BEFORE THE CANNABIS COMPLIANCE BOARD STATE OF NEVADA

STATE OF NEVADA, CANNABIS COMPLIANCE BOARD,

Case No. 2022-104

Petitioner,

|| vs.

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TRYKE COMPANIES SO NV, LLC (C031, RC031),

Respondent.

COMPLAINT FOR DISCIPLINARY ACTION

The Cannabis Compliance Board of the State of Nevada (the "CCB"), by and through its counsel, Aaron D. Ford, Attorney General of the State of Nevada, and L. Kristopher Rath, Esq., Senior Deputy Attorney General, having a reasonable basis to believe that Respondent Tryke Companies SO NV, LLC, under license identification numbers C031 and RC031 ("TRYKE C031" or "Respondent") has violated provisions of Chapters 678A through 678D of the Nevada Revised Statutes ("NRS"), and the Nevada Cannabis Compliance Regulations ("NCCR"), hereby issues its Complaint, stating the CCB's charges and allegations as follows:

JURISDICTION

1. During all relevant times mentioned in this Complaint, TRYKE C031 held, and currently holds, the following relevant licenses:

3	ID	Licenses	Last Issued / Renewed	Address
	C031	Medical Cultivation	6/3/2022	
3	Decot	89742177109335581723	0/10/00/00	
7	RC031	Adult-use Cultivation 29717689414536890016	6/19/2022	

2. During all relevant times mentioned in this Complaint, TRYKE C031 is and was registered as a domestic limited liability company in the State of Nevada. The Nevada

Secretary of State lists Seacoast Investments Fund II, LLC, as the Managing Member. Brett Scolari is listed as the Point of Contact for TRYKE C031 with the CCB.

3. As TRYKE C031 holds its relevant licenses with the CCB, it is subject to NRS Title 56 and the NCCR for the violations asserted herein. Therefore, TRYKE C031 is subject to the jurisdiction of the CCB and subject to discipline pursuant to NRS 678A through 678D and the relevant provisions of the NCCR.

4. Pursuant to NRS 678A.500 and 678A.510(1), the CCB's Executive Director has transmitted the details of the suspected violations of TRYKE C031 to the Attorney General and the Attorney General has conducted an investigation of the suspected violations to determine whether they warrant proceedings for disciplinary action. The Attorney General has recommended to the Executive Director that further proceedings are warranted, as set forth in this CCB Complaint. The Executive Director has transmitted this recommendation and information to the CCB. Pursuant to NRS 678A.510(2)(b), the CCB has voted to proceed with appropriate disciplinary action under NRS 678A.520 through 678A.600. Pursuant to NRS 678A.520(1), the CCB's Executive Director has authorized service of this Complaint upon Respondent.

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FACTUAL ALLEGATIONS

5. CCB incorporates all prior Paragraphs as though fully set forth herein.

6. On or about June 16, 2022, the CCB's staff conducted an investigation (Investigation No. C031-06) of the TRYKE C031 medical and adult-use cultivation facility (the "Facility") located at **Sector 100** Nevada. This investigation was initiated due to allegations that the Facility was in possession of cannabis seeds from unauthorized sources. The CCB agents conducting this investigation were Keoki Allen, Meiny Trisno and Marvin Taylor (the "CCB Agents").

7. During the course of Investigation No. C031-06, the CCB agents found that the Facility had purchased 63 packages of cannabis seeds from online cannabis seed banks during at least the time period from October 2020 to July 2021, despite the fact there are no cannabis seed banks located in Nevada or holding Nevada issued cannabis establishment licenses. Specifically, the following 63 packages of cannabis Tryke C031 improperly acquired and held in inventory were as follows:

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		Seeds' Identifiers	# of Seeds
	1	Purple Alien - Purple Kush Female Short x Alien White Fire Male - Tall	6
	2	Golden Grapes - Sour Grapes x Chem / Sour Male - F4 - IBL	10
	3	Golden Grapes - Sour Grapes Female x Sour Cream Male - F4 - IBL	10
	4	Lemon Larry x Gorilla Glue # 4	21
	5	Purple Alien - Purple Kush Short Female x Alien Fire White Male Tall - F1	10
	6	Fire Grapes - White Fire Male Tall	50
	7	Purple Kush - Purple Kush Tall Male x Purple Kush Short Female - F75	10
	8	DNA Genetics - Double Allien 18 (Feminised)	5
	9	Royal Creeme Cracker	6
ſ	10	Expert Seeds	8
	11	Einstein's Pipe	13
	12	Gamma Berry - Bruce Banner # 5 x Strawberry Diesel	2
	13	Franco's Lemon Cheese	1
	14	Skunk House - Modified Banana - Dirty Buntz - Runtz x Modified Banana	7
	15	Skunk House - Modified Banana - Gello Banana - Gello x Modified Banana	7
	16	Skunk House - Modified Banana - Tropical Infusion - Trop Cookies x Modified Banana	8
	17	Skunk House - Modified Banana - Filthy Animal - 09 Animal Cookies x Modified Banana	8
	18	Funk-fetti - Wedding Cake x Modified Banana	7
	19	Las Vegas Sour Bubba - SinCitySeeds	4
	20	Sour ThanoZ - Sour Diesel x (Zkittlez x Bitch Slap)	0
	21	Pakalolo Seed - Wahine Ilikea	2
	22	Chem 91 SH VA	6
	23	Reserva Privada - Purple Wreck - Fem	1
	24	SinCitySeeds - Banana OG x Blue Power x Ice Cream Banana	15
$\ $	25	SinCity Seeds - Luxor - Triangle Kush x SinMint Cookies	4

1		26	Sour Grape - BOG Grape Punch x BOG Sour Bubble	9
2		27	Balkh - Afghan Selection	7
3		28	Banana Krumble	5
4		29	ExoticGenetix - Slippery Susan	5
5		30	Freebies Orangina	1
6		31	Banana Loaf - The Plug	6
7		32	Strawberry Ice - The Bulldog Seeds	5
8		33	BCBD - BC Hash Plant	6
9		34	ExoticGenetix - Dole Whip	6
10		35	Chem Lem - Dark Horse Genetics	5
11		36	Skywalker Haze - Feminized Seeds / Classics	10
12		37	Lazar 115 - Dark Horse Genetics	6
13		38	Purp Skurp - Archive Seed Bank	12
14		39	Triangle Kush F1 - Triangle Kush x Pakistani Chitral Kush	2
15 16		40	Sweet Pink - Second Generation Genetics	5
10		41	Recoil - 4516 x BlowBack	6
18		42	Tahoe Genetix - Grape Pie x Dosi Dos	5
10		43	ExoticGenetix - The Labyrinth	6
20		44	BlueBerry F5	8
21		45	Green Team Genetics - F2 cherry pie (clone only) X i95 - Hemp Seeds	5
22		46	DJ Short Seeds - Velvet Krush	5
23		47	Plumberry Kush - Purple Unicorn x DJ Short F4 Blueberry	8
24		48	Tristar Pebbles - Sodium Sunburn - Triangle Kush x Stardawg - Green Team Cooki Pebbles	10
25		49	EnvyGenetics - Sunset Slurrbert - Slurricane x CaliSunset	10
26		50	Jupiter OG Kush	3
27		51	GhostBreath - ThugPug Genetics	4
28		52	BC Cheese - BCBD - R-12	6

	53	Limonene Queen - Chernobyl x DJ Short F4 Blueberry	12
	54	LifeSaver - My 1st Truly Medical Strain - BOG Bubble X Jacks Cleaner X Blueberry	8
	55	SourPez - Regular - laplatalabs.com	2
	56	Purple Apricot - Purple Punch X Legend Orange Apricot F2 - Compound Genetics Seed Bank	3
	57	Symbiotic Genetics - Mimosa - Clementine x Purple Punch F2	10
	58	Rozay - Hand Grenade	10
	59	Secret Society Seed Co - Canis Majoris - Star Killer x 195 StarDawg	7
	60	Disco Jelly - Monkey Disco X Apricot Jelly - Taurus Genetics	15
ľ	61	Relentless Genetics - Cold Smoke	5
	62	ExoticGenetix - Citrus Berry	6
ĺ	63	ExoticGenetix - Meltdown	6
		8. Of the 63 packages of cannabis seeds set forth in Paragraph 7, a 1 was unable to provide acquisition documentation for the follov usitions:	
		1 was unable to provide acquisition documentation for the follow	
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	acqu 1 2 3 4 5	1 was unable to provide acquisition documentation for the follow disitions: Seeds' Identifiers Lemon Larry x Gorilla Glue # 4 Fire Grapes - White Fire Male Tall DNA Genetics - Double Allien 18 (Feminised) Sweet Pink - Second Generation Genetics Tahoe Genetix - Grape Pie x Dosi Dos	ving 25 see # of Seeds 21 50 5 5 5
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	acqu 1 2 3 4 5 6 7	1 was unable to provide acquisition documentation for the follow uisitions: Seeds' Identifiers Lemon Larry x Gorilla Glue # 4 Fire Grapes - White Fire Male Tall DNA Genetics - Double Allien 18 (Feminised) Sweet Pink - Second Generation Genetics Tahoe Genetix - Grape Pie x Dosi Dos The Labyrinth - ExoticGenetix BlueBerry F5	ving 25 see # of Seeds 21 50 5 5 6 8
	acqu 1 2 3 4 5 6 7 8	1 was unable to provide acquisition documentation for the follow uisitions: Seeds' Identifiers Lemon Larry x Gorilla Glue # 4 Fire Grapes - White Fire Male Tall DNA Genetics - Double Allien 18 (Feminised) Sweet Pink - Second Generation Genetics Tahoe Genetix - Grape Pie x Dosi Dos The Labyrinth - ExoticGenetix BlueBerry F5 Velvet Kush - DJ Short Seeds	ving 25 see # of Seeds 21 50 5 5 6 8 5 6 8 5

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1		12	Meltdown - ExoticGenetix	6
2		13	Purple Alien - Purple Kush Female Short x Alien White Fire Male - Tall - F1 High THC - Regular Seeds	6
3		14	Golden Grapes - Sour Grapes x Chem / Sour Male - F4 - IBL - Regular Seeds	10
4		15	Golden Grapes - Sour Grapes Female x Sour Cream Male - F4 - IBL - Regular Seeds	10
5		16	Purple Alien - Purple Kush Short Female x Alien Fire White Male Tall - F1	10
6 7		17	Purple Kush - Purple Kush Tall Male x Purple Kush Short Female - F75 - Regular Seeds - IBL	10
8		18	Gamma Berry - Bruce Banner # 5 x Strawberry Diesel	2
9		19	Reserva Privada - Purple Wreck - Fem	1
10		20	Sour Grape - BOG Grape Punch x BOG Sour Bubble	9
11		21	Triangle Kush F1 - Triangle Kush x Pakistani Chitral Kush	2
12		22	Recoil - 4516 x BlowBack	6
13		23	Purple Apricot - Purple Punch X Legend Orange Apricot F2 - Compound Genetics Seed Bank	3
14		24	Symbiotic Genetics - Mimosa - Clementine x Purple Punch F2	10
15		25	Citrus Berry - ExoticGenetix	6

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9. The CCB Agents conducted further research on the origins of the 25 items listed in Paragraph 8, above, and found that the following items listed in Paragraph 8 above did not originate within the State of Nevada:

Seeds Identifier	Origin
DNA Genetics - Double Allien 18 (Feminised)	Netherlands
ExoticGenetix - The Labyrinth	Washington
ExoticGenetix – Meltdown	Washington
ExoticGenetix – Dole Whip	Washington
ExoticGenetix - Citrus Berry	Washington
DJ Short Seeds - Velvet Krush	Oregon
SourPez - Regular - laplatalabs.com	Colorado
ThugPug Genetics - GhostBreath	Michigan

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10. Additionally, during the course of Investigation No. C031-06, TRYKE C031, through its Inventory Control & Compliance Manager, Terrence Whittier ("Mr. Whittier") provided false statements to the CCB Agents regarding TRYKE C031's acquisition of the cannabis seeds found on site at the Facility. Specifically, Mr. Whittier told CCB Agents¹ that the Purchasing and Procurement Manager TRYKE C031 employed (the "PPM"), was the medical patient who acquired and donated the cannabis seeds found at the facility on or about June 16, 2022². The CCB Agents interviewed the PPM on or about June 30, 2022. Contrary to Mr. Whittier's statements to the CCB Agents, the PPM confirmed that she purchased cannabis seeds on behalf of TRYKE C031 using TRYKE C031's business funds via money orders, company debit cards, and/or checks that TRYKE C031 issued. The PPM never used her own personal funds to purchase said cannabis seeds, so she did not donate said seeds to TRYKE C031. The PPM further confirmed that her purchases on behalf of TRYKE C031 were obtained from seed banks and shipped directly to TRYKE C031. The PPM also stated the cannabis seeds for which there were no acquisition documents were complimentary seeds from the seed banks due to repeated purchases from them. Additionally, the PPM did not receive her medical marijuana patient registry card until January 5, 2021, and had purchased some of the aforementioned seeds prior to that date.

VIOLATIONS OF LAW

11. CCB incorporates all prior Paragraphs as though fully set forth herein.

12. As to licenses C031 and RC031, Respondent violated NRS 678C.410(2), NCCR 6.080(2), and NCCR 4.035(1)(a)(13) & (15), and NCCR 4.040(1)(a)(10), by purchasing cannabis not found in the seed-to-sale tracking system, storing cannabis from an unlicensed source, and purchasing cannabis from an unapproved source. Specifically, as set forth in Paragraphs 7 through 10, above, Respondent acquired cannabis seeds from seed banks outside the State of Nevada that were not licensed by the State of Nevada and held said seeds in its inventory. These acts constitute 63 separate Category I violations under

^{&#}x27; || ¹ Via an email on or about June 27, 2022.

^{8 &}lt;sup>2</sup> NRS 678C.410(2) allows a medical cultivation facility to acquire cannabis from a person who holds a valid registry identification card, though such person must receive no compensation for the cannabis (although a single sale of cannabis plants is allowed to a cultivation facility). NRS 678C.410(2).

4.035(1)(a)(13) & (15), which carries a civil penalty of \$90,000 and requires NCCR revocation of licenses C031 and RC031. NCCR 4.035(2)(a)(1) & (2). These acts also constitute 63 separate Category II violations under NCCR 4.040(1)(a)(10), which carries 4 civil penalties of \$100,000 and requires revocation of licenses C031 and RC031. NCCR 4.040(2)(a). In the alternative, should the CCB find these acts constitute a single Category I violation and a single Category II violation, then they would carry a civil penalty of \$115,000 and a suspension of up to 50 days, or revocation, of licenses C031 and RC031. NCCR 4.035(2)(a)(1) and NCCR 4.040(2)(a)(1).

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9 As to licenses C031 and RC031, Respondent violated NCCR 4.035(1)(a)(3) by 13. 10 making an intentionally false statement to the Board or Board Agents. Specifically, as set 11 forth in Paragraph 10, above, Respondent's employee and/or agent Terrence Whittier 12 falsely stated to Board agents that the cannabis seeds obtained from unauthorized sources 13 were actually donated by a medical patient, Tryke C031's PPM, according to NRS 14 678C.410(2), when, in fact, the PPM had not donated said seeds, but rather purchased said 15 seeds with TRYKE C031 funds. Moreover, as detailed above, the PPM was not even a 16 registered medical patient at the time she purchased some of the seeds. These acts and omissions constitute a second Category I violation, which carries the requirement of 18 revocation of licenses C031 and RC031. NCCR 4.035(2)(a)(2). In the alternative, should the acts and omissions set forth in this Paragraph be found to be unintentional, then they constitute a Category II violation under NCCR 4.040(1)(a)(1), which would require revocation of licenses C031 and RC031, due to the multiple Category II violations set forth in Paragraph 12. NCCR 4.040(2)(a)(3). At the very least, the violations set forth in this Paragraph would constitute a second Category II violation, which carries a civil penalty of \$100,000 and a suspension of licenses C031 and RC031 for up to 50 days. NCCR 4.040(2)(a)(3).

26 14. The CCB reserves its rights to pursue any separate disciplinary actions 27 against the individual agent cards of the employees and/or agents of Respondent who $\mathbf{28}$ participated in and/or perpetrated the acts and omissions set forth in this Complaint.

1	DISCIPLINE AUTHORIZED
2	Pursuant to the provisions of NRS 678A.600, NCCR 4.020, NCCR 4.030, NCCR 4.035
3	through 4.060, and NCCR 5.100, the CCB has the discretion to impose the following
4	disciplinary actions:
5	1. Revoke licenses C031 and RC031;
6	2. Suspend licenses C031 and RC031;
7	3. Impose a civil penalty of not more than \$90,000 for each separate violation of
8	NRS Title 56 and the NCCR on C031 and RC031; and
9	4. Take such other disciplinary action as the CCB deems appropriate.
10	The CCB may order one or any combination of the discipline described above.
11	RELIEF REQUESTED
12	Based on the foregoing, counsel for the CCB respectfully requests the CCB impose
13	the penalty of revocation against licenses C031 and RC031. In addition, counsel for CCB
14	requests the CCB impose civil penalties against TRYKE C031's licenses C031 and RC031
15	in the amount of \$190,000.
16	NOTICE TO RESPONDENT
17	PLEASE TAKE NOTICE, that Respondent has a right to request a hearing on the
18	charges set forth herein, pursuant to NRS 678A.510 through 678A.590. Failure to
19	demand a hearing constitutes a waiver of the right to a hearing and to judicial
20	review of any decision or order of the Board, but the Board may order a hearing
21	even if the respondent so waives his or her right. NRS 678A.520(2)(e).
22	PLEASE TAKE NOTICE, you, as the respondent, must answer this Complaint
23	within 20 days after service of this Complaint, unless granted an extension. Pursuant
24	to NRS 678A.520(2), in the answer Respondent:
25	(a) Must state in short and plain terms the defenses to each claim asserted.
26	(b) Must admit or deny the facts alleged in the complaint.
27	(c) Must state which allegations the respondent is without knowledge or information
28	form a belief as to their truth. Such allegations shall be deemed denied.
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(d) Must affirmatively set forth any matter which constitutes an avoidance or affirmative defense.

(e) May demand a hearing. Failure to demand a hearing constitutes a waiver of the right to a hearing and to judicial review of any decision or order of the Board, but the Board may order a hearing even if the respondent so waives his or her right.

Failure to answer or to appear at the hearing constitutes an admission by the respondent of all facts alleged in the Complaint. The Board may take action based on such an admission and on other evidence without further notice to the respondent. NRS 678A.520(3).

The Board shall determine the time and place of the hearing as soon as is reasonably practical after receiving the Respondent's answer. The Board shall deliver or send by registered or certified mail a notice of hearing to all parties at least 10 days before the hearing. The hearing must be held within 45 days after receiving the respondent's answer unless an expedited hearing is determined to be appropriate by the Board, in which event the hearing must be held as soon as practicable. NRS 678A.520(4).

Respondent's answer and Request for Hearing must be either: mailed via registered
mail, return receipt; or emailed to:

Tyler Klimas, Executive Director Cannabis Compliance Board
700 East Warm Springs Road, Ste. 100 Las Vegas, Nevada 89119 tklimas@ccb.nv.gov

If served by email, Respondent must ensure that it receives an acknowledgement of receipt
 email from CCB as proof of service. Respondent is also requested to email a copy of its
 Answer to the Senior Deputy Attorney General listed below at <u>lrath@ag.nv.gov</u>.

As the Respondent, you are specifically informed that you have the right to appear and be heard in your defense, either personally or through your counsel of choice at your own expense. At the hearing, the CCB has the burden of proving the allegations in the Complaint. The CCB will call witnesses and present evidence against you. You have the

	wight to uppen and to present relevant avidence and composition all issues involved. You
1	right to respond and to present relevant evidence and argument on all issues involved. You
2	have the right to call and examine witnesses, introduce exhibits, and cross-examine
3	opposing witnesses on any matter relevant to the issues involved.
4	You have the right to request that the CCB issue subpoenas to compel witnesses to
5	testify and/or evidence to be offered on your behalf. In making this request, you may be
6	required to demonstrate the relevance of the witness's testimony and/or evidence.
7	If the Respondent does not wish to dispute the charges and allegations set forth
8	herein, within 30 days of the service of this Complaint, Respondent may pay the civil
9	penalties set forth above in the total amount of \$190,000 and surrender licenses C031 and
10	RC031 on notice to:
11	Tyler Klimas, Executive Director
12	Cannabis Compliance Board 700 East Warm Springs Road, Ste. 100
13	Las Vegas, Nevada 89119
14	YOU ARE HEREBY ORDERED to immediately cease the activity described above
15	which is a violation of Nevada law.
16	DATED: August 1, 2022.
17	STATE OF NEVADA, PANNABIS COMPLIANCE BOARD
18	l'a Al.
19	By: Tyler Klimas, Executive Director
20	700 East Warm Springs Road, Ste. 100 Las Vegas, Nevada 89119
21	(702) 486-2300
22	AARON D. FORD
23	Attorney General
24	By: MIS Reach
25	L. Kristopher Rath (Bar No. 5749) Senior Deputy Attorney General
26	555 E. Washington Ave, Suite 3900 Las Vegas, Nevada 89101
27	(702) 486-3420
28	Attorneys for the Cannabis Compliance Board
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	Certified Mail: 7014 2870 0001 8497 8703
1	DECLARATION AND CERTIFICATE OF SERVICE OF COMPLAINT FOR DISCIPLINARY ACTION
2	(Service via Mail)
3	I, Amber Virkler, hereby certify and affirm that:
4	1. I am over the age of 18 years old.
5	2. I am a Board Agent of the Cannabis Compliance Board ("CCB"), as defined in NCCR
6	1.068.
7	3. Pursuant to NRS 678A.520 and NCCR 4.075, I have served the Respondent herein with
8	the Complaint for Disciplinary Action ("Complaint") in the above captioned matter as
9	follows:
10	By placing a true and correct copy of the Complaint to be deposited for mailing in
11	the United States Mail in a sealed envelope via registered or certified mail, prepaid
12	in Las Vegas, Nevada, to Respondent's point of contact with the CCB under NCCR
13	2.050 at Respondent's address on file with the Board as follows:
14	Name of point of contact served: Brett Scolari
15	Address on file with CCB:
16	Date of Service: _August 2, 2022
17	I declare under penalty of perjury that the foregoing is true and correct.
18	Executed onAugust 2, 2022
19	(date) (signature)
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21	
22	cc: Brett Scolari via email at
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