

September 16, 2022

4bros, Inc. d/b/a East Coast Pharms

License Nos.:

MTC1325-C/P/R (Final) – Expired 6/15/2022

MR281550 (Provisional) – Expired 3/26/2022

MC281814 (Provisional) – Expired 7/17/2022

MP281543 (Provisional) – Expired 7/16/2022

Enforcement Case No.

ENF-2021-0000001090

FINAL ORDER AND STIPULATED AGREEMENT

This Final Order and Stipulated Agreement (herein, “Order”) between the Commonwealth of Massachusetts Cannabis Control Commission (the “Commission”) and 4bros, Inc. d/b/a East Coast Pharms (“Respondent”) (together, the “Parties”) is offered for the purposes of settlement and in lieu of further administrative action. The Commission finds that resolution of this matter serves the purposes of 935 CMR 500.350, 500.450, 500.500 and 935 CMR 501.350, 501.450, 501.500 because Respondent has accepted responsibility for the violations set forth in this Order, has cooperated with the Commission during the period of summary suspension, has taken actions, in good faith, to restore operational compliance with Commission regulatory requirements, and where Respondent further agrees to enhanced Commission oversight for an interim period to abate further risk to the public health, safety, or welfare.

Accordingly, the Commission and Respondent stipulate to the following facts of record, applicable law, findings, and remedies:

1. The Commission has jurisdiction over the conduct and operations of licensed Marijuana Establishments (MEs) and licensed Medical Marijuana Treatment Centers (MTCs) and the subject matter herein pursuant to the provisions of the Commonwealth’s marijuana laws, St. 2016 c. 334 § 76, M.G.L. c. 94G and 94I, 935 CMR 500.000: *Adult Use of Marijuana, et seq.* and 935 CMR 501.000: *Medical Use of Marijuana, et seq.*;
2. The Commission may rely on its statutory and regulatory authority to conduct investigations of compliance with Commission laws, impose fines on the holder of a license, or suspend or otherwise restrict a license;



3. Pursuant to its authority under M.G.L. c. 94I and M.G.L. c. 94G §§ 4(a) and 4(a½), the Commission may issue an order immediately suspending a license and all licensed operations upon determining that such operations pose an immediate or serious threat to the public health, safety, or welfare;
4. Respondent was subject to an investigation by Commission investigators. From that investigation the Commission alleges violations of Commission regulations, 935 CMR 500.000: *Adult Use of Marijuana et seq.* and 935 CMR 501.000: *Medical Use of Marijuana, et seq.*, such that Respondent's operations posed a serious or immediate threat to the public health, safety, or welfare;

Facts of Record

5. Respondent is a Colocated Marijuana Operation (CMO) located at 630 Beaulieu Street, Holyoke, Massachusetts 01040;
6. On April 9, 2018, the Department of Public Health issued Respondent a provisional certificate of registration for an MTC. And, on June 4, 2020, the Commission granted Respondent a final MTC license (license no. MTC1325);
7. On November 20, 2020, the Commission notified Respondent it had approved Respondent for provisional licensure to operate as an adult-use Marijuana Cultivator (MC281814), Marijuana Product Manufacturer (MP281543), and Marijuana Retailer (MR281550);
8. The Commission has not authorized Respondent to commence operations for any of its licenses;
9. Currently, Hasmukhkumar Patel ("H. Patel"), Vipul Patel ("V. Patel"), Gunvankumar Patel ("G. Patel"), and Raju Joshi ("R. Joshi") (together, the "Owners") are Persons Having Direct or Indirect Control over Respondent's operations, with each holding a 25% equity interest in the CMO;
 - a. The Owners do not live in the state of Massachusetts. According to Respondent's license applications, H. Patel and V. Patel reside in Marcy, New York, G. Patel lives in Gloversville, New York, and R. Joshi is a resident of Scranton, Pennsylvania;
 - b. In its applications for adult and medical-use licensure, Respondent also listed Jorge Tirse ("Tirse") as its Chief Executive Officer (CEO), Chief Operating Officer (COO), General Manager, President, and Director of Cultivation;
 - c. From June 4, 2020 to November 14, 2020, the Owners relied on Tirse to manage the day-to-day operations of Respondent's facility;
 - d. At a special board meeting on November 12, 2020, the Owners voted to remove Tirse from his leadership positions and placed him on administrative leave;
 - e. On November 14, 2020, Tirse sent a complaint to the Commission's Investigations and Enforcement department ("Enforcement") alleging that the Owners had stopped



- financing the company for three weeks and that the lack of financing had resulted in the loss of plants;
- f. On or around December 12, 2020, the Owners filed a police report with the Holyoke Police Department alleging that Tirse and another of Respondent's Marijuana Establishment Agents, Kiana Lopez, had stolen marijuana plants from the licensed premises on October 4, October 24, and November 8, 2020;
 - g. On January 5, 2021, Respondent surrendered the agent registration cards of Tirse and Kiana Lopez;
 - h. Prior to September 23, 2021, Tirse held 10% ownership equity in Respondent. On September 23, 2021, however, Respondent notified the Commission that Tirse is no longer an Equity Holder;
10. On or around November 19, 2020, Enforcement initiated an investigation of Respondent;
11. On December 16, 2020, Enforcement staff conducted an unannounced inspection of Respondent's facility and observed multiple operational deficiencies. On December 18, 2020, Enforcement issued a Notice of Deficiency identifying twenty-three violations of Commission regulations, including failure to: compliantly tag physical inventory, maintain a real-time virtual record of inventory, maintain inventory controls, notify the Commission of inventory discrepancies, report the incident of alleged diversion to the Commission, compliantly dispose of plant waste, and properly record the waste, disposal, or handling of Marijuana and Marijuana Products;
12. On December 31, 2020, Respondent submitted a Plan of Correction to Enforcement. After confirming that Respondent's virtual inventory in the Commission's Seed-to-Sale System of Record ("Metrc") accurately reflected its physical inventory, Enforcement staff accepted Respondent's Plan of Correction on January 15, 2021;
13. On April 8, 2021, Enforcement staff conducted another unannounced inspection at the licensed premises and observed deficiencies in Respondent's security operations. On April 9, 2021, Enforcement issued a Notice of Deficiency identifying five violations, including failure to maintain sufficient camera coverage of areas containing Marijuana and Marijuana Products, failure to maintain minimum requirements for security and alarm systems, and failure to compliantly dispose of marijuana waste;
14. On April 18, 2021, Respondent submitted a Plan of Correction which Enforcement staff accepted on May 7, 2021;
15. On May 26, 2021, Enforcement staff conducted a third unannounced inspection to confirm implementation of Respondent's Plan of Correction. At that time staff observed operational deficiencies relative to securing the licensed premises. On June 3, 2021, Enforcement issued a Notice of Deficiency identifying nine violations of Commission regulations including Respondent's failure to maintain sufficient camera coverage of



areas containing Marijuana and Marijuana Products and failure to maintain a compliant security system;

16. On June 16, 2021, Respondent submitted a Plan of Correction which was accepted by Enforcement staff on August 18, 2021;
17. On October 4, 2021, Enforcement staff conducted a fourth unannounced inspection of the licensed premises and observed deficient security and inventory operations. On October 8, 2021, Enforcement issued a Notice of Deficiency detailing seven regulatory violations, including failure to: compliantly tag inventory, maintain a real-time virtual record of inventory, secure inventory, maintain sufficient camera coverage of areas containing Marijuana and Marijuana Products, and comply with security controls by restricting access to Limited Access Areas within the facility;
18. On October 12, 2021, Enforcement staff conducted a follow-up unannounced inspection and observed five additional operational deficiencies relative to inventory, security, and waste disposal. Staff found that Respondent had failed to: compliantly tag inventory, maintain a real-time virtual record of inventory, maintain sufficient camera coverage, and properly render marijuana waste unusable. On October 15, 2021, Enforcement issued Respondent a fifth Notice of Deficiency;
19. On October 8 and 15, 2021, Respondent submitted Plans of Correction for the October 4 and 12 unannounced inspections, respectively;
20. On November 19, 2021, the Commission, acting through its Executive Director, issued a Summary Suspension Order (the "Suspension Order") immediately suspending all of Respondent's licenses and affiliated agent registrations and requiring immediate cessation of all operations at the licensed premises. The Suspension Order identified and incorporated all of the Notices of Deficiency issued, including the October 4 and 12th notices as support for the basis of its issuance. Additionally, the Suspension Order obligated Respondent to take the following actions:
 - a. Post a copy of the Suspension Order at all public entrances to the licensed premises;
 - b. Identify two agents who would be responsible for securing the licensed premises during the suspension period, subject to Commission approval;
 - c. Identify four agents who would be responsible for maintaining Respondent's medical cultivation operations and securing the Marijuana and Marijuana Products onsite during the suspension period, subject to Commission approval;
 - d. Maintain compliance with Respondent's security Standard Operating Procedures and the Commission's security regulations;
 - e. Desist from clipping new clones, planting new seeds, and purchasing or acquiring any new inventory during the suspension period;
 - f. Continue to maintain and cultivate any existing plant inventory that had been tracked in Metrc as of the effective date of the Suspension Order. Further, the Suspension Order prohibited Respondent from sending any plant or product samples out for



- testing until Respondent could demonstrate 100% compliance with all Metrc and inventory requirements;
- g. Tag all Marijuana and Marijuana Products with the proper Metrc tags and track them in Metrc;
 - h. Ensure that any approved agents, including Owners and employees, be present in the facility only between the hours of 9:00 A.M. and 7:00 P.M.;
21. The Suspension Order conditioned further limited permissions and privileges upon Respondent's owners and staff being retrained on Metrc, including courses on inventory, recordkeeping, and waste disposal, in addition to security regulatory requirements. The Suspension Order mandated that the training include a knowledge test, that trainees achieve a passing grade of 85% or greater, and that Respondent present the training curriculum to Enforcement for prior approval;
22. Respondent's licenses have remained suspended, including restriction of its licensed operations, since November 19, 2021 (the "suspension period").
23. On December 18, 2021, Respondent requested an administrative hearing to challenge the Suspension Order. In its request, Respondent asked to stay the hearing for a period of ninety days with no objection from Enforcement;
24. On January 24, 2022, the Commission and Respondent participated in a pre-hearing conference with the Commission's independent Hearing Officer. After the conference, the parties submitted a joint motion to give Respondent additional permissions and privileges under the Suspension Order, which was granted on January 24, 2022;
25. At the request of both parties, the hearing is currently scheduled to occur during the week of September 19, 2022;

Applicable Law

26. Seed-to-sale System of Record (Seed-to-sale SOR) means the electronic tracking system designated and required by the Commission to perform a process. 935 CMR 500.002; 935 CMR 501.002;
27. Seed-to-sale Electronic Tracking System means a system designated by the Commission as the system of record (Seed-to-sale SOR) or a secondary electronic tracking system used by a Marijuana Establishment or an MTC or an Independent Testing Laboratory. This system shall capture everything that happens to an individual marijuana plant, from seed and cultivation, through growth, harvest and Manufacture of Marijuana Products and MIPs, including transportation, if any, to final sale of finished products. Seed-to-sale Electronic Tracking System shall utilize a unique-plant identification and unique-batch identification. It will also be able to track agents' and Registrants' involvement with the Marijuana Product. Any secondary system used by the Marijuana Establishment or an



MTC or an Independent Testing Laboratory shall integrate with the SOR in a form and manner determined by the Commission. 935 CMR 500.002; 935 CMR 501.002;

28. Every Marijuana Establishment and MTC shall have and follow a set of detailed written operating procedures. If the Marijuana Establishment has an additional location, it shall develop and follow a set of such operating procedures for that facility. A CMO shall have written operating procedures ...and may do so by having two sets of written operating procedures applicable to each medical-use and adult-use operations or having one set of written operating procedures, provided it complies with both medical-use and adult-use requirements. Operating procedures shall include, but need not be limited to, the following: Procedures to ensure accurate recordkeeping, including inventory protocols for Transfer and inventory in compliance with specified Commission regulations. *See* 935 CMR 500.105(1)(g); 935 CMR 501.105(1)(g);
29. Real-time inventory shall be maintained as specified by the Commission...including, at a minimum, an inventory of marijuana plants, marijuana plant seeds and Clones in any phase of development such as Propagation, Vegetation, and Flowering, Marijuana ready for dispensing, all Marijuana-infused Products (MIPs), and all damaged, defective, expired, or contaminated marijuana and MIPs awaiting disposal. *See* 935 CMR 500.105(8)(b); 935 CMR 501.105(8)(b);
30. A Marijuana Establishment and an MTC shall: 1. Establish inventory controls and procedures for the conduct of inventory reviews, and comprehensive inventories of Marijuana and Marijuana-infused Products (MIPs) in the process of cultivation, and finished, stored Marijuana; 2. Conduct a monthly inventory of Marijuana in the process of cultivation and finished, stored Marijuana; 3. Conduct a comprehensive annual inventory at least once every year after the date of the previous comprehensive inventory; and 4. Promptly transcribe inventories if taken by use of an oral recording device. *See* 935 CMR 500.105(8)(c); 935 CMR 501.105(8)(c);
31. The record of each inventory shall include, at a minimum, the date of the inventory, a summary of inventory findings, and the names, signatures, and titles of the individuals who conducted the inventory. 935 CMR 500.105(8)(d); 935 CMR 501.105(8)(d);
32. The failure to enter inventory into the Seed-to-sale System of Record ("Metrc") may result in the suspension or revocation of a Marijuana Establishment or MTC License. *See* 935 CMR 500.105(8)(f); 935 CMR 501.105(8)(f);
33. A Marijuana Establishment shall secure its inventory and equipment during and after operating hours to deter and prevent theft of Marijuana, Marijuana Products and Marijuana Accessories. *See* M.G.L. c. 94G § 12(a)(2);
34. Every Marijuana Establishment and MTC shall have and follow a set of detailed written operating procedures. If the Marijuana Establishment has an additional location, it shall



develop and follow a set of such operating procedures for that facility. A CMO shall have written operating procedures...and may do so by having two sets of written operating procedures applicable to each medical-use and adult-use operations or having one set of written operating procedures, provided it complies with both medical-use and adult-use requirements. Operating procedures shall include, but need not be limited to, the following: Security measures in compliance with 935 CMR 500.110 and 935 CMR 501.110. *See* 935 CMR 500.105(1)(a); 935 CMR 501.105(1)(a);

35. A Marijuana Establishment and MTC shall implement sufficient security measures to deter theft of Marijuana and Marijuana Products, prevent unauthorized entrance into areas containing Marijuana and ensure the safety of employees, Consumers, Qualifying Patients, and the general public. Security measures to protect the Premises, employees, consumers, Registered Qualifying Patients, Personal Caregivers, Agents of the Marijuana Establishment or MTC, and the general public shall include, but are not limited to: Positively identifying individuals seeking access to the Premises of the Marijuana Establishment or to whom Marijuana Products are being transported...or delivered...to limit access solely to individuals 21 years of age or older, and for MTCs allowing only Registered Qualifying Patients, Personal Caregivers, MTC agents, Marijuana Courier agents...outside vendors, contractors, and Visitors, access to the MTC; Disposing of Marijuana...in excess of the quantity required for normal, efficient operation...; Establishing Limited Access Areas... which, after receipt of a final License, shall be accessible only to specifically authorized personnel limited to include only the minimum number of employees essential for efficient operation; and Storing all Finished Marijuana Products in a secure, locked safe or vault and in such a manner as to prevent diversion, theft, and loss. *See* 935 CMR 500.110(1)(a), (c), (e), and (f); 935 CMR 501.110(1)(a), (c), (e), and (f).
36. Following the receipt of a final License, all outside vendors, contractors, and Visitors shall obtain a Visitor Identification Badge prior to entering a Limited Access Area and shall be escorted at all times by a Marijuana Establishment or MTC Agent authorized to enter the Limited Access Area. The Visitor Identification Badge shall be visibly displayed at all times while the Visitor is in any Limited Access Area. All Visitors shall be logged in and out and that log shall be available for inspection by the Commission at all times. All Visitor Identification badges shall be returned to the Marijuana Establishment on exit. *See* 935 CMR 500.110(4)(e); 935 CMR 501.110(4)(e).
37. A Marijuana Establishment and MTC located, in whole or in part, in a building, Greenhouse, Warehouse, or other Enclosed Area shall have an adequate security system to prevent and detect diversion, theft or loss of Marijuana or unauthorized intrusion, utilizing commercial grade equipment which shall, at a minimum, include: Video cameras in all areas that may contain Marijuana or vaults or safes for the purpose of securing cash, at all points of entry and exit and in any parking lot which shall be appropriate for the normal lighting conditions of the area under surveillance. The cameras shall be directed at all safes, vaults, sales areas, and areas where Marijuana is



cultivated, harvested, Processed, prepared, stored, handled or dispensed, or where cash is kept and processed. Cameras shall be angled so as to allow for the capture of clear and certain identification of any Person entering or exiting the Marijuana Establishment, MTC, or area; and A date and time stamp embedded on all recordings. The date and time stamp shall be synchronized and set correctly and may not significantly obscure the picture. *See* 935 CMR 500.110(5)(a)4. and 7.; 935 CMR 501.110(5)(a)4. and 7.;

38. A Marijuana Establishment and MTC shall immediately notify appropriate Law Enforcement Authorities and the Commission of any breach of security or other reportable incident, such as, the discovery of diversion, theft, or loss of any Marijuana Products, immediately, and, in no instance, more than 24 hours following discovery of the breach or incident. 935 CMR 500.110(9)(a)2.; 935 CMR 501.110(9)(a)2.
39. Every Marijuana Establishment and MTC shall have and follow a set of detailed written operating procedures. If the Marijuana Establishment has an additional location, it shall develop and follow a set of such operating procedures for that facility. A CMO shall have written operating procedures ... and may do so by having two sets of written operating procedures applicable to each medical-use and adult-use operations or having one set of written operating procedures, provided it complies with both medical-use and adult-use requirements. Operating procedures shall include, but need not be limited to, the following: Storage and waste disposal of Marijuana in compliance with 935 CMR 500.105(11), (12) and 935 CMR 501.105(11), (12). *See* 935 CMR 500.105(d); 935 CMR 501.105(d);
40. All recyclables and waste, including organic waste composed of or containing Finished Marijuana and Marijuana Products, shall be stored, secured, and managed in accordance with applicable state and local statutes, ordinances, and regulations. All exterior waste receptacles located on the Marijuana Establishment or MTC's Premises shall be locked and secured to prevent unauthorized access. *See* 935 CMR 500.105(12)(a); 935 CMR 501.105(12)(a)
41. Organic material, recyclable material and solid waste generated at a Marijuana Establishment or MTC shall be redirected or disposed of as follows: solid waste containing Marijuana generated at a Marijuana Establishment or Medical Marijuana Treatment Center shall be ground up and mixed with other solid waste at the Marijuana Establishment such that the resulting mixture renders any Marijuana unusable for its original purpose. Once such Marijuana has been rendered unusable, the resulting solid waste may be brought to a solid waste transfer facility or a solid waste disposal facility (e.g., landfill or incinerator) that holds a valid permit issued by the Department of Environmental Protection or by the appropriate agency in the jurisdiction in which the facility is located. 935 CMR 500.105(12)(c)3.; 935 CMR 501.105(12)(c)3.

Stipulated Findings



42. The Commission, through its Executive Director, and Respondent have come to mutual agreement and understanding, and jointly propose to the Commission a resolution of the alleged violations in lieu of proceeding with an administrative hearing to determine the merits of such allegations. The terms and conditions of this Order are expressly subject to ratification of the full Commission. Pursuant to M.G.L. c. 10, § 76, three Commissioners shall constitute a quorum and the affirmative vote of three Commissioners shall be required for ratification of this agreement;
43. In lieu of proceeding with an administrative hearing and subsequent proceedings, Respondent further agrees to the stipulated findings set forth in Paragraphs 44-47, inclusive of all subparagraphs;
44. During December 2020–November 2021, as set forth below, Respondent failed to maintain a real-time inventory of its marijuana plants, Marijuana and Marijuana Products, and Marijuana awaiting disposal in violation of 935 CMR 500.105(1)(g), 935 CMR 501.105(1)(g), 935 CMR 500.105(8)(b), and 935 CMR 501.105(8)(b):
- a. During Enforcement’s unannounced inspection on December 16, 2020, Respondent could not identify the Metrc plant tag, plant strain, or provide any other identifying information regarding the marijuana plants allegedly stolen from its facility on October 4, 2020, October 24, 2020, and November 8, 2020;
 - b. On December 16, 2020, Respondent’s Metrc records indicated that its onsite inventory comprised of nine thousand and sixty-eight immature plants and three hundred and ten plants in vegetative or flowering stage. In actuality, the number of physical plants at Respondent’s facility on December 16, 2020 was zero. Respondent had destroyed its entire plant inventory on November 24, 25, 27 and December 4, 2020 but had not recorded those actions in Metrc;
 - c. During Enforcement’s unannounced inspection on October 4, 2021, staff found that Respondent had failed to properly tag, track, or maintain a real-time inventory in Metrc relative to one hundred and sixty-nine bags of Marijuana found in its trim room, vault, and kitchen, seven hundred and forty-seven grams of loose Marijuana found in Vegetation Room 2, and multiple bags of marijuana waste in its receiving area. Respondent was unable to reconcile its virtual and physical inventory regarding thirty-six plants in Vegetation Room 1;
 - d. During Enforcement’s follow-up unannounced inspection on October 12, 2021, staff found that Respondent had reused Metrc plant tags from destroyed and wasted plants instead of using new tags. Respondent had also failed to activate the new tags it used so that its marijuana plants could be tracked in Metrc;
 - e. On October 12, 2021, Respondent was unable to fully reconcile its physical inventory with virtual inventory regarding eight marijuana plants in its Vegetation and Flower Rooms and sixty-eight harvests in its dry room;
 - f. During November 2020–October 2021, Respondent failed to ensure accurate recordkeeping in Metrc as stated in its Standard Operating Procedures;



45. During December 2020–November 2021, as set forth below, Respondent failed to implement sufficient security measures to deter and prevent theft of Marijuana, Marijuana Products, and Marijuana Accessories in violation of M.G.L. c. 94G § 12(a)(2), 935 CMR 500.105(1)(a), 500.110(1)(f), 500.110(4)(e), 500.110(5)(a)4., 500.110(9)(a)2., and 935 CMR 501.105(1)(a), 501.110(1)(f), 501.110(4)(e), 501.110(5)(a)4., 501.110(9)(a)2.:
- a. On or around December 12, 2020, the Owners filed a police report with the Holyoke Police Department alleging that Tirse and another employee, Kiana Lopez, had stolen marijuana plants from the licensed premises on October 4, October 24, and November 8, 2020. Respondent failed to report these incidents of diversion to the Commission within 24 hours of discovery;
 - b. On four occasions during April 8, 2021–October 12, 2021, Enforcement staff found that Respondent’s security system was made vulnerable by multiple blind spots in security camera coverage of rooms where Marijuana was actively being cultivated, wasted, or disposed of:
 - i. On April 8, 2021, there was no camera coverage in Respondent’s receiving area or exterior loading dock;
 - ii. On May 26, 2021, the only camera in Flower Room 3 could not fully capture the opposite side of the room;
 - iii. On October 4, 2021, Enforcement staff observed blind spots in Respondent’s common hallways, cultivation rooms, cure room, vault, kitchen, and security room;
 - iv. On October 12, 2021, Enforcement staff observed a blind spot at the exit door near the exterior of the receiving area;
 - c. At its unannounced inspections on April 8, 2021 and May 26, 2021, Enforcement staff found that the date and time stamps for Respondent’s security cameras were not synchronized with the current time, with discrepancies varying from three minutes to one hour;
 - d. During its unannounced inspection on October 4, 2021, Enforcement staff found that Respondent’s dumpster did not have locks on the top panels;
 - e. On October 4, 2021, Enforcement staff also discovered that one of Respondent’s employees was not a Registered Agent, did not have an Agent Registration Card or Visitor Identification Badge, and was not signed in as a Visitor in Respondent’s visitor log. Even so, the employee had a Radiofrequency identification badge that provided access to many of the Limited Access Areas in Respondent’s facility;
 - f. During November 2020–October 12, 2021, Respondent failed to follow its Standard Operating Procedures to ensure that its Premises was secure, including, but not limited to: ensuring camera coverage of areas where Marijuana was actively being cultivated, wasted, or disposed of; synchronizing its security system; securing its waste; and limiting access of its employees to Limited Access Areas where those individuals were essential;



46. During November 2020–November 2021, as set forth below, Respondent failed to properly store, secure, and dispose of organic waste composed of Marijuana and Marijuana Products in violation of 935 CMR 501.105(12)(a) and 501.105(12)(c)3.:
- a. During November 24, 2020–December 4, 2020, Respondent failed to properly record its marijuana waste in marijuana waste disposal logs, compliantly destroy Marijuana, and store marijuana waste in accordance with their Standard Operating Procedures;
 - b. On four occasions during December 16, 2020–October 12, 2021, Enforcement staff observed marijuana waste in Respondent’s dumpster that was not fully rendered unusable;
 - c. At its inspections on December 16, 2020 and October 4, 2021, Enforcement staff saw that the marijuana waste disposed of in its dumpster was loosely mixed with soil such that usable Marijuana could be picked out by agents or potential trespassers;
 - d. During its unannounced inspection on October 4, 2021, Enforcement staff observed that Respondent had multiple bags of marijuana waste that did not have any associated Metrc plant tag and had been left unattended each night from September 30–October 4 in the receiving area;
 - e. During October 8–11, 2021, Respondent failed to bag and properly dispose of, or secure in its vault, marijuana trim waste left overnight in its receiving area;
47. Since the Commission’s issuance of the Suspension Order on November 19, 2021, Respondent has taken the following actions to restore compliance at the licensed premises, consistent with conditions imposed by the Commission:
- a. Respondent posted an entire copy of the Suspension Order on the front, public entrance to its facility;
 - b. Respondent identified H. Patel and Michael Mosconi as the agents responsible for securing and maintaining the licensed premises and further identified G. Patel, V. Patel, Michael Mosconi, and Michael Ford as the agents responsible for maintaining its cultivation operations and securing Marijuana and Marijuana Products onsite. Throughout the suspension period, Respondent compliantly restricted access to its premises to the authorized agents. During the suspension period, Respondent made nineteen requests seeking Commission approval to allow certain individuals other than the five authorized agents onto the premises;
 - c. Respondent has maintained compliance with its security standard operating procedures and Commission security regulations during the suspension period. Respondent has also demonstrated full compliance with its incident reporting obligations on five occasions and has maintained continuous service with its security vendor throughout the suspension period without issue;
 - d. Respondent has refrained from clipping new clones, planting new seeds, or purchasing or acquiring any new inventory during the suspension period;
 - e. Respondent has maintained and continued to cultivate the plant inventory that was in its possession when the Suspension Order took effect, consistent with the Suspension Order and in compliance with the regulations. On February 22, 2022, Respondent finished the last harvest of its plant inventory and turned all of its plants into three hundred and forty-one packages from source harvests that are currently identified in



Metrc and secured in its vault. Currently, Respondent has no marijuana plants growing at its facility;

- f. As of August 25, 2022, Respondent has physically tagged, packaged, and accurately tracked all Marijuana in its inventory in Metrc;
- g. Respondent has maintained proper business hours in line with the Commission's authorization;
- h. Respondent has completed all required retraining and solicited third-party guidance on its compliance needs and obligations:
 - i. Between April 1 and April 8, 2022, ALP Consulting, a third-party consultant, conducted training courses for the Owners on Metrc, inventory, recordkeeping, and waste regulatory requirements. The training included in-depth courses on Metrc, such as managing Radiofrequency identification tags, creating packages and manifests, managing the virtual movement of plants throughout the cultivation process, and generating Metrc reports. The training also comprised of other courses on inventory reconciliation, waste management practices, and security protocols. As part of the training, ALP Consulting conducted a full virtual and physical audit of Respondent's inventory. At the conclusion of training, all Owners achieved a passing grade of 85% or greater on a knowledge test based on the training;
 - ii. Between June 14 and 15, 2022, ALP Consulting provided training courses to the Owners on security regulatory requirements. This training included courses on the regulations, specific security duties on a daily, weekly, and monthly basis to maintain regulatory compliance, procedures for Visitors and access to Limited Access Areas, identifying and responding to incidents of diversion, and required reporting to the Commission. At the conclusion of the training, all Owners took a knowledge test based on the training and achieved the required passing grade of 85% or greater. ALP Consulting also performed an audit of Respondent's existing security systems and procedures to identify security vulnerabilities. Following the audit, ALP Consulting provided a report of its findings and plans for mitigation to the Commission on August 9, 2022;
 - iii. Throughout the suspension period, Respondent also engaged the services of American Cannabis Consulting & Compliance and Cobblestone Integrated Solutions. Working in tandem, the consultants generated a plan for Respondent's compliance during the suspension period, and conducted multiple inventory, security, and compliance audits at Respondent's facility;

Stipulated Remedy

- 48. Weighing Respondent's good faith efforts, as stated in Paragraph 47 above against the need for enhanced, ongoing compliance oversight to mitigate risks to the public health, safety, and welfare, Respondent further agrees to the stipulated remedies and terms set forth in Paragraphs 49-71, inclusive of all subparagraphs;
- 49. Respondent shall submit to a twenty-four-month probationary period (the "probationary period") for all of its Licenses which will take effect on ratification of this Order:



- a. Any substantial noncompliance with any Commission laws by Respondent during the probationary period shall constitute full and adequate grounds for license suspension or revocation;
 - b. Prior to enforcing this provision, the Commission agrees to send Respondent a Letter of Warning providing notice of the alleged substantial noncompliance and an opportunity for Respondent to correct the deficiencies;
50. Respondent shall participate in continuing education during the probationary period:
- a. Respondent's owners shall take and complete the following courses: (1) the Massachusetts Metrc New Business Training and (2) the Metrc Learn training courses (collectively, the "courses"). Respondent must take the courses twice during each year of the probationary period, totaling four (4) trainings. Respondent must provide a certificate or other documentation demonstrating completion of each course to its assigned Investigator and Compliance Officer within 30 days of completing the course;
 - b. The Commission may require Respondent's owners to take additional trainings during the probationary period as the Commission deems reasonably necessary to resolve documented compliance concerns regarding Metrc competency;
 - c. Respondent's owners must also submit to a refresher training on: (i) inventory, (ii) recordkeeping, (iii) waste disposal, and (iv) security regulatory requirements. Respondent's owners must conduct the refresher training once each year during the probationary period, totaling two (2) trainings. The training must be conducted by an external third-party. Respondent must notify its assigned Investigator and Compliance Officer when the refresher training is conducted and completed;
 - d. Respondent agrees to reinforce continuing education of its employees by adhering to the training requirements in 935 CMR 500.105(2)(a) and 935 CMR 501.105(2)(a) for all current and prospective Marijuana Establishment Agents;
51. Respondent shall submit a comprehensive short- and long-term plan for its facility operations. The short-term plan should detail Respondent's timeline for achieving commence operations for each of its licenses. Respondent must submit both plans to its assigned Investigator and Compliance Officer on or before its Medical Post-Final License Inspection for license no. MTC1325;
52. Respondent shall contract with a third-party consultant for the purpose of generating a Workforce Development Plan for executive managerial and/or any other positions deemed necessary by such consultant for improving facility operations and ensuring compliance, local operational oversight, and immediate Commission access to the licensed premises. The arrangement shall result in a report of the consultant's recommendations. Respondent must share the consultant's report with the Commission on or before the midpoint of the probationary period:
- a. Any Executive or Managerial staff Respondent hires must live, or be willing to live, within a reasonable distance of the licensed premises, defined herein as residing within a 50-mile radius of the licensed premises;



53. Respondent shall conduct internal inventory audits on a bi-monthly basis during the first twelve months of the probationary period, totaling twenty-four (24) internal inventory audits. Respondent must submit its inventory audit reports to its assigned Investigator and Compliance Officer within seven days of each audit conducted;
54. Respondent shall conduct the comprehensive security audits mandated by 935 CMR 501.110(10) on a bi-annual basis during the probationary period, totaling four (4) security audits. Respondent must submit its security audit reports to its assigned Investigator and Compliance Officer once completed by the auditor;
55. Respondent's failure to comply with its audit or training obligations under Paragraphs 50, 53, and 54 during the probationary period shall result in an automatic penalty assessment of **\$15,000.00** per defaulted obligation. Respondent understands it will not be afforded a hearing right to challenge the automatic fine assessment. Upon receiving a demand for payment from the Commission, Respondent shall provide such payment by check or money order payable to the Cannabis Control Commission Marijuana Regulation Fund within 30 days. Payments for penalties assessed against the Respondent under this clause shall be mailed to the following address:

Via USPS:

Cannabis Control Commission
PO Box 412144
Boston, MA 02241-2144

Via Courier/Overnight:

Bank of America Lockbox Services
Cannabis Control Commission 412144
MA5-527-02-07
2 Morrissey Boulevard
Dorchester, MA 02125

56. Ratification of this Order by the full Commission effectively rescinds the Commission's Summary Suspension Order issued on November 19, 2021, and further, will afford Respondent an opportunity to reinstate its licenses by submitting renewal applications for all licenses within 60 days of the date of ratification;
- Upon ratification of this Order by the full Commission and the rescission of the Summary Suspension Order, the expiration dates of Respondent's licenses and registrations are administratively extended to 60 days from the date of ratification. As a result, Respondent may resume operations under their extended license expiration date;
 - Respondent may submit renewal applications and pay the applicable fees prior to consideration by the full Commission;



57. This Order may be admissible as evidence in any future hearing before the Commission or used in connection with any future licensure or administrative actions by the Commission;
58. Any issues relating to the underlying complaint and investigation that formed the basis for this Order against Respondent (and any defenses that Respondent may have to such complaint or investigation) shall not be at issue in a proceeding against Respondent for failing to comply with the terms of this Order.
59. Respondent agrees that the Commission may consider the Order and the facts and circumstances described therein in connection with review of an application for licensure, renewal of licensure, or suitability review;
60. Respondent acknowledges advisement of hearing rights and process of the proceedings and wishes to resolve all issues which were the subject of the investigation or in any way related to the investigation by entering into this Order;
61. If approved by the Commission and upon execution of all parties, this Order shall have the same force and effect as an order entered after formal hearing pursuant to 935 CMR 501.500(12), except that it may not be appealed. Failure to comply with the terms of this Order, including but not limited to failure to make a timely payment in accordance with Paragraph 55, may constitute the basis for further administrative action against Respondent;
62. 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 Order. Respondent acknowledges that they have been given a reasonable period of time in which to consider the terms of this Order before signing it. Respondent acknowledges and confirms that they have entered into this Order voluntarily and of their own free will, without duress or coercion, and that they are competent to enter into this Order. Respondent acknowledges that they have carefully read and fully understand the meaning and intent of this Order;
63. Respondent further understands and knowingly and voluntarily waives the following rights:
- a. The right to proceed with the adjudicatory proceeding currently scheduled on September 19, 2022;
 - b. The right to cross-examine witnesses, subpoena witnesses, present evidence and testify on Respondent's own behalf at that hearing;
 - c. The right to appeal this Order;
64. Respondent consents to the terms and conditions described herein and agrees to waive its right to judicial review of this agreement pursuant to M.G.L. c. 30A, § 14;



65. Upon execution by all parties, this Order shall represent the entire and final agreement of the parties. In the event that any provision of this Order is deemed unenforceable by a court of competent jurisdiction, such provision shall be severed, and the remainder of the Order shall be given full force and effect;
66. This Order shall be binding upon Respondent and shall inure to the benefit of the parties to this Order and their respective successors and assignees and shall be construed in accordance with and governed by the laws of the Commonwealth of Massachusetts;
67. Upon ratification of this agreement by the Commission, this Order shall become a permanent part of Respondent's record and shall be open to public inspection and disclosure pursuant to the Commission's standard policies and procedures or applicable law;
68. The Commission may reject the terms of this Order or otherwise deny ratification and entry of the Order. In such event, the terms of the Order shall be null and void, including but not limited to Respondent's admissions, and the parties will proceed to hearing;
69. This Order may be executed by e-mail and any signature delivered by either email or first-class mail shall be deemed to be as valid as an original signature;
70. All costs and expenses incurred by Respondent to comply with this Order shall be the sole responsibility of Respondent and shall not in any way be the obligation of the Commission; and
71. For purposes of addressing any future violations of the Order, the Commission regulations, 935 CMR 501.000, *et seq.*, shall include all later adopted regulations that are in effect at the time of the subsequent violation.

This Order is subject to ratification by the Commission. Upon ratification, this Order becomes binding on the Parties. Failure to comply with the above conditions may result in administrative action against Respondent up to and including suspension and/or revocation of registration.

Commonwealth of Massachusetts Cannabis Control Commission

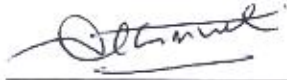

Shawn Collins, Executive Director

September 16, 2022
Date Signed

Ratified by Commission vote (4 yes, 0 no, 1 abstain) on September 15, 2022.



Respondent 4bros, Inc., d/b/a East Coast Pharms



Hasmukhkumar Patel
President

8/26/22

Date Signed