

1 **BEFORE THE CANNABIS COMPLIANCE BOARD**
2 **STATE OF NEVADA**

3
4 STATE OF NEVADA, CANNABIS
COMPLIANCE BOARD,

Case No. 2021-53

5 Petitioner,

6 vs.

7 HEALTH CARE OPTIONS FOR
8 PATIENTS ENTERPRISES, LLC,

9 Respondent.
10

11 **STIPULATION AND ORDER FOR SETTLEMENT OF DISCIPLINARY ACTION**

12 The Cannabis Compliance Board (the “CCB”), by and through its counsel, Aaron D.
13 Ford, Attorney General for the State of Nevada, Michael Detmer, Senior Deputy Attorney
14 General and L. Kristopher Rath, Esq., Senior Deputy Attorney General, hereby enters into
15 this Stipulation and Order for Settlement of Disciplinary Action (“Stipulation and Order”)
16 with Respondent, Health Care Options for Patients Enterprises, LLC (hereinafter “HOPE”
17 or “Respondent”), by and through its counsel of record, Briana Martinez, Esq., of the law
18 firm of Kaempfer Crowell. Pursuant to this Stipulation and Order, HOPE and CCB
19 (collectively, the “Parties”) hereby stipulate and agree that CCB Case No. 2021-53 (the
20 “Administrative Action”) shall be fully and finally settled and resolved upon terms and
21 conditions set out herein.

22 **PERTINENT FACTS**

23 1. On or about December 3, 2021, CCB initiated this disciplinary action via the
24 service and filing of a Complaint for Disciplinary Action (the “Complaint”). The Complaint
25 alleges, *inter alia*, that, contrary to Nevada law, that several owners of HOPE’s medical
26 and adult-use cannabis cultivation and production facility (C129, RC129, P064, and RP064)
27 failed to possess, apply, or seek waivers from requiring, a cannabis establishment agent
28 card. The Complaint also alleges that HOPE’s adult-use production facility (RP064), either

1 intentionally or unintentionally made a false statement(s) to the CCB through its
2 submission of its 2020 4th Quarter Report which contained false information. The
3 Complaint further alleges that HOPE's medical and adult-use production (P064 and
4 RP064) facility failed to file multiple monthly sales reports with the Board.

5 2. HOPE filed its Answer and Request for a Hearing on or about January 24,
6 2022, generally denying the allegations in the Complaint. The Parties then commenced the
7 disciplinary process under NRS Chapter 678A.

8 3. On or about December 20, 2017, HOPE submitted a transfer of interest
9 ("TOI") request to the CCB. In the resulting investigation conducted to ascertain the
10 viability of this requested TOI ("TOI Investigation"), CCB agents discovered for the first
11 time, additional violations by HOPE that were contrary to Nevada law and which were not
12 alleged in the Complaint, including several late filed tax returns. These violations were
13 communicated to HOPE and, on or about April 22, 2022, the CCB approved the Plan of
14 Correction ("POC") HOPE later submitted to address the violations discovered during the
15 TOI Investigation.

16 4. On January 25, 2022, HOPE came before the Board during a public meeting
17 for consideration of the aforementioned TOI request. The CCB approved the TOI request
18 with a 5-0 vote.

19 5. While the Parties were engaged in the disciplinary process in the underlying
20 Complaint concerning HOPE's cultivation and production licenses (C129, RC129, P064,
21 and RP064) ("Licenses"), the Parties continued to engage in good faith negotiations to reach
22 an agreement that is mutually acceptable to Respondent, CCB staff, and counsel for the
23 CCB, for resolution of the matters alleged in the Complaint and found during the TOI
24 Investigation, with the understanding that this Stipulation and Order must be approved
25 by majority vote of the members of the CCB to become effective. The CCB reserves its right
26 to file and serve a disciplinary complaint for the violations discovered during the TOI
27 Investigation, should the Board decline to approve this Stipulation and Order.

28 6. Accordingly, on or about June 1, 2022, the Parties entered into an agreement

1 to stay the disciplinary process (approved by the CCB's assigned Hearing Officer) to allow
2 the CCB to consider this Stipulation and Order for approval at an open CCB meeting.

3 **ACKNOWLEDGEMENTS AND APPLICABLE LAW**

4 This Stipulation and Order is made and based upon the following acknowledgements
5 by the Parties:

6 7. HOPE has entered into this Stipulation and Order on its own behalf and with
7 full authority to resolve the claims against it and is aware of HOPE's rights to contest the
8 violations pending against it. These rights include representation by an attorney at HOPE's
9 own expense, the right to a hearing on any violations or allegations formally filed, the right
10 to the filing and service of a disciplinary complaint on the violations found during the TOI
11 investigation, the right to confront and cross-examine witnesses called to testify against
12 HOPE, the right to present evidence on HOPE's own behalf, the right to have witnesses
13 testify on HOPE's behalf, the right to obtain any other type of formal judicial review of this
14 matter, and any other rights which may be accorded to HOPE pursuant to provisions of
15 NRS Chapters 678A through 678D, the Nevada Cannabis Compliance Regulations
16 (NCCR), and any other provisions of Nevada law. HOPE is waiving all these rights
17 (including the right to the filing and service of a disciplinary complaint on the violations
18 found during the TOI Investigation) by entering into this Stipulation and Order. If the CCB
19 rejects this Stipulation and Order, or any portion thereof, HOPE reserves the right to
20 withdraw any or all waivers.

21 8. Should this Stipulation and Order be rejected by the CCB or not timely
22 performed by HOPE, it is agreed that presentation to and consideration by the CCB of such
23 proposed stipulation or other documents or matters pertaining to the consideration of this
24 Stipulation and Order shall not unfairly or illegally prejudice the CCB or any of its
25 members from further participation, consideration, adjudication, and/or resolution of these
26 proceedings and that no CCB member shall be disqualified or challenged for bias.

27 9. HOPE acknowledges that this Stipulation and Order shall only become
28 effective after the CCB has approved it.

1 10. HOPE enters this Stipulation and Order after being fully advised of HOPE's
2 rights and as to the consequences of this Stipulation and Order. This Stipulation and Order
3 embodies the entire agreement reached between the CCB and HOPE. It may not be altered,
4 amended, or modified without the express written consent of the Parties, and all
5 alterations, amendments and/or modifications must be in writing. The Parties stipulate
6 and agree that this Stipulation and Order, if approved by the Board, resolves only the
7 allegations set forth in the Complaint in CCB Case No. 2021-53 and the violations found
8 during the TOI Investigation.

9 11. In an effort to avoid the cost and uncertainty of a disciplinary hearing, HOPE
10 has agreed to settle this matter. For purposes of settling this matter, HOPE 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, HOPE further acknowledges that certain facts contained in the
14 CCB Complaint in Case No. 2021-53 and the TOI Investigation could be found to constitute
15 violations of the Nevada Revised Statutes (NRS Chapters 453D and 678A through 678D),
16 and the NCCR, with penalties up to and including revocation, suspension, and/or the
17 imposition of civil penalties against the Licenses that would in the aggregate total at least
18 \$597,500.

19 12. 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 13. To resolve the Administrative Action, and only for those purposes and no
26 other, HOPE specifically admits to the following violations with respect to the Complaint
27 in CCB Case No. 2021-53 and the TOI Investigation:

- 28 a. For licenses C129 and RC129, five violations of NCCR 4.055(1)(a)(1),

1 for failing to have in the immediate possession of each cannabis
2 establishment agent a valid cannabis establishment agent registration
3 card, which constitutes five Category IV violations.

4 b. For license P064, six violations of 4.060(1)(a)(7) for failing to properly
5 submit quarterly inventory reports, monthly sales reports, or other
6 reports required by the CCB, which constitutes six Category V
7 violations.

8 c. For license RP064:

9 i. One violation of 4.040(1)(a)(1) for making unintentional false
10 statement to the CCB, which constitutes one Category II
11 violation.

12 ii. Five violations of 4.060(1)(a)(7) for failing to properly submit
13 quarterly inventory reports, monthly sales reports, or other
14 reports required by the CCB, which constitutes five Category V
15 violations.

16 14. As to the remaining allegations in the Complaint, HOPE neither admits nor
17 denies those allegations and no civil penalties shall be assessed as to the remaining
18 violations.

19 15. With respect to C129 and RC129, HOPE further agrees to pay a civil penalty
20 in the amount of \$75,000¹ in consideration for its admitted violations in Paragraph 13(a),
21 above, and in consideration for CCB's agreement to resolve the Administrative Action on
22 the terms set forth herein. Said sum may be paid in installments, as set forth specifically
23 in Paragraphs 21 through 22, below.

24 16. With respect to P064, HOPE further agrees to pay an additional civil penalty
25 in the amount of \$15,000 in consideration for its admitted violations in Paragraph 13(b),
26 above, and in consideration for CCB's agreement to resolve the Administrative Action on
27 the terms set forth herein. Said sum may be paid in installments, as set forth specifically
28

¹ To be apportioned \$37,500 to C129 and \$37,500 to RC129.

1 in Paragraphs 21 through 22, below.

2 17. With respect to RP064, HOPE further agrees to pay an additional civil penalty
3 in the amount of \$40,000 in consideration for its admitted violations in Paragraph 13(c),
4 above, and in consideration for CCB's agreement to resolve the Administrative Action on
5 the terms set forth herein. Said sum may be paid in installments, as set forth specifically
6 in Paragraphs 21 through 22, below.

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

9 19. Both parties acknowledge that the CCB has jurisdiction to consider and order
10 this Stipulation and Order because HOPE holds privileged licenses regulated by the CCB
11 as of July 1, 2020. HOPE expressly, knowingly, and intentionally waives the 21-day and/or
12 5-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 20. Violations: As to licenses C129 and RC129, HOPE is found to have committed
20 five Category IV violations, as set forth in Paragraphs 13(a), above. As to licenses P064,
21 HOPE is found to have committed six Category V violations, as set forth in Paragraphs
22 13(b), above. As to licenses RP064, HOPE is found to have committed one Category II
23 violation and five Category V violations, as set forth in Paragraphs 13(c)(i) and 13(c)(ii),
24 above, respectively.

25 21. Imposition of Civil Penalties. HOPE shall pay a total civil penalty in the
26 amount of one hundred and thirty thousand dollars (\$130,000) within the time set forth in
27 Paragraphs 22 and 23 below, to be apportioned as set forth in Paragraphs 15 through 17,
28 above.

1 22. Payment of Civil Penalties. HOPE acknowledges and assures that it has the
2 financial ability to pay the civil penalty set forth in this agreement and further that it must
3 pay the total civil penalty within the time frames set forth in this Paragraph and Paragraph
4 22. HOPE may pay the lump sum of \$130,000 in civil penalties within 30 days of the date
5 the CCB approves this Stipulation and Order². In the alternative, HOPE may elect to pay
6 the civil penalties in twelve monthly installments wherein HOPE would pay \$2,500 for the
7 first six months (totaling \$15,000), \$7,500 in month seven, \$8,750 in months 8 and 9
8 (totaling \$17,500), \$15,000 in month 10, \$25,000 in month 11, and \$50,000 in month 12³.
9 Under the Payment Plan Option, HOPE must pay the first installment on the 15th calendar
10 day of the month⁴ following the CCB meeting at which this Stipulation and Order is
11 approved and then, thereafter, on the 15th day of each month⁵ for the next eleven months.
12 For example, if this Stipulation and Order is approved at the July 26, 2022, CCB meeting,
13 the payments of each month would be due as follows (with each installment deadline listed):

Monday, August 15, 2022	1 st Installment	\$2,500.00 ⁶
Thursday, September 15, 2022	2 nd Installment	\$2,500.00
Monday, October 17, 2022	3 rd Installment	\$2,500.00
Tuesday, November 15, 2022	4 th Installment	\$2,500.00
Thursday, December 15, 2022	5 th Installment	\$2,500.00
Tuesday, January 17, 2023	6 th Installment	\$2,500.00

23 ² Which would be Thursday, July 28, 2022, if the CCB approves this Stipulation and Order at its June 28,
24 2022, meeting.

25 ³ Said monthly payments shall be evenly distributed amongst HOPE's multiple licenses until the civil
26 penalties assigned to each are satisfied. However, Respondent may make one payment totaling the amounts
27 specified each month.

28 ⁴ Payment must be physically received at the CCB's Las Vegas office no later than 5:00 p.m., Pacific Time, on
the 15th day of the month on which it is due. If the 15th day of the months falls on a Saturday, Sunday, or a
holiday recognized by the State of Nevada, payment shall be due on the first following business day.

⁵ As set forth in footnote 4, above, if the 15th day of the months falls on a Saturday, Sunday, or a holiday
recognized by the State of Nevada, payment shall be due on the first following business day.

⁶ Payments for installment payments 1 through 6 to be attributed to the Licenses as follows: \$721.15 to
C129; \$721.15 to RC129; \$288.46 to P064; and \$769.24 to RP064.

1	Wednesday, February 15, 2023	7 th Installment	\$7,500.00 ⁷
2	Wednesday, March 15, 2023	8 th Installment	\$8,750.00 ⁸
3	Monday, April 17, 2023	9 th Installment	\$8,750.00
4	Monday, May 15, 2023	10 th Installment	\$15,000.00 ⁹
5	Thursday, June 15, 2023	11 th Installment	\$25,000.00 ¹⁰
6	Monday, July 17, 2023	12 th Installment	\$50,000.00 ¹¹

7
8 HOPE may pay any installment prior to its due date.

9 23. Penalties for Failure to Comply with Payment Plan Option. HOPE
10 acknowledges that it is critical to comply with the strict requirements of the Payment Plan
11 Option. HOPE agrees that, should it fail to timely make any installment payment the
12 following penalties and procedures will be in effect:

- 13 a. CCB will allow a five-business day grace period for late payment.
- 14 b. If payment is not physically received by CCB at its Las Vegas office by
15 5:00 p.m., Pacific Time, on the last day of the grace period, HOPE shall
16 be deemed in default and deemed to have admitted all allegations in
17 the CCB Complaint in Case No. 2021-53 and shall pay all penalties and
18 receive all discipline set forth under the "Relief Requested" section of
19 the Complaint, inclusive of revocation of licenses C138, RC138, P086,
20 and RP086, and civil penalties totaling \$457,500. The CCB will enter
21 an order of default to this effect after default and all amounts due under
22 this subsection shall be immediately due and payable to CCB. HOPE
23

24 ⁷ Installment Payment 7 to be attributed to the Licenses as follows: \$2,163.46 to C129; \$2,163.46 to RC129;
25 \$865.38 to P064; and \$2,307.70 to RP064.

26 ⁸ Payments for installment payments 8 and 9 to be attributed to the Licenses as follows: \$2,524.04 to C129;
27 \$2,524.04 to RC129; \$1,009.62 to P064; and \$2,692.30 to RP064.

28 ⁹ Installment Payment 10 to be attributed to the Licenses as follows: \$4,326.92 to C129; \$4,326.92 to
RC129; \$1,730.76 to P064; and \$4,615.40 to RP064.

¹⁰ Installment Payment 11 to be attributed to the Licenses as follows: \$7,211.53 to C129; \$7,211.53 to
RC129; \$2,884.61 to P064; and \$7,692.33 to RP064.

¹¹ Installment Payment 12 to be attributed to the Licenses as follows: \$14,423.08 to C129; \$14,423.08 to
RC129; \$5,769.24 to P064; and \$15,384.60 to RP064.

1 agrees it cannot and will not file any petition for judicial review and/or
2 any action in any forum for relief from this order of default and that
3 CCB may file any judicial action necessary to recover the amounts owed
4 under this subsection, along with its attorneys' fees and costs for
5 recovery of amounts owed.

6 c. HOPE may petition the CCB for an extension of 30-days to pay any of
7 the installments set forth in Paragraph 22. However, for the CCB to
8 consider any such petition, the CCB must receive said petition no later
9 than 5 business days prior to the installment deadline at issue (which
10 does not include any grace period). The CCB is not required to grant
11 such a petition. In such a petition, HOPE must demonstrate to the
12 satisfaction of CCB that there are extraordinary and unusual
13 circumstances necessitating the extension requested and specify which
14 the installment deadline or deadlines for which it is seeking an
15 extension. CCB may delegate the decision as to whether to grant such
16 a petition to the CCB Chair.

17 d. If an extension is granted under Paragraph 23(c), there shall be no
18 grace period on the new payment date or dates. If HOPE does not pay
19 by the new payment date or dates, the provisions and penalties of
20 Paragraph 23(b) apply.

21 24. Plan of Correction. Respondent represents and warrants that it has submitted
22 and put in place a POC, which CCB staff has approved, that will remedy and prevent the
23 recurrence of the violations set forth in this Stipulation and Order and/or as alleged in the
24 Complaint and TOI Investigation. In summary, the POC includes the following: (1) HOPE
25 has implemented a system intended to cross reference their Sales and Use Tax Returns
26 with their Quarterly Reports so that discrepancies do not happen in the future; (2) HOPE
27 has implemented a system wherein it intends to cross reference inventory and activity sales
28 logs with METRC to ensure that its inventory will remain accurate on a daily basis; (3)

1 HOPE has conducted training with all staff employees on proper log procedures and
2 streamlined the reporting process onto the CCB Accela portal; (4) HOPE has identified all
3 owners and prospective owners that hold less than 5%, and all have registered, or are in
4 the process of registering, in the Accela portal; (5) HOPE has submitted a waiver
5 application for all current and prospective owners of less than 5% as it relates to cannabis
6 agent cards; (6) HOPE now has a dedicated staff member as an internal compliance
7 manager; and (7) HOPE has employed an “Administrative Assistant for Compliance” who
8 is tasked with ensuring that all reporting requirements are correct and met in a timely
9 manner and will meet with Executive staff weekly to ensure to discuss and ensure the
10 same.

11 25. Contingency if Approval Denied. If approval of this Stipulation and Order is
12 denied by CCB, HOPE and counsel for the CCB agree to resume settlement negotiations in
13 good faith and attempt to reach an agreement to amend this Stipulation and Order and
14 resubmit an amended Stipulation and Order to the CCB to review for approval at a
15 subsequent regularly scheduled meeting. If such an agreement cannot be reached, the
16 Parties agree to proceed with the Administrative Action, the stay in such action shall be
17 lifted pursuant to the June 1, 2022, agreement between the Parties and the matter shall
18 proceed to a disciplinary hearing before the CCB’s assigned hearing officer. The CCB may
19 amend its Complaint, or file a new Complaint, that covers the violations found during the
20 TOI investigation. Should the Administrative Action proceed for the reasons set forth in
21 this Paragraph, CCB preserves all its claims and arguments in the Administrative Action
22 as set forth in its Complaint and HOPE preserves all its defenses and arguments set forth
23 in its Answer, and withdraws all waivers set forth herein. An unapproved Stipulation and
24 Order shall not be admissible as evidence or referenced in argument at any disciplinary
25 hearing in CCB Case No. 2021-53 or any other matter involving the CCB.

26 26. Contingency if Approval Conditioned. If the CCB approves this Stipulation
27 and Order, but said approval is contingent on certain conditions, the parties will undertake
28 further good faith negotiations to include said conditions in an amended stipulation and

1 order for execution by the CCB Chair. If HOPE does not agree to the certain conditions
2 imposed by the CCB, the parties will undertake additional negotiations and attempt to
3 reach an agreement to amend this Stipulation and Order and resubmit an amended
4 Stipulation and Order to the CCB to review for approval at its next regularly scheduled
5 meeting. If such an agreement cannot be reached, the Parties agree to proceed with the
6 Administrative Action, the stay in such action shall be lifted pursuant to the June 1, 2022,
7 agreement between the Parties and the matter shall proceed to a disciplinary hearing
8 before the CCB's assigned hearing officer. The CCB may amend its Complaint, or file a new
9 Complaint, that covers the violations found during the TOI investigation. Should the
10 Administrative Action proceed for the reasons set forth in this Paragraph, CCB preserves
11 all its claims and arguments in the Administrative Action as set forth in its Complaint and
12 HOPE preserves all its defenses and arguments asserted in its Answer and withdraws all
13 waivers set forth herein. An unapproved Stipulation and Order shall not be admissible as
14 evidence or referenced in argument at any disciplinary hearing in CCB Case No. 2021-53,
15 a disciplinary action arising from the TOI Investigation, or any other matter.

16 27. Closure of Disciplinary Action. Once this Stipulation and Order is fully
17 performed by HOPE, the Administrative Action and a disciplinary action that could arise
18 from the TOI Investigation will be closed.

19 28. Communications with CCB Members. HOPE understands that this
20 Stipulation and Order will be presented to the CCB in open session at a duly noticed and
21 scheduled CCB meeting. HOPE understands that the CCB has the right to decide in its
22 own discretion whether or not to approve this Stipulation and Order. The CCB's counsel,
23 which is the Nevada Attorney General and its staff attorneys, will recommend approval of
24 this Stipulation and Order. In the course of seeking CCB acceptance of this Stipulation and
25 Order, counsel for CCB may communicate directly with individual CCB members. HOPE
26 acknowledges that such communications may be made or conducted *ex parte*, without notice
27 or opportunity for HOPE to be heard on its part until the public CCB meeting where this
28 Stipulation and Order is discussed, and that such contacts and communications may

1 include, but may not be limited to, matters concerning this Stipulation and Order, the
2 Administrative Action, the TOI Investigation, and any and all information of every nature
3 whatsoever related to these matters. HOPE agrees that it has no objections to such *ex parte*
4 communications. CCB agrees that HOPE and/or its counsel may appear at the CCB
5 meeting where this Stipulation and Order is discussed and, if requested, respond to any
6 questions that may be addressed to HOPE and/or the Attorney General's staff attorneys.
7 HOPE agrees that, should the CCB decline to approve this Stipulation and Order, HOPE
8 will not contest or otherwise object to any CCB member, and/or CCB appointed hearing
9 officer, hearing and adjudicating the Administrative Action based on the aforementioned
10 *ex parte* communications with anyone from the Nevada Attorney General's Office.

11 29. Release. In execution of this agreement, Respondent agrees that the State of
12 Nevada, the CCB, the Office of the Attorney General, and each of their members, staff,
13 attorneys, investigators, experts, hearing officers, consultants and agents are immune from
14 any liability for any decision or action taken in good faith in response to information and
15 data acquired by the CCB. Respondent agrees to release the State of Nevada, the CCB, the
16 Office of the Attorney General, and each of their members, staff, attorneys, investigators,
17 experts, hearing officers, consultants and agents from any and all manner of actions, causes
18 of action, suits, debts, judgments, executions, claims and demands whatsoever, known or
19 unknown, in law or equity, that Respondent ever had, now has, may have or claim to have
20 against any and/or all of the persons, government agencies or entities named in this
21 Paragraph, arising out of, or by reason of, CCB's investigation of the matters set forth in
22 its Complaint, the matters set forth in this Stipulation and Order, or the administration of
23 CCB Case No. 2021-53 and the TOI Investigation.

24 30. No Precedence. The Parties agree that this Stipulation and Order shall not
25 constitute a precedent for any other issues or proceedings before the CCB and/or in any
26 other forum, other than those set forth in this Stipulation and Order. Furthermore, this
27 Stipulation and Order shall not be admissible in any other proceeding or action with respect
28 to proof of fact or any other matter and/or any other licensee and/or cannabis establishment

1 registered agent, except proceedings brought to enforce this Stipulation and Order under
2 its terms and/or for the CCB's consideration of future disciplinary action against this
3 Respondent

4 The CCB may consider the discipline imposed herein in any future disciplinary
5 action against Respondent, as required under NCCR 4.030(2), along with the other factors
6 set forth in NCCR 4.030(2), and possible progressive discipline pursuant to NCCR 4.035
7 through 4.060. As every case concerns different facts and details, this Stipulation does not
8 act as precedence, or persuasive authority, to bind CCB to impose any particular penalty,
9 to charge or allege any particular violation, and/or to impose any particular disciplinary
10 action in the future for this Respondent, or any other respondent, for violations of the same
11 statutes and/or regulations addressed in this Stipulation and Order. Likewise, CCB is not
12 bound by any previous settlement agreements it has approved in entering into this
13 Stipulation and Order.

14 31. Attorneys' Fees and Costs. The Parties each agree to bear their own attorneys'
15 fees and costs.

16 32. Further Assurances. The Parties shall cooperate in executing such additional
17 documents and performing such further acts as may be reasonably necessary to give effect
18 to the purposes and provisions of this Stipulation and Order.

19 33. Voluntary and Informed Agreement. The Respondent represents that its
20 owners, officers, and/or its directors, who are responsible for and able to legally bind HOPE
21 have read completely and understand fully the terms of this Stipulation and Order, that
22 such terms are fully understood and voluntarily accepted by Respondent in advance of and
23 as memorialized by the signing of this Stipulation and Order, and that the Respondent's
24 signature to this Stipulation and Order indicates same. Respondent further represents that
25 it has voluntarily entered into this Stipulation and Order to make a full, final, and complete
26 compromise upon the terms and conditions set forth herein. Respondent further represents
27 that any releases, waivers, discharges, covenants, and agreements provided for in this
28 Stipulation and Order have been knowingly and voluntarily granted and without any

1 duress or undue influence of any nature from any person or entity. The Parties, and each
2 of them, hereby expressly acknowledge that they are each represented by counsel of their
3 own choice in this matter and have been advised by counsel accordingly.

4 34. Warranties of Authority. The Parties to this Stipulation and Order, and each
5 of them, expressly warrant and represent to all other Parties that each has the full right,
6 title, and authority to enter into and to carry out its obligations hereunder, with the sole
7 exception of the required approval of this Stipulation and Order by the CCB. The Parties
8 also expressly acknowledge the foregoing authority.

9 35. Binding Effect. This Stipulation and Order shall be binding upon and inure
10 to the benefit of the Parties hereto and the Parties' respective successors, predecessors,
11 parents, affiliates, shareholders, employees, heirs, executors, assigns, and administrators.

12 36. Construction. The headings of all Sections and Paragraphs of this Stipulation
13 and Order are inserted solely for the convenience of reference and are not a part of the
14 Stipulation and Order and are not intended to govern, limit, or aid in the construction or
15 interpretation of any term or provision of this Stipulation and Order. In the event of a
16 conflict between such caption and the paragraph at the head of which it appears, the
17 paragraph and not such caption shall govern in the construction of this Stipulation and
18 Order.

19 37. Governing Law. This Stipulation and Order shall be governed by and
20 construed in accordance with the laws of the State of Nevada, without reference to conflict
21 of law principles.

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

28 39. Interpretation. This Stipulation and Order is the result of negotiations among

1 the Parties who have each negotiated and reviewed its terms. In the event a Court ever
2 construes this Agreement, the Parties expressly agree, consent, and assent that such Court
3 shall not construe this Agreement or any provision hereof against any Party as its drafter
4 for purposes of interpreting any ambiguity or uncertainty in this Stipulation and Order.

5 40. Time is of the Essence. Time is of the essence in the performance of all terms
6 of this Stipulation and Order.


7 41. Severability. If any portion of this Stipulation and Order, or its application
8 thereof to any person or circumstance, shall be deemed to any extent to be invalid, illegal,
9 or unenforceable as a matter of law, all remaining clauses of this Stipulation and Order
10 and its application thereof shall be not affected and shall remain enforceable to the fullest
11 extent permitted by law.

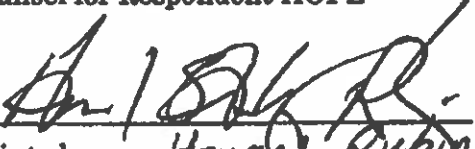
12 42. Counterparts and Copies. This Stipulation and Order may be executed in
13 counterparts, each of which when so executed and upon delivery to counsel of record for the
14 Parties shall be deemed an original ("Counterparts"). This Stipulation and Order shall be
15 deemed executed when Counterparts of this Stipulation and Order have been executed by
16 all the Parties and/or their counsel; such Counterparts taken together shall be deemed to
17 be the Agreement. This Stipulation and Order may be executed by signatures provided by
18 electronic facsimile or email, which signatures shall be binding and effective as original
19 wet ink signatures hereupon.


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1 All fully executed copies of this Stipulation and Order are duplicate originals, equally
2 admissible in evidence.

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

6
7  Date: 7/20/22
8 Briana Martinez (Nev. Bar No. 14919),
9 Counsel for Respondent HOPE

10 
11 (printed name Howard Rubin), Date: July 20, 2022
12 On behalf of Respondent HOPE

13 
14 Date: 7/20/22
15 Michael Detmer (Nev. Bar No. 10873)
16 L. Kristopher Rath (Nev. Bar No. 5749)
17 Senior Deputy Attorney General
18 Counsel for Cannabis Compliance Board

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ORDER

WHEREAS, on 26th day of July, 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 HOPE.

IT IS SO ORDERED.

SIGNED AND EFFECTIVE this 26th day of July, 2022.

STATE OF NEVADA,
CANNABIS COMPLIANCE BOARD

By: 
HON. MICHAEL L. DOUGLAS, CHAIR