

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

3
4 **STATE OF NEVADA, CANNABIS
COMPLIANCE BOARD,**

Case No. 2022-68

5 **Petitioner,**

6 vs.

7 **NEVADA ORGANIC REMEDIES, LLC**
8 **(RD219),**

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, and L. Kristopher Rath, Esq., Senior
14 Deputy Attorney General, hereby enters into this Stipulation and Order for Settlement of
15 Disciplinary Action ("Stipulation and Order") with Respondent Nevada Organic Remedies
16 (hereinafter "NOR RD219" or "Respondent"), by and through its counsel of record, Alicia
17 Ashcraft, Esq., of the law firm Armstrong Teasdale. Pursuant to this Stipulation and Order,
18 NOR RD219 and CCB (collectively, the "Parties") hereby stipulate and agree that CCB
19 Case No. 2022-68 (the "Administrative Action"), and another regulatory violation
20 subsequent thereto, shall both be fully and finally settled and resolved upon the terms and
21 conditions set out herein.

22 **PERTINENT FACTS**

23 1. On or about June 6, 2022, the 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, the NOR RD219 adult-use cannabis retail
26 store: unintentionally concealed evidence from the CCB; failed to properly document a
27 cannabis sales transaction; sold an amount of cannabis in excess of transaction limits;
28 failed to meet seed-to-sale tracking requirements; and failed to follow its own standard

1 operating procedures for sales.

2 2. In addition to the Administrative Action, on or about July 15, 2022, CCB staff
3 completed an investigation of another incident which NOR RD219 self-report to CCB staff.
4 CCB staff's investigation confirmed the self-report that an employee of NOR RD219 sold
5 cannabis to an individual under 21 years of age on or about April 25, 2022 (the "Underaged
6 Sale").

7 3. NOR RD219 has not filed an Answer and/or a Request for a Hearing as of the
8 date of this Stipulation and Order. Rather, NOR RD219 requested and was granted
9 extensions to file its Answer in order to attempt to negotiate resolution of both the
10 Administrative Action and the Underaged Sale. The Parties entered into good faith
11 negotiations to resolve both matters and reached an agreement in principle for resolving
12 said matters. As a result, the CCB's Chair approved a stipulation to stay the
13 Administrative Action on July 19, 2022, to allow the Parties to finalize this Stipulation and
14 Order and for the CCB to consider approval of this Stipulation and Order at its August 23,
15 2022, meeting.

16 4. The Parties have engaged in good faith settlement negotiations to reach an
17 agreement that is mutually acceptable to Respondent, CCB staff, and counsel for the CCB,
18 for resolution of the Administrative Action and the Underaged Sale, with the
19 understanding that this Stipulation and Order must be approved by majority vote of the
20 members of the CCB to become effective.

21 ACKNOWLEDGEMENTS AND APPLICABLE LAW

22 This Stipulation and Order is made and based upon the following acknowledgements
23 by the Parties:

24 5. NOR RD219 has entered into this Stipulation and Order on its own behalf and
25 with full authority to resolve the claims against it and is aware of NOR RD219's rights to
26 contest the violations pending against it. These rights include representation by an
27 attorney at NOR RD219's own expense, the right to a hearing on any violations or
28 allegations formally filed, the right to the filing and service of a complaint regarding the

1 Underaged Sale, the right to confront and cross-examine witnesses called to testify against
2 NOR RD219, the right to present evidence on NOR RD219's own behalf, the right to have
3 witnesses testify on NOR RD219's behalf, the right to obtain any other type of formal
4 judicial review of this matter, and any other rights which may be accorded to NOR RD219
5 pursuant to provisions of NRS Chapters 678A through 678D, the Nevada Cannabis
6 Compliance Regulations (NCCR), and any other provisions of Nevada law. NOR RD219 is
7 waiving all these rights by entering into this Stipulation and Order. If the CCB rejects this
8 Stipulation and Order, or any portion thereof, all such waivers shall be deemed withdrawn
9 by NOR RD219.

10 6. Should this Stipulation and Order be rejected by the CCB or not timely
11 performed by NOR RD219, it is agreed that presentation to and consideration by the CCB
12 of such proposed stipulation or other documents or matters pertaining to the consideration
13 of this Stipulation and Order shall not unfairly or illegally prejudice the CCB or any of its
14 members from further participation, consideration, adjudication, and/or resolution of these
15 proceedings and that no CCB member shall be disqualified or challenged for bias.

16 7. NOR RD219 acknowledges that this Stipulation and Order shall only become
17 effective after the CCB has approved it.

18 8. NOR RD219 enters this Stipulation and Order after being fully advised of
19 NOR RD219's rights and as to the consequences of this Stipulation and Order. This
20 Stipulation and Order embodies the entire agreement reached between the CCB and NOR
21 RD219. It may not be altered, amended, or modified without the express written consent of
22 the Parties, and all alterations, amendments and/or modifications must be in writing. The
23 Parties stipulate and agree that this Stipulation and Order, if approved by the Board,
24 resolves only the allegations set forth in the Administrative Action via the Complaint in
25 Case No. 2022-68 and the Underaged Sale as defined herein.

26 9. In an effort to avoid the cost and uncertainty of a disciplinary hearing, NOR
27 RD219 has agreed to settle these matters. For purposes of settling these matters, NOR
28 RD219 acknowledges that the facts contained in the paragraphs in the above "Pertinent

1 Facts" portion of this Stipulation and Order are true and correct. Without waiving any
2 constitutional rights against self-incrimination, NOR RD219 further acknowledges that
3 certain facts contained in the CCB Complaint in Case No. 2022-68 and the facts found
4 during the investigation of the Underaged Sale could be found to constitute violations of
5 Title 56 of NRS (NRS Chapters 678A through 678D), and the NCCR, with penalties up to
6 and including revocation, suspension, and/or civil penalties of up to \$320,000 for license
7 RD219, if these matters proceeded to administrative hearings.

8 10. In settling this matter, the Executive Director for CCB and counsel for CCB
9 have considered the factors set forth in NCCR 4.030(2), including: the gravity of the
10 violations; the economic benefit or savings, if any, resulting from the violations; the size of
11 the business of the violator; the history of compliance with the NCCR and Title 56 of NRS
12 by the violator; actions taken to remedy and/or correct the violations; and the effect of the
13 penalty on the ability of the violator to continue in business. In addition, the Executive
14 Director and Counsel for CCB have taken into account the fact that the Underaged Sale
15 was self-reported and have agreed to reduce the civil penalty for that violation from a
16 Category II violation under NCCR 4.040(1)(a)(3) to a Category III violation under NCCR
17 4.050(1)(a)(7), as well as reduce the amount of the civil penalty for this violation.

18 11. To resolve the Administrative Action and the Underaged Sale, and only for
19 those purposes and no other, NOR RD219 specifically admits to the following violations
20 with respect to the Complaint in CCB Case No. 2022-68 and the Underaged Sale for license
21 RD219:

- 22 a. One violation of NCCR 4.040(1)(a)(1), for making an unintentional false
23 statement or representation of fact to the Board or Board Agents, which
24 constitutes one Category II violation¹.

25
26 ¹ Respondent recognizes and agrees that the progressive discipline provisions of NCCR 4.040(2)(a)(2) and
27 NAC 453.905(4)(b)(2) apply to this violation, as this is the second Category II violation it has received in
28 preceding 2 years. NOR RD219 received a Category II violation on January 26, 2021, under NAC
453D.905(3)(b)(4) for the failure of its parent company to report a change of ownership to the Department of
Taxation. See, Settlement Agreement in CCB Case No. 2021-28. This earlier Category II violation occurred
when NOR RD219 was under different ownership and management.

1 b. One violation of NCCR 4.050(1)(a)(3), for failing to keep required
2 records, including seed-to-sale tracking requirements, which
3 constitutes one Category III violation.

4 c. One violation of NCCR 4.050(1)(a)(8), for failing to notify the Board or
5 Board Agents within 24 hours after the discovery of a serious incident
6 on the premises of a cannabis establishment, which constitutes a
7 second Category III violation.

8 d. One violation of NCCR 4.050(1)(a)(7), for allowing activity which
9 violates the laws of this State, which constitutes a third Category III
10 violation.

11 As to the remaining allegations in the Complaint, NOR RD219 neither admits nor denies
12 those allegations and no civil penalties shall be assessed as to those remaining violations.

13 12. With respect to RD219, Respondent further agrees to pay a civil penalty in
14 the amount of \$145,000² in consideration for its admitted violations in Paragraph 11, above,
15 and in consideration for the CCB's agreement to resolve the Administrative Action on the
16 terms set forth herein, within the time set forth in Paragraph 17, below.

17 13. If the CCB approves this Stipulation and Order, it shall be deemed and
18 considered disciplinary action by the CCB against NOR RD219.

19 14. Both parties acknowledge that the CCB has jurisdiction to consider and order
20 this Stipulation and Order because NOR RD219 holds privileged licenses regulated by the
21 CCB as of July 1, 2020. NOR RD219 expressly, knowingly, and intentionally waives the 21-
22 day and/or 5-day notice requirements contained in the Nevada Open Meeting Law and
23 acknowledges that this Stipulation and Order may be presented to the CCB for its
24 consideration and potential ratification at the CCB's meeting on August 23, 2022.

25 **STIPULATED ADJUDICATION**

26 Based upon the above acknowledgments of the Parties and their mutual agreement,
27

28 ² Note that maximum civil penalties for the admitted second Category II violation and three Category III
violations would be \$205,000. Thus, there has been a reduction for self-reporting, as noted above.

1 the Parties stipulate and agree that the following terms of discipline shall be imposed by
2 the CCB in this matter:

3 15. Violations: As to license RD219, NOR RD219 is found to have committed one
4 Category II violation (the second in the immediately preceding 2 years), and three Category
5 III violations, as set forth in Paragraphs 11(a) through 11(d), above.

6 16. Imposition of Civil Penalties. NOR RD219 shall pay a total civil penalty in
7 the amount of one hundred and forty-five thousand dollars (\$145,000) within the time set
8 forth in Paragraph 17 below.

9 17. Payment of Civil Penalties. NOR RD219 must pay the total civil penalty set
10 forth in this agreement within 30 days of the date the CCB approves this Stipulation and
11 Order³. NOR RD219 acknowledges that it is critical to comply with the strict requirements
12 of the deadline for payment. NOR RD219 agrees that, should it fail to make timely
13 payment of the civil penalty, the foregoing penalties and procedures will be in effect:

- 14 a. CCB will allow a five-business day grace period for late payment⁴.
- 15 b. If payment is not physically received by the CCB at its Carson City office by
16 5:00 p.m., Pacific Time, on the last day of the grace period, NOR RD219 shall
17 be deemed in default and deemed to have admitted all allegations in the CCB's
18 Complaint in Case No. 2022-68 and shall be deemed to have admitted to an
19 additional Category II violation for the Underaged Sale and shall pay all
20 penalties and receive all discipline set forth under the "Relief Requested"
21 section of the Complaint, inclusive of the revocation of license RD219 (effective
22 on the date of the order of default) and civil penalties of \$230,000, plus a
23 \$100,000 late payment penalty, for a total of \$330,000. The CCB will enter
24 an order of default to this effect after default and all amounts due under this
25 subsection shall be immediately due and payable to the CCB. NOR RD219

26
27 ³ Should the CCB approve this Stipulation and Order at its August 23, 2022, meeting, payment would be due
on and must be physically received by Thursday, September 22, 2022.

28 ⁴ 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 agrees it cannot and will not file any petition for judicial review and/or any
2 action in any forum for relief from this order of default and that the CCB may
3 file any judicial action necessary to recover the amounts owed under this
4 subsection, along with its attorneys' fees and costs for recovery of amounts
5 owed. In the event of default under this Paragraph, NOR RD219 would not
6 be eligible to apply for reinstatement of its revoked license for nine (9) years
7 after the date of revocation of its license and any such application would not
8 be granted without prior payment of the full amount of \$330,000.

9 c. NOR RD219 may petition the CCB for an extension of 30-days to pay the civil
10 penalty. However, for the CCB to consider any such petition, the CCB must
11 receive said petition no later than 5 business days prior to the payment
12 deadline (which does not include any grace period). The CCB is not required
13 to grant such a petition. In such a petition, NOR RD219 must demonstrate to
14 the satisfaction of the CCB that there are extraordinary and unusual
15 circumstances necessitating the extension requested. The CCB may delegate
16 the decision as to whether to grant such a petition to the CCB Chair.

17 d. If an extension is granted under Paragraph 17(c), there shall be no grace
18 period on the new payment date. If NOR RD219 does not pay and/or the
19 CCB does not physically receive payment, by the new payment date, the
20 provisions and penalties of Paragraph 17(b) apply.

21 18. Plan of Correction. Respondent represents and warrants that it has submitted
22 and put in place a plan of correction, which CCB staff has approved, that will remedy and
23 prevent the recurrence of the violations set forth in this Stipulation and Order. In
24 summary, the plan of correction regarding the Administrative Action includes the
25 following: (1) The employees responsible for the improper sale received warnings and
26 further training on cashier/check-out procedures; (2) The facility's managers received
27 additional training on proper utilization of point-of-sales operations and check-out
28 procedures; (3) A quantity sale limitation feature in the point-of-sale software has been

1 implemented to prevent any sales exceeding the maximum allowable amount; (4)
2 Respondent has implemented an incident reporting system, which includes an incident
3 report dashboard for key employees to track incident reports and ensure timely reporting
4 of incidents to the CCB; and (5) The facility has conducted training with staff on the proper
5 guidelines for communicating product and order intake, teller customer checkout, and
6 releasing packages to the sales floor to ensure products are not confused with each other
7 and sold incorrectly. In summary, the Plan of correction for the Underaged Sale includes
8 the following: (1) Respondent terminated its employees who were involved in the
9 Underaged Sale; (2) Respondent communicated with its identification card scanner vender
10 Versican and implemented an alert system which prevents its cannabis establishment
11 agents from ignoring an underage alert. This alert will prevent an employee from further
12 assisting a customer until the alert has been acknowledged and addressed; and (3)
13 Respondent has implemented changes to its point-of-sale system which require employees
14 to enter a customer's date of birth before a sale can be completed. Respondent further
15 represents and warrants that it is now, as of the date it has executed this Stipulation and
16 Order, operating in full compliance with NRS Title 56 and NCCR.

17 19. Contingency if Approval Denied. If approval of this Stipulation and Order is
18 denied by the CCB, NOR RD219 and counsel for the CCB agree to resume settlement
19 negotiations in good faith and attempt to reach an agreement to amend this Stipulation
20 and Order and resubmit an amended Stipulation and Order to the CCB to review for
21 approval at a subsequent regularly scheduled CCB meeting. If such an agreement cannot
22 be reached, the Parties agree to proceed with the Administrative Action, with NOR RD219
23 to timely file its Answer and Request for Hearing, and the matter to proceed to a
24 disciplinary hearing before the CCB's assigned hearing officer in the ordinary course.
25 Should the Administrative Action proceed for the reasons set forth in this Paragraph, CCB
26 preserves all its claims and arguments in the Administrative Action as set forth in its
27 Complaint and NOR RD219 preserves all its defenses and arguments it may set forth in its
28 Answer, and withdraws all waivers set forth herein. CCB also reserves its rights to proceed

1 with a disciplinary complaint for the Underaged Sale. An unapproved Stipulation and
2 Order shall not be admissible as evidence or referenced in argument at any disciplinary
3 hearing in CCB Case No. 2022-68 or any other matter involving the CCB.

4 20. Contingency if Approval Conditioned. If the CCB approves this Stipulation
5 and Order, but said approval is contingent on certain conditions, the Parties will undertake
6 further good faith negotiations to include said conditions in an amended stipulation and
7 order for execution by the CCB Chair. If NOR RD219 does not agree to the certain
8 conditions imposed by the CCB, the Parties will undertake additional negotiations and
9 attempt to reach an agreement to amend this Stipulation and Order and resubmit an
10 amended stipulation and order to the CCB to review for approval at its next regularly
11 scheduled meeting. If such an agreement cannot be reached, the Parties agree to proceed
12 with the Administrative Action, with NOR RD219 to timely file its Answer and Request for
13 Hearing, and the matter to proceed to a disciplinary hearing before the CCB's assigned
14 hearing officer in the ordinary course. Should the Administrative Action proceed for the
15 reasons set forth in this Paragraph, CCB preserves all its claims and arguments in the
16 Administrative Action as set forth in its Complaint and NOR RD219 preserves all its
17 defenses and arguments it may set forth in its Answer, and withdraws all waivers set forth
18 herein. CCB also reserves its rights to proceed with a disciplinary complaint for the
19 Underaged Sale. An unapproved Stipulation and Order shall not be admissible as evidence
20 or referenced in argument at any disciplinary hearing in CCB Case No. 2022-68 or any
21 other matter involving the CCB.

22 21. Closure of Disciplinary Action. Once this Stipulation and Order is fully
23 performed by NOR RD219, the Administrative Action will be closed.

24 22. Nothing in this Stipulation and Order shall preclude the CCB from pursuing
25 any separate disciplinary actions against the individual cannabis establishment agent
26 registration cards of the employees and/or agents of Respondent who participated in and/or
27 perpetrated the acts and omissions set forth in the Complaint and the Underaged Sale, and
28 the CCB specifically reserves its rights to do so. Should the CCB proceed with disciplinary

1 action against any such cannabis establishment agent, Respondent agrees that it will
2 cooperate with the CCB staff and the CCB's counsel in investigation the actions of such
3 cannabis establishment agents and provide any related documents or information
4 requested in such investigations that are within its custody and/or control⁵. Respondent
5 also agrees to make available, upon reasonable notice, any of its employees, owners,
6 officers, and/or directors, to the extent such individuals remain under Respondent's control,
7 to testify at any disciplinary hearings involving the subject cannabis establishment agents.
8 The Parties agree that, should the CCB approve this Stipulation and Order, this
9 Stipulation and Order, and the Complaint in CCB Case No. 2022-68, as well as any
10 information gathered in the Underaged Sale investigation, may be used as evidence at any
11 subsequent disciplinary proceedings and hearings regarding the cannabis establishment
12 agents at issue.

13 23. Communications with CCB Members. NOR RD219 understands that this
14 Stipulation and Order will be presented to the CCB in open session at a duly noticed and
15 scheduled CCB meeting. NOR RD219 understands that the CCB has the right to decide in
16 its own discretion whether or not to approve this Stipulation and Order. The CCB's counsel,
17 which is the Nevada Attorney General and its staff attorneys, will recommend approval of
18 this Stipulation and Order. In the course of seeking CCB acceptance of this Stipulation and
19 Order, counsel for CCB may communicate directly with individual CCB members. NOR
20 RD219 acknowledges that such communications may be made or conducted *ex parte*,
21 without notice or opportunity for NOR RD219 to be heard on its part until the public CCB
22 meeting where this Stipulation and Order is discussed, and that such contacts and
23 communications may include, but may not be limited to, matters concerning this
24 Stipulation and Order, the Administrative Action and any and all information of every
25 nature whatsoever related to these matters. NOR RD219 agrees that it has no objections
26 to such *ex parte* communications. The CCB agrees that NOR RD219 and/or its counsel may
27 appear at the CCB meeting where this Stipulation and Order is discussed and, if requested,

28 ⁵ 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 respond to any questions that may be addressed to NOR RD219 and/or the Nevada
2 Attorney General's staff attorneys. NOR RD219 agrees that, should the CCB decline to
3 approve this Stipulation and Order, NOR RD219 will not contest or otherwise object to any
4 CCB member, and/or CCB appointed hearing officer, hearing and adjudicating the
5 Administrative Action based on the aforementioned *ex parte* communications with anyone
6 from the Nevada Attorney General's Office.

7 **24. Release.** Respondent agrees that the State of Nevada, the CCB, the Office of
8 the Attorney General, and each of their members, staff, attorneys, investigators, experts,
9 hearing officers, consultants and agents are immune from any liability for any decision or
10 action taken in good faith in response to information and data acquired by the CCB.
11 Respondent agrees to release the State of Nevada, the CCB, the Office of the Attorney
12 General, and each of their members, staff, attorneys, investigators, experts, hearing
13 officers, consultants and agents from any and all manner of actions, causes of action, suits,
14 debts, judgments, executions, claims and demands whatsoever, known or unknown, in law
15 or equity, that Respondent ever had, now has, may have or claim to have against any and/or
16 all of the persons, government agencies or entities named in this Paragraph, arising out of,
17 or by reason of, CCB's investigation of the matters set forth in the Complaint, the
18 investigation of the Underaged Sale, the matters set forth in this Stipulation and Order,
19 and/or the administration of CCB Case No. 2022-68.

20 **25. No Precedence.** *Except as otherwise set forth in Paragraph 22, above,*
21 the Parties agree: (1) That this Stipulation and Order shall not constitute a precedent for
22 any other issues or proceedings before the CCB and/or in any other forum, other than those
23 set forth in this Stipulation and Order; (2) That this Stipulation and Order shall not be
24 admissible in any other proceeding or action with respect to proof of fact or any other matter
25 and/or any other licensee and/or cannabis establishment, except proceedings brought to
26 enforce this Stipulation and Order under its terms and/or for the CCB's consideration of
27 future disciplinary action against this Respondent, and except with respect to any
28 disciplinary proceedings against the cannabis establishment agents who participated in

1 and/or perpetrated the acts and omissions set forth in the Complaint and in the Underaged
2 Sale.

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

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

16 27. 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 28. 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 NOR
21 RD219 have read completely and understand fully the terms of this Stipulation and Order,
22 that such terms are fully understood and voluntarily accepted by Respondent in advance
23 of and as memorialized by the signing of this Stipulation and Order, and that the
24 Respondent's signature to this Stipulation and Order indicates same. Respondent further
25 represents that it has voluntarily entered into this Stipulation and Order to make a full,
26 final, and complete compromise upon the terms and conditions set forth herein.
27 Respondent further represents that any releases, waivers, discharges, covenants, and
28 agreements provided for in this Stipulation and Order have been knowingly and voluntarily

1 granted and without any duress or undue influence of any nature from any person or entity.
2 The Parties, and each of them, hereby expressly acknowledge that they are each
3 represented by counsel of their own choice in this matter and have been advised by counsel
4 accordingly.

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

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

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

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

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

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

6 **35. Time is of the Essence.** Time is of the essence in the performance of all terms
7 of this Stipulation and Order.

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

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

22 ///

23 ///

24 ///

25 ///

26 ///

27 ///

28 ///

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

5 

6 _____ Date: 12 August 2022

7 Alicia R. Ashcraft (Nev. Bar No. 6890)
8 Counsel for Respondent NOR RD219

9
10 

11 _____ Date: 12 August 2022

12 (printed name Steve Haffer, CEO),
13 On behalf of Respondent NOR RD219

14 

15 _____ Date: 8/15/2022

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

19 **ORDER**

20 WHEREAS, on the 23rd day of August, 2022, the Nevada Cannabis Compliance
21 Board approved and adopted all the terms and conditions set forth in the Stipulation and
22 Order for Settlement of Disciplinary Action with NOR RD219.

23 IT IS SO ORDERED.

24 SIGNED AND EFFECTIVE this 23 day of August, 2022.

25 STATE OF NEVADA,
26 CANNABIS COMPLIANCE BOARD

27
28 By: 
HON. MICHAEL L. DOUGLAS, CHAIR