

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

<p><b>In the matter of the registration of:</b></p> <p><b>CannaKing Productions LLC,</b> <b>MMD #85612</b></p>	<p><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. OHA issued an Emergency Suspension Order and Notice of Proposed Revocation to CannaKing Productions, LLC (hereinafter CannaKing), MMD # 85612, on, August 31, 2015 and September 9, 2015, respectively, incorporated by reference.

3. CannaKing, Jesse Rogers and OHA desire to settle this matter. CannaKing and Jesse Rogers have been fully advised of their rights to notice and a contested case hearing under the Administrative Procedures Act (Oregon Revised Statutes chapter 183), and fully and finally waive all such rights and any rights to appeal or otherwise challenge the Notice of Proposed Revocation, or this Stipulated Settlement Order, except as provided in paragraph 4.6.

4. CannaKing, Jesse Rogers and OHA agree to resolve this matter by entry of this Stipulated Settlement Order, subject to the following conditions:

4.1 CannaKing and Jesse Rogers admit to the following violations and agree to pay a civil penalty of ~~\$4,000~~ for each of the violations listed below for a total civil penalty of \$4,000:

*\$500*

- PRF could not demonstrate products received were not tampered with prior to valid test results being received in violation of OAR 333-008-1190(2)(c).
- Inadequate or incomplete documentation of transfers of marijuana to facility in violation of OAR 333-008-1210(1) and 333-008-1240.
- Inadequate or incomplete documentation for transfers of marijuana from facility in violation of OAR 333-008-1210(1) and 333-008-1230.
- Improper labeling of usable marijuana in violation of OAR 333-008-1220.
- Inventory could not be accounted for in violation of OAR 333-008-1230(10) and 333-008-1260(1)(g).
- Usable marijuana was not kept in a safe, lockable refrigerator, or vault, in violation of OAR 333-008-1140(5)(b).
- Unauthorized person received usable marijuana with no documentation to account for what was transferred, in violation of OAR 333-008-1240(2).

- Security DVR could not maintain 30 days of archives, in violation of OAR 333-008-1180(2)(a)

Payment of the civil penalty must be received by OHA within ten days of Jesse Rogers signing this Order. Payment shall be sent to the Oregon Health Authority, Medical Marijuana Dispensary Program, P.O. Box 14116, Portland, Oregon 97293.

4.2 CannaKing and Jesse Rogers agree to surrender and OHA agrees to accept the surrender of CannaKing's registration for MMD #85612, effective the date Jesse Rogers signs this agreement.

4.3 OHA agrees to withdraw the Notice of Proposed Revocation issued on September 9, 2015.

4.4 CannaKing or Jesse Rogers may apply for a new dispensary registration and the prior violations will not be taken into consideration in OHA's review of the first application submitted by CannaKing or Jesse Rogers after this Settlement Order is signed.

4.5 If CannaKing or Jesse Rogers, as PRF, receives a new dispensary registration and any of the same violations as are described in paragraph 4.1 are found during an investigation or inspection, CannaKing and Jesse Rogers agree that the new dispensary registration will be revoked, subject to the hearing rights in paragraph 4.6.

4.6 If OHA determines that CannaKing or Jesse Rogers is in violation of any of the rules described in paragraph 4.1 of this Order OHA must provide a Notice of Violation to CannaKing or Jesse Rogers, as applicable and explain the right to a contested case hearing where the only issue will be whether CannaKing or Jesse Rogers was in violation of a rule identified in the notice. CannaKing and Jesse Rogers shall have no right to contest the violations in the Proposed Notice of Revocation that was issued on September 9, 2015, the provisions of this Order, or the proposed sanction of revocation, should a violation be found.

4.7 If, under paragraph 4.6 CannaKing or Jesse Rogers do not appeal the Notice of Violation or OHA prevails in a hearing, the dispensary registration of Canna King or Jesse Rogers will be revoked and neither CannaKing nor Jesse Rogers 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.

4.8. The terms of this Order apply to any subsequent owner of CannaKing.

4.9 CannaKing and Jesse Rogers agree that OHA may make this Order public.

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

Dated: 10-19-15



David M. Howe  
Interim Marijuana Program Manager

Dated: 10-3-2015



Jesse Rogers, PRF