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October 5, 2015

Tisha Siler  
C/o Cannacea, LLC  
10735 NE Halsey St  
Portland, OR 97220

Re: MMD62124

Ms. Tisha Siler:

On October 1, 2015 OHA Marijuana Dispensary program staff completed an on-site visit of Cannacea as a follow up to allegations of retail marijuana sales violations.

Under OAR 333-008-1120(3), a PRF is "accountable for any intentional or unintentional action of its owners, officers, managers, employees or agents, with or without the knowledge of PRF, who violate ORS 475.314 or these rules". Having invited vendors on dispensary property, you were responsible for ensuring the vendors complied with the law.

Oregon Health Authority (OHA) and Oregon Marijuana Program senior management, and DOJ General Counsel subsequently conducted a review and determined five OAR violations had occurred. As such, a suspension of your license to engage in limited marijuana retail sales to recreational consumers is an option.

However, in lieu of a suspension, OHA is open to a Stipulated Settlement Order with you and Cannacea including a \$2500 civil penalty and one-year Order term of effect, among other conditions (see attached).

If the Stipulated Settlement Order is agreeable to you, payment of the \$2500 civil penalty must be received by OHA within ten days of you signing the Order. The signed Stipulated Settlement Order and payment shall be sent to the Oregon Health Authority, Medical Marijuana Dispensary Program, P.O. Box 14116, Portland, Oregon 97293.

If you have any questions feel free to contact me at 971-673-0499.

Sincerely,



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David Howe  
Interim Marijuana Program Manager  
Public Health Division  
Oregon Health Authority

**OREGON HEALTH AUTHORITY**  
**Public Health Division**  
**Oregon Medical Marijuana Dispensary Program**

<p><b>In the matter of the registration of:</b></p> <p><b>Cannacea,</b> <b>MMD #62124</b></p>	<p style="text-align:center"><b>STIPULATED SETTLEMENT ORDER</b></p>
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1. The Oregon Health Authority (OHA), Medical Marijuana Dispensary Program is responsible for enforcing the law related to the registration of dispensaries. ORS 475.314(10), OAR 333-008-1275.

2. Cannacea, MMD # 62124, was registered on September 8, 2015, and notified OHA on September 24, 2015 that it intended to sell limited recreational marijuana products in accordance with SB 460 (2015). Cannacea acknowledged on the notification form signed by the PRF Tisha Siler, that if dispensary rules, in particular rules related to early retail sales were violated, enforcement action could be taken against the dispensary.

3. A bulletin sent to all dispensaries on September 30, 2015, informed them that free giveaways and samples of any marijuana, including any concentrates, extracts or edibles inside or outside the dispensary is prohibited.

4. On September 29, 2015, OHA staff informed Tisha Siler, personally, that giveaways and providing or offering free marijuana of any kind were not permitted. If it was found that this was occurring, staff informed Tisha Siler that it could take action against her dispensary registration.

5. On October 1, 2015, Cannacea held a grand opening event publicizing free product samples and a drawing to win free cannabis for a year, in violation of section 46, chapter 1, Oregon Laws 2015.

6. On October 1, 2015, in response to a complaint that cannabinoid extracts and edibles were being given away on Cannacea's property, that identification was not being checked for recreational users, and that minors were present on the property and were being given cannabinoid edibles, OHA staff investigated.

7. In Cannacea's parking lot, which is controlled by Cannacea, vendors were giving away "shatter" a concentrated form of marijuana and useable marijuana is the form of a pre-roll, to any individual passing by, without checking identification. During the investigation the following violations were found:

- Marijuana products being transferred to the public in the dispensary parking which is outside of the secured and restricted area of a dispensary. (OAR 333-008-1140)
- Identification was not being checked to determine whether an individual was 21 or over. (OAR 333-008-1500)
- Cannabinoid concentrates or extracts and cannabinoid edibles were being provided to individuals without an OMMP card on dispensary property in violation of OAR 333-008-1500 and 333-008-1245.
- Marijuana products being transferred did not contain proper labeling. (OAR 333-008-1220)
- Marijuana products being transferred were not in child resistant packaging. (OAR 333-008-1225)

8. Under OAR 333-008-1120(3), a PRF is “accountable for any intentional or unintentional action of its owners, officers, managers, employees or agents, with or without the knowledge of the PRF, who violate ORS 475.314 or these rules.” Having invited vendors on dispensary property, Tisha Siler was responsible for ensuring the vendors complied with the law.

9. In lieu of OHA suspending Cannacea’s ability to engage in limited marijuana retail sales to recreational consumers, Cannacea, Tisha Siler and OHA desire to settle this matter. Cannacea and Tisha Siler waive any right to appeal the terms of this Order.

10. Cannacea, Tisha Siler and OHA agree to resolve this matter by entry of this Stipulated Settlement Order, subject to the following conditions:

10.1 Cannacea and Tisha Siler admit to the violations in paragraph 7 of this Order and agree to pay a civil penalty of \$2,500 for the violations. Payment of the civil penalty must be received by OHA within ten days of Tisha Siler signing this Order. Payment shall be sent to the Oregon Health Authority, Medical Marijuana Dispensary Program, P.O. Box 14116, Portland, Oregon 97293.

10.2 OHA agrees to forego any further enforcement action related to the violations found on October 1, 2015.

10.3 If, during the term this settlement order is in effect OHA finds any of the same violations listed in paragraph 7 of this Order Cannacea and Tisha Siler agree that the dispensary registration will be revoked, subject to the hearing rights in paragraph 10.4.

10.4 If OHA determines that Cannacea or Tisha Siler is in violation of any of the rules described in paragraph 7 of this Order OHA must provide a Notice of Violation to Cannacea and Tisha Siler, and explain the right to a contested case hearing where the only issue will be whether Cannacea or Tisha Siler was in violation of a rule identified in the notice. Cannacea and Tisha Siler shall have no right to contest the violations in this Order or the proposed sanction of revocation, should a violation be found.

10.5 If, under paragraphs 10.4 Cannacea or Tisha Siler do not appeal the Notice of Violation or OHA prevails in a hearing, the dispensary registration of Cannacea will be revoked and neither Cannacea nor Tisha Siler may apply to register a dispensary anywhere in the state or act as

the PRF of any dispensary registered under ORS 475.314 for five years from the date of the revocation order.

11. The terms of this Order apply to any subsequent owner of Cannacea or any subsequent PRF of Cannacea.

12. Cannacea and Tisha Siler agree that OHA may make this Order public.

13. This Order shall remain in effect for one year from the date this Order is signed by OHA.

Dated: 10/16/15

David Howe  
David Howe  
Interim Marijuana Program Manager

Dated: 10/9/15

Tisha L. Siler  
Tisha Siler, PRF