stipulation and Order. Likewise, CCB is not bound by any  
28 previous settlement agreements it has approved in entering into this Stipulation and

1 Order.

2 30. Attorneys' Fees and Costs. The Parties each agree to bear their own attorneys'  
3 fees and costs.

4 31. Further Assurances. The Parties shall cooperate in executing such additional  
5 documents and performing such further acts as may be reasonably necessary to give effect  
6 to the purposes and provisions of this Stipulation and Order.

7 32. Voluntary and Informed Agreement. The Respondent represents that its  
8 owners, officers, managers, and/or its directors, who are responsible for and able to legally  
9 bind MOL have read completely and understand fully the terms of this Stipulation and  
10 Order, that such terms are fully understood and voluntarily accepted by Respondent in  
11 advance of and as memorialized by the signing of this Stipulation and Order, and that the  
12 Respondent's signature to this Stipulation and Order indicates same. Respondent further  
13 represents that it has voluntarily entered into this Stipulation and Order to make a full,  
14 final, and complete compromise upon the terms and conditions set forth herein.  
15 Respondent further represents that any releases, waivers, discharges, covenants, and  
16 agreements provided for in this Stipulation and Order have been knowingly and voluntarily  
17 granted and without any duress or undue influence of any nature from any person or entity.  
18 The Parties, and each of them, hereby expressly acknowledge that they are each  
19 represented by counsel of their own choice in this matter and have been advised by counsel  
20 accordingly.

21 33. Warranties of Authority. The Parties to this Stipulation and Order, and each  
22 of them, expressly warrant and represent to all other Parties that each has the full right,  
23 title, and authority to enter into and to carry out its obligations hereunder, with the sole  
24 exception of the required approval of this Stipulation and Order by the CCB. The Parties  
25 also expressly acknowledge the foregoing authority.

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

1           35.    Construction. The headings of all Sections and Paragraphs of this Stipulation  
2 and Order are inserted solely for the convenience of reference and are not a part of the  
3 Stipulation and Order and are not intended to govern, limit, or aid in the construction or  
4 interpretation of any term or provision of this Stipulation and Order. In the event of a  
5 conflict between such caption and the paragraph at the head of which it appears, the  
6 paragraph and not such caption shall govern in the construction of this Stipulation and  
7 Order.

8           36.    Governing Law. This Stipulation and Order shall be governed by and  
9 construed in accordance with the laws of the State of Nevada, without reference to conflict  
10 of law principles.

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

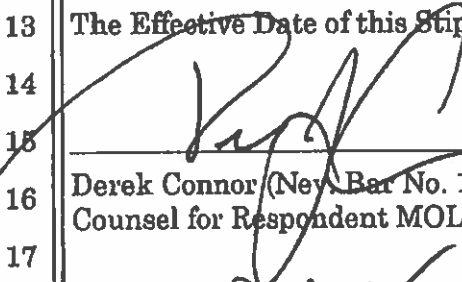
17           38.    Interpretation. This Stipulation and Order is the result of negotiations among  
18 the Parties who have each negotiated and reviewed its terms. In the event a Court ever  
19 construes this Agreement, the Parties expressly agree, consent, and assent that such Court  
20 shall not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

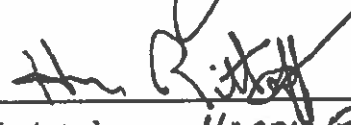
22           39.    Time is of the Essence. Time is of the essence in the performance of all terms  
23 of this Stipulation and Order.

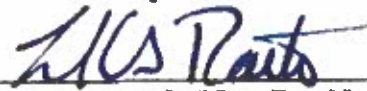
24           40.    Severability. If any portion of this Stipulation and Order, or its application  
25 thereof to any person or circumstance, shall be deemed to any extent to be invalid, illegal,  
26 or unenforceable as a matter of law, all remaining clauses of this Stipulation and Order  
27 and its application thereof shall be not affected and shall remain enforceable to the fullest  
28 extent permitted by law.

1           41. Counterparts and Copies. This Stipulation and Order may be executed in  
2 counterparts, each of which when so executed and upon delivery to counsel of record for the  
3 Parties, or the point of contact for the licensee, shall be deemed an original  
4 ("Counterparts"). This Stipulation and Order shall be deemed executed when Counterparts  
5 of this Stipulation and Order have been executed by all the Parties and/or their counsel;  
6 such Counterparts taken together shall be deemed to be the Agreement. This Stipulation  
7 and Order may be executed by signatures provided by electronic facsimile or email, which  
8 signatures shall be binding and effective as original wet ink signatures hereupon. All fully  
9 executed copies of this Stipulation and Order are duplicate originals, equally admissible in  
10 evidence.

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

14  
15  \_\_\_\_\_ Date: 6/16/2022  
16 Derek Connor (Nev. Bar No. 12194)  
17 Counsel for Respondent MOL

18  \_\_\_\_\_ Date: 6/16/2022  
19 (printed name HARRIS RITTOFF),  
20 On behalf of Respondent MOL

21  \_\_\_\_\_ Date: 6/22/2022  
22 L. Kristopher Rath (Nev. Bar No. 5749)  
23 Senior Deputy Attorney General  
24 Counsel for Cannabis Compliance Board

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**ORDER**

WHEREAS, on 28<sup>th</sup> day of June, 2022, the Nevada Cannabis Compliance Board approved and adopted all the terms and conditions set forth in the Stipulation and Order for Settlement of disciplinary Action with MOL.

IT IS SO ORDERED.

SIGNED AND EFFECTIVE this 29<sup>th</sup> day of June, 2022.

STATE OF NEVADA,  
CANNABIS COMPLIANCE BOARD

By:   
HON. MICHAEL L. DOUGLAS, CHAIR