BEFORE THE CANNABIS COMPLIANCE BOARD STATE OF NEVADA

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STATE OF NEVADA, CANNABIS COMPLIANCE BOARD,

Petitioner,

GREENWAY HEALTH COMMUNITY, LLC,

Respondent.

Case No. 2025-001

STIPULATION AND ORDER FOR SETTLEMENT OF DISCIPLINARY ACTION

The Cannabis Compliance Board (the "CCB" or the "Board"), by and through its counsel, Aaron D. Ford, Attorney General for the State of Nevada, and L. Kristopher Rath, Esq., Senior Deputy Attorney General, hereby enters into this Stipulation and Order for Settlement of Disciplinary Action ("Stipulation and Order") with Respondent Greenway Health Community, LLC (hereinafter "GHC" or "Respondent"), by and through its counsel of record, Alicia R. Ashcraft, Esq., of the law firm Ashcraft & Barr, LLP. Pursuant to this Stipulation and Order, GHC and the CCB (collectively, the "Parties") hereby stipulate and agree that CCB Case No. 2025-001 (the "Administrative Action") shall be fully and finally settled and resolved upon the terms and conditions set out herein.

PERTINENT FACTS

1. On or about January 16, 2025, the CCB initiated the Administrative Action via the service and filing of a Complaint for Disciplinary Action (the "Complaint"). The Complaint alleges, inter alia, that, contrary to Nevada law, the GHC medical and adultuse cannabis production facility (P097): (1) failed to immediately admit regulatory personnel into its premises (during GHC's 2023 audit); (2) obstructed regulatory personnel from performing their official duties (during both GHC's 2023 and 2024 audits); (3) failed

to properly respond to Board Agents' requests for documentation, information, and other records (during both GHC's 2023 and 2024 audits); (4) failed to maintain proper visitor logs (during its 2023 audit); (5) failed to adhere to the limitations on lot sizes (during GHC's 2023 audit); and (6) failed to timely submit required reports to the Board (during both GHC's 2023 and 2024 audits).

- 28, 2023, the CCB filed and served a complaint for disciplinary action against GHC, CCB Case No. 2023-01 (the "2023 Complaint"). The 2023 Complaint arose from a CCB audit/inspection and investigation which took place during February through April 2022. The 2023 Complaint alleged, *inter alia*, that, contrary to Nevada law, the GHC medical and adult-use cannabis production facility (P097 and RP097): (1) failed to immediately admit regulatory personnel into its premises and obstructed regulatory personnel from performing their duties; (2) failed to comply with seed-to-sale tracking requirements multiple times and in three different ways; (3) failed to properly tag cannabis and cannabis products as required; (4) failed to properly respond to a Board agent's request for video surveillance footage; (5) failed to timely notify the CCB of changes in the employment status of 13 of its cannabis establishment agents; and (6) failed to timely submit required reports to the Board.
- 3. The 2023 Complaint was resolved via a settlement agreement which the Board approved on October 24, 2023 (the "2023 Settlement").
- 4. In the 2023 Settlement, GHC admitted it committed the following five violations:
 - a. One violation of NCCR 4.050(1)(a)(3) for failing to comply with seed-to-sale tracking requirements, which constitutes one Category III violation.
 - b. One violation of NCCR 4.050(1)(a)(23) for failing to comply with cannabis tagging requirements, which constitutes a second Category III violation.
 - c. One violation of NCCR 4.050(1)(a)(7) for allowing activity which violates the laws of this State, which constitutes a third Category III violation.

- d. One violation of NCCR 4.055(1)(a)(14) for failing to properly respond to a Board Agent's request for video, which constitutes a Category IV violation.
- e. One violation of NCCR 4.060(1)(a)(7) for failing to submit reports required by the Board, which constitutes a Category V violation.
- 5. As to the remaining allegations in the 2023 Complaint, GHC neither admitted nor denied those allegations. GHC was assessed a \$50,000 civil penalty to be paid in installments over 11 months. With requested and granted extensions, GHC paid said civil penalty in full.
- 6. On or about March 24, 2025¹, Daniel Caravette, as authorized corporate representative of GHC², filed GHC's Answer to the 2025 Complaint, generally denying the allegations in the Complaint. On March 26, 2025, the CCB filed and served an Order and Notice assigning this case to the CCB Hearings Division. The matter was assigned to Amy M. Meyer, Hearing Officer and Administrative Law Judge. The Administrative Action then proceeded through the ordinary course of the disciplinary process, with the Parties exchanging their initial lists of witnesses and documents.
- 7. During the course of the Administrative Action, the Parties engaged in good faith settlement negotiations and were able to reach an agreement to resolve the Administrative Action that is mutually acceptable to Respondent, CCB staff, and counsel for the CCB, with the understanding that this Stipulation and Order must be approved by a majority vote of the members of the CCB to become effective.

ACKNOWLEDGEMENTS AND APPLICABLE LAW

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

8. GHC has entered into this Stipulation and Order on its own behalf and with full authority to resolve the claims against it, and is aware of GHC's rights to contest the violations pending against it. These rights include representation by an attorney at GHC's

¹ The CCB granted GHC's request for an extension to respond to the Complaint and GHC filed its Answer timely with that extension.

 $^{^2}$ GHC subsequently retained counsel on June 17, 2025, to assist it with the completion of the settlement process.

- own expense, the right to a hearing on any violations or allegations formally filed, the right to confront and cross-examine witnesses called to testify against GHC, the right to present evidence on GHC's own behalf, the right to have witnesses testify on GHC's behalf, the right to obtain any other type of formal judicial review of this matter, and any other rights which may be accorded to GHC pursuant to provisions of NRS Chapters 678A through 678D, the Nevada Cannabis Compliance Regulations (NCCR), NRS Chapter 233B, and any other provisions of Nevada law. GHC is waiving all these rights by entering into this Stipulation and Order. If the CCB rejects this Stipulation and Order, all such waivers shall be deemed withdrawn by GHC.
- 9. Should this Stipulation and Order be rejected by the CCB or not timely performed by GHC, it is agreed that presentation to and consideration by the CCB of such proposed stipulation or other documents or matters pertaining to the consideration of this Stipulation and Order shall not unfairly or illegally prejudice the CCB or any of its members from further participation, consideration, adjudication, and/or resolution of these proceedings and that no CCB member shall be disqualified or challenged for bias.
- 10. GHC acknowledges that this Stipulation and Order shall only become effective after the CCB has approved it.
- 11. GHC enters this Stipulation and Order after being fully advised of GHC's rights and as to the consequences of this Stipulation and Order. This Stipulation and Order embodies the entire agreement reached between the CCB and GHC. It may not be altered, amended, or modified without the express written consent of the Parties, and all alterations, amendments and/or modifications must be in writing. The Parties stipulate and agree that this Stipulation and Order, if approved by the Board, resolves <u>only</u> the allegations set forth in the Administrative Action via the Complaint in Case No. 2025-001.
- 12. In an effort to avoid the cost and uncertainty of a disciplinary hearing, GHC has agreed to settle these matters. For purposes of settling these matters, GHC acknowledges that the facts contained in the paragraphs in the above "Pertinent Facts" section of this Stipulation and Order are true and correct. Without waiving any

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2728 constitutional rights against self-incrimination, GHC further acknowledges that, certain facts contained in the CCB Complaint in Case No. 2025-001 could be found to constitute multiple violations of Title 56 of NRS (NRS Chapters 678A through 678D), and the NCCR, with discipline including civil penalties of at least \$45,000, and revocation or suspension of license P097, if this matter went to an administrative hearing.

- 13. In settling this matter, the Executive Director for CCB and counsel for CCB have considered the factors set forth in NCCR 4.030(2), including: the gravity of the violations; the economic benefit or savings, if any, resulting from the violations; the size of the business of the violator; the history of compliance with the NCCR and Title 56 of NRS by the violator; actions taken to remedy and/or correct the violations; and the effect of the penalty on the ability of the violator to continue in business. The gravity of the violations are serious, as they include multiple Category I violations. GHC likely reaped an economic benefit by refraining from performing multiple inventory counts and reports over multiple years. As set forth in Paragraphs 2 through 5, above, GHC has a compliance history with the CCB. GHC is not a large-size cannabis production facility. As detailed further in this Stipulation and Order, GHC has taken actions to remedy and correct the violations. A large civil penalty may affect the ability of GHC to continue in business; however, the Parties agree that a reasonable civil penalty has been recommended, given the history of non-compliance and seriousness of the violations. Moreover, GHC has been granted the option of a 12-month time period over which it will make \$1,500 payment installments, as set forth herein.
- 14. The Executive Director for CCB, and counsel for the CCB, have also considered the appropriate aggravating factors (pursuant to NCCR 4.030(2), 4.035(2), 4.040(2), 4.050(2), 4.055(2),and 4.060(2)),and the appropriate mitigating factors (pursuant to NRS 678A.645(2) and 678A.647), in reaching the proposed settlement of this Administrative Action.
 - a. The Aggravating Factors include GHC's negative compliance history, as set forth in Paragraphs 2 through 5, above. More specifically, the Complaint includes

repeated violations from the 2023 Complaint: (1) obstructing regulatory personnel from performing their official duties (during both the 2023 and 2024 audits); (2) failing to immediately admit regulatory personnel into its premises (during the 2023 audit); (3) failing to properly respond to Board Agents' requests for documentation, information, and other records (during both the 2023 and 2024 audits); and (4) failing to timely submit required reports to the Board (during both GHC's 2023 and 2024 audits). Another aggravating factor is the fact that the CCB had to file two complaints before GHC began to fully comply with reporting requirements. Finally, GHC provided a plan of correction, as affirmed in the 2023 Settlement Agreement, for timely submission of required reports to CCB, though failed to follow that plan of correction.

b. The <u>Mitigating Factors</u> include: (1) the fact that GHC now takes its reporting requirements seriously, as since the filing of the Complaint, it has timely submitted required quarterly inventory and sales reports for Quarter 4 of 2024 (submitted timely on January 30, 2025) and Quarter 1 of 2025 (submitted timely on April 27, 2025); (2) GHC showed some improvement in compliance from the CCB's 2023 audit, as there were fewer violations found during the 2024 audit; (3) GHC has submitted and implemented a new and approved plan of correction for the violations set forth in the Complaint, as detailed in Paragraph 28 of this Stipulation and Order; and (4) GHC, though its authorized corporate representative, Daniel Caravette, and GHC's subsequently retained counsel, has cooperated with CCB's counsel in resolving this Administrative Action without the need to proceed with a disciplinary hearing. The Parties stipulate and agree that each of these four mitigating factors were weighted equally in reducing the violations admitted to, as well as allowing GHC to remain in business with corrective measures in place.

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15. To resolve the Administrative Action, and only for those purposes and no other, GHC specifically admits to the following two violations with respect to the Complaint in CCB Case No. 2025-001 for license P097:

- a. One violation of NCCR 4.035(1)(a)(11), for obstructing regulatory personnel from performing their official duties, which constitutes one Category I violation.
- b. One violation of NCCR 4.055(1)(a)(14), for failing to properly respond to a Board Agent's request for documentation and information, which constitutes one Category IV violation.

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

- 16. With respect to license P097, GHC further agrees to pay a civil penalty in the amount of \$18,000 in consideration for its admitted violations in Paragraph 15, above, and in consideration for the CCB's agreement to resolve the Administrative Action on the terms and conditions set forth herein.
- 17. In addition, as set forth in Paragraphs 22, 23, and 24, below, GHC shall also serve a 7 consecutive day suspension, retain a consultant to assist with internal audits regarding compliance, and its license P097 shall be subject to a voluntary surrender for failure to properly submit required quarterly reports to the Board over the next 2 years.
- 18. If the CCB approves this Stipulation and Order, it shall be deemed and considered disciplinary action by the CCB against GHC.
- 19. Both parties acknowledge that the CCB has jurisdiction to consider and order this Stipulation and Order because GHC holds a privileged license regulated by the CCB as of July 1, 2020. GHC expressly, knowingly, and intentionally waives the 14-day and/or 7-day notice requirements contained in the Nevada Open Meeting Law³ and acknowledges that this Stipulation and Order may be presented to the CCB for its consideration and potential ratification at the CCB's meeting on July 17, 2025.

³ NRS 241.033.

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STIPULATED ADJUDICATION

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

- 20. <u>Violations</u>: As to license P097, GHC is found to have committed one Category I violation and one Category IV, and as set forth in Paragraph 15, above.
- 21. <u>Imposition of Civil Penalties</u>. GHC shall pay a total civil penalty in the amount of Eighteen Thousand Dollars (\$18,000) within the time set forth in Paragraph 25, below.
- 22. Suspension. GHC's license P097 shall be suspended for 7 consecutive days. If this Stipulation and Order is approved at the Board's July 17, 2025, meeting, then said suspension shall commence at 5:00 p.m., Pacific Time, on Tuesday, August 26, 2025, and conclude on 5:00 p.m., Pacific Time, on Tuesday, September 2, 2025. During said suspension, GHC shall not buy, sell, transfer, receive, or distribute any cannabis or cannabis product. GHC may conduct other business activities during the suspension as follows: undertake production activities; retain or terminate employees and other personnel (with the required updates in METRC); receive payments from its accounts receivable; pay employees and handle any payroll requirements; and enter into contracts or agreements, except contracts or agreements involving the purchase, sale, distribution, and/or transfer of cannabis or cannabis product. During the suspension, GHC <u>must</u> ensure all security measures, including operational surveillance cameras, remain in place, and that it properly maintains its cannabis production facility. If the Board considers and approves this Stipulation and Order at a date later than July 17, 2025, then the Parties shall meet and confer and develop new dates for the suspension and submit those new dates to the CCB's Chair for approval. If the Parties cannot reach an agreement on new dates for the suspension, the CCB's Chair shall decide on the new suspension dates.
- 23. <u>Probation</u>. GHC's license P097 shall be placed on probation for a period of 2 years from the date the Board approves this Stipulation and Order. During said probation,

1 GHC must submit all required quarterly sales and inventory reports to the CCB via Accela 2(or whatever CCB portal may require, should it no longer use Accela) no later then the due 3 dates for said required reports. During said probation, if any of the required quarterly 4 reports are not filed or filed late, then license P097 shall be immediately suspended, on 5 notice by the CCB, until GHC properly submits its required quarterly reports to CCB. GHC 6 agrees that it cannot and will not contest any such suspension and is not entitled to a 7 hearing, appeal, or judicial review of any such suspension; nor is GHC permitted to take 8 any action in any forum for relief as to such suspension. If the required quarterly reports 9 are not submitted by the 60th day after they are due, then GHC's license P097 shall be 10 deemed voluntarily surrendered. GHC agrees that it cannot and will not contest in any 11 way this voluntary surrender of P097 and shall not file any petition for judicial review 12and/or any action in any forum for relief from said voluntary surrender. Greenway may 13 request one extension per calendar year (prior to the relevant deadline) to submit its 14quarterly reports and said extension cannot exceed 21 calendar days. Any such extension 15request must be made <u>prior</u> to the deadline for the quarterly reports in question and the

24. <u>Internal Audits</u>. GHC shall retain an independent contractor, at its own expense, to perform quarterly internal audits of its operations and compliance for the next 4 quarters (1 year) after the Board approves this Stipulation and Order. Said independent contractor must hold a valid cannabis establishment agent card for a cannabis production facility. The CCB cannot approve or recommend any particular independent contractor. The independent contractor must be in place within 30 days of the date the Board approves the settlement agreement and GHC shall provide notice to the CCB of the independent contractor's start date within that time. GHC may retain said independent contractor longer than the required year, though is not required to do so.

CCB Chair shall decide whether to grant the requested extension.⁴

25. Payment of Civil Penalties. GHC must pay the total civil penalty set forth in

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⁴ Should the CCB Chair be absent or unavailable, the CCB Chair shall delegate the extension decision to the following individuals (in order of priority, if any one shall not be available): the CCB Vice Chair, any other member of the Board, the CCB's Executive Director, the CCB's Deputy Director, any counsel representing the CCB.

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this agreement within the time frames set forth in this Paragraph and Paragraph 26. GHC may pay the lump sum of \$18,000 in civil penalties within 30 days of the date the CCB approves this Stipulation and Order⁵ (the "Lump Sum Payment Option"). In the alternative, GHC may elect to pay the civil penalties via a payment plan as set forth in this Paragraph (the "Payment Plan Option"), in which payment is to be made in installments over 12 months, on the fifteenth day of the month (or first business day thereafter), commencing the month after the CCB approves this Stipulation and Order. If this Stipulation and Order is approved at the July 17, 2025, CCB meeting, the Payment Plan Option payments shall be made on the following schedule and in the indicated amounts:

Installment	Payment Deadline	Amount of Payment
First Installment	Friday, August 15, 2025	\$1,500
Second Installment	Monday, September 15, 2025	\$1,500
Third Installment	Wednesday, October 15, 2025	\$1,500
Fourth Installment	Monday, November 17, 2025	\$1,500
Fifth Installment	Monday, December 15, 2025	\$1,500
Sixth Installment	Thursday, January 15, 2026	\$1,500
Seventh Installment	Tuesday, February 17, 2026	\$1,500
Eighth Installment	Monday, March 16, 2026	\$1,500
Ninth Installment	Wednesday April 15, 2026	\$1,500
Tenth Installment	Friday, May 15, 2026	\$1,500
Eleventh Installment	Monday, June 15, 2026	\$1,500
Twelfth Installment	Wednesday, July 15, 2026	\$1,500

26. GHC may pay any installment prior to its due date without pre-payment penalty. If GHC makes the first payment of \$1,500 on or before August 15, 2025, it shall be deemed to have elected the Payment Plan Option. If this Stipulation and Order is

⁵ Which would be Monday, August 18, 2025, if the CCB approves this Stipulation and Order at its July 17, 2025, meeting.

approved at a CCB meeting later than July 17, 2025, 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 27 shall apply to that new payment schedule.

27. Penalties for Failure to Comply with Payment Deadline. GHC 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. GHC agrees that, should it fail to timely make any installment payment under the Payment Plan Option (or fail to comply with the Lump Sum Payment Option, if applicable), the following penalties and procedures will be in effect:

- a. CCB will allow a seven-business day grace period for late payment⁶ for each installment.
- b. If payment (or a payment installment) is not physically <u>received</u> by CCB at its Carson City office by 5:00 p.m., Pacific Time, or actually received via an electronic payment via ACH⁷, on the last day of the grace period for any installment, GHC shall be deemed to be in breach of this Stipulation and Order, deemed to be in default, and shall pay all amounts due under this Stipulation and Order, as well as an additional late payment penalty of Thirty Thousand dollars (\$30,000), and shall have its license P097 immediately suspended, with such suspension remaining in place until all amounts due under this Stipulation and Order are paid in full (inclusive of the \$30,000 late payment penalty). The CCB will enter an order of default to this effect after default and all amounts due under this subsection shall be immediately due and payable to CCB. If all amounts due under this subsection are not paid

⁶ If a check or other form of payment (including ACH) is returned for insufficient funds, or otherwise rejected, the failed payment will <u>not</u> be considered a payment and no additional time beyond the seven business days grace period will be granted for payment.

⁷ When counsel for the CCB transmits the final, executed copy of this Stipulation and Order to Respondent, Respondent will also receive a letter instructing the Respondent on the acceptable payment methods and how to make each type of payment.

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within 90 days after the date of the order of default, license P097 shall be deemed voluntarily surrendered. GHC agrees it cannot and will not file any petition for judicial review and/or any action in any forum for relief from this order of default and that CCB may file any judicial action necessary to recover the amounts owed under this subsection, along with its attorneys' fees and costs for recovery of amounts owed.

- c. GHC may petition the CCB Chair (or in the Chair's absence, the Vice Chair) up to four times in total⁸ (but no more) for an extension of 30 days to pay an installment set forth in Paragraph 25 (or the lump sum, under the Lump Sum Payment Option). However, for the CCB to consider any such petition, the CCB must receive said petition no later than 5 business days prior to the installment deadline at issue (which does not include any grace period). The CCB is not required to grant such a petition. In such a petition, GHC must demonstrate to the satisfaction of the CCB that there are extraordinary and unusual circumstances necessitating the extension requested and specify which installment deadline or deadlines it is seeking an extension. The CCB Chair or Vice Chair may delegate the decision as to whether to grant such a petition to the CCB's Executive Director. Should such an extension be granted, counsel for the CCB may forward a new payment schedule to GHC or its point of contact or counsel.
- d. If an extension is granted under Paragraph 27(c), there shall be no grace period on the new payment date. If GHC does not pay by the new payment date, the provisions and penalties of Paragraph 27(b) apply.
- 28. Plan of Correction. Respondent represents and warrants that it has submitted and put in place a plan of correction, which CCB staff has approved, that will remedy and

⁸ For example, Respondent could petition for two extensions on the first installment, and one on the third and another on the tenth. Respondent is limited to a total of 4 extensions only over the entire 12 installments.

prevent the recurrence of the violations set forth in this Stipulation and Order. In summary, and in addition to the corrective action set forth in Paragraph 24, the plan of correction regarding the Administrative Action includes the following: (1) GHC timely submitted sales and inventory reports for Quarter 4 of 2024 and Quarter 1 of 2025; (2) GHC has implemented internal protocols⁹ to ensure it continues to timely submit required reports to the CCB; (3) GHC has instituted and shall maintain regular operating hours and has provided those operating hours to the CCB; (4) GHC has since provided the CCB with the requested documents, videos, and video access information requested during the 2023 audit; (5) GHC's visitor log has been amended to include the purpose of each visit; and (6) GHC updated its standard operating procedures to reflect adherence to limitations when combining lots. Respondent further represents and warrants that it is now, as of the date it has executed this Stipulation and Order, operating in full compliance with NRS Title 56 and NCCR.

- 29. <u>Sale and Transfer of License</u>. Upon the closing of a sale and transfer of license P097, or the closing of a sale and transfer of 100% of the membership interests of GHC, to a purchaser, the CCB agrees that the Probation set forth in Paragraph 23 shall terminate (along with the requirements of said Probation), and that the requirements of Paragraph 24 shall also terminate. GHC further warrants and agrees that it shall disclose to any purchaser or potential purchaser the terms of this Stipulation and Order and disclose that said purchaser shall be bound by all other terms herein, inclusive of the payment of the civil penalty.
- 30. <u>Contingency if Approval Denied</u>. If approval of this Stipulation and Order is denied by the CCB, GHC and counsel for the CCB agree to resume settlement negotiations in good faith and attempt to reach an agreement to amend this Stipulation and Order and resubmit an amended Stipulation and Order to the CCB to review for approval at a

⁹ These protocols include: four separate team members of GHC are assigned to receive automated calendar reminders aligned with the required reporting deadlines; two individuals are assigned with compiling inventory and sales reports; and three individuals are tasked with reviewing, uploading, and ensuring timely submission of the required reports through the designated CCB platform. GHC has provided the CCB with the names and positions of the individuals responsible for the foregoing corrective measures.

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Parties agree to proceed with the Administrative Action, and the matter to proceed to a disciplinary hearing before the CCB's assigned hearing officer in the ordinary course. Should the Administrative Action proceed for the reasons set forth in this Paragraph, CCB preserves all its claims and arguments in the Administrative Action as set forth in its Complaint and GHC preserves all its defenses and arguments as set forth in its Answer, and withdraws all waivers set forth herein. An unapproved Stipulation and Order shall not be admissible as evidence or referenced in argument at any disciplinary hearing in CCB Case No. 2025-001 or any other matter involving the CCB.

- 31. Contingency if Approval Conditioned. If the CCB approves this Stipulation and Order, but said approval is contingent on certain conditions, the Parties will undertake further good faith negotiations to include said conditions in an amended stipulation and order for execution by the CCB Chair. If GHC does not agree to the certain conditions imposed by the CCB, the Parties will undertake additional negotiations and attempt to reach an agreement to amend this Stipulation and Order and resubmit an amended stipulation and order to the CCB to review for approval at a subsequent regularly scheduled meeting. If such an agreement cannot be reached, the Parties agree to continue to proceed with the Administrative Action, and the matter to proceed to a disciplinary hearing before the CCB's assigned hearing officer in the ordinary course. Should the Administrative Action proceed for the reasons set forth in this Paragraph, CCB preserves all its claims and arguments in the Administrative Action as set forth in its Complaint and GHC preserves all its defenses and arguments set forth in its Answer, and withdraws all waivers set forth herein. An unapproved Stipulation and Order shall not be admissible as evidence or referenced in argument at any disciplinary hearing in CCB Case No. 2025-001 or any other matter involving the CCB.
- 32. <u>Closure of Disciplinary Action</u>. Once this Stipulation and Order is fully performed by GHC, the Administrative Action will be closed.
 - 33. Communications with CCB Members. GHC understands that this Stipulation

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

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

all of the persons, government agencies or entities named in this Paragraph, arising out of, or by reason of, CCB's investigation of the matters set forth in this Stipulation and Order, and/or the administration of CCB Case No. 2025-001.

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

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

- 36. <u>Attorneys' Fees and Costs</u>. The Parties each agree to bear their own attorneys' fees and costs, if any.
- 37. <u>Further Assurances</u>. The Parties shall cooperate in executing such additional documents and performing such further acts as may be reasonably necessary to give effect to the purposes and provisions of this Stipulation and Order.
- 38. <u>Voluntary and Informed Agreement</u>. The Respondent represents that its owners, officers, and/or its directors, who are responsible for and able to legally bind GHC have read completely and understand fully the terms of this Stipulation and Order, that

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

- 39. <u>Warranties of Authority</u>. The Parties to this Stipulation and Order, and each of them, expressly warrant and represent to all other Parties that each has the full right, title, and authority to enter into and to carry out its obligations hereunder, with the sole exception of the required approval of this Stipulation and Order by the CCB. The Parties also expressly acknowledge the foregoing authority.
- 40. <u>Binding Effect</u>. This Stipulation and Order shall be binding upon and inure to the benefit of the Parties hereto and the Parties' respective successors, predecessors, parents, affiliates, shareholders, employees, heirs, executors, assigns, and administrators.
- 41. <u>Construction</u>. The headings of all Sections and Paragraphs of this Stipulation and Order are inserted solely for the convenience of reference and are not a part of the Stipulation and Order and are not intended to govern, limit, or aid in the construction or interpretation of any term or provision of this Stipulation and Order. In the event of a conflict between such caption and the paragraph at the head of which it appears, the paragraph and not such caption shall govern in the construction of this Stipulation and Order.
- 42. <u>Governing Law</u>. This Stipulation and Order shall be governed by and construed in accordance with the laws of the State of Nevada, without reference to conflict of law principles.

- 43. <u>Jurisdiction and Forum Selection</u>. The Parties consent to the jurisdiction of the Eighth Judicial District Court of the State of Nevada, in and for Clark County, to resolve any disputes related to the terms or enforcement of this Stipulation and Order. The successful or prevailing Party or Parties in such action shall be entitled to recover reasonable attorney fees, costs, and expenses actually incurred in initiating or responding to such proceeding, in addition to any other relief to which it may be entitled.
- 44. <u>Interpretation</u>. This Stipulation and Order is the result of negotiations among the Parties who have each negotiated and reviewed its terms. In the event a Court ever construes this Agreement, the Parties expressly agree, consent, and assent that such Court shall not construe this Agreement or any provision hereof against any Party as its drafter for purposes of interpreting any ambiguity or uncertainty in this Stipulation and Order.
- 45. <u>Time is of the Essence</u>. Time is of the essence in the performance of all terms of this Stipulation and Order.
- 46. <u>Severability</u>. If any portion of this Stipulation and Order, or its application thereof to any person or circumstance, shall be deemed to any extent to be invalid, illegal, or unenforceable as a matter of law, all remaining clauses of this Stipulation and Order and its application thereof shall be not affected and shall remain enforceable to the fullest extent permitted by law.
- 47. <u>Counterparts and Copies</u>. This Stipulation and Order may be executed in counterparts, each of which when so executed and upon delivery to counsel of record for the Parties shall be deemed an original ("<u>Counterparts</u>"). This Stipulation and Order shall be deemed executed when Counterparts of this Stipulation and Order have been executed by all the Parties and/or their counsel; such Counterparts taken together shall be deemed to be the Agreement. This Stipulation and Order may be executed by signatures provided by electronic facsimile or email, which signatures shall be binding and effective as original wet ink signatures hereupon. All fully executed copies of this Stipulation and Order are duplicate originals, equally admissible in evidence.

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	Alice K. Scheraft		
5	Date: Date:		
6	Alicia R. Ashcraft, Esq. (Nev. Bar No. 6890) Counsel for Respondent GHC		
7	Counsel for Respondent GHC		
8	(1) (1) (A) (A)		
9	Mar Date: 6/27/2025		
10	Daniel Caravette, ' /		
11	on behalf of Respondent GHC		
12	11/10 611		
13	MR Path Date: 6/30/2025		
14	L. Kristopher Rath (Nev. Bar No. 5749) Senior Deputy Attorney General		
15	Counsel for Cannabis Compliance Board		
16			
17			
18	<u>ORDER</u>		
19	WHEREAS, on the 17th day of July 2025, 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 GHC.		
22	IT IS SO ORDERED.		
23	SIGNED AND EFFECTIVE this <u>17th</u> day of, 2025.		
24	STATE OF NEVADA,		
25	CANNABIS COMPLIANCE BOARD		
26	By: Al. O.J		
27	Adriana Guzmán Fralick, Chair		
28	Auriana Guzman Franck, Chair		