

**IN THE MATTER OF MARYLAND**

\*

**BEFORE THE**

**GROW WEST MD, LLC**

\*

**MARYLAND CANNABIS**

**License No. G-17-00009**

\*

**ADMINISTRATION**

**and**

\*

**THE APOTHECARY**

\*

**Case No. 23-00118**

**License No. D-17-00046**

\*

**Respondents**

\*

\* \* \* \* \*

**CONSENT ORDER**

The Maryland Cannabis Administration (the “Administration” or “MCA”) and Respondent **Grow West MD, LLC** (the “Respondent”), license number **G-17-00009**, and Respondent **The Apothecary**, license number **D-17-00046** (collectively “Respondents”), pursuant to the Cannabis Reform Act, found at Md. Code Ann. Alcoholic Beverages & Cannabis § 36-503, and the Natalie LaPrade Medical Cannabis Commission Act (the “Act”), formerly codified at Md. Code Ann., Health-Gen. (“Health Gen.”) § 13-3301 et seq. (2019 Repl. Vol. and 2021 Supp.)<sup>1</sup> as well as Code of Maryland Code of Maryland Regulations (COMAR) 10.26, hereby enter into this Consent Order in order to resolve violations of the Act without the need for formal proceedings, to include an evidentiary hearing.

The pertinent provision of COMAR are as follows:

---

<sup>1</sup> Although the Cannabis Reform Act, codified at Alcoholic Beverages and Cannabis Article, §36-501, Annotated Code of Maryland and effective May 3, 2023, established the Maryland Cannabis Administration, this document references the Natalie LaPrade Medical Cannabis Commission Act as it was the governing statute at the time of the allegations set forth herein.

**10.62.08.12 Disclosure of Ownership and Control**

A. Each licensee shall submit a table of organization, and control with the Commission:

- (1) On or before July 1 of each year;
- (2) Within 10 business days of any change in ownership interest or control; and
- (3) Upon request by the Commission.

B. The table of organization, ownership, and control shall identify the management structure, ownership, and control of the license, including

...

- (3) The percentage of ownership, if any.

**10.62.08.08 Transfer of Ownership Interest in a License**

A. No ownership interest shall be assignable or transferable unless:

- (1) The Commission has received notice of the intent of the owner of the interest, or of the estate of the owner of the interest, to transfer or assign an ownership interest in a license to another party;
- (2) The Commission approves the transfer or assignment; and
- (3) The transferee has paid the required fee specified in COMAR 10.62.35.

**FINDINGS OF FACT**

1. Respondent Grow West MD, LLC (“Grow West”) is a Maryland licensed medical cannabis grower which initially received a license on August 29, 2017.
2. Respondent Grow West’s grow facility is located in Cumberland, Maryland.
3. Respondent The Apothecary (“Apothecary”) is a Maryland licensed medical cannabis dispensary which initially received a license on September 27, 2018.
4. Respondent Apothecary’s dispensary is also located in Cumberland, Maryland.
5. On March 13, 2023, the Maryland Medical Cannabis Commission (the regulatory entity that preceded the MCA) received ownership transfer requests from Respondents.
6. Respondents are both owned by an umbrella company, Manticorp, LLC (“Manticorp”), and the ownership structure for both licenses is the same. Attached to the ownership

transfer requests were capitalization tables (“cap tables”) that represented the licensees’ ownership interests before and after the requested transfers occurred.

7. The pre- and post-transfer cap tables reflected ownership interests that were inconsistent with ownership interests recorded on Respondents’ 2021 and 2022 Annual Reports to the Maryland Medical Cannabis Commission, as follows:
  - a. Respondent’s cap table submitted for 2022 annual reporting reflects 350 (.122%) shares in Manticorp owned by the H.R.<sup>2</sup> trust. However, the cap table submitted with the March 16, 2023 transfer request identified that those shares were transferred to A.P. in December 2022;
  - b. The cap table submitted for annual reporting in 2022 reflects 750 (.262%) shares in Manticorp held by M.Z. The cap table submitted with the transfer request identified that those shares are currently held by M.Z.’s trust.
  - c. V.L. is a limited liability company. V.L. owns approximately 46% of Manticorp, the umbrella company for both licenses (D-18-00046/G-17-00009). The cap table submitted for annual reporting in 2022 identified that B.V. held a 4.5% interest in V.L. The cap table submitted with the March 16, 2023 ownership transfer requests showed no ownership interest being held by B.V.
  - d. The cap table submitted with the March 16, 2023 ownership transfer requests recorded that D.C. holds an ownership interest in 125 units in Manticorp. The cap table submitted for annual reporting in 2022 identified a corporation as the owner of those 125 units.

---

<sup>2</sup> The names of individuals who have not been charged at this time have been omitted to protect their privacy.

8. Respondents explained the discrepancies and provided supporting documentation as follows:
  - a. H.R. died, and H.R.'s shares were transferred to A.P., on December 21, 2022, and then A.P. transferred the shares to the family trust;
  - b. M.Z. and spouse owned units that they transferred into the M.Z. trust on April 7, 2021.
  - c. B.V. transferred 4.5% interest to V.L. on April 8, 2021.
  - d. D.C.'s ownership interests were transferred from a business into individual ownership on March 26, 2021.
9. Respondents informed MCA's investigator of their mistaken belief that transfers within a family did not require approval. However, COMAR 10.62.08.08A prohibits transfers, even within an estate, without prior approval.
10. Requests for these multiple transfers were not submitted to the MMCC. Further, Respondents' 2022 annual disclosure, submitted to the MMCC on June 30, 2022, failed to accurately account for these transfers.

#### **CONCLUSIONS OF LAW**

Respondents violated COMAR 10.62.08.08 by failing to submit transfer requests prior to executing transfers of ownership interest as set forth herein. Further, Respondents violated COMAR 10.62.08.12 by failing to submit accurate Annual Reports for 2021 and 2022.

**ORDER**

Based on the foregoing Findings of Fact and Conclusions of Law, it is hereby

ORDERED that within 10 days of this Order, Respondents shall pay a fine to the Administration's Compassionate Use Fund in the amount of \$2000 for its inaccurate reporting in its 2020 and 2021 Annual Reports; and it is further

ORDERED within 10 days of this Order, Respondents shall submit Requests for Retroactive Approval of the unauthorized transfers set forth herein, including transfer fees in the amount of \$22,000, to include the following:

- a. \$7,500 for the A.P. transfers;
- b. \$14,000 for the M.Z. and V.L. transfers; and
- c. \$500 for the D.C. transfer; and it is further

ORDERED that Respondent shall be responsible for the costs associated with complying with this Order; and it is further

ORDERED that this Consent Order is a PUBLIC DOCUMENT pursuant to Md. Code Ann., Gen. Prov. §§ 4-401 et seq. (2014).

06/29/2023

\_\_\_\_\_  
Date



\_\_\_\_\_  
William Tilburg, Acting Director  
Maryland Cannabis Administration


## CONSENT

I, Susan Valois, am the Authorized Representative of Grow West MD, LLC and have legal authority to enter into this agreement on behalf of Grow West MD, LLC, (hereinafter "Respondent"). Respondent acknowledges that it has had the opportunity to seek advice of counsel in this matter. By this Consent, Respondent agrees and accepts to be bound by this Consent Order and its conditions and restrictions. Respondent waives any rights it may have had to contest the Findings of Fact and Conclusions of Law.

Respondent acknowledges the validity of this Consent Order as if entered into after the conclusion of a formal evidentiary hearing in which the Respondent would have had the right to counsel, to confront witnesses, to give testimony, to call witnesses on its own behalf, and to all other substantive and procedural protections as provided by law. Respondent acknowledges the legal authority and the jurisdiction of the Administration to initiate these proceedings and to issue and enforce this Consent Order. Respondent also affirms that it is waiving its right to appeal any adverse ruling of the Administration that might have followed any such hearing.

I sign this Consent Order with authority on behalf of Respondent after having had the opportunity to consult counsel, without reservation, and I fully understand and comprehend the language, meaning and terms of this Consent Order. I voluntarily sign this Consent Order and understand its meaning and effect.

6.21.2023  
Date

  
\_\_\_\_\_  
Representative for Grow West MD, LLC

## CONSENT

I, Susan Valois, am the Authorized Representative of The Apothecary and have legal authority to enter into this agreement on behalf of The Apothecary (hereinafter "Respondent"). Respondent acknowledges that it has had the opportunity to seek advice of counsel in this matter. By this Consent, Respondent agrees and accepts to be bound by this Consent Order and its conditions and restrictions. Respondent waives any rights it may have had to contest the Findings of Fact and Conclusions of Law.

Respondent acknowledges the validity of this Consent Order as if entered into after the conclusion of a formal evidentiary hearing in which the Respondent would have had the right to counsel, to confront witnesses, to give testimony, to call witnesses on its own behalf, and to all other substantive and procedural protections as provided by law. Respondent acknowledges the legal authority and the jurisdiction of the Administration to initiate these proceedings and to issue and enforce this Consent Order. Respondent also affirms that it is waiving its right to appeal any adverse ruling of the Administration that might have followed any such hearing.

I sign this Consent Order with authority on behalf of Respondent after having had the opportunity to consult counsel, without reservation, and I fully understand and comprehend the language, meaning and terms of this Consent Order. I voluntarily sign this Consent Order and understand its meaning and effect.

6.21.2023  
Date

  
\_\_\_\_\_  
Representative for The Apothecary

NOTARY

STATE OF Maryland

CITY/COUNTY OF: Garrett

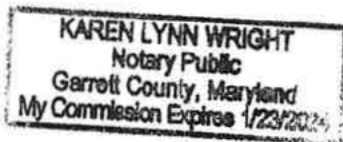
I HEREBY CERTIFY that on this 21 day of June 2023,  
before me, a Notary Public of the State and County aforesaid, personally appeared  
Susan Valois, on behalf of  
Grow West MD, LLC, and gave oath in due form of law  
that the foregoing Consent Order was his voluntary act and deed.

AS WITNESS, my hand and Notary Seal.

Notary Public

Karen Wright

My commission expires:





NOTARY

STATE OF Maryland

CITY/COUNTY OF: Garrett

I HEREBY CERTIFY that on this 21 day of June 2023,  
before me, a Notary Public of the State and County aforesaid, personally appeared  
Susan Valois, on behalf of  
The Apothecary, and gave oath in due form of law  
that the foregoing Consent Order was his voluntary act and deed.

AS WITNESS, my hand and Notary Seal.

Notary Public

*Karen Wright*

My commission expires:

