

March 11, 2019

Case No. RMD-026-01

Massachusetts Wellspring, Inc. 18 Powder Mill Road Acton, MA 01720

## FINAL ORDER AND AGREEMENT OF PARTIES FOR DISPOSITION

The Commonwealth Cannabis Control Commission ("Commission") and Massachusetts Wellspring, Inc. ("Respondent") agree to the following as resolution of a Summary Cease and Desist and Quarantine Order as amended on February 11, 2019 ("Order").

## Procedural Background

- On February 7, 2019, after prior inspection of the Respondent's RMD facility located at 18 Powder Mill Road, Acton, MA 01720 ("RMD"), the Commission issued a Summary Cease and Desist Order ("Initial Order") identifying violations of the Cannabis Control Commission regulations, 935 CMR 501.000, et seq., determined to pose an immediate or serious threat to the public health, safety or welfare and ordering Respondent to:
  - Cease and desist from all dispensing, cultivation, processing and other RMD operations pursuant to Respondent's license to operate a Registered Marijuana Dispensary;
  - b. Comply with all provisions of 935 CMR 501, et seq.;
  - c. Post Notice of this order in a conspicuous location at the RMD; and
  - d. Immediately comply with the requirements of this order upon its receipt.
- 2. On February 8 and 11, 2019, Respondent sought clarification of the effect of the Initial Order on Respondent's cultivation operations.
- 3. On February 11, 2019, the Commission amended its Initial Order as follows ("First Amended Order"):
  - a. Immediately quarantine, secure and preserve within Respondent's facilities all marijuana, including but not limited to cultivated plants, finished marijuana and marijuana infused products;

- Respondent may take actions necessary to preserve and maintain existing plantings at various stages of cultivation in accordance with 935 CMR 501.105(2)(a) and (b);
- c. Respondent shall not create any new plantings; and
- d. Respondent shall not process, package, transport or dispense cultivated products.
- 4. On February 26 and March 7, 2019, the Commission conducted re-inspections of Respondent's RMD and observed that the facility had corrected violations necessary to abate the threat to public health, safety, or welfare as dentified in the Order.

## Final Order and Agreed Disposition

Respondent seeks to dispose of the Order and cited violations by settlement in order to achieve an equitable result and to avoid the time and expense of a hearing.

Commission staff finds that the circumstances surrounding these violations are serious. However, the Commission, through its Executive Director, finds that resolution of this matter serves the purposes of 935 CMR 501.445 because Respondent has accepted responsibility for the violations set forth in the Order and agreed to sufficient safeguards as set forth below.

The Order is hereby RESCINDED in accordance with 935 CMR 501.445(2) and subject to the following conditions:

- 1. Respondent shall accept responsibility for the violations cited in the Commission's order dated February 7, 2019 and as amended on February 11, 2019;
- Respondent shall submit any improperly-stored marijuana or marijuana products for retesting pursuant to 935 CMR 501.105(3);
- 3. Respondent shall conduct a monthly inventory of marijuana in the process of cultivation and finished, stored marijuana pursuant to 935 CMR 501.105(7)(c)(2) and submit such report to the Commission for a period of six (6) months from the date of this order;
- Respondent shall notify the Commission and local law enforcement of any breach of security, violation of 935 CMR 501.110 or upon any of the occasions enumerated in 935 CMR 501.110(6)(a)(1) through (7) with notice provided immediately, but in no instance, more than twenty-four (24) hours after such incident;
- Respondent shall be subject to a probationary period of three (3) months from the date of this order. Any repeat offense during the probationary period shall constitute full and adequate grounds for administrative and disciplinary action against the Respondent's license pursuant to 935 CMR 501.405(13);

- Respondent waives any and all rights to a hearing provided under and pursuant to M.G.L. c. 30A, §10 and 935 CMR 501.505(1) and to judicial review, or to otherwise challenge this Final Order and Agreement.
- 7. All principals of Respondent shall complete required training and obtain credentials for the Commission's seed-to-sale system of record (Metrc) no later than April 1, 2019.
- 8. Respondent shall comply with all provisions of 935 CIMR 501.000, et seq.

Failure to comply with the above conditions may result in administrative action against Respondent up to any including suspension and/or revocation of registration.

Respondent acknowledges that the Commission advised Respondent of its opportunity to consult with an attorney of their choosing and Respondent represents that they have had an opportunity to do so prior to signing the Agreement. Respondent acknowledges that they have been given a reasonable period of time in which to consider the terms of this Agreement before signing it. Respondent acknowledges and confirms that they have entered into this Agreement voluntarily and of their own free will, without duress or coercion, and that they are competent to enter into this Agreement. Respondent acknowledges that they have carefully read and fully understands the meaning and intent of this Agreement.

Signed this \_\_\_\_\_day of March 2019:

Commonwealth of Massachusetts Cannabis Control Commission

Shawn Collins, Executive Director

Respondent Massachusetts Wellspring, Inc.

Stefanie Lipton, Chief Executive Officer