

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

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

Case No. 2024-023

5 Petitioner,

6 vs.

7 **MA & Associates, LLC,**

8 Respondent.

9
10 **STIPULATION AND ORDER FOR SETTLEMENT OF DISCIPLINARY ACTION**

11
12 The Cannabis Compliance Board (the “CCB” or the “Board”), by and through its
13 counsel, Aaron D. Ford, Attorney General for the State of Nevada, and L. Kristopher Rath,
14 Esq., Senior Deputy Attorney General, hereby enters into this Stipulation and Order for
15 Settlement of Disciplinary Action (“Stipulation and Order”) with Respondent MA &
16 Associates, LLC (hereinafter “MAA” or “Respondent”), by and through its counsel of record,
17 Amanda Connor, Esq., and Derek Connor, Esq., of the law firm Connor & Connor, PLLC.
18 Pursuant to this Stipulation and Order, MAA and the CCB (collectively, the “Parties”)
19 hereby stipulate and agree that CCB Case No. 2024-023 (the “Administrative Action”) shall
20 be fully and 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 MA Analytics, LLC¹, as its managing member, and
24 Amanda Connor is its current Point of Contact with the CCB. MAA holds a cannabis
25 independent testing laboratory license with cannabis establishment identification No.
26 L002.

27 2. On July 9, 2024, the CCB conducted an investigation of MAA (Investigation
28

¹ The Nevada Secretary of State lists Mark Sarna as the manager of MA Analytics, LLC.

1 No. L002-6) based on a complaint it received indicating that MAA was reporting dry weight
2 cannabis potency values on Certificates of Analysis ("COAs") and in METRC, the State's
3 seed-to-sale tracking system, in violation of NCCR 11.050(6)² and NCCR 11.070(2)³.

4 3. Investigation No. L002-6 confirmed the allegations from the aforementioned
5 complaint, finding that MAA was reporting dry weight potency values on COAs, as well as
6 uploading the dry weight potency results into METRC from October 5, 2023, through June
7 6, 2024, a continuous period of eight months. Use of dry weight potency values inflates the
8 actual potency value of cannabis and reporting potency values based on dry weight
9 misrepresents the potency value of the cannabis to both the public and the CCB.

10 4. On July 11, 2024, the CCB sent MAA a Statement of Deficiencies Letter (the
11 "SOD") setting forth the violations of NCCR 11.050(6) found during Investigation No. L002-
12 6 and requesting MAA provide a plan of correction. Also, on July 11, 2024, the CCB sent
13 MAA a Cease and Desist Letter demanding that MAA cease and desist from reporting
14 potency results on COAs and METRC that were based on dry weight.

15 5. Thereafter, MAA worked with CCB staff to implement an acceptable plan of
16 correction (which the CCB approved on July 31, 2024). That plan of correction included
17 MAA amending all false potency values with correct potency values in both the COAs⁴ and
18 METRC, in addition to providing updated COAs to all Nevada cannabis establishments
19 still holding the affected samples. MAA's new lab director also implemented a system to
20 ensure potency values would be reported accurately moving forward.

21 6. Based on the findings of Investigation No. L002-6, and the violations set forth
22 in the SOD, the CCB could have filed a complaint for disciplinary action against MAA for
23 the following violations:

- 24 a. A violation of NCCR 4.035(1)(a)(3), for making an intentionally false
25 statement to the Board (a Category I violation), or NCCR 4.040(1)(a)(1),
26

27 ² Which states, in pertinent part, that, "A cannabis independent testing laboratory shall not report the results
of usable cannabis on a dry weight basis."

28 ³ Which states, "A cannabis independent testing laboratory that collects a sample pursuant to this section
shall test the sample as provided in NCCR 11.050."

⁴ Over 2,800 COAs had to be amended.

1 for making an unintentional false statement to the Board (a Category
2 II violation), due to the reporting of false potency values.

3 b. A violation of NCCR 4.040(1)(a)(19), for violations of NCCR 11.070 (a
4 Category II violation).

5 7. MAA has a history of non-compliance with the CCB. Specifically, on
6 November 9, 2021, the CCB filed and served a complaint against MAA in CCB case No.
7 2021-48 (the "2021 Complaint"). The 2021 Complaint alleged, *inter alia*, that MAA: (1)
8 failed to provide COAs to the CCB at the same time as it provided the COAs to its
9 customers; (2) made intentionally (or in the alternative unintentionally) false statements
10 to the Board by falsifying aliquot weights; (3) made intentionally (or in the alternative
11 unintentionally) false statements to the Board by altering the weights for edible cannabis
12 samples; (4) intentionally (or in the alternative unintentionally) concealed evidence by
13 failing to report proficiency testing results; and (5) failed to maintain quality control and
14 quality assurance programs by failing to investigate and determine the root cause of the
15 aforementioned proficiency testing failures.

16 8. On April 26, 2022, the Board approved a Settlement Agreement to resolve the
17 2021 Complaint with MAA (the "2022 Settlement Agreement"). In the 2022 Settlement
18 Agreement, MAA admitted to the following violations:

19 a. One violation of NCCR 4.035(1)(a)(3), for making an intentionally false
20 statement to the Board, which constitutes one Category I violation.

21 b. One violation of NCCR 4.040(1)(a)(2), for unintentionally destroying or
22 concealing evidence, which constitutes a Category II violation.

23 c. One violation of NCCR 4.040(1)(a)(19), for violating NCCR 11.070 for
24 failing to conduct all required testing for cannabis infused drinks and
25 then releasing said drinks to market, which constitutes a second
26 Category II violation.

27 d. One violation of NCCR 4.050(1)(a)(25), for failing to maintain quality
28 assurance and quality control programs in a laboratory, which

1 constitutes a Category III violation.

2 9. In addition, in the 2022 Settlement Agreement, MAA neither admitted nor
3 denied the remainder of the allegations in the 2021 Complaint and its associated statement
4 of deficiencies letter. MAA also agreed to a civil penalty in the amount of \$300,000, to be
5 paid over 18 months. MAA has fully paid that civil penalty.

6 10. Having been adjudicated of committing one Category I violation and two
7 Category II violations on April 26, 2022, MAA would be subject to progressive discipline on
8 the violations set forth in Paragraph 6, above. NCCR 4.035(2)(a)(2) and 4.040(2)(a)(3).
9 Specifically, MAA was adjudicated to have committed one Category I violation and two
10 Category II violations on April 26, 2022, which is within 3 years of October 5, 2023, when
11 the violations at issue in Investigation No. L002-6 started to occur.⁵

12 11. Pursuant to NRS 678A.645, prior to proceeding with a complaint for
13 disciplinary action, counsel for the CCB approached counsel for MAA to determine whether
14 the violations found through Investigation No. L002-006 and set forth in the SOD could be
15 resolved via settlement without the filing of a complaint for disciplinary action.

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

24 13. As set forth herein, Respondent stipulates to pay a \$20,000 civil penalty for
25 the violations set forth herein in Paragraph 21, below, in lieu of the CCB filing and serving
26

27 ⁵ Even based solely on occurrence dates, progressive discipline is warranted. As set forth in the 2021
28 Complaint, MAA improperly altered aliquot weights through at least June 24, 2021. See 2021 Complaint at
Paragraphs 11-12. Again, the first instance of reporting dry weights found in Investigation L002-6 was
October 5, 2023, which is within 3 years of June 24, 2021.

1 a Complaint for Disciplinary Action (“Complaint”) and proceeding to a disciplinary hearing,
2 in accordance with the terms and conditions set forth in this Stipulation and Order.

3 **ACKNOWLEDGEMENTS AND APPLICABLE LAW**

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

6 14. MAA has entered into this Stipulation and Order on its own behalf and with
7 full authority to resolve the claims against it and is aware of MAA’s rights to contest the
8 violations pending against it. These rights include the filing and service of a disciplinary
9 complaint specifying the charges against Respondent, representation by an attorney at
10 MAA’s own expense, the right to a hearing on any violations or allegations formally filed,
11 the right to confront and cross-examine witnesses called to testify against MAA, the right
12 to present evidence on MAA’s own behalf, the right to have witnesses testify on MAA’s
13 behalf, the right to obtain any other type of formal judicial review of this matter, and any
14 other rights which may be accorded to MAA pursuant to provisions of NRS Chapters 678A
15 through 678D, the Nevada Cannabis Compliance Regulations (NCCR), NRS Chapter 233B,
16 and any other provisions of Nevada law. MAA is waiving all these rights by entering into
17 this Stipulation and Order. If the CCB rejects this Stipulation and Order, or any portion
18 thereof, all such waivers shall be deemed withdrawn by MAA.

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

25 16. MAA acknowledges that this Stipulation and Order shall only become
26 effective after the CCB has approved it.

27 17. MAA enters this Stipulation and Order after being fully advised of MAA’s
28 rights and as to the consequences of this Stipulation and Order. This Stipulation and Order

1 embodies the entire agreement reached between the CCB and MAA. It may not be altered,
2 amended, or modified without the express written consent of the Parties, and all
3 alterations, amendments and/or modifications must be in writing. The Parties stipulate
4 and agree that this Stipulation and Order, if approved by the Board, resolves only the
5 issues discovered during Investigation No. L002-6 and the SOD.

6 18. In an effort to avoid the cost and uncertainty of a disciplinary hearing, MAA
7 has agreed to settle these matters. For purposes of settling these matters, MAA
8 acknowledges that the facts contained in the paragraphs in the above "Pertinent Facts"
9 section of this Stipulation and Order are true and correct. Without waiving any
10 constitutional rights against self-incrimination, MAA further acknowledges that, if the
11 CCB filed and served a Complaint and the Administrative Action proceeded to an
12 administrative hearing, the "Pertinent Facts" could be found to constitute multiple
13 violations of Title 56 of NRS (NRS Chapters 678A through 678D), and the NCCR, with
14 discipline including civil penalties of at least \$40,000, and revocation or suspension of
15 license L002, if this matter went to an administrative hearing.

16 19. In settling this matter, the Executive Director for CCB and counsel for CCB
17 have considered the factors set forth in NCCR 4.030(2), including: the gravity of the
18 violations; the economic benefit or savings, if any, resulting from the violations; the size of
19 the business of the violator; the history of compliance with the NCCR and Title 56 of NRS
20 by the violator; actions taken to remedy and/or correct the violations; and the effect of the
21 penalty on the ability of the violator to continue in business. The gravity of the violations
22 were serious, as they include Category I and Category II violations. MAA likely conferred
23 an economic benefit on its clients, and may have itself received an economic benefit, by
24 allowing its clients to report and claim higher cannabis potency values. However,
25 ultimately, given the necessary corrective action of having to amend a large number of
26 COAs, MAA experienced a significant economic detriment. MAA is not a large-size lab and
27 has reportedly lost customers as a result of its actions. MAA has a history of non-
28 compliance with the CCB, as detailed above regarding the 2021 Complaint. As detailed

1 further in this Stipulation and Order, MAA has taken actions to remedy and correct the
2 violations. A large civil penalty may affect the ability of MAA to continue in business;
3 however, the Parties agree that a reasonable civil penalty has been recommended, given
4 the history of non-compliance and seriousness of the violations. Moreover, MAA has been
5 granted a 10-month time period over which it will make \$2,000 payment installments, as
6 set forth herein. In addition, to allow MAA to stay in business, the CCB has agreed to
7 waive a claim of progressive discipline for the violations found in Investigation No. L002-
8 6.⁶

9 20. Pursuant to NRS 678A.645 and 678A.647, the Executive Director for CCB and
10 counsel for CCB have also considered the appropriate mitigating factors in reaching the
11 proposed settlement of this Administrative Action. The mitigating factors in Case No.
12 2024-023 include: (1) MAA cooperated with CCB staff to institute corrective action shortly
13 after the receipt of the SOD, with an approved plan of correction detailed in Paragraph 30,
14 below; (2) MAA has a new scientific director and the scientific director who allowed the
15 violations found during Investigation No. L002-6 no longer works for MAA; and (3)
16 Respondent, though its counsel, also cooperated with the CCB's counsel in resolving this
17 matter without the need for the filing of a disciplinary complaint or a disciplinary hearing.
18 The CCB staff and counsel appropriately weighted each of the mitigating factors and the
19 Parties stipulate and agree to the weight given to each factor. The three factors were
20 weighed equally in reducing the number of violations admitted to, as well as allowing MAA
21 to remain in business.

22 21. To resolve the Administrative Action, and only for those purposes and no
23 other, MAA specifically admits to the following violation with respect to CCB Case No.
24 2023-023 for license L002:

25 One violation of NCCR 4.040(1)(a)(19), for violations of NCCR 11.070, due to
26 reporting of dry weight potency values in violation of NCCR 11.050(6), which
27

28 ⁶ The Parties agree that, while progressive discipline is waived for the violations from Investigation L002-6
as to the 2021 Complaint, the CCB *is not waiving* any progressive discipline for violations MAA may commit,
or may have committed, any time after the SOD of July 11, 2024.

1 constitutes one Category II violation.

2 As to the remaining violations which the CCB could have charged MAA in this case, as set
3 forth in Paragraph 6, above, MAA neither admits nor denies those violations and no civil
4 penalties shall be assessed as to those remaining violations.

5 22. With respect to license L002, MAA further agrees to pay a civil penalty in the
6 amount of \$20,000 in consideration for its admitted violations in Paragraph 21, above, and
7 in consideration for the CCB's agreement to resolve the Administrative Action on the terms
8 and conditions set forth herein.

9 23. If the CCB approves this Stipulation and Order, it shall be deemed and
10 considered disciplinary action by the CCB against MAA.

11 24. Both parties acknowledge that the CCB has jurisdiction to consider and order
12 this Stipulation and Order because MAA holds a privileged license regulated by the CCB
13 as of July 1, 2020. MAA expressly, knowingly, and intentionally waives the 14-day and/or
14 7-day notice requirements contained in the Nevada Open Meeting Law⁷ and acknowledges
15 that this Stipulation and Order may be presented to the CCB for its consideration and
16 potential ratification at the CCB's meeting on December 19, 2024.

17 **STIPULATED ADJUDICATION**

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

21 25. Violations: As to license L002, MAA is found to have committed one Category
22 II violation, as set forth in Paragraph 21, above.

23 26. Imposition of Civil Penalties. MAA shall pay a total civil penalty in the
24 amount of Twenty Thousand Dollars (\$20,000) within the time set forth in Paragraph 27,
25 below.

26 27. Payment of Civil Penalties. MAA must pay the total civil penalty set forth in
27 this agreement within the time frames set forth in this Paragraph and Paragraph 28. MAA
28

⁷ NRS 241.033.

1 may pay the lump sum of \$20,000 in civil penalties within 30 days of the date the CCB
 2 approves this Stipulation and Order⁸ (the "Lump Sum Payment Option"). In the
 3 alternative, MAA may elect to pay the civil penalties via a payment plan as set forth in this
 4 Paragraph (the "Payment Plan Option"), in which payment is to be made in installments
 5 over 10 months, on the fifteenth day of the month (or first business day thereafter),
 6 commencing the month after the CCB approves this Stipulation and Order. If this
 7 Stipulation and Order is approved at the December 19, 2024, CCB meeting, the Payment
 8 Plan Option payments shall be made on the following schedule and in the indicated
 9 amounts:

Installment	Payment Deadline	Amount of Payment
First Installment	Wednesday, January 15, 2025	\$2,000
Second Installment	Tuesday, February 18, 2025	\$2,000
Third Installment	Monday, March 17, 2025	\$2,000
Fourth Installment	Tuesday, April 15, 2025	\$2,000
Fifth Installment	Thursday, May 15, 2025	\$2,000
Sixth Installment	Monday, June 16, 2025	\$2,000
Seventh Installment	Tuesday, July 15, 2025	\$2,000
Eighth Installment	Friday, August 15, 2025	\$2,000
Ninth Installment	Monday, September 15, 2025	\$2,000
Tenth Installment	Wednesday, October 15, 2025	\$2,000

28. MAA may pay any installment prior to its due date without pre-payment
 23 penalty. If MAA makes the first payment of \$2,000 on or before January 15, 2025, it shall
 24 be deemed to have elected the Payment Plan Option. If this Stipulation and Order is
 25 approved at a CCB meeting later than December 19, 2024, the Parties shall meet and confer
 26 and develop a new payment plan schedule which shall be submitted to the CCB's Chair for
 27

⁸ Which would be Tuesday, January 21, 2025, if the CCB approves this Stipulation and Order at its December
 19, 2024, meeting.

1 approval, and the provisions of Paragraph 29 shall apply to that new payment schedule.

2 29. Penalties for Failure to Comply with Payment Deadline. MAA acknowledges
3 that it is critical to comply with the strict requirements of the deadlines for payment set
4 forth in this Agreement under the Lump Sum Payment Option or the Payment Plan Option,
5 whichever it should elect. MAA agrees that, should it fail to timely make any installment
6 payment under the Payment Plan Option (or fail to comply with the Lump Sum Payment
7 Option, if applicable), the following penalties and procedures will be in effect:

8 a. CCB will allow a five-business day grace period for late payment⁹ for
9 each installment.

10 b. If payment (or a payment installment) is not physically received by
11 CCB at its Carson City office by 5:00 p.m., Pacific Time, on the last day
12 of the grace period for any installment, MAA shall be deemed to be in
13 breach of this Stipulation and Order, deemed to be in default, and shall
14 pay all amounts due under this Stipulation and Order, as well as an
15 additional late payment penalty of Forty Thousand dollars (\$40,000),
16 and shall have its license L002 immediately suspended, with such
17 suspension remaining in place until all amounts due under this
18 Stipulation and Order are paid in full (inclusive of the \$40,000 late
19 payment penalty). The CCB will enter an order of default to this effect
20 after default and all amounts due under this subsection shall be
21 immediately due and payable to CCB. If all amounts due under this
22 subsection are not paid within 90 days after the date of the order of
23 default, license L002 shall be deemed voluntarily surrendered. MAA
24 agrees it cannot and will not file any petition for judicial review and/or
25 any action in any forum for relief from this order of default and that
26 CCB may file any judicial action necessary to recover the amounts owed

27 _____
28 ⁹ 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 days grace period
will be granted for payment.

1 under this subsection, along with its attorneys' fees and costs for
2 recovery of amounts owed.

3 c. MAA may petition the CCB Chair (or in the Chair's absence, the Vice
4 Chair) *up to four times (but no more)* for an extension of 30 days to
5 pay any of the installments set forth in Paragraph 27 (or the lump sum,
6 under the Lump Sum Payment Option). However, for the CCB to
7 consider any such petition, the CCB *must receive said petition no*
8 *later than 5 business days prior to the installment deadline at*
9 *issue (which does not include any grace period)*. The CCB is not
10 required to grant such a petition. In such a petition, MAA must
11 demonstrate to the satisfaction of the CCB that there are extraordinary
12 and unusual circumstances necessitating the extension requested and
13 specify which installment deadline or deadlines it is seeking an
14 extension. The CCB Chair or Vice Chair may delegate the decision as
15 to whether to grant such a petition to the CCB's Executive Director.
16 Should such an extension be granted, counsel for the CCB may forward
17 a new payment schedule to MAA or its counsel.

18 d. If an extension is granted under Paragraph 29(c), there shall be no
19 grace period on the new payment date. If MAA does not pay by the new
20 payment date, the provisions and penalties of Paragraph 29(b) apply.

21 30. 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) starting on or about June 7, 2024, MAA removed the dry weight calculations
26 from the COAs and in METRC; (2) starting on July 13, 2024, the Scientific Director, or
27 their designee, began conducting periodic reviews of COAs to ensure compliant COAs are
28 released; (3) MAA has amended the COAs and METRC for all the affected samples and

1 provided the updated COAs to the Nevada cannabis establishments still holding the
2 affected samples. MAA's Scientific Director is overseeing all the foregoing corrective
3 measures. Respondent further represents and warrants that it is now, as of the date it has
4 executed this Stipulation and Order, operating in full compliance with NRS Title 56 and
5 NCCR.

6 31. Contingency if Approval Denied. If approval of this Stipulation and Order is
7 denied by the CCB, MAA and counsel for the CCB agree to resume settlement negotiations
8 in good faith and attempt to reach an agreement to amend this Stipulation and Order and
9 resubmit an amended Stipulation and Order to the CCB to review for approval at a
10 subsequent regularly scheduled CCB meeting. If such an agreement cannot be reached, the
11 Parties agree to proceed with the Administrative Action, which shall include the filing and
12 service of a disciplinary complaint and a disciplinary hearing before the CCB or its assigned
13 hearing officer. Should the Administrative Action proceed for the reasons set forth in this
14 Paragraph, CCB preserves all its claims and arguments in the Administrative Action as
15 set forth in its Complaint¹⁰ (to be filed) and MAA preserves all its defenses and arguments
16 it may assert. An unapproved Stipulation and Order shall not be admissible as evidence or
17 referenced in argument at any disciplinary hearing in CCB Case No. 2024-023 or any other
18 matter involving the CCB.

19 32. Contingency if Approval Conditioned. If the CCB approves this Stipulation
20 and Order, but said approval is contingent on certain conditions, the Parties will undertake
21 further good faith negotiations to include said conditions in an amended stipulation and
22 order for execution by the CCB Chair. If MAA does not agree to the certain conditions
23 imposed by the CCB, the Parties will undertake additional negotiations and attempt to
24 reach an agreement to amend this Stipulation and Order and resubmit an amended
25 stipulation and order to the CCB to review for approval at a subsequent regularly scheduled
26 meeting. If such an agreement cannot be reached, the Parties agree to proceed with the

27 ¹⁰ Should the CCB proceed with a disciplinary complaint, said complaint will not be limited to the violations
28 admitted in this settlement agreement and the CCB reserves its rights to include additional regulatory
violations in any such disciplinary complaint.

1 Administrative Action, which shall include the filing and service of a disciplinary complaint
2 and a disciplinary hearing before the CCB or its assigned hearing officer. Should the
3 Administrative Action proceed for the reasons set forth in this Paragraph, CCB preserves
4 all its claims and arguments in the Administrative Action as set forth in its Complaint¹¹
5 (to be filed) and MAA preserves all its defenses and arguments it may assert. An
6 unapproved Stipulation and Order shall not be admissible as evidence or referenced in
7 argument at any disciplinary hearing in CCB Case No. 2024-023 or any other matter.

8 33. Closure of Disciplinary Action. Once this Stipulation and Order is fully
9 performed by MAA, the Administrative Action will be closed.

10 34. Communications with CCB Members. MAA understands that this Stipulation
11 and Order will be presented to the CCB in open session at a duly noticed and scheduled
12 CCB meeting. MAA understands that the CCB has the right to decide in its own discretion
13 whether or not to approve this Stipulation and Order. The CCB's counsel, which is the
14 Nevada Attorney General and its staff attorneys, will recommend approval of this
15 Stipulation and Order. In the course of seeking CCB acceptance of this Stipulation and
16 Order, counsel for CCB may communicate directly with individual CCB members. MAA
17 acknowledges that such communications may be made or conducted *ex parte*, without notice
18 or opportunity for MAA to be heard on its part until the public CCB meeting where this
19 Stipulation and Order is discussed, and that such contacts and communications may
20 include, but may not be limited to, matters concerning this Stipulation and Order, the
21 Administrative Action and any and all information of every nature whatsoever related to
22 these matters. MAA agrees that it has no objections to such *ex parte* communications. The
23 CCB agrees that MAA and/or its counsel may appear at the CCB meeting where this
24 Stipulation and Order is discussed and, if requested, respond to any questions that may be
25 addressed to MAA and/or the Nevada Attorney General's staff attorneys. MAA agrees that,
26 should the CCB decline to approve this Stipulation and Order, MAA will not contest or

27
28 ¹¹ Should the CCB proceed with a disciplinary complaint, said complaint will not be limited to the violations
admitted in this settlement agreement and the CCB reserves its rights to include additional regulatory
violations in any such disciplinary complaint.

1 otherwise object to any CCB member, and/or CCB appointed hearing officer, hearing and
2 adjudicating the Administrative Action based on the aforementioned *ex parte*
3 communications with anyone from the Nevada Attorney General's Office.

4 35. Release. Respondent agrees that the State of Nevada, the CCB, the Office of
5 the Attorney General, and each of their members, staff, attorneys, investigators, experts,
6 hearing officers, consultants and agents are immune from any liability for any decision or
7 action taken in good faith in response to information and data acquired by the CCB.
8 Respondent agrees to release the State of Nevada, the CCB, the Office of the Attorney
9 General, and each of their members, staff, attorneys, investigators, experts, hearing
10 officers, consultants and agents from any and all manner of actions, causes of action, suits,
11 debts, judgments, executions, claims and demands whatsoever, known or unknown, in law
12 or equity, that Respondent ever had, now has, may have or claim to have against any and/or
13 all of the persons, government agencies or entities named in this Paragraph, arising out of,
14 or by reason of, CCB's investigation of the matters set forth in this Stipulation and Order,
15 and/or the administration of CCB Case No. 2024-023.

16 36. No Precedent. The Parties agree: (1) That this Stipulation and Order shall
17 not constitute a precedent for any other issues or proceedings before the CCB and/or in any
18 other forum, other than those set forth in this Stipulation and Order; and (2) That this
19 Stipulation and Order shall not be admissible in any other proceeding or action with respect
20 to proof of fact or any other matter and/or any other licensee and/or cannabis establishment,
21 except proceedings brought to enforce this Stipulation and Order under its terms and/or for
22 the CCB's consideration of future disciplinary action against this Respondent.

23 Furthermore, the CCB may consider the discipline imposed herein in any future
24 disciplinary action against Respondent, as required under NCCR 4.030(2), along with the
25 other factors set forth in NCCR 4.030(2), and possible progressive discipline pursuant to
26 NCCR 4.035 through 4.060. As every case concerns different facts and details, this
27 Stipulation does not act as precedent, or persuasive authority, to bind CCB to impose any
28 particular penalty, to charge or allege any particular violation, and/or to impose any

1 particular disciplinary action in the future for this Respondent, or any other respondent,
2 for violations of the same statutes and/or regulations addressed in this Stipulation and
3 Order. Likewise, CCB is not bound by any previous settlement agreements it has approved
4 in entering into this Stipulation and Order.

5 37. Attorneys' Fees and Costs. The Parties each agree to bear their own attorneys'
6 fees and costs.

7 38. Further Assurances. The Parties shall cooperate in executing such additional
8 documents and performing such further acts as may be reasonably necessary to give effect
9 to the purposes and provisions of this Stipulation and Order.

10 39. Voluntary and Informed Agreement. The Respondent represents that its
11 owners, officers, and/or its directors, who are responsible for and able to legally bind MAA
12 have read completely and understand fully the terms of this Stipulation and Order, that
13 such terms are fully understood and voluntarily accepted by Respondent in advance of and
14 as memorialized by the signing of this Stipulation and Order, and that the Respondent's
15 signature to this Stipulation and Order indicates same. Respondent further represents that
16 it has voluntarily entered into this Stipulation and Order to make a full, final, and complete
17 compromise upon the terms and conditions set forth herein. Respondent further represents
18 that any releases, waivers, discharges, covenants, and agreements provided for in this
19 Stipulation and Order have been knowingly and voluntarily granted and without any
20 duress or undue influence of any nature from any person or entity. The Parties, and each
21 of them, hereby expressly acknowledge that they are each represented by counsel of their
22 own choice in this matter and have been advised by counsel accordingly.

23 40. Warranties of Authority. The Parties to this Stipulation and Order, and each
24 of them, expressly warrant and represent to all other Parties that each has the full right,
25 title, and authority to enter into and to carry out its obligations hereunder, with the sole
26 exception of the required approval of this Stipulation and Order by the CCB. The Parties
27 also expressly acknowledge the foregoing authority.

28 41. Binding Effect. This Stipulation and Order shall be binding upon and inure

1 to the benefit of the Parties hereto and the Parties' respective successors, predecessors,
2 parents, affiliates, shareholders, employees, heirs, executors, assigns, and administrators.

3 42. Construction. The headings of all Sections and Paragraphs of this Stipulation
4 and Order are inserted solely for the convenience of reference and are not a part of the
5 Stipulation and Order and are not intended to govern, limit, or aid in the construction or
6 interpretation of any term or provision of this Stipulation and Order. In the event of a
7 conflict between such caption and the paragraph at the head of which it appears, the
8 paragraph and not such caption shall govern in the construction of this Stipulation and
9 Order.

10 43. Governing Law. This Stipulation and Order shall be governed by and
11 construed in accordance with the laws of the State of Nevada, without reference to conflict
12 of law principles.

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

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

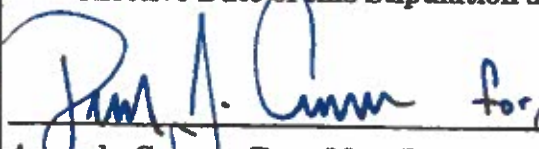
24 46. Time is of the Essence. Time is of the essence in the performance of all terms
25 of this Stipulation and Order.


26 47. Severability. If any portion of this Stipulation and Order, or its application
27 thereof to any person or circumstance, shall be deemed to any extent to be invalid, illegal,
28 or unenforceable as a matter of law, all remaining clauses of this Stipulation and Order


1 and its application thereof shall be not affected and shall remain enforceable to the fullest
2 extent permitted by law.

3 48. Counterparts and Copies. This Stipulation and Order may be executed in
4 counterparts, each of which when so executed and upon delivery to counsel of record for the
5 Parties shall be deemed an original ("Counterparts"). This Stipulation and Order shall be
6 deemed executed when Counterparts of this Stipulation and Order have been executed by
7 all the Parties and/or their counsel; such Counterparts taken together shall be deemed to
8 be the Agreement. This Stipulation and Order may be executed by signatures provided by
9 electronic facsimile or email, which signatures shall be binding and effective as original
10 wet ink signatures hereupon. All fully executed copies of this Stipulation and Order are
11 duplicate originals, equally admissible in evidence.

12
13 IN WITNESS WHEREOF, this Stipulation and Order has been executed by the
14 Parties and attested by their duly authorized representatives as of the date(s) so indicated.
15 The Effective Date of this Stipulation and Order shall be the date it is ordered by the CCB.

16
17  for, Date: 11/26/2024
18 Amanda Connor, Esq. (Nev. Bar No. 12193)
19 Connor & Connor, PLLC
20 Counsel for Respondent MAA

21
22 by:  Date: 11/26/2024
23 (printed name Mark Sarna)
24 On behalf of Respondent MAA

25
26  Date: 11/26/2024
27 L. Kristopher Rath (Nev. Bar No. 5749)
28 Senior Deputy Attorney General
Counsel for Cannabis Compliance Board

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

ORDER

WHEREAS, on the 19th day of December 2024, the Nevada Cannabis Compliance Board approved and adopted all the terms and conditions set forth in the Stipulation and Order for Settlement of Disciplinary Action with MAA.

IT IS SO ORDERED.

SIGNED AND EFFECTIVE this 19th day of December, 2024.

**STATE OF NEVADA,
CANNABIS COMPLIANCE BOARD**

By: 
Adriana Guzmán Irick, Chair