### ADMINISTRATIVE HEARINGS DIVISION

# August 18, 2022

## STIPULATED SETTLEMENT AGREEMENTS FOR MARIJUANA VIOLATION CASES

1. Epitome Acquisition, LLC Joseph Bellantoni, Mng. Member dba **ELEVEN ELEVEN** 

(Producer)

ORS 475C.269 (2), OAR 845-025-5500(4) - On or about Note: Licensee was charged with this violation by September 20, 2021, September 21, 2021, and/or October 5, 2021, Licensee and/or its employees, agents, or representatives failed to verify that their workers had valid marijuana worker permit, or pending applications and successful worker permit tests, before allowing them to perform any work of the kind described in ORS 475C.269(1) and/or OAR 845-025-5500(1) on the licensed premises..

Notice dated June 21, 2022. The total proposed sanction was a 14-day license suspension or a civil penalty of \$3,500.00. Licensee wishes to enter into this settlement agreement.

### **AGGRAVATION**

This violation was aggravated for repeated misconduct and involvement of more than one employee.

(1st Level Category III)

SYNOPSIS: - OLCC conducted a harvest inspection after receiving a complaint regarding workers harvesting without marijuana worker permits. The workers found onsite harvesting marijuana were on loan from another licensee, but were observed to be providing harvesting services to Eleven Eleven. While a few of the workers either held a permit or had met the minimum requirement (temporary relaxation of the rule during COVID) of a completed worker permit test and online application submitted to OLCC, the workers listed in the charge letter had not.

## TERMS OF AGREEMENT

- 1. Licensee accepts responsibility for the violation as set out in the Notice. This was Licensee's first Category III violation within two years. Any subsequent Category III violation within the same two years will be charged at the second level. This violation will become a permanent part of each licensee's Commission file and may be considered in any future application for any license or permit by that licensee.
- 2. The standard sanction for this Category III violation is a 10-day license suspension or a \$2,500.00 civil penalty. This violation was aggravated for repeated misconduct and involvement of more than one employee. Staff recommended a 14-day license suspension or a civil penalty of \$3,500.00.
- The Commission will reduce the sanction by three days. 3.
- Licensee will either pay a \$2,750.00 civil penalty before 5:00 PM on September 15, 2022 OR serve an 11-day suspension beginning at 4. 12:00 PM (noon) on September 22, 2022 and ending at 12:00 PM (noon) on October 3, 2022.
- 5. If a licensee's interest in the license expires or is transferred before the Commission issues a final order on this allegation, the licensee agrees to accept a Letter of Reprimand. This reprimand will become a permanent part of the licensee's Commission file and may be considered in any future application for a license or permit by that licensee.

## (continue ELEVEN ELEVEN)

This agreement is conditioned upon final approval of the Commission and will be reviewed by the Commissioners at their August 2022 Commission Meeting. If the agreement is not accepted and approved in its entirety by the Commission it is deemed null and void and Licensee's hearing rights, if any, will be restored. If the agreement is accepted and approved in its entirety by the Commission, Licensee waives any and all rights to a contested case hearing under the Administrative Procedures Act (ORS Chapter 183) and to judicial review, or to otherwise challenge this agreement and the final order.

Lightscale, Inc.
Jesse Ouellette, Pres/Dir
Justin Ouellette, Sec/Dir/Stockholder
Julien Ouellette, Treasurer/Dir
Aaron Troyer, Director
dba LIGHTSCALE LABS

(Laboratory)

OAR 845-025-8540(2)(a)(B), (2)(d) - From about October 31, 2020 to about February 11, 2021, Licensee and/or Licensee's employees, agents, or representatives misrepresented the testing results of marijuana items to consumers, licensees, and/or the public when they discovered in September or October 2020 that quality control measures indicated that their equipment was unable to test for several types of pesticides, but Licensee and/or Licensee's employees, agents, or representatives nevertheless issued Certificates of Analysis stating that the samples did not contain actionable levels of any of the pesticides being tested for and therefore that the samples passed pesticide testing. when in fact several of the pesticides would not have been able to have been detected due to the equipment failure.

(1st Level Category II)

Note: Licensee was charged with a Category I and Second Alternate Category II violation by Notice of Proposed License Cancellation, Seizure and Destruction of Marijuana Items, and Refusal to Renew License, dated June 1, 2022. The total proposed sanction was a 32-day suspension. Licensees requested a hearing and now wish to enter into this settlement agreement.

### **AGGRAVATION**

Staff recommended adding two days of aggravation because the violation was repeated.

<u>SYNOPSIS:</u> – A laboratory licensee reported marijuana test samples as "passed" during a period when their equipment was not detecting certain pesticide analytes. Because ORLAP is the agency primarily responsible for overseeing laboratory certification and they elected to recertify this lab even after this issue came to light, OLCC Executive team approved this settlement reduction to a civil penalty or suspension in an effort to act in coordination with our ORLAP partners.

## **TERMS OF AGREEMENT**

- 1. Licensee accepts responsibility for the second alternate violation as set out in the Notice.
- 2. This was Licensee's first Category II violation within two years. Any subsequent Category II violation within the same two years will be charged at the second level. The second alternate violation will become a permanent part of each licensee's Commission file and may be considered in any future application for any license or permit by that licensee.
- 3. The standard sanction for this violation is a 30-day suspension. Commission staff recommended adding two days of aggravation because the violation was repeated. The Commission will reduce the sanction by nine days.
- 4. Licensee will pay a \$5,750.00 civil penalty before 5:00 PM on September 15, 2022 **OR** serve a 23-day suspension beginning at 12:00 PM (noon) on September 22, 2022 and ending at 12:00 PM (noon) on October 13, 2022.
- 5. Licensee withdraws their Request for Hearing.
- 6. If a licensee's interest in the license expires or is transferred before the Commission issues a final order on the allegations, the licensee agrees to accept a Letter of Reprimand for the second alternate violation. This reprimand will become a permanent part of the licensee's Commission file and may be considered in any future application for any license or permit by that licensee.

## (continue LIGHTSCALE LABS)

7. This agreement is conditioned upon final approval of the Commission and will be reviewed by the Commissioners at their August 2022 Commission Meeting. If the agreement is not accepted and approved in its entirety by the Commission it is deemed null and void and Licensee's hearing rights, if any, will be restored. If the agreement is accepted and approved in its entirety by the Commission, Licensee waives any and all rights to a contested case hearing under the Administrative Procedures Act (ORS Chapter 183) and to judicial review, or to otherwise challenge this agreement and the final order.

3. Cura CS. LLC Cura Partners, Inc., Mng Member Joseph Bayern, President/Director Neil Davidson, Treas/Sec/Director CLF Sapphire Holdings, Inc., Stkhldr Joseph Bayern, President/Director Neil Davidson, Treas/Sec/Dir Curaleaf, Inc., Stockholder Joseph Lusardi, Pres/Treas/Sec/Dir Curaleaf Holdings, Inc., Stockholder Joseph Bavern, President Joseph Lusardi, Director Kyle Crossley, Secretary Anuranjan Kalia, Treasurer Peter Derby, Director Karl Johansson, Director Jaswinder Grover, Director Mitchell Kahn, Director Andrey Blokh, Stockholder Gociter Holdings, Ltd, Stockholder Boris Jordan, Stockholder Themis Directors, Ltd. Director dba CURA CANNABIS SOLUTIONS

(Processor)

### **PACKAGING AND LABELING VIOLATIONS:**

From about June 2, 2021 to about August 16, 2021, on about 29 separate days, Licensee or Licensee's employees, representatives or agents transferred to other licensees marijuana items for ultimate sale to a consumer that were not packaged and/or labeled in accordance with OAR 845-025-7000 to 845-025-7190. when approximately 1.590 units of cannabinoid products (as defined by OAR 845-025-7000(9)) derived from source package UID 1A401030002C0B1000002312. contained untruthful or misleading statements on the package or label regarding the contents of its Select CBD Drops Broad Spectrum Hemp CBD Tincture-30mL, when the listed ingredients read "Fractionated coconut oil (MCT) and Hemp concentrate," and showed a potency of "CBD: 3.28% 984.00mg/container" and "THC: <LOQmg/container," but in fact the product contained significant amounts of Tetrahydrocannabinol (THC) ranging from 24.9 mg/mL to 36.6 mg/mL of THC and a non-detectable or trace amount of Cannabidiol (CBD), in violation of OAR 845-025-7020(3), OAR 845-025-7030(2)(a), (6), (17)(c), OAR 845-025-7110 and OAR 845-025-7170(1)(2). Each transfer and/or sale of an individual marijuana item with a noncompliant label is a violation of ORS 475C.644(1) and OAR 845-025-7170(1)(2). These violations are not knowing or intentional. The penalty for this incident is capped at \$100,000.00.

From about June 17, 2021 to about August 3, 2021, on about 22 separate days, Licensee or Licensee's employees, representatives or agents transferred to other licensees marijuana items for ultimate sale to a consumer that were not packaged and/or labeled in accordance with OAR 845-025-7000 to 845-025-7190, when approximately 1,500 units of cannabinoid products (as defined by OAR 845-025-7000(9) derived from source package UID 1A401030002C0B1000002311, contained untruthful or misleading statements on the package or label regarding the contents of its Select THC Drops

Note: Licensee was charged with these violations by an Amended Notice dated June 29, 2022. The proposed sanction for the packaging and labeling violations is a \$200,000.00 civil penalty. The total proposed penalty for the compliance Violation Number Three was a 32-day license suspension. Licensee requested a hearing and now wishes to enter into this settlement agreement.

### **AGGRAVATION**

Aggravation was added because the violation was repeated, involved more than one consumer, and resulted in injury to consumers.

# (continue CURA CANNABIS SOLUTIONS)

Unflavored-30mL, when the listed ingredients read "Fractionated coconut oil (MCT) and Cannabis concentrate" and showed a potency of "THC 3.45% 1035 mg/container" and "CBD: 0.0538% 16.14mg/container," but in fact the product contained non-detectable to trace amounts of THC and significant levels of CBD ranging from 30.6 mg/mL to 33.4 mg/mL of CBD, in violation of OAR 845-025-7020(3), OAR 845-025-7030(2)(a), (6), (17)(c), OAR 845-025-7110, OAR 845-025-7140 and OAR 845-025-7170(1)(2). Each transfer and/or sale of an individual marijuana item with a noncompliant label is a violation of ORS 475C.644(1) and OAR 845-025-7170(1)(2). These violations are not knowing or intentional. The penalty for this incident is capped at \$100,000.00.

### **COMPLIANCE VIOLATION**

ORS 475C.245(3), OAR 845-025-8540(2)(a)(A)(B)(C), OAR 845-025-1300(1)(f), and OAR 845-025-2785(7). From about June 19, 2021 to about September 24, 2021, Licensee or Licensee's employees, representatives or agents misrepresented to consumers, licensees and the public the content, testing results, and potency of hundreds of its marijuana items and industrial hemp commodity or products, when approximately 1,590 units of cannabinoid products (as defined by OAR 845-025-7000(9) derived from source package UID 1A401030002C0B1000002312, misrepresented the contents of its Select CBD Drops Broad Spectrum Hemp CBD Tincture-30mL, as containing listed ingredients "Fractionated coconut oil (MCT) and Hemp concentrate," and showed a potency of "CBD: 3.28% 984.00mg/container" and "THC: <LOQmg/container," but in fact the product contained significant amounts of Tetrahydrocannabinol (THC) ranging from 24.9 mg/mL to 36.6 mg/mL of THC and a non-detectable or trace amount of Cannabidol (CBD); and when approximately 1,500 units of cannabinoid products (as defined by OAR 845-025-7000(9)) derived from source package UID 1A401030002C0B1000002311, misrepresented the contents of its Select THC Drops Unflavored-30mL, as containing listed ingredients "Fractionated coconut oil

(continue CURA CANNABIS SOLUTIONS)

(MCT) and Cannabis concentrate," and showed a potency of "THC 3.45% 1035 mg/container" and "CBD: 0.0538% 16.14mg/container," but in fact the product contained non-detectable to trace amounts of THC and significant levels of CBD ranging from 30.6 mg/mL to 33.4 mg/mL of CBD. This violation is not knowing or intentional under OAR 845-025-8540(2)(c), but instead falls under OAR 845-025-8540(2)(d). <sup>1</sup>

(1st Level Category II)

**SYNOPSIS:** On September 21, 2021, OLCC issued a recall on a batch of Licensee's Select CBD Drops "Broad Spectrum" items. The hemp tincture recall was issued after OLCC received complaints that consumers had unexpectedly become impaired after consuming the item and it was discovered that the entire batch had been mislabeled and contained undisclosed amounts of THC. On September 24, 2021, the recall was expanded to include a batch of Licensee's Select Tincture 30mL THC Drops, items which were mislabeled as containing THC, when they did not contain THC but did contain undisclosed CBD. Investigation revealed that during production a batch of Hemp CBD bulk oil had been unintentionally switched with a batch of Marijuana THC bulk oil, resulting in Hemp CBD tinctures being mislabeled and sold as THC tinctures and vice versa. Licensee was able to pinpoint the timeframe the incident occurred, which was an isolated act that resulted due to an employee error. Subsequently, Licensee has instituted substantial improvements to its internal production and safety protocols. Licensee also demonstrated extraordinary cooperation during the OLCC investigation, took full responsibility for all violations charged, and demonstrated that the violations were not persistent but rather an isolated occurrence.

## **TERMS OF AGREEMENT**

- 1. Licensee accepts responsibility for the violations as set out in the Notice. The proposed sanction for the packaging and labeling violations pertaining to Incident Number One and Incident Number Two is a \$200,000.00 civil penalty. Violations Number One and Number Two were not knowing or intentional. The Commission will reduce the sanction to a \$130,000.00 civil penalty.
- 2. Compliance Violation Number Three was not knowing or intentional and was Licensee's first Category II violation within two years. Any subsequent Category II violation within the same two years will be charged at the second level. Violation Number Three will become a permanent part of each licensee's Commission file and may be considered in any future application for any license or permit by that licensee.
- 3. Commission staff originally proposed the standard sanction of a 30-day license suspension for Violation Number Three. Mitigation was applied because Licensee provided extraordinary cooperation in the investigation demonstrating acceptance of responsibility, and because Licensee demonstrated to the satisfaction of the Commission that the incident leading to the violation was not persistent. Aggravation was added because the violation was repeated, involved more than one consumer, and resulted in injury to consumers. The total proposed penalty for Violation Number Three was a 32-day license suspension.

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<sup>&</sup>lt;sup>1</sup> The Notice incorrectly cited OAR 845-025-8540(4)(b) in the Determining the Penalty section.

### (continue CURA CANNABIS SOLUTIONS)

- 4. The Commission will reduce the sanction for Violation Number Three and impose a 23-day license suspension, with the option to pay a \$2,750.00 civil penalty in lieu of 11 days of the suspension, with the remaining 12 days mandatory.
- 5. Licensee will **either** pay a \$130,000.00 civil penalty before 5:00 PM on September 15, 2022, **AND** serve a 23-day suspension beginning at 12:00 PM (noon) on September 22, 2022 and ending at 12:00 PM (noon) on October 15, 2022; **OR** pay a \$132,750.00 civil penalty before 5:00 PM on September 15, 2022, **AND** serve a 12-day suspension beginning at 12:00 PM (noon) on September 22, 2022 and ending at 12:00 PM (noon) on October 4, 2022.
- 6. Licensee withdraws its Request for Hearing in this matter.
- 7. If a licensee's interest in the license expires or is transferred before the Commission issues a final order on the allegations, the licensee agrees to accept a Letter of Reprimand for the Compliance Violation Number Three. This reprimand will become a permanent part of the licensee's Commission file and may be considered in any future application for any license or permit by that licensee.
- 8. The terms of this Settlement Agreement and the Final Order entered based on this Agreement are binding on Licensee and any of its agents, employees, representatives, successors or assigns.
- 9. This agreement is conditioned upon final approval of the Commission and will be reviewed by the Commissioners at their August 2022 Commission Meeting. If the agreement is not accepted and approved in its entirety by the Commission it is deemed null and void and Licensee's hearing rights, if any, will be restored. If the agreement is accepted and approved in its entirety by the Commission, Licensee waives any and all rights to a contested case hearing under the Administrative Procedures Act (ORS Chapter 183) and to judicial review, or to otherwise challenge this agreement and the final order.

Village Green Incorporated<sup>2</sup>
Yafei Li, President/Stockholder
dba VILLAGE GREEN

(Producer)

OAR 845-025-2040(3)(a)(A), (5).<sup>3</sup> - On or before September 23, 2019, Licensee intentionally exceeded the 20-canopy limit imposed on licensees whose licenses were issued or renewed after April 1, 2018, when Licensee (a Tier II producer whose license was renewed after April 1, 2018) and/or its employees, agents, or representatives, after being instructed by an OLCC Inspector during a previous premises change inspection that they had to make revisions to the licensed premises in order to not exceed the 20-canopy limit:

- 1) Added an unapproved canopy of approximately 10 feet x 10 feet being used for outdoor production containing marijuana plants;
- 2) Added an unapproved canopy consisting of an indoor grow tent containing immature marijuana plants.

(Category I)

OAR 845-025-2090(1), (5)(a) - On or about September 15, 2019, Licensee and/or Licensee's employees, agents, or representatives harvested usable marijuana from one or more mature marijuana plants in an outdoor canopy area on the licensed premises without submitting a harvest notification in the form and manner prescribed by the Commission identifying the proposed harvest dates no later than by 9:00 AM on the day of the harvest activity.

(2<sup>nd</sup> Level Category III)

OAR 845-025-1230(9)(a) - On or about September 23, 2019, Licensee and/or Licensee's employees, agents, or representatives failed to record the marijuana worker permit number and name of all current employees and licensee representatives required to have a marijuana worker permit as they appeared on the marijuana worker

Note: Licensee was charged with these violations by Second Amended Notice dated April 13, 2022. Staff proposed the standard sanction of license cancellation for the violations. Under the Verification of Compliance Program, the Commission withdraws Violations Number Four, Number Seven, and Number Eight and issues a warning in lieu of a violation. Licensee requested a hearing and now wishes to enter into this settlement agreement.

### **AGGRAVATION**

Staff recommended aggravation because there were three or more violations within a two-year period, regardless of the category, where the number of violations indicated a disregard for the law or failure to control the premises, because Licensee Yafei Li was personally involved in Violation Number One, because Violation Number Three involved more than one employee, and because Violation Number Five was repeated.

<sup>&</sup>lt;sup>2</sup> Jiansong Huang was Secretary/Stockholder of Village Green, Inc. at the time of the violations but was subsequently removed from licensed entity. Mr. Huang was included in the caption of the Amended Notice, but has subsequently been dropped from this proceeding by the Commission.

<sup>&</sup>lt;sup>3</sup> References are to the rules in effect at the time of the violations.

permit when the following employees or licensee representatives were not listed as employees or licensee representatives in the METRC Cannabis Tracking System (CTS):

- 1) Matthew Cartmill;
- 2) Jack Cartmill.

(1st Level Category IV)

OAR 845-025-7520(1)(d) - On or about January 21, 2021, Licensee and/or Licensee's employees, agents, or representatives failed to assign and affix a unique identification tag to marijuana items when it had approximately 100 untagged totes containing marijuana and bags of trimmed marijuana located in the drying rooms of the licensed premises.

(1st Level Category III)

OAR 845-025-2090(1), (2)(a), (b), (c), (5)(a) - On or about October 14, 2020, October 15, 2020, and/or October 16, 2020, Licensee and/or Licensee's employees, agents, or representatives harvested usable marijuana from one or more mature marijuana plants in an outdoor canopy area on the licensed premises without submitting a harvest notification in the form and manner prescribed by the Commission identifying the proposed harvest dates no later than by 9:00 AM on the day of the harvest activity.

(2<sup>nd</sup> Level Category III)

OAR 845-025-2090(3) - On or about September 29, 2020, License and/or Licensee's employees, agents, or representatives failed to rescind or amend a harvest notification within 24 hours of the harvest date identified in a harvest notice filed with the Commission when a harvest was scheduled on that date and was not conducted.

(1st Level Category IV)

OAR 845-025-7540(1), (2) - On or before November 24, 2020, Licensee or Licensee's employees, agents, or representatives failed to enter data into CTS that fully and transparently accounted for all inventory tracking activities when its CTS account contained the following inaccurate entries:

- Harvest batch 2020-10-18-Building-GMO, was created on October 16, 2020 and entered into CTS on October 28, 2020 as containing 16.4 pounds of marijuana, but Licensee later reported that 18.1 pounds of marijuana was taken from this batch to create another package;
- Package 1A401030000F93A000002133 was created from six packages totaling 1,329.19 pounds, and approximately a month later Licensee adjusted the package downward by 1,196.28 pounds with the reason listed as "entry error";
- 3) Package 1A401030000F93A000002150 was created on November 24, 2020 with a weight of 550 pounds, when the weight should have been 55 pounds, sourced from harvest batch "2020-10-14-Building-H," but when Licensee and/or its employees adjusted the package downward by 495 pounds they failed to restore the 495 pounds back into the source batch, resulting in 495 pounds of marijuana that was unaccounted for:
- 4) Package 1A401030000F93A000001673 was created with a weight of two pounds of marijuana, then adjusted down to zero with the reason listed as "entry error," when there was no entry error and the two pounds of marijuana was actually intentionally and knowingly returned to Package 1A401030000F93A000001558, the original package from which Package 1A401030000F93A000001673 was created;

5) Package 1A401030000F93A000001682 was created with a weight of three pounds of marijuana, then adjusted down then adjusted down to zero with the reason listed as "entry error," when there was no entry error and the three pounds of marijuana was actually intentionally and knowingly returned to Package 1A401030000F93A000001629, the original package from which Package 1A401030000F93A000001682 was created.

(1st Level Category III)

OAR 845-025-7520(1)(d)(A), (B) – On or before November 24, 2020, Licensee or Licensee's employees, agents, or representatives failed to establish an accurate record from one marijuana item to another and use a new UID tag each time a marijuana item is added or placed in a receptacle when:

- 1) Package 1A401030000F93A000001673 was created with a weight of two pounds of marijuana, then returned to Package 1A401030000F93A000001558, the original package from which Package 1A401030000F93A000001673 was created, without a new package tag being created;
- 2) Package 1A401030000F93A000001682 was created with a weight of three pounds of marijuana, when the three pounds of marijuana was returned to Package 1A401030000F93A000001629, the original package from which Package 1A401030000F93A000001682 was created, without a new package tag being created.

(1st Level Category III)

<u>SYNOPSIS:</u> – The issues with exceeding canopy, harvest notification, and failing to record permit numbers, were discovered in 2019, and were part of an ongoing compliance action when several new complaints were received from workers, BOLI and Oregon OSHA, that led to a January 21, 2021 inspection at the premises. The 2021 inspection did not find that the premises was still exceeding its allowed canopy. The 2021 inspection did not verify most of the issues raised in the complaints, but did reveal issues with UID tagging and CTS tracking that staff has subsequently determined is more appropriately handled through the Verification of Compliance (VOC) program, so three violations were withdrawn and VOC warnings substituted. Based on executive team approval, the remaining violations were settled based on standard settlement reductions for CAT III and CAT IV violations, and a determination that the evidence showed inattention to detail rather than intentional violation.

## **TERMS OF AGREEMENT**

- 1. Licensee accepts responsibility for Violations Number One, Number Two, Number Three, Number Five, and Number Six as set out in the Notice. Violation Number One was Licensee's first Category I violation. Violation Number Two was within two years of a previous Category III violation, and Violation Number Five was committed within two years of Violation Number Two. Therefore they each constitute a second Category III violation within two years. Any subsequent Category III violation within the same two years as Violation Number Five will be charged at the second level. Violations Number Three and Number Six were Licensee's first and second Category IV violations within two years, charged at the first level. Any subsequent Category IV violation within the same two years will be charged at the second level.
- 2. Under the Verification of Compliance Program, the Commission withdraws Violations Number Four, Number Seven, and Number Eight and issues a warning in lieu of a violation. A Notice of Warning for violation of OAR 845-025-7520(1)(d) and OAR 845-025-7540(1), (2) will be placed on Licensee's record.
- 3. Commission staff proposed the standard sanction of license cancellation for the violations. Staff recommended aggravation because there were three or more violations within a two-year period, regardless of the category, where the number of violations indicated a disregard for the law or failure to control the premises, because Licensee Yafei Li was personally involved in Violation Number One, because Violation Number Three involved more than one employee, and because Violation Number Five was repeated.
- 4. The Commission will reduce the sanction for Violation Number One and impose a \$10,500.00 civil penalty for that violation. The Commission will impose a 21-day suspension or \$5,250.00 civil penalty for Violation Number Two, a seven-day or \$1,750.00 civil penalty for Violation Number Three, a 23-day suspension or \$5,750.00 for Violation Number Five, and a five-day suspension or \$1,250.00 civil penalty for Violation Number Six.
- 5. Licensee will pay a \$24,500.00 civil penalty before 5:00 PM on September 15, 2022 **OR** pay a \$10,500 civil penalty and serve a 56-day suspension beginning at 12:00 PM (noon) on September 22, 2022 and ending at 12:00 PM (noon) on November 17, 2022.
- 6. Licensee withdraws its Request for Hearing.
- 7. If a licensee's interest in the license expires or is transferred before the Commission issues a final order on the allegations, the licensee agrees to accept a Letter of Reprimand for the violations. This reprimand will become a permanent part of the licensee's Commission file and may be considered in any future application for any license or permit by that licensee.
- 8. This agreement is conditioned upon final approval of the Commission and will be reviewed by the Commissioners at their August 2022 Commission Meeting. If the agreement is not accepted and approved in its entirety by the Commission it is deemed null and void and Licensee's hearing rights, if any, will be restored. If the agreement is accepted and approved in its entirety by the Commission, Licensee waives any and all rights to a contested case hearing under the Administrative Procedures Act (ORS Chapter 183) and to judicial review, or to otherwise challenge this agreement and the final order.