

# **Nevada Cannabis Compliance Board**

## **Meeting Minutes April 25, 2023**

The Nevada Cannabis Compliance Board (CCB) held a public meeting at 555 East Washington Ave, Room 2450, Las Vegas, Nevada and 1919 College Parkway, Meeting Room 100, Carson City, Nevada beginning at 9:00 a.m. on April 25, 2023.

### **Cannabis Compliance Board Members Present:**

**Michael Douglas, Chair**  
**Jerrie Merritt**  
**Riana Durrett**  
**Bryan Young**  
**Adriana Guzmán Fralick**

**Chair Douglas called the meeting to order, and Executive Director Tyler Klimas took roll.** Chair Douglas, Member Durrett, and Member Merritt were present in Las Vegas. Member Young and Member Guzmán Fralick were present in Carson City.

### **I. Public Comment**

Christopher Stokes stated he was a legacy operator and spoke in regard to the public workshop that was held the previous week. Mr. Stokes said that he was both negatively and positively impacted by the war on drugs and the legalization of cannabis; the legalization of cannabis has crushed the legacy market. Mr. Stokes stated that the legislature burdened the CCB with good intentions but little direction. Mr. Stokes commended the Board for trying to get it right and added that the legacy market did not have a voice in the conversations. Mr. Stokes thought that cannabis lounges were a way forward but recommended taking a step back and reevaluate the goals of the Legislature. Mr. Stokes asked that legacy members of the industry be included in the subcommittees and Board.

### **II. Meeting Minutes**

#### **A. Consideration for approval of the March 28, 2023, Cannabis Compliance Board Meeting minutes.**

Chair Douglas asked for a motion on the meeting minutes. Member Durrett made a motion to approve the meeting minutes. Member Merritt seconded the motion. There was no additional discussion. All Members said aye. Motion carried.

### **III. Consent Agenda**

#### **A. Complaints**

##### **1. Approval to Proceed with Disciplinary Action – Respondent A**

Executive Director Klimas presented the complaint that was reviewed by the Attorney General and requested Board approval to proceed with disciplinary action and authorize service of the complaint.

As to Respondent A, the complaint alleged violations of NCCR 4 and NCCR 10.

Chair Douglas noted that the Board has not seen the complaint but the Attorney General has recommended proceeding with disciplinary action. Member Young made a motion for approval. Member Merritt seconded the motion. Member Durrett commented that she would vote “no” as she did not think the Board should proceed with discipline when the process may change by Legislature. Chair Douglas noted that if new legislation was passed, it could go into effect upon passage or at a later date. Chair Douglas called for a vote. Member Young, Member Guzmán Fralick, Member Merritt, and Chair Douglas said aye. Member Durrett said nay. Motion carried.

#### **IV. Request for Consideration of Approval of Charles A. Schultz, Jr., as Receiver for NNV Operations I, Inc. d/b/a Silver State Trading (C141, RC141, P091, RP091) due to incapacitation of current Receiver, Larry Bertsch.**

Senior Deputy Attorney Emily Bordelove presented the matter to the Board noting that Receiver Larry Bertsch passed away the week prior. The licensee has a pending disciplinary matter that is currently stayed. Mr. Bertsch’s counsel and the petitioner’s counsel filed a petition with the court to appoint Mr. Schultz as Receiver due to Mr. Bertsch’s medical condition on April 12, 2023. The court approved the petition on April 17, 2023, subject to CCB approval. Mr. Schultz submitted his application, and a request was made to expedite this matter for Board approval.

Candace Carlyon appeared as counsel for the Receiver. Jeffrey Barr and Alicia Ashcraft appeared on behalf of NNV Operations. Charles Schultz was available to answer questions. Ms. Carlyon provided the reasons why she recommended Mr. Schultz as Receiver, including his work in risk management, position as CRO [Chief Restructuring Officer] of the credit management association where he assisted in the liquidation of dozens of companies, and was CFO of a large bank.

Mr. Barr stated that NNV Operations had been run very badly and owed many creditors when the managers resigned. Mr. Bertsch took control of the company’s finances, made provisions for creditors, negotiated a proposed pending settlement agreement of the disciplinary matter and found a buyer for NNV Operations. Mr. Bertsch put together the team that has been working on these matters. The team included Richard Kleikamp overseeing financial operations, Ms. Carlyon as Receiver’s counsel, Ed Alexander as day-to-day operator, and Ms. Ashcraft as licensing and regulator counsel. This team recommended Mr. Schultz to complete Mr. Bertsch’s work. Mr. Barr pointed to NRS 678B.355 that sets the qualifications for a cannabis receiver and noted that receiver statutes are in lieu of federal bankruptcy proceedings. Mr. Barr addressed subsection 2(e) which allowed for discretion from the Board on proof satisfactory for receiver, similar to bankruptcy judges using discretion. The position of CRO is the functional equivalent of a receiver in bankruptcy and Mr. Schultz has extensive experience in this regard. Mr. Barr addressed subsection 1, experience in or knowledge of the cannabis industry, and agreed that Mr. Schultz did not have direct experience in this industry. However, the team assembled by Mr. Bertsch will remain in place and those persons have extensive experience in cannabis. Without the appointment of Mr. Schultz, NNV Operations will go back to where it was with no ability to repay the Department of Taxation.

Charles A. Schultz, Jr. thanked the Board for the opportunity to be there. Mr. Schultz stated he had been working in the turnaround industry for twenty years, worked with challenged companies for over twenty-five years, and worked on around fifty cases during that time. Mr. Schultz stated he had worked in retail, construction, and manufacturing industries.

Member Guzmán Fralick asked for the status on the purchase and sale agreement. Ms. Carlyon responded that a draft was circulated for signature and once the Receiver is appointed, it can be finalized for approval by the state court and the Board. Mr. Barr added that the sale agreement was conditioned upon successful resolution of the disciplinary matter before the Board.

Member Durrett asked what happened to the Suttons. Mr. Barr responded that there was no contact with the Suttons once they resigned; they have no involvement and would have no equity as the deal goes through. Member Durrett added that there should be a condition added if the team falls through, that the Receiver would come before the Board.

Chair Douglas noted that Mr. Schultz was appointed by Court subject to Board approval but does not have Receiver experience but equivalent experience and does not have a cannabis background but transferrable skills. Chair Douglas noted that the team in place has the cannabis experience. Chair Douglas added there was a requirement to make monthly reports to the Board. Chair Douglas was concerned if Mr. Schultz had familiarity with the laws and rules related to cannabis. Mr. Schultz responded affirmatively.

Member Durrett made a motion to approve the appointment of Mr. Schultz as the Receiver for NNV Operations pursuant to CCB requirements on receivership with the condition that if there is a significant or material change to the team, the Receiver will proactively bring that to the Board's attention. Member Merritt seconded the motion. Chair Douglas asked if Mr. Schultz had applied to the Board. Mr. Barr responded that Mr. Schultz had submitted agent card applications. All Board Members said aye. Motion carried.

**V. Consideration for Final Approval of the Conditional Lifting of the Summary Suspension**  
**A. Helping Hands Wellness Center, Inc. (C147, RC147, P092, RP092) (Case No. 2023-05)**

Senior Deputy Attorney General Emily Bordelove stated the Board was considering final approval for the conditional lifting of the summary suspension of Helping Hands Wellness Center and provided background on the matter. Ms. Bordelove explained that during the course of inspection and investigation, Board agents discovered improper storage of cannabis, incomplete surveillance coverage, employees concealing cannabis, employees discussing plans to conceal cannabis and plans to return to the facility after Board agents left to remove cannabis from the facility, and concerns regarding the key card access system. The Board approved a summary suspension at an emergency board meeting on January 24, 2023, due to the immediate threat to public health and welfare. Helping Hands submitted plans of correction and on February 24, 2023, the CCB approved the 4<sup>th</sup> amended plan of correction. Helping Hands was allowed to reopen after a 34-day suspension.

Jared Kahn appeared on behalf of the Helping Hands Wellness Center. Klaris Terteryan, owner, and Alfred Terteryan were available for questions. Mr. Kahn stated that it was an unfortunate circumstance where employees went rogue while Mr. Terteryan was not present due to illness. Those employees are no longer employed with the facility; the facility was up and running and would be compliant going forward. Mr. Kahn thanked the staff for their assistance.

Chair Douglas noted the plan of correction indicated the employees at issue had been terminated and trainings reinstated; a licensee is only as good as its employees. Mr. Kahn stated they understood that they were responsible.

Member Guzmán Fralick asked for Zachary's employment status. Mr. Kahn responded that he had been terminated and would no longer be employed by the entity. Chair Douglas two employees were terminated.

Member Durrett made a motion for final approval of the lifting of the summary suspension of Helping Hands Wellness Center. Member Merritt and Member Young seconded the motion. Chair Douglas noted that the motion does not eliminate that any possible disciplinary action may occur. All Board Members said aye. Motion carried.

## **VI. Request for Transfer of Interest**

Chief of Investigations David Staley presented the transfers of interest to the Board.

### **A. Greenway Medical LLC (TOI# 21040) (C018, RC018, T040)**

Chief Staley stated TOI 21040 requested approval for four existing members of Greenway Medical to purchase the 9.5% membership of Christopher Fresquez who is leaving the cannabis industry. Greenway request waivers of NCCR 5.110 pursuant to 5.112 and 5.125. Greenway has adequately addressed the items required to allow the Board to approve such waivers. Staff suggest that if approved, the waivers be set to expire on Greenway's next TOI agenda date. No areas of concern were identified.

Amanda Connor appeared on behalf of Greenway Medical. Dustin Vena, one of the owners, was also available. Ms. Connor requested approval and was available for questions.

Chair Douglas asked if there were any questions and noted there were no areas of concern. There were no questions from the Board.

Member Durrett made a motion to approve the requested transfer of interest for Greenway Medical under agenda item VI A, and the requested waiver of NCCR 5.110 granted and set to expire the next time a Greenway TOI was on the agenda. Member Young seconded the motion. All Members said aye. Motion carried.

### **B. Polaris Wellness Center L.L.C. (TOI# 210012) (C168, RC168, P114, RP114, T068, RD636)**

Chief Staley stated Polaris Wellness Center was a vertically integrated company that filed TOI 210012 for the return of membership interest back to Polaris due to a settlement agreement with two existing members, Robert Johnson and Fredrik Nielsen, and a redistribution of membership to existing members. Polaris requested waivers of NCCR 5.110 pursuant to NCCR 5.112 and 5.125. If approved the requirements for prior Board approval of transfers of less than 5% of Polaris's ownership and agent card requirements for owners of less than 5% will be waived. Polaris has adequately addressed the items required to allow such waivers, and staff suggest that if approved, the waivers be set to expire on Polaris's next TOI agenda date. Staff identified an area of concern regarding this TOI because Johnson's and Nielsen's membership interests returned back to the company on March 31, 2022, two months before Polaris filed its TOI application. After a dispute and related lawsuit, Johnson and Nielsen entered into a settlement agreement providing for Johnson and Nielsen to abandon their shares in Polaris. Polaris indicated that the abandoned interest converted to treasury membership interest which is an unapproved TOI. Chief Staley added that the company's shareholder equity increased commensurate with the return of Johnson and Nielsen's membership interest. Polaris indicated

that the transfer was not applicable as there was no personal transferee. Chief Staley indicated that a transfer did occur as “person” is defined in NCCR 1.137.

Tisha Black and Paul Larsen appeared on behalf of Polaris. Lee McCue, a principal of Polaris, was present and available for questions. Ms. Black stated that it had been a battle for the last 15 months and provided background information to the Board. There had been five members initially and then the members began to fight amongst themselves which led to lawsuits filed. The parties agreed to a tolling agreement and worked on restructuring the debt. Mr. Johnson elected to quit his membership due to a custody issue; Mr. Nielsen decided to quit as well. Ms. Black stated that none of the laws and regulations fit her fact pattern and reached out to the CCB. Mr. Johnson and Mr. Nielsen were gone effective March 31. Ms. Black had no control over those parties but tried to put together a solution that worked for everyone. Ms. Black stated there was a difference whether a membership was vacated or sold and argued that there was no membership sold in this case; the consideration was done in the settlement of the lawsuit and there was no change to membership percentages. Ms. Black explained the reasons behind the timing of events and added that she had been proactive, transparent, and open in the work she was doing. Ms. Black admitted she was not cooperative in regard to certain matters regarding the conditional TOI and detailed the records she provided to the CCB. Ms. Black stated that it has been a difficult and costly process asked for the Board to consider and approve the transfer of interest.

Chair Douglas noted that this is a regulated industry and when you start moving things around in ownership, it tends to be a transfer. Chair Douglas did not have a problem with the transfer but had concerns about what occurred and contemplated referring the matter back to staff.

Member Durrett asked for clarification on the timeline and the six weeks that lapsed before the TOI was filed. Ms. Black responded that she was in contact with staff during this time and they knew that she was trying to get the signatures of the two members that vacated, eventually giving up and having the remaining members sign the forms. Member Durrett commented that it was hard to believe that someone would walk away from their interest, but she has seen it happen. Ms. Black noted that there were reasons why they walked away.

Member Durrett asked what the licensee could have done other than put it in treasury stock, kind of like an escrow, and noted that the regulations need to be a bit flexible. Chief Staley stated that he and Ms. Black discussed the transactions and potential options several times in March. Chief Staley’s position was that the shares transferred from the owners to the company. Member Durrett asked for additional information on an escrow account. Chief Staley responded that with an escrow account, the funds are restricted and neither the owner nor the company had access. Ms. Black noted that there were no certificates to escrow, under the NRS a distribution of equity could not be done, and the current operating agreement does not allow the transfer of shares unless all five members agree. Ms. Black explained that the situation her clients were in did not work with any of the regulations or statutes in place.

Chair Douglas appreciated that Ms. Black tried to find a solution but noted that it was important to one of the members to be able to testify on the record that they had no interest in cannabis because of a child. Chair Douglas did not have a problem with the TOI going forward but there is the issue of what occurred and was there a violation, sufficient mitigating factors to have no penalty or minor penalty.

Member Guzmán Fralick asked to confirm that based on a settlement agreement between the owners, two of the members have relinquished any property rights to the company and nothing has transferred, or have any assets transferred. Ms. Black responded that no assets have been transferred in relation to the abandonment of the membership shares. Chief Staley noted that the letter of March 14, 2022, indicated that the shares would be voluntarily relinquished back to the company as of March 31, 2022, and understood that to mean there was a transfer of interest from the individuals to the company. Ms. Black responded that they were treasury shares that no one owned and there were no physical certificates to put in escrow; it was not owned by a person but rather a company. Ms. Black argued that “person” in NCCR 5.110 was not capitalized as in NCCR 1.137 and explained how she has tried to work through this with Chief Staley.

Chair Douglas noted that Ms. Black has attempted to resolve this, and parties have provided all of their materials. Chair Douglas asked questions from the Board.

Member Young asked about Mr. Nielsen, noting that he abandoned his 20% but then was back on the list at 10%. Member Young asked for an explanation of what happened with Mr. Nielsen’s interest. Ms. Black explained that as part of the settlement the interest was abandoned which has specific tax consequences and noted there was a value to that. Chair Douglas asked for a simple answer on whether there was consideration for the new 10%. Ms. Black responded that when settling the lawsuit, Mr. Johnson was paid in cash and Mr. Nielsen took back the note. The note was not paid, so instead of suing again, Mr. Nielsen came back in for membership because it has taken so long..

Member Durrett commented that a title company would probably not have taken this on.

Chief Staley reminded the Board that Polaris also requested Reg 5 waivers.

Member Durrett noted that staff flagged that the settlement agreement could have been a way around the transfer rules; in this case, it is not clear what to do in an abandonment and they were in contact with staff. Member Durrett did not think there was another way they could have handled this.

Member Durrett made a motion to approve the transfers of interest and the requested waivers under NCCR 5.110 pursuant to NCCR 5.112 and NCCR 5.125 set to expire at the next TOI agenda date. Chair Douglas commented that he would not support the motion and noted there was an intent to divest in order to make a true statement to a court of law. Chair Douglas had a problem with that and noted the manipulation and consideration, the TOI request was not submitted when they divested, the 10% and 20% difference, and there is not a clear answer on whether anything was paid or given consideration for payment. Member Guzmán Fralick seconded the motion. There was discussion to further clarify the record. Chair Douglas called for a vote. Member Durrett and Member Guzmán Fralick said aye. Member Young, Member Merritt, and Chair Douglas said nay. Motion failed.

Chair Douglas made a motion to approve the transfers of interest and the waivers under NCCR 5.110 and refer the matter back to staff for review to determine if there were violations and mitigating factors. Member Merritt seconded the motion. There was additional discussion from the Board regarding the motion. Member Durrett requested an amendment to the motion to not refer the matter back to staff. Chair Douglas did not accept the amendment to the motion.

All Board Members said aye. Motion carried.

**C. Mesa Oils, LLC (TOI# 2200024, 2200032, 2200034) (P073, RP073) and MA Analytics LLC**

Chief Staley stated the TOI applications were filed to correct errors in reported ownership of RKA Investments, LLC and for new transfers whereby ownership of George Canelo and Harris Rittoff will be placed into various trusts for estate planning purposes. No areas of concern were identified.

Amanda Connor appeared on behalf of Mesa Oils along with Paul Schloss, one of the owners. Ms. Connor requested approval of the transfers and the waivers.

Chief Staley was not aware of the requested waivers and requested the information to amend the record. Ms. Connor provided the date that the requested waivers were submitted. Ms. Connor stated the waivers were requested for the members of RKA investments that are passive and an additional waiver for those members that are less than 5%. The waivers are for the entire Mesa Oils for future flexibility. Chief Staley stated there was adequate information to move forward with a requested waiver of NCCR 5.112 and NCCR 5.125 and suggested that any potential approval be conditioned to expire on their next TOI agenda date.

Chair Douglas noted that he would like to be notified if any member took an active role.

Member Durrett asked how Mr. Rittoff was doing. Ms. Connor stated he was recovered and currently on a flight which is why he was not present.

Member Durrett made a motion to approve to the transfer of interest, with the waiver and conditions as stated by Chair Douglas. Member Young seconded the motion. All Members said aye. Motion carried.

**D. MJ Distributing C202, LLC (C202, RC202) (TOI# 2100025, 2100026); MJ Distributing P133, LLC (P133, RP133); and MJ Holdings, Inc.**

Chair Douglas stated that agenda item D was pulled from the agenda.

**VII. Request for Consideration of Approval of Management Service Agreements**

Chief Staley provided an update on three MSAs that had been previously submitted by Las Vegas Wellness and Compassion, LLC that initially resembled a sublease agreement. Las Vegas Wellness restructured the MSAs into simple licensing agreements and now do not appear to need approval. A letter will be provided to Las Vegas Wellness memorializing this and will remain as part of their record for auditors. Staff will follow this procedure for future licensing agreements unless there are questions or concerns from the Board.

Chair Douglas noted that he would like to see them on the agenda as a consent item to apprise the Board. Chief Staley commented that they could be provided as an informational item and would be part of the record for audit and inspection to support the review of the licensees.

Member Durrett asked if they would be on the agenda and was concerned that the licensees may not want to share their agreements with the public and would like input from the industry on how licensing agreements are handled. Chair Douglas stated that he would like notice of the

people coming in, it was important to know who was coming in; there could be discussion on how much the Board needs to know. Member Durrett thought there needed to be a public discussion on this before a policy is set and would like to hear from the industry. Director Klimas added that the CCB would be able to do due diligence and put some numbers together to see what is out there which may help the Board understand what is out there.

**A. 5Seat Investments, LLC (C054, RC054, P037, RP037) and BCCNevada, LLC**

Chief Staley stated the management services agreement provided for BCCNevada to provide management and financing to 5Seat in preparation for the submission of a transfer of interest wherein BCCNevada plans to acquire 5Seat. CCB staff reviewed the agreement and found the relationship between the parties to be appropriate.

Chair Douglas noted his concerns with the agreement, including payment of rent and the indefinite terms. Chair Douglas was concerned that a company was coming in to run the business with no holds barred with no TOI in place. Chair Douglas was willing to support it but would like more information and would like it to come back before the Board within a certain number of months.

Paul Larsen appeared on behalf of BCCNevada and stated they would be agreeable to those conditions. Chair Douglas added that it was the Board's responsibility to know who was operating the business.

Mark Forsberg appeared as counsel on behalf of 5Seat. Mr. Forsberg stated this was the last part of 5Seat getting out of the cannabis industry. They had a qualified buyer and entered into the management agreement. The agreement could be terminated by the operator if the TOI is not progressing and automatically terminates when the TOI takes place. The TOI application will be submitted within a few days. 5Seat understands that it is still the licensee and has the obligation to keep the operation in compliance. BCCNevada will work on production only but there is no activity at the present time. Mr. Forsberg noted there were limitations in the agreement that keep the responsibilities on 5Seat.

Chair Douglas noted one article regarding compensation but that the matter was moving where it needed to. Mr. Forsberg was agreeable to approving the management agreement and placing it on the agenda at a later date for a status check.

Chief Staley noted that a background investigation of the managing entity was done and was comfortable with the relationship. Chief Staley suggested that the Board could condition the approval of the management services agreement upon the filing of the TOI by a certain time, which would then not need to come back before the Board while being in the queue.

Chair Douglas made a motion to approve the management services agreement, subject to providing a TOI application within four months. Member Durrett seconded the motion. All Board Members said aye. Motion carried.

**VIII. Review of Report to the Governor's Office Pursuant to Executive Order No. 2023-003 Regarding Review of Regulations.**

Chair Douglas noted that the written report was not yet provided to the Board and asked Executive Director Klimas to provide information.



Director Klimas stated that staff was finalizing the report to satisfy the request of the Executive Order. The workshop was held on April 14 and feedback was received during and after the workshop. Many of the topics brought up had been previously identified for workshops in order to streamline the NCCRs. The report will likely include most if not all of the suggestions as they will strengthen or clarify the NCCRs. The report will be submitted on Monday and the CCB looks forward to additional workshops on topics such as laboratory testing standards and packaging and labeling. Director Klimas thanked the members of the industry who participated.

Chair Douglas asked what the process was for the Board to weigh in on the report. Director Klimas explained that the report asked the agency to include the input and identify any items for changes, repeal, or clarification. Based on the comments received that related to the NCCRs, they will all be incorporated into the report in addition to context and summaries from those that provided public comment.

Member Durrett asked if the Board would be able to review the report before it was submitted. Director Klimas responded affirmatively. Member Durrett asked for notification on when the workshops would be held.

## **IX. Approvals and Resolutions**

### **A. Notice of Final Licensure**

- 1. Miller Farms, LLC (C189, RC189)** Chief of Administration Steve Gilbert stated Miller Farms received a conditional cultivation license on April 11, 2018, and conditional adult-use cultivation license on January 8, 2019, in Winnemucca. On February 22, 2023, staff conducted a pre-opening inspection and audit, and a statement of no deficiencies was issued. The CCB approved and issued the final license to Miller Farms on March 17, 2023.
- 2. Natural Medicine, LLC (T077)** Chief Gilbert stated Natural Medicine acquired the distribution license with the approval of TOI C2200019. On January 11, 2023, staff conducted a pre-opening inspection and audit of the distribution facility in Las Vegas. A statement of no deficiencies was issued. The CCB approved and issued the final license on March 17, 2023.

## **X. Briefing from the Chair and the Executive Director**

Chair Douglas noted that the Legislature and Representatives had put forth some bills and some amendments were brought back. Cannabis seemed to be an area of interest and disinterest.

Director Klimas noted that the deadline was coming up, there were bills that were exempt and the CCB continued to track them.

## **XI. Next Meeting Date**

The next Board meeting is scheduled for May 23, 2023.

## **XII. Items for Future Agendas**

Chair Douglas noted that Member Durrett expressed concern with the process, workshops and dates.

### **XIII. Public Comment**

Amanda Connor stated the Chief Staley had mentioned her client Premium Produce in regard to management services agreement and wanted to make the record clear that it was a licensing agreement that the Board approved as a licensing agreement to the extent such approval was required. Ms. Connor asked that a formal workshop and rule-making process be held regarding the process related to licensing agreements.

Tisha Black agreed with Ms. Connor's comments and added that there is a lot of confidential information in the agreements and the industry should have the opportunity to weigh in on that.

Chandler Cooks provided feedback on communication he has had with community members and stakeholders that were not present at the workshop. Mr. Cooks recommended incorporating alternative methods for people to attend and participate in upcoming workshops.

Timothy Eli Addo appeared on behalf of Kora Lounge. Mr. Addo thanked Chair Douglas for acknowledging that the path to social equity was not perfect. Mr. Addo provided comments regarding AB341 and was looking for a revision or repeal. Mr. Addo had questions regarding the numbers assigned in the consumption lounge application process and wanted transparency. Mr. Addo explained the problems he had with the CEIC and the application process.

### **XIV. Adjournment**

Meeting adjourned at 11:24 a.m.