CURIO DISPENSARY BC, LLC 

\* BEFORE THE MARYLAND

DBA FAR & DOTTER

\* CANNABIS ADMINISTRATION

Respondent

\*

License No. DA-23-00075

\* Case No. 23-00325

### CONSENT ORDER

On September 6, 2023, the Maryland Cannabis Administration ("MCA"), pursuant to the Cannabis Reform Act (the "Act"), codified at Alcoholic Beverages and Cannabis Article, § 36-501, et seq. (2023), and its corresponding regulations at Code of Maryland Regulations (COMAR) 14.17 and 10.26, issued administrative charges to CURIO DISPENSARY BC, LLC, License No. DA-23-00075.

The pertinent provisions of COMAR are as follows:

#### 10.62.28

# .04 Sanitary Storage of Medical Cannabis

- A. A licensee shall maintain the cleanliness of any building or equipment used to store or display medical cannabis.
- B. A registered dispensary agent shall:
- (1) Comply with the standard operating procedure to maintain the medical cannabis free from contamination; and
- (2) Report to a supervisor any personal health condition that might compromise the cleanliness or quality of the medical cannabis the dispensary agent might handle.
- C. A licensee shall separately store in the secure room until disposed of any medical cannabis:
- (1) That is outdated, damaged, deteriorated, misbranded, or adulterated; or
- (2) Whose containers or packages have been improperly or accidentally opened.

.05 Equipment Sanitation, Accuracy and Maintenance Logs

- A. A licensee's standard operating procedure shall provide for maintaining the sanitation of equipment that comes in contact with medical cannabis.
- B. The licensee shall ensure that any scale, balance, or other measurement device and any automatic, mechanical, or electronic equipment is:
- (1) Annually calibrated by a calibration laboratory accredited to International Organization for Standardization (ISO) standard 17025 ISO/IEC by an accreditation body that is signatory to the International Laboratory Accreditation Cooperation (ILAC) Mutual Recognition Arrangement; and
- (2) Checked at least once each month to ensure accuracy.
- C. The licensee shall maintain an accurate log recording the:
- (1) Cleaning of equipment;
- (2) The maintenance of equipment; and
- (3) The calibration of equipment.

## 10.62.30. Dispensing Medical Cannabis

## .08 Disposal of Green Waste

B. A licensee may dispose of such material in accordance with the licensee's approved waste disposal plan.

# 14.17.14 Complaints, Enforcement, Record Keeping, and Inspections of Cannabis Businesses

# .04 Discipline and Enforcement

- B. Health Endangerment
- (1) A licensee, registrant, agent, or employee may not:
- (a) Apply any contaminant to cannabis or cannabis products;
- (b) Handle cannabis or cannabis products in a manner that would endanger health and safety;
- (c) Store cannabis or cannabis products in a manner that would endanger health and safety;
- (d) Otherwise risk the health and safety of a patient or consumer.

Further, the Maryland Medical Cannabis Commission (MMCC), the predecessor agency of the MCA, issued Bulletin: 2022 – 001, effective January 11, 2022, which addresses the green waste disposal procedure for licensed dispensaries. The Bulletin states that "All product not manifested back to a licensed grower or processor shall immediately be rendered unusable,

entered into the Waste log, and placed into the waste container. This action must be clearly captured on video."

On February 22, 2024, the parties agreed to enter into this Consent Order in lieu of proceeding to an evidentiary hearing in this matter.

## **Findings of Fact**

The parties agree to the following statement of facts:

- Respondent was originally awarded a license to operate a medical cannabis dispensary on February 22, 2018.
- 2. Respondent converted its license to an adult use license on July 1, 2023.
- 3. Respondent is located at 2060 A York Road, Timonium, Md 21093.
- 4. On or about August 24, 2023, A.J., who was the inventory manager on duty at Respondent's dispensary on July 25, 2023, sent an e-mail to the MCA alleging the following:

The store received a delivery from Culta on 7/25 containing 224g (64 3.5g) of Amnesia OG, METRC TAG: 1A4030100000709000066816. All 64 units were thrown into the trash for 2 days before they were found in the dumpster. Once recovered from the dumpster I advised destroying this as this violates several compliance requirements, however management once again insisted on not losing the profit and we proceeded to sell 64 eighths that had previously been sitting in a dumpster, outside for 2 days. Product was recovered from the dumpster on 7/27 at 9:51AM.<sup>1</sup>

- 5. On August 30, 2023, an MCA investigator obtained video footage from Respondent corroborating the times and dates that the boxes were placed in and retrieved from the dumpster and that Respondent subsequently sold the units. In total, the four boxes of Amnesia OG 3.5 gram packages were in Respondent's dumpster for 41 hours and nine minutes.
- 6. A.J.'s employment at Respondent's dispensary was terminated on or about August 20, 2023, four days prior to A.J.'s email to the MCA.

<sup>&</sup>lt;sup>1</sup> Respondent disputes the complainant's characterization of management.

- 7. Respondent's General Manager made the decision to sell the product on her own.
- 8. The video footage from July 27, 2023, beginning at 9:49 a.m., shows three of Respondent's dispensary agents leaning over the dumpster and retrieving four black boxes reported to contain the missing Amnesia OG pre-packaged product.
- 9. Additional footage from inside Respondent's dispensary's secure area shows a dispensary agent carrying the four black boxes through an outside door into the secure area and placing them on a desk.
- 10. The video also shows a dispensary agent begin repackaging the 64 containers at 7:27 p.m. by removing them from their original black box and placing all 64 unopened and sealed containers into plastic bags and then later storing them in Respondent's vault.
- 11. The agent performing the repackaging informed the MCA investigator that it was necessary to put the containers in bags because the original packaging was covered in a liquid substance acquired from the dumpster. Respondent asserts that its interviews with other dispensary agents indicate that no liquid or other material from the dumpster reached the sealed jars or the cannabis inside the sealed jars.
- 12. The three dispensary agents involved in retrieving the packages from the dumpster informed the MCA investigator that they were instructed to return them to inventory by their General Manager.
- 13. The MCA investigator asked the General Manager whose decision it was to place the packages back into inventory to sell, instead of green wasting them, and she stated that it was her decision.

- 14. The MCA investigator also obtained the Metrc package detail for the product and verified that all 64 units were sold at Respondent's dispensary between July 28, 2023, and August 3, 2023, for a total of \$3,174.50 in sales.
- 15. The MCA's investigation revealed that 42 sales transactions were made of this product, including sales to 24 qualified medical cannabis patients and 18 sales to adult use consumers.
- 16. On September 5, 2023, the MCA published a Notice that packages of Amnesia OG-Buds-3.5g purchased at Respondent's dispensary between July 28 and August 3, 2023 may not have been handled or stored in compliance with the Administration's health, safety and security requirements.
- 17. As of the date of this Order, Respondent asserts that it has received no reports of adverse incidents related to its sales of the Amenesia OG product described herein. Further, the MCA has received no reports of adverse incidents.
- 18. Further, as part of the inspection, the MCA investigator requested the Green Waste Log and Bin for review.
- 19. In doing so the MCA investigator noticed that the Green Waste Bin contained a product (Blood Orange Tumeric Chews 10ct/40mg Metrc# –44372), which had not been rendered unusable as required by MCA's regulations. Nor had it been entered into Respondent's Green Waste Log as required.
- 20. Further, upon checking Respondent's scale calibration log for compliance with the requirement to check once per month for accuracy, it was apparent that no entries had been made since June 28, 2023, 70 days prior to the MCA's review of the log.
- 21. Respondent's Standard Operating Procedure states: "Cannabis and cannabis containing products must be stored and handled in a manner that will maintain them free of contamination."

22. Respondent has fully cooperated with the MCA's investigation in this matter.

## CONCLUSIONS OF LAW

Respondent has violated COMAR 10.62.28.04B, COMAR 14.17.14.04B(1)(c), and COMAR 14.17.14.04B(1)(d). Further, Respondent has violated COMAR 10.62.28.05B.(2) and COMAR 10.62.30.08.B.

#### 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 \$26,000; and it is further ORDERED that for a period of SIX MONTHS, Respondent shall:

- 1. Submit its green waste logs to the MCA for review on a monthly basis; and
- 2. Submit its scale calibration and cleaning logs to the MCA for review on a monthly basis; and it is further

ORDERED that Respondent re-train all staff on proper green waste procedures, and provide proof of the same to the MCA within 30 days of the date of this Consent Order; 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. (2019 Repl. Vol., 2021 Supp.).

02-22-2024

Date

William Tilburg, Acting Director Maryland Cannabis Administration

#### CONSENT

I, David Bronfein, am the General Counsel of Curio Wellness Corporation and have legal authority to enter into this agreement on behalf of Curio Dispensary BC, LLC, d.b.a. Far & Dotter (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.

2 14 2024 Date

Representative for Curio Dispensary BC LLC, d.b.a. Far& Dotter

# NOTARY

STATE OF Maryland
CITY/COUNTY OF: Baltimore
I HEREBY CERTIFY that on this day of February 2024
before me, a Notary Public of the State and County aforesaid, personally appeared <u>David Bronfein</u>
on behalf of Curio Wellness Corporation, 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.
SEVREN CHWANG Notary Public - State of Maryland
My Commission Expires May 17, 2026
Notary Public

My commission expires: May 17, 2026