

ADMINISTRATIVE POLICY & PROCESS DIVISION

October 26, 2017

STIPULATED SETTLEMENT AGREEMENTS FOR VIOLATION CASES

1. Bend Basix Company
Timothy Jewsbury, Pres/Sec/Treas/Dir/Stkhldr
dba **7-ELEVEN STORE #2363-20397G (O)**
1008 NW Galveston Ave
Bend, OR 97703

OAR 845-006-0335(1)(a)(b)(c) – Licensee’s employee Jessica Hemings failed to verify the age of a minor, before allowing her to buy or be served an alcoholic beverage when she reasonably appeared to be under 26 years of age (July 5, 2017).

(1st Level Category III)

Note: Licensee was charged with this violation by Notice dated September 6, 2017. The proposed sanction was a 12-day suspension or a \$1,980.00 civil penalty and Removal from the Responsible Vendor Program. Licensee wishes to enter into this settlement agreement.

AGGRAVATION

Licensee has previously been allowed to purchase age verification equipment as an offset to a penalty for a previous failure to verify the age of a minor and the age verification equipment was not used to prevent the current violation.

TERMS OF AGREEMENT

1. Licensee accepts responsibility for the violation as set out in the Notice of Proposed License Suspension / Civil Penalty and Removal from the Responsible Vendor Program. This was Licensee’s first Category III violation within two years. Any subsequent violation of this type within the same two-year period will be charged at the second level.
2. Commission staff originally proposed the standard sanction of a 10-day suspension or a \$1,650.00 civil penalty for the violation. Staff added two days of aggravation because Licensee has previously been allowed to purchase age verification equipment as an offset to a penalty for a previous failure to verify the age of a minor and the age verification equipment was not used to prevent the current violation. The total proposed sanction was a 12-day suspension or a civil penalty of \$1,980.00, and removal from the Responsible Vendor Program.
3. The Commission will reduce the total sanction for the violation by three days. This is equivalent to a 30% reduction of the standard sanction.
4. Licensee will pay a \$1,485.00 civil penalty before 5:00 PM on November 15, 2017 **or** serve a nine-day suspension beginning at 7:00 AM on November 20, 2017 and ending at 7:00 AM on November 29, 2017.
5. Licensee will be removed from the Responsible Vendor Program. Licensee may reapply for the program one year after the ratification of this agreement.
6. If Licensee’s interest in the license expires or is transferred before the Commission issues a final order on this allegation, Licensee agrees to accept a Letter of Reprimand for the violation. This reprimand will become a permanent part of Licensee’s Commission file and may be considered in any future application for any license by Licensee.
7. This agreement is conditional upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their October 2017 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.

2. Doss Consulting, Inc.
Matthew Doss, President/Dir/Stockholder
dba **SPYCE GENTLEMENS CLUB**
(F-COM)
210 NW Couch St
Portland, OR 97209

OAR 845-006-0347(3) – Licensee permitted unlawful activity when Licensee’s employee, agent, representative, or servant Zachary McCarthy provided private security services as a private security professional at the licensed premises without having certificates under ORS 181A.870 (May 26, 2016 to May 26, 2017).

(1st Level Category III)

OAR 845-006-0335(6) – Licensee permitted a minor entertainer under 18 years of age to perform at and remain at the licensed premises other than as permitted (March 25, 2017 to April 4, 2017).

(1st Level Category IV)

Note: Licensee was charged with these violations by Notice dated August 23, 2017. The proposed sanction was a 19-day suspension or a \$3,135.00 civil penalty. Licensee requested a hearing and now wishes to withdraw that request to enter into this settlement agreement.

AGGRAVATION

The employee worked without certification for more than six months.

TERMS OF AGREEMENT

1. Licensee accepts responsibility for the violations as set out in the Notice. Violation One was Licensee’s first Category III violation within two years. Violation Two was Licensee’s first Category IV violation within two years. Any subsequent Category III or Category IV violation within the same two years will be charged at the second level.
2. Commission staff originally proposed for Violation One the standard sanction of a 10-day suspension or a \$1,650.00 civil penalty. Staff added two days of aggravation because the employee worked without certification for more than six months. The total proposed sanction was a 12-day suspension or a \$1,980.00 civil penalty.
3. Commission staff originally proposed for Violation Two the standard sanction of a seven-day suspension or a \$1,155.00 civil penalty.
4. The total proposed sanction for Violations One and Two was a 19-day suspension or a \$3,135.00 civil penalty.
5. The Commission will reduce the sanction by five days. This is equivalent to a 30% reduction of the standard sanction.
6. Licensee will pay a \$2,310.00 civil penalty before 5:00 PM on November 15, 2017 **or** serve a 14-day suspension beginning at 7:00 AM on November 20, 2017 and ending at 7:00 AM on December 4, 2017.
7. Licensee withdraws the request for a hearing.
8. If Licensee’s interest in the license expires or is transferred before the Commission issues a final order on these allegations, Licensee agrees to accept a Letter of Reprimand for these violations. This reprimand will become a permanent part of Licensee’s Commission file and may be considered in any future application for any license by Licensee.

9. This agreement is conditional upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their October 2017 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 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. Zeco Development Group, LLC
Ramzy Hattar, Managing Member
Shadi Hattar, Member
dba **RIVER PIG SALOON (F-COM)**
529 NW 13th Ave
Portland, OR 97209

ORS 471.405(1) – Licensee or Licensee’s employees, agents, servants, or representatives sold or offered for sale alcoholic beverages in a manner other than the license permitted when they sold or offered for sale alcoholic beverages at a location (in the street outside the licensed premises during the Three Amigos Block Party) other than the licensed premises, without a Temporary Use of an Annual License for the location (May 4, 2017 to May 6, 2017).

Note: Licensee was charged with these violations by Notice dated September 6, 2017. The proposed sanction was Cancellation. Licensee requested a hearing and now wishes to withdraw that request to enter into this settlement agreement.

(1st Level Category I)

OAR 845-006-0347(2)(a) – Licensee or Licensee’s employees, agents, servants, or representatives permitted noisy activities on the licensed premises or in areas Licensee controls that are adjacent to or outside the premises when the premises or areas created a noise disturbance (May 5, 2017 and May 6, 2017).

(1st Level Category III)

TERMS OF AGREEMENT

1. Licensee accepts responsibility for the violations as set out in the Notice. These were Licensee’s first Category I and Category III violations within two years. Any subsequent Category I or Category III violation within the same two years will be charged at the second level.
2. Commission staff originally proposed for Violation Number One the standard sanction of license cancellation.
3. Commission staff originally proposed for Violation Number Two the standard sanction of a 10-day suspension or a \$1,650.00 civil penalty.
4. The Commission will reduce the sanction to a 37-day suspension or a \$6,105.00 civil penalty.
5. Licensee will pay a \$6,105.00 civil penalty before 5:00 PM on November 15, 2017 **OR** serve a 37-day suspension beginning at 7:00 AM on November 20, 2017 and ending at 7:00 AM on December 27, 2017.
6. Licensee withdraws the request for a hearing.
7. If Licensee’s interest in the license expires or is transferred before the Commission issues a final order on these allegations, Licensee agrees to accept a Letter of Reprimand for the violations. This reprimand will become a permanent part of Licensee’s Commission file and may be considered in any future application for any license by Licensee.

8. This agreement is conditional upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their October 2017 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.

4. Salami Salami, LLC
Vincenzo Lanzadoro, Managing Member
dba **ENZO'S CAFFE ITALIANO (F-COM)**
2529 NE Alberta St
Portland, OR 97211

ORS 471.405(1) – Licensee sold or offered to sell distilled spirits contrary to the terms of Licensee’s full on-premises sales license, when Licensee’s employees, agents or representatives sold or offered to sell a bottle or bottles of Lemoncello to patron Eric Hildebrand, for consumption off premises (May 29, 2017).

(1st Level Category I)

ORS 471.405(1) – Licensee sold or offered to sell distilled spirits contrary to the terms of Licensee’s full on-premises sales license, when Licensee’s employees, agents or representatives sold or offered to sell a bottle or bottles of Lemoncello to OLCC Inspector David Standiford, and/or to the general public, for consumption off premises (May 31, 2017 and June 2, 2017).

(1st Level Category I)

ORS 471.425(1) – Licensee made false statements to the Commission in order to induce or prevent action by the Commission: (1) that Licensee was not selling Lemoncello to go; (2) when presented with contrary evidence, that Licensee only sold Lemoncello like wine, corking the unfinished bottle “to go” if someone had it with a meal; and (3) that Licensee had only just recently begun making Lemoncello for a few weeks prior to June 2, 2017.

(1st Level Category II)

ORS 471.360(1)(a) and (b) – Licensee permitted its employee Linh Lanzadoro to mix, sell, or serve alcoholic beverages, or supervise those who do, without a valid service permit issued by the Commission (June 18, 2016 to May 31, 2017).

(1st Level Category III)

Note: Licensee was charged with these violations by Notice dated July 12, 2017. The proposed sanction was Cancellation. Licensee requested a hearing and now wishes withdraw that request to enter into this settlement agreement.

AGGRAVATION

Licensee participated personally in all four violations and Licensee’s employee worked more than six months without a service permit

TERMS OF AGREEMENT

1. Licensee accepts responsibility for the violations as set out in the Notice. These were Licensee’s first and second Category I violations. 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. 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.

2. Commission staff originally proposed a standard sanction of cancellation.
3. The Commission will reduce the sanction for Violations Number One and Number Two, and impose a 30-day suspension or \$4,950.00 civil penalty.
4. By signing this Agreement, Licensee requests reduction of license privileges from Full On-Premises Sales ("F-COM") to Limited On-Premises Sales ("L"). Licensee understands that, once approved, no sale or service of distilled liquor is allowed. Upon approval of this Agreement by the Commission, the OLCC Licensing Department shall promptly process this reduction in privileges. Any change in food service or the configuration of the licensed premises will be submitted to the Licensing Department within 30 days of the signing of this Agreement.
5. Licensee may not renew or apply for any license that permits the sale or service of distilled spirits.
6. The standard sanction for Violation Number Three is a 30-day suspension. The Commission will reduce this sanction by nine days. This is equivalent to a 30% reduction of the standard sanction.
7. The standard sanction for Violation Number Four is a 10-day suspension or a \$1,650.00 civil penalty. The Commission will reduce this sanction by three days. This is equivalent to a 30% reduction of the standard sanction.
8. Commission staff proposed aggravation because Licensee participated personally in all four violations, and because Licensee's employee worked more than six months without a service permit. The Commission finds aggravation due to Licensee's participation in the first three violations, and the employee working more than six months without a service permit, and therefore adds eight days suspension or a civil penalty of \$1,320.00.
9. Licensee will serve a 66-day suspension beginning at 7:00 AM on November 20, 2017 and ending at 7:00 AM on January 25, 2018, **OR** pay a \$7,425.00 civil penalty before 5:00 PM on November 15, 2017 **and** serve a 21-day suspension beginning at 7:00 AM on November 20, 2017 and ending at 7:00 AM on December 11, 2017.
10. Licensee withdraws its request for a hearing.
11. If Licensee's interest in the license expires or is transferred before the Commission issues a final order on these allegations, Licensee agrees to accept a Letter of Reprimand for these violations. This reprimand will become a permanent part of Licensee's Commission file and may be considered in any future application for any license by Licensee.
12. This agreement is conditional upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their October 2017 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.

5. NW Compassion Medical Center, Inc.
Aaron Michaelsen, President/Stockholder
dba **NW COMPASSION MEDICAL
CENTER (RETAILER)**
1970 NE 238th Drive
Wood Village, OR 97060

OAR 845-025-2910(11) – Licensee retained in its inventory marijuana items transferred under authority of OAR 845-025-2910(9), specifically, multiple packages of the extract “Golden Private Stash” (March 2, 2017 to about April 18, 2017).

(1st Level Category III)

OAR 845-025-2910(12) and OAR 845-025-7580(1)(a)(b)(c)(e) – Licensee and/or its employees or representatives failed to reconcile all on-premises and in-transit marijuana inventories each day in CTS at the close of business with respect to the extract “Golden Private Stash” (January 1, 2017 to April 18, 2017).

(1st Level Category III)

Note: Licensee was charged with these violations by Notice dated September 12, 2017. The proposed sanction was a 22-day suspension or a \$3,630.00 civil penalty. Licensee requested a hearing and now wishes to withdraw that request to enter into this settlement agreement.

AGGRAVATION

Violation Number Two was repeated.

TERMS OF AGREEMENT

1. Licensee accepts responsibility for the violations as set out in the Notice. These were Licensee’s first and second Category III violation within two years, discovered concurrently, each charged at the first level. Any subsequent Category III violation within two years will be charged at the second level.
2. Commission staff originally proposed for each of these violations the standard sanction of a 10-day suspension or a civil penalty of \$1,650.00. Staff added two days of aggravation due to repeated failure to comply with laws. The total proposed sanction was a 22-day suspension or a \$3,630.00 civil penalty.
3. The Commission will reduce the standard sanction by six days. This is equivalent to a 30% reduction of the standard sanctions.
4. Licensee will pay a \$2,640.00 civil penalty before 5:00 PM on November 15, 2017 **or** serve an 16-day suspension beginning at 7:00 AM on November 20, 2017 and ending at 7:00 AM on December 6, 2017.
5. Licensee hereby withdraws its Request for Hearing in this matter.
6. If Licensee’s interest in the license expires or is transferred before the Commission issues a final order on these allegations, Licensee agrees to accept a Letter of Reprimand for these violations. This reprimand will become a permanent part of Licensee’s Commission file and may be considered in any future application for any license by Licensee.
7. This agreement is conditional upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their October 2017 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.

6. MTO Holdings, Inc.
Luay Tomeka, President/Stockholder
dba **BLUE SKY OF PORTLAND/
MEDIGREEN (RETAILER)**
729 SE Powell Blvd
Portland, OR 97202

OAR 845-025-1230(16) – Licensee subleased a portion of the licensed premises to subtenant Dutchland, LLC (January 1, 2017).

(1st Level Category I)

OAR 845-025-1115(4)(a) – Licensee or Licensee’s employees, agents, servants, or representatives allowed medical marijuana items to be produced, processed, stored, sold, and/or transported to or on the licensed premises (January 1, 2017 to February 10, 2017).

(1st Level Category I)

OAR 845-025-2800(3)(d)(e) – Licensee or Licensee’s employees, agents, servants, or representatives discounted marijuana items in conjunction with the retail sale of other items when they offered “buy 5 full or half gram joints get one for a penny!” and “first time joy – spend \$15.00 get a half gram joint for a penny” and “reefer-a-friend – spend \$15.00 get a half gram joint for a penny!” discounts (February 10, 2017).

(1st Level Category IV)

Note: Licensee was charged with these violations by Notice dated April 18, 2017. The proposed sanction was Cancellation. Licensee requested a hearing and now wishes withdraw that request to enter into this settlement agreement.

TERMS OF AGREEMENT

1. Licensee accepts responsibility for the violations as set out in the Notice. Violation Three was Licensee’s first Category IV violation within two years. Any subsequent Category IV violation within the same two years will be charged at the second level. Violations One and Two were Licensee’s first Category I violations within two years.
2. Commission staff proposed the standard sanction of license cancellation for the violations, because Violations One and Two were Category I violations.
3. The Commission will impose a \$9,900.00 civil penalty or a 60-day license suspension for Violations One and Two. The Commission will reduce the sanction for Violation Three by two days or \$330.00. This is equivalent to a 30% reduction of the standard sanction.
4. Licensee will pay a \$10,725.00 civil penalty before 5:00 PM on November 15, 2017 **or** serve a 65-day suspension beginning at 7:00 AM on November 20, 2017 and ending at 7:00 AM on January 24, 2018.

5. Licensee has begun the process of returning the licensed premises to the conditions approved by the Commission. Licensee will remove the subtenant and medical marijuana items from the premises prior to ratification of this agreement. OLCC Public Safety staff will verify the subtenant and medical marijuana items have been removed from the licensed premises before the agreement is ratified by the Commissioners at their October 2017 Commission Meeting. If Public Safety staff cannot verify that the licensed premises has been returned to the conditions approved by the Commission, this agreement will not be presented at the October 2017 Commission Meeting.
6. Licensee withdraws its request for a hearing.
7. If Licensee's interest in the license expires or is transferred before the Commission issues a final order on these allegations, Licensee agrees to accept a Letter of Reprimand for these violations. This reprimand will become a permanent part of Licensee's Commission file and may be considered in any future application for a license by Licensee.
8. In accordance with the acceptance of responsibility for the violations in this Stipulated Settlement Agreement, Licensee agrees to dismiss, with prejudice and without costs to either party, Multnomah County Circuit Court case no. 17CV29239.
9. This agreement is conditional upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their October 2017 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 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.

7. Cura CS, LLC (1002253EDE0)
Terwilliger Partners, LLC, Managing
Member
dba **CURA CS (PROCESSOR)**

OAR 845-025-7700(3)(c) – Licensee or
Licensee’s employees, agents, servants, or
representatives failed to use the Cannabis
Tracking System (CTS) and generate a printed
transport manifest that accompanied transport of
marijuana items from 8134 SE Taylor Street,
Portland, Oregon to 115 SE Yamhill Street,
Portland, Oregon (March 18, 2017).

Note: Licensee was charged with this violation by
Notice dated July 11, 2017. The proposed
sanction was a 10-day suspension or \$1,650
civil penalty. Licensee requested a hearing and
now wishes to withdraw that request to enter
into this settlement agreement.

(1st Level Category III)

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.
2. Commission staff originally proposed for this violation the standard sanction of a 10-day suspension or a civil penalty of \$1,650.00.
3. The Commission will reduce the sanction by three days. This is equivalent to a 30% reduction of the standard sanction.
4. Licensee will pay a \$1,155.00 civil penalty before 5:00 PM on November 15, 2017 **OR** serve a seven-day suspension beginning at 7:00 AM on November 20, 2017 and ending at 7:00 AM on November 27, 2017.
6. Licensee withdraws the request for a hearing.
7. If Licensee’s interest in the license expires or is transferred before the Commission issues a final order on the allegation(s), Licensee agrees to accept a Letter of Reprimand for the violation(s). This reprimand will become a permanent part of Licensee’s Commission file and may be considered in any future application for any license by Licensee.
8. This agreement is conditional upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their October 2017 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.

8. Cura CS, LLC (100251230A)
Terwilliger Partners, LLC, Managing
Member
dba **CURA CS (WHOLESALE)**

OAR 845-025-7540(3) – Licensee or Licensee’s employees, agents, servants, or representatives permitted individuals from El Paso 10, LLC to use a Cannabis Tracking System (CTS) log-on and/or password belonging to Licensee or Licensee’s employees, agents, servants, or representatives (November 1, 2016 to January 25, 2017).

Note: Licensee was charged with this violation by Amended Notice dated September 25, 2017. The proposed sanction was a 20-day suspension or \$3,300 civil penalty. Licensee requested a hearing and now wishes to withdraw that request to enter into this settlement agreement.

(1st Level Category III)

OAR 845-025-7700(3)(c) – Licensee or Licensee’s employees, agents, servants, or representatives failed to use the Cannabis Tracking System (CTS) and generate a printed transport manifest that accompanied transport of marijuana items from 1133 SE 82nd Avenue, Portland, Oregon to 115 SE Yamhill Street, Portland, Oregon (March 18, 2017).

(1st Level Category III)

TERMS OF AGREEMENT

1. Licensee accepts responsibility for the violations as set out in the Notice. Violations One and Two were Licensee’s first Category III violations within two years. The violations were charged at the first level because they were discovered concurrently. Any subsequent Category III violation within the same two years will be charged at the second level.
2. Commission staff originally proposed the standard sanction of a 10-day suspension or a \$1,650.00 civil penalty for Violation Number One.
3. Commission staff originally proposed the standard sanction of a 10-day suspension or a \$1,650.00 civil penalty for Violation Number Two.
4. The total proposed sanction for Violations Number One and Number Two was a 20-day suspension or a \$3,300.00 civil penalty.
5. The Commission will reduce the proposed sanction by six days. This is equivalent to a 30% reduction of the standard sanctions.
6. Licensee will pay a \$2,310.00 civil penalty before 5:00 PM on November 15, 2017 **OR** serve a 14-day suspension beginning at 7:00 AM on November 20, 2017 and ending at 7:00 AM on December 4, 2017.
7. Licensee withdraws the request for hearing.
8. If Licensee’s interest in the license expires or is transferred before the Commission issues a final order on the allegation(s), Licensee agrees to accept a Letter of Reprimand for the violation(s). This reprimand will become a permanent part of Licensee’s Commission file and may be considered in any future application for any license by Licensee.

9. This agreement is conditional upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their October 2017 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.

9. Black Bottle Lofland, LLC
Bigby Cannabis, Inc., Managing Member
Black Bottle Holdings, Inc., Member
dba **BLACK BOTTLE CANNABIS CO.**
(PRODUCER)

OAR 845-025-7540(1)(2) – Licensee or Licensee’s employees, agents, servants, or representatives failed to enter data into the cannabis tracking system (CTS) in a manner that failed to fully and transparently account for all inventory tracking activities (September 24, 2016 to about February 16, 2017).

(1st Level Category III)

OAR 845-025-1450(2)(j) – Licensee and/or Licensee’s employees, agents, servants, or representatives failed to give or make video surveillance and recordings available immediately upon request to the Commission, until on or about February 13, 2017, for the purpose of ensuring compliance with ORS Chapter 475B and Commission rules (December 20, 2016, December 28, 2016, and January 13, 2016).

(1st Level Category II)

OAR 845-025-1410(3) – Licensee or Licensee’s employees, agents, servants, or representatives failed to ensure that during all hours when the licensee was not operating, all usable marijuana, cut and drying mature marijuana plants, cannabinoid concentrates, extracts or products on the licensed premises were kept in a locked, enclosed area within the licensed premises that is secured with at a minimum, a properly installed steel door with a steel frame, and a commercial grade, non-residential door lock (November 29, 2016, December 11, 2016, and December 12, 2016).

(1st Level Category III)

Note: Licensee was charged with these violations by Notice dated July 12, 2017. The proposed sanction was a 52-day suspension or a civil penalty of \$3,300.00 in lieu of 20 days with the remaining 32 days of the suspension mandatory. Licensee requested a hearing and now wishes withdraw that request to enter into this settlement agreement.

AGGRAVATION

Violation Two was repeated

TERMS OF AGREEMENT

1. Licensee accepts responsibility for the violations as set out in the Notice. Violations One and Three were Licensee’s first and second Category III violations within two years. Violation Two was Licensee’s first Category II violation within two years. Any subsequent Category III or Category II violation within the same two years will be charged at the second level.

2. Commission staff originally proposed for Violation One the standard sanction of a 10-day suspension or a \$1,650.00 civil penalty.
3. Commission staff originally proposed for Violation Two the standard sanction of a 30-day suspension. Staff added two days of aggravation because Violation Two was repeated. The total proposed sanction was a 32-day suspension.
4. Commission staff originally proposed for Violation Three the standard sanction of a 10-day suspension or a \$1,650.00 civil penalty.
5. The total proposed sanction for Violations One, Two and Three was a 52-day suspension or a civil penalty of \$3,300.00 in lieu of 20 days with the remaining 32 days of the suspension mandatory.
6. The Commission will reduce the standard sanction by six days for Violation One and Violation Three. This is equivalent to a 30% reduction of the standard sanction for Violation One and Three.
7. The Commission will impose a \$4,950.00 civil penalty or a 30-day license suspension for Violation Two.
8. Licensee will pay a \$7,260.00 civil penalty before 5:00 PM on November 15, 2017 **or** serve a 44-day suspension beginning at 7:00 AM on November 20, 2017 and ending at 7:00 AM on January 3, 2018.
9. Licensee withdraws the request for a hearing.
10. If Licensee's interest in the license expires or is transferred before the Commission issues a final order on this allegation, Licensee agrees to accept a Letter of Reprimand for these violations. This reprimand will become a permanent part of Licensee's Commission file and may be considered in any future application for any license by Licensee.
11. This agreement is conditioned upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their October 2017 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.

10. SEWC, LLC
Thomas Monroe, Managing Member
Kate Monroe, Member
dba **SOUTHEAST WINE COLLECTIVE (WY)**
2425 SE 35th Place
Portland, OR 97214

OAR 845-006-0345(6) – Licensee permitted Member Kate Monroe and Elizabeth McCausland to take alcoholic beverages in open containers off the licensed premises (April 26, 2017).

(1st Level Category V)

OAR 845-006-0345(1) – Licensee and Member, Kate Monroe, drank an alcoholic beverage while on duty (April 26, 2017).

(1st Level Category III)

Note: Licensee was charged with these violations by Notice dated August 15, 2017. The proposed sanction was a 17-day suspension or a \$2,805.00 civil penalty. Licensee requested a hearing and now wishes to withdraw that request to enter into this settlement agreement.

AGGRAVATION

Licensee Kate Monroe was personally involved in the both violations.

TERMS OF AGREEMENT

1. Licensee accepts responsibility for the violations as set out in the Notice. These were Licensee's first Category V and Category III violations within two years. Any subsequent violation of these types within the same two years will be charged at the second level.
2. Commission staff originally proposed the standard sanction of a three-day suspension or a \$495.00 civil penalty for Violation Number One. Staff added two days of aggravation because Licensee Kate Monroe was personally involved in the violation. The total proposed sanction for Violation Number One was a five-day suspension or an \$825.00 civil penalty.
3. Commission staff originally proposed the standard sanction of a 10-day suspension or a \$1,650.00 civil penalty for Violation Number Two. Staff added two days of aggravation because Licensee Kate Monroe was personally involved in the violation. The total proposed sanction for Violation Number Two was a 12-day suspension or a \$1,980.00 civil penalty.
4. The total proposed sanction for Violations Number One and Number Two was a 17-day suspension or a \$2,805.00 civil penalty.
5. The Commission will reduce the proposed sanction by four days. This is equivalent to a 30% reduction of the standard sanctions.
6. Licensee will pay a \$2,145.00 civil penalty before 5:00 PM on November 15, 2017 **or** serve a 13-day suspension beginning at 7:00 AM on November 20, 2017 and ending at 7:00 AM on December 3, 2017.
7. Licensee withdraws the request for a hearing.
8. If Licensee's interest in the license expires before the Commission issues a final order on these allegations, Licensee agrees to accept a Letter of Reprimand for the violations. This reprimand will become a permanent part of Licensee's Commission file and may be considered in any future application for any license by Licensee.
9. This agreement is conditional upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their October 2017 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.