

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

3
4 STATE OF NEVADA, CANNABIS
 COMPLIANCE BOARD,

Case No. 2023-019

5 Petitioner,

6
7 vs.

8 DIVERSIFIED MODALITIES
 MARKETING, LTD,

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 Diversified Modalities
16 Marketing, Ltd. (hereinafter “DMML” or “Respondent”), by and through its counsel of
17 record, Brian Hardy, Esq., of the law firm Marquis Aurbach, Chtd. Pursuant to this
18 Stipulation and Order, DMML and the CCB (collectively, the “Parties”) hereby stipulate
19 and agree that CCB Case No. 2023-019 (the “Administrative Action”) shall be fully and
20 finally settled and resolved upon the terms and conditions set out herein.

21 **PERTINENT FACTS**

22 1. Respondent is a domestic limited liability company in the State of Nevada.
23 The Nevada Secretary of State lists Dr. Vu Luu as its manager and Brian Hardy, Esq., is
24 its current Point of Contact with the CCB. DMML holds both a medical cannabis
25 cultivation license (C152) and an adult-use cannabis cannabis cultivation license (RC152).

26 2. Commencing on or about October 5, 2021, the CCB conducted a routine
27 inspection of DMML’s cannabis cultivation facility. The CCB agents conducting this
28 inspection were Kristine Vasilevsky and Fenton Harvey (“CCB Agents”). CCB Agents also

1 requested additional information and documents related to the routine inspection and
2 DMML responded to this request on October 10, 2021. On or about October 22, 2021, the
3 CCB agents issued a Statement of Deficiencies Letter (the "SOD"). The SOD alleged that,
4 during the aforementioned inspection, the CCB agents found certain statutory and
5 regulatory violations at the DMML cultivation facility, including the following: (1) a failure
6 to properly tag 12 cannabis plants and 18 jars of cannabis product; (2) a failure to follow
7 seed to sale tracking requirements (DMML failed to timely update METRC (the required
8 seed-to-sale tracking system) for untagged plants); (3) a second failure to follow seed-to-
9 sale tracking requirements (the facility had METRC seed-to-sale tracking tags listed in
10 METRC which were not affixed to any cannabis plants; four METRC tags were not
11 associated with plants that had not been harvested in METRC); (4) a failure to meet the
12 requirements for disposal of cannabis waste (the seed-to-sale tracking system did not
13 accurately reflect the facility's physical waste/destruction logs); (5) a failure to maintain
14 proper destruction logs (the waste and disposal logs did not contain a description of, and
15 reason for, the cannabis being destroyed and did not designate the method of destruction;
16 (6) a failure to provide a required current Restricted Use Pesticide Applicator license; (7) a
17 failure to properly stock hand-washing facilities; and (8) multiple issue of building
18 disrepair. The SOD required DMML to provide a written plan of correction ("POC") for
19 the foregoing issue within 10 business days. Except as otherwise set forth herein, DMML
20 neither admits, nor denies, the allegations set forth in the SOD.

21 3. Subsequent to receiving the SOD, on or about November 16, 2021, the CCB
22 received DMML's written POC. On or about December 20, 2021, the CCB staff sent an
23 Unapproved Plan of Correction Letter ("UPOC") to DMML. This UPOC noted that the
24 November 16, 2021, POC was incomplete and additional information and action was
25 required to correct the deficiencies noted in the SOD of October 22, 2021, and requested a
26 new POC no later than January 3, 2022. On December 21, 2021, CCB Agent Vasilevsky
27 attempted to conduct an onsite survey regarding DMML's SOD and November 16, 2021,
28 POC, but was unable to gain access to the facility, despite attempts to contact DMML's

1 point of contact¹. On December 22, 2021, CCB Agent Vasilevsky emailed DMML's point of
2 contact to alert him to this issue and requested certain video footage of the facility for
3 December 21, 2021.

4 4. DMML subsequently retained counsel and with the assistance of counsel sent
5 the CCB an updated POC on January 31, 2022. That updated POC noted that several
6 items were corrected and that other certain corrections were in progress, including
7 obtaining certification for a Pesticide Applicator. The CCB Agents requested a further
8 update on February 17, 2022, and DMML responded through counsel on March 1, 2022. At
9 that time, DMML's counsel noted that the certification for a Pesticide Applicator was still
10 in progress and that proof of destruction of the cannabis plants that were not properly
11 inputted in METRC would be forthcoming, as would proof of required METRC training.
12 DMML subsequently submitted additional information and the aforementioned
13 destruction of cannabis was completed. On October 3, 2022, the CCB issued an Accepted
14 Plan of Correction Letter to DMML.

15 5. Thereafter, CCB staff, working with the Attorney General's Office, entered
16 into good faith settlement negotiations with DMML, through its counsel, to attempt to
17 resolve the violations alleged in the SOD. The Parties were able to come to a mutually
18 acceptable resolution of this matter which is acceptable to CCB staff and the Attorney
19 General, without the necessity of filing a Complaint for Disciplinary Action. DMML has
20 agreed to waive the filing and service of a CCB Complaint, and the Parties understand and
21 agree that this Stipulation and Order must be approved by majority vote of the members
22 of the CCB to become effective.

23 6. As set forth herein, Respondent stipulates to pay a \$30,000 civil penalty for
24 the violations set forth herein in Paragraph 13, below, in lieu of the CCB filing and serving
25 a Complaint for Disciplinary Action ("Complaint") and proceeding to a disciplinary hearing.

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28 _____
¹ Who was Dr. Vu Luu at the time.

ACKNOWLEDGEMENTS AND APPLICABLE LAW

1
2 This Stipulation and Order is made and based upon the following acknowledgements
3 by the Parties:

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

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

23 9. DMML acknowledges that this Stipulation and Order shall only become
24 effective after the CCB has approved it.

25 10. DMML enters this Stipulation and Order after being fully advised of DMML's
26 rights and as to the consequences of this Stipulation and Order. This Stipulation and Order
27 embodies the entire agreement reached between the CCB and DMML. It may not be
28 altered, amended, or modified without the express written consent of the Parties, and all

1 alterations, amendments and/or modifications must be in writing. The Parties stipulate
2 and agree that this Stipulation and Order, if approved by the Board, resolves only the
3 allegations set forth in the Administrative Action via the October 22, 2021, SOD and
4 subsequent investigative activities directly related thereto.

5 11. In an effort to avoid the cost and uncertainty of a disciplinary hearing, DMML
6 has agreed to settle these matters. For purposes of settling these matters, DMML
7 acknowledges that the facts contained in the paragraphs in the above "Pertinent Facts"
8 portion of this Stipulation and Order are true and correct. Without waiving any
9 constitutional rights against self-incrimination, DMML further acknowledges that certain
10 facts contained in the SOD in this case could be found to constitute violations of Title 56 of
11 NRS (NRS Chapters 678A through 678D), and the NCCR, with penalties up to and
12 including revocation, suspension, and civil penalties of up to \$325,000 for licenses C152
13 and RC152, if these matters proceeded to CCB Complaint and an administrative hearing.

14 12. In settling this matter, the Executive Director for CCB and counsel for CCB
15 have considered the factors set forth in NCCR 4.030(2), including: the gravity of the
16 violations; the economic benefit or savings, if any, resulting from the violations; the size of
17 the business of the violator; the history of compliance with the NCCR and Title 56 of NRS
18 by the violator; actions taken to remedy and/or correct the violations; and the effect of the
19 penalty on the ability of the violator to continue in business. More specifically, mitigating
20 factors include the following: DMML cooperated in the inspection and in the correction of
21 its deficiencies as set forth in Paragraphs 2 through 4, above, including providing the
22 additional information requested after the October 22, 2021, SOD; DMML worked with
23 CCB to submit a full plan of correction, as set forth in Paragraph 21, below; DMML did not
24 have a history of non-compliance in the three years prior to October 5, 2021; DMML
25 voluntarily destroyed cannabis that was not properly recorded in METRC; and, DMML and
26 its counsel cooperated in the resolution of the issues identified in the SOD without the need
27 to file a formal disciplinary Complaint. Additionally, the Executive Director for CCB and
28 counsel for CCB also took into account the size of the Respondent's business and the impact

1 of the civil penalties on its ability to continue with its business. It is understood that the
2 licensee intends to go inactive shortly and later resume operations with more full-time staff
3 or under a management agreement (which would require the CCB's approval). As a result,
4 a reasonable civil penalty has been proposed in this agreement, and Respondent has been
5 provided with a payment plan, at its request, that will mitigate any adverse financial
6 impacts. The Parties mutually agree that the foregoing mitigating factors have been
7 weighted appropriately in coming to the resolution set forth in this Stipulation and Order.

8 13. To resolve the Administrative Action, and only for those purposes and no
9 other, DMML specifically admits to the following violations with respect to CCB Case No.
10 2023-019:

- 11 A. One violation of NCCR 4.050(1)(a)(4), for failing to tag cannabis
12 plants/cannabis product as required, which constitutes one Category III
13 violation.
- 14 B. One violation of NCCR 4.050(1)(a)(3), for failing to keep required
15 records, including seed-to-sale tracking requirements, which
16 constitutes a second Category III violation.
- 17 C. One violation of NCCR 4.055(1)(a)(14) for failing to properly respond to
18 a Board Agent's request to provide documentation or information,
19 which constitutes a Category IV violation.
- 20 D. One violation of NCCR 4.055(1)(a)(10) for failing to maintain hand-
21 washing facilities that are fully stocked, which constitutes a second
22 Category IV violation.

23 14. With respect to licenses C152 and RC152, DMML further agrees to pay a civil
24 penalty in the amount of \$30,000² in consideration for its admitted violations in Paragraphs
25 13(a) through 13(d), above, and in consideration for the CCB's agreement to resolve the
26 Administrative Action on the terms set forth herein.

27 15. If the CCB approves this Stipulation and Order, it shall be deemed and
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² To be apportioned \$15,000 to C152 and \$15,000 to RC152.

1 considered disciplinary action by the CCB against DMML.

2 16. Both parties acknowledge that the CCB has jurisdiction to consider and order
3 this Stipulation and Order because DMML holds privileged licenses regulated by the CCB
4 as of July 1, 2020. DMML expressly, knowingly, and intentionally waives the 21-day and/or
5 5-day notice requirements contained in the Nevada Open Meeting Law³ and acknowledges
6 that this Stipulation and Order may be presented to the CCB for its consideration and
7 potential ratification at the CCB's meeting on July 25, 2023.

8 **STIPULATED ADJUDICATION**

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

12 17. Violations: As to licenses C152 and RC152, DMML is found to have committed
13 two Category III violations and two Category IV violations, as set forth in Paragraphs 13(a)
14 through 13(d), above.

15 18. Imposition of Civil Penalties. DMML shall pay a total civil penalty in the
16 amount of Thirty Thousand Dollars (\$30,000) within the time set forth in Paragraph 19
17 below, to be apportioned as set forth in Paragraph 13, above.

18 19. Payment of Civil Penalties. DMML must pay the total civil penalty set forth
19 in this agreement within the time frames set forth in this Paragraph and Paragraph 20.
20 DMML may pay the lump sum of \$30,000 in civil penalties within 30 days of the date the
21 CCB approves this Stipulation and Order⁴ (the "Lump Sum Payment Option"). In the
22 alternative, DMML may select to pay the civil penalties via a payment plan as set forth in
23 this Paragraph (the "Payment Plan Option"), in which payment is to be made on the
24 fifteenth day of the month (or first business day thereafter), commencing the month after
25 the CCB approves this Stipulation and Order. If this Stipulation and Order is approved at
26 the July 25, 2023, CCB meeting, the Payment Plan Option payments shall be made on the

27 _____
28 ³ And/or the 7 and 14-calendar day requirements under A.B. 52, Section 6.

⁴ Which would be Thursday, August 24, 2023, if the CCB approves this Stipulation and Order at its July 25, 2023, meeting.

1 following schedule and in the indicated amounts:

Installment	Payment Deadline	Amount of Payment ⁵
First Installment	Tuesday, August 15, 2023	\$2,500
Second Installment	Friday, September 15, 2023	\$2,500
Third Installment	Monday, October 16, 2023	\$2,500
Fourth Installment	Wednesday, November 15, 2023	\$2,500
Fifth Installment	Friday, December 15, 2023	\$2,500
Sixth Installment	Tuesday, January 16, 2024	\$2,500
Seventh Installment	Thursday February 15, 2024	\$2,500
Eighth Installment	Friday, March 15, 2024	\$2,500
Ninth Installment	Monday, April 15, 2024	\$2,500
Tenth Installment	Wednesday, May 15, 2024	\$2,500
Eleventh Installment	Monday, June 17, 2024	\$2,500
Twelfth Installment	Monday, July 15, 2024	\$2,500

DMML may pay any installment prior to its due date without pre-payment penalty. If DMML makes the first payment of \$2,500 on or before August 15, 2023, it shall be deemed to have selected the Payment Plan Option. If this Stipulation and Order is approved at a CCB meeting later than July 25, 2023, the Parties shall meet and confer and develop a new payment plan schedule which shall be submitted to the CCB's Chair for approval, and the provisions of Paragraph 20 shall apply to that new payment schedule.

20. Penalties for Failure to Comply with Payment Deadlines. DMML acknowledges that it is critical to comply with the strict requirements of the deadlines for payment set forth in this agreement under the Lump Sum Payment Option or the Payment Plan Option, whichever it should select. DMML agrees that, should it fail to timely make any installment payment under the Payment Plan Option (or fail to comply with the Lump

⁵ Each payment shall be apportioned \$1,250 to C152 and \$1,250 to RC152.

1 Sum Payment Option, if selected), the following penalties and procedures will be in effect:

2 a. CCB will allow a five business day grace period for late payment t.

3 b. If payment is not physically received by CCB at its Carson City office by 5:00
4 p.m., Pacific Time, on the last day of the grace period, DMML shall be deemed to
5 be in breach of this Stipulation and Order, deemed to be in default, and shall pay
6 all amounts due under this Stipulation and Order, as well as an additional late
7 payment penalty of sixty thousand dollars (\$60,000), and shall have its licenses
8 C152 and RC152 immediately suspended, with such suspension remaining in
9 place until all amounts due under this Stipulation and Order are paid in full
10 (inclusive of the additional \$60,000 late payment penalty, for a total of \$90,000).
11 The CCB will enter an order of default to this effect after default and all amounts
12 due under this subsection shall be immediately due and payable to CCB. If all
13 amounts due under this subsection are not paid within 90 days after the date of
14 the order of default, licenses C152 and RC152 shall be deemed voluntarily
15 surrendered. DMML agrees it cannot and shall not file any petition for judicial
16 review and/or any action in any forum for relief from this order of default and
17 that CCB may file any judicial action necessary to recover the amounts owed
18 under this subsection, along with its attorneys' fees and costs for recovery of
19 amounts owed.

20 c. DMML may petition the CCB for an extension of 30-days to pay any of the
21 installments set forth in Paragraph 19 (or the lump sum, under the Lump Sum
22 Payment Option). However, for the CCB to consider any such petition, the CCB
23 must receive said petition no later than 5 business days prior to the installment
24 deadline at issue (which does not include any grace period). The CCB is not
25 required to grant such a petition. In such a petition, DMML must demonstrate to
26 the satisfaction of the CCB that there are extraordinary and unusual
27 circumstances necessitating the extension requested and specify which
28 installment deadline or deadlines it is seeking an extension. The CCB may

1 delegate the decision as to whether to grant such a petition to the CCB Chair.

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

5 21. Plan of Correction. Respondent represents and warrants that it has submitted
6 and put in place a plan of correction, which CCB staff has approved, that will remedy and
7 prevent the recurrence of the violations set forth in this Stipulation and Order. In
8 summary, the plan of correction regarding the Administrative Action includes the
9 following: (1) Respondent retained regulatory counsel to assist with compliance issues and
10 completion of its POCs; (2) Dr. Vu Luu obtained his certification as a Pesticide Applicator;
11 (3) Respondent updated its standard operating procedures for proper tagging of plants; (4)
12 Respondent voluntarily destroyed the cannabis that was improperly recorded in METRC
13 and corrected other METRC errors; (5) Respondent corrected the building disrepair issues;
14 (6) Respondent properly stocked its hand-washing facilities; (7) Respondent updated and
15 revised its destruction logs to comply with regulatory requirements; and (8) Respondent's
16 owner, Dr. Lu Vuu, completed required METRC training. Respondent further represents
17 and warrants that it is now, as of the date it has executed this Stipulation and Order,
18 operating in full compliance with NRS Title 56 and NCCR.

19 22. Contingency if Approval Denied. If approval of this Stipulation and Order is
20 denied by the CCB, DMML and counsel for the CCB agree to resume settlement
21 negotiations in good faith and attempt to reach an agreement to amend this Stipulation
22 and Order and resubmit an amended Stipulation and Order to the CCB to review for
23 approval at a subsequent regularly scheduled CCB meeting. If such an agreement cannot
24 be reached, the Parties agree to proceed with the Administrative Action, which shall
25 include the filing and service of a disciplinary complaint and a disciplinary hearing before
26 the CCB or its assigned hearing officer. Should the Administrative Action proceed for the
27 reasons set forth in this Paragraph, CCB preserves all its claims and arguments in the
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1 Administrative Action as set forth in its Complaint⁶ (to be filed) and DMML preserves all
2 its defenses and arguments it may assert. An unapproved Stipulation and Order shall not
3 be admissible as evidence or referenced in argument at any disciplinary hearing in CCB
4 Case No. 2023-019 or any other matter involving the CCB.

5 23. Contingency if Approval Conditioned. If the CCB approves this Stipulation
6 and Order, but said approval is contingent on certain conditions, the Parties will undertake
7 further good faith negotiations to include said conditions in an amended stipulation and
8 order for execution by the CCB Chair. If DMML does not agree to the certain conditions
9 imposed by the CCB, the Parties will undertake additional negotiations and attempt to
10 reach an agreement to amend this Stipulation and Order and resubmit an amended
11 stipulation and order to the CCB to review for approval at a subsequent regularly scheduled
12 CCB meeting. If such an agreement cannot be reached, the Parties agree to proceed with
13 the Administrative Action, which shall include the filing and service of a disciplinary
14 complaint and a disciplinary hearing before the CCB or its assigned hearing officer. Should
15 the Administrative Action proceed for the reasons set forth in this Paragraph, CCB
16 preserves all its claims and arguments in the Administrative Action as set forth in its
17 Complaint⁷ (to be filed) and DMML preserves all its defenses and arguments it may assert.
18 An unapproved Stipulation and Order shall not be admissible as evidence or referenced in
19 argument at any disciplinary hearing in CCB Case No. 2023-019 or any other matter
20 involving the CCB.

21 24. Closure of Disciplinary Action. Once this Stipulation and Order is fully
22 performed by DMML, the Administrative Action will be closed.

23 25. Communications with CCB Members. DMML understands that this
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25 _____
26 ⁶ Should the CCB reject this Stipulation and Order and/or any amended stipulation and order, nothing shall
27 preclude CCB from asserting additional and/or different violations involving higher and/or different
28 Categories arising from the facts set forth in Paragraphs 2 through 4, above, in any such disciplinary
Complaint.

⁷ Should the CCB reject this Stipulation and Order and/or any amended stipulation and order, nothing shall
preclude CCB from asserting additional and/or different violations involving higher and/or different
Categories arising from the facts set forth in Paragraphs 2 through 4, above, in any such disciplinary
Complaint.

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

20 26. Release. Respondent agrees that the State of Nevada, the CCB, the Office of
21 the Attorney General, and each of their members, staff, attorneys, investigators, experts,
22 hearing officers, consultants and agents are immune from any liability for any decision or
23 action taken in good faith in response to information and data acquired by the CCB.
24 Respondent agrees to release the State of Nevada, the CCB, the Office of the Attorney
25 General, and each of their members, staff, attorneys, investigators, experts, hearing
26 officers, consultants and agents from any and all manner of actions, causes of action, suits,
27 debts, judgments, executions, claims and demands whatsoever, known or unknown, in law
28 or equity, that Respondent ever had, now has, may have or claim to have against any and/or

1 all of the persons, government agencies or entities named in this Paragraph, arising out of,
2 or by reason of, CCB's investigation of the matters set forth in the SOD, the matters set
3 forth in this Stipulation and Order, and/or the administration of CCB Case No. 2023-019.

4 27. No Precedence. The Parties agree: (1) That this Stipulation and Order shall
5 not constitute a precedent for any other issues or proceedings before the CCB and/or in any
6 other forum, other than those set forth in this Stipulation and Order; (2) That this
7 Stipulation and Order shall not be admissible in any other proceeding or action with respect
8 to proof of fact or any other matter and/or any other licensee and/or cannabis establishment,
9 except proceedings brought to enforce this Stipulation and Order under its terms and/or for
10 the CCB's consideration of future disciplinary action against this Respondent.
11 Furthermore, the CCB may consider the discipline imposed herein in any future
12 disciplinary action against Respondent, as required under NCCR 4.030(2), along with the
13 other factors set forth in NCCR 4.030(2), and possible progressive discipline pursuant to
14 NCCR 4.035 through 4.060. As every case concerns different facts and details, this
15 Stipulation does not act as precedence, or persuasive authority, to bind CCB to impose any
16 particular penalty, to charge or allege any particular violation, and/or to impose any
17 particular disciplinary action in the future for this Respondent, or any other respondent,
18 for violations of the same statutes and/or regulations addressed in this Stipulation and
19 Order. Likewise, CCB is not bound by any previous settlement agreements it has approved
20 in entering into this Stipulation and Order.

21 28. Attorneys' Fees and Costs. The Parties each agree to bear their own attorneys'
22 fees and costs.

23 29. Further Assurances. The Parties shall cooperate in executing such additional
24 documents and performing such further acts as may be reasonably necessary to give effect
25 to the purposes and provisions of this Stipulation and Order.

26 30. Voluntary and Informed Agreement. The Respondent represents that its
27 owners, officers, and/or its directors, who are responsible for and able to legally bind DMML
28 have read completely and understand fully the terms of this Stipulation and Order, that

1 such terms are fully understood and voluntarily accepted by Respondent in advance of and
2 as memorialized by the signing of this Stipulation and Order, and that the Respondent's
3 signature to this Stipulation and Order indicates same. Respondent further represents that
4 it has voluntarily entered into this Stipulation and Order to make a full, final, and complete
5 compromise upon the terms and conditions set forth herein. Respondent further represents
6 that any releases, waivers, discharges, covenants, and agreements provided for in this
7 Stipulation and Order have been knowingly and voluntarily granted and without any
8 duress or undue influence of any nature from any person or entity. The Parties, and each
9 of them, hereby expressly acknowledge that they are each represented by counsel of their
10 own choice in this matter and have been advised by counsel accordingly.

11 31. Warranties of Authority. The Parties to this Stipulation and Order, and each
12 of them, expressly warrant and represent to all other Parties that each has the full right,
13 title, and authority to enter into and to carry out its obligations hereunder, with the sole
14 exception of the required approval of this Stipulation and Order by the CCB. The Parties
15 also expressly acknowledge the foregoing authority.

16 32. Binding Effect. This Stipulation and Order shall be binding upon and inure
17 to the benefit of the Parties hereto and the Parties' respective successors, predecessors,
18 parents, affiliates, shareholders, employees, heirs, executors, assigns, and administrators.

19 33. Construction. The headings of all Sections and Paragraphs of this Stipulation
20 and Order are inserted solely for the convenience of reference and are not a part of the
21 Stipulation and Order and are not intended to govern, limit, or aid in the construction or
22 interpretation of any term or provision of this Stipulation and Order. In the event of a
23 conflict between such caption and the paragraph at the head of which it appears, the
24 paragraph and not such caption shall govern in the construction of this Stipulation and
25 Order.

26 34. Governing Law. This Stipulation and Order shall be governed by and
27 construed in accordance with the laws of the State of Nevada, without reference to conflict
28 of law principles.

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

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

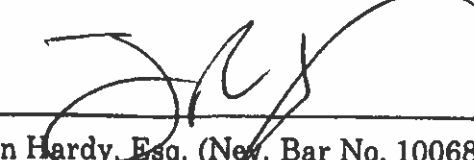
12 37. Time is of the Essence. Time is of the essence in the performance of all terms
13 of this Stipulation and Order.

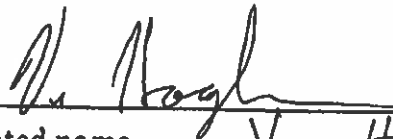
14 38. Severability. If any portion of this Stipulation and Order, or its application
15 thereof to any person or circumstance, shall be deemed to any extent to be invalid, illegal,
16 or unenforceable as a matter of law, all remaining clauses of this Stipulation and Order
17 and its application thereof shall be not affected and shall remain enforceable to the fullest
18 extent permitted by law.


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

28

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

4
5  Date: 6/29/23
6 Brian Hardy, Esq. (Nev. Bar No. 10068)
7 Counsel for Respondent DMML

8
9  Date: 6/29/23
10 (printed name Vu H Luu),
11 On behalf of Respondent DMML

12
13  Date: 6/30/2023
14 L. Kristopher Rath, Esq. (Nev. Bar No. 5749)
15 Senior Deputy Attorney General
16 Counsel for Cannabis Compliance Board

17
18 **ORDER**

19 WHEREAS, on the 25th day of July 2023, the Nevada Cannabis Compliance Board
20 approved and adopted all the terms and conditions set forth in the Stipulation and Order
21 for Settlement of Disciplinary Action with DMML.

22 IT IS SO ORDERED.

23 SIGNED AND EFFECTIVE this 25th day of July, 2023.

24 STATE OF NEVADA,
25 CANNABIS COMPLIANCE BOARD

26
27 By: 
28 HON. MICHAEL L. DOUGLAS, CHAIR