

**STATE OF RHODE ISLAND
CANNABIS OFFICE
560 JEFFERSON BOULEVARD, SUITE 204
WARWICK, RHODE ISLAND**

IN THE MATTER OF:

**OSCC HOLDINGS, LLC
Respondent.**

CCC No.: 25-0025

CONSENT AGREEMENT

Reference is made to the Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act, R.I. Gen. Laws § 21-28.6-1 *et seq.* (the “Medical Marijuana Act”) and the Rhode Island Cannabis Act, R.I. Gen. Laws § 21-28.11-1 *et seq.* (the “Cannabis Act”) (together, the “Acts”), and the Rules and Regulations promulgated thereunder, Title 560, Chapter 10 of the Rhode Island Code of Regulations (the “Regulations”). The Cannabis Office and OSCC Holdings, LLC, a domestic limited liability company (“Respondent”), hereby consent and agree as follows:

1. On or about January 4, 2017, the Department of Business Regulation (“DBR”)¹ issued to Respondent medical marijuana cultivator license number CV0004 for the cultivation and wholesale of medical marijuana at a licensed cultivation facility located in Warwick, Rhode Island.
2. Thereafter, Respondent applied for and was issued a hybrid cannabis cultivator license for the sale of non-medical and adult use cannabis (the “License”).
3. Respondent’s License was renewed annually, most recently on January 4, 2025.
4. Beginning in September 2022, DBR issued guidance regarding the requirement that licensees must be credentialed in and utilize Metrc, the State’s cannabis seed-to-sale tracking system, in order to cultivate, maintain, and transfer cannabis and cannabis products and to make sales compliantly.²

¹ Effective May 1, 2025, all powers, duties and responsibilities with respect to the regulation, administration and enforcement of the Acts transferred from the Department of Business Regulation and its Office of Cannabis Regulation to the Cannabis Control Commission and its Cannabis Office. *See* R.I. Gen. Laws § 21-28.11-10.1(g) and (h).

² *See* R.I. Gen. Laws § 21-28.11-7(h).

5. All licensees were notified by DBR, through a series of e-mailed bulletins, that they were required to be credentialed in and utilize Metrc for inventory no later than December 1, 2022, in order to continue compliant cultivation, maintenance, transfer, and sale of cannabis and cannabis products.
6. All licensees were required to transfer all plant and product inventory information from their previously approved inventory tracking system into Metrc no later than December 1, 2022.
7. Thereafter, DBR afforded an additional grace period for licensees to complete their Metrc registration and implementation with a final deadline of December 15, 2022 by which to enter all cannabis plant and product inventory into Metrc.
8. In their use of Metrc, licensees were required to utilize and maintain Metrc-issued RFID plant and product tags on all cannabis plants and products from and after December 15, 2022 in order to ensure tracking and accurate and compliant records of plant and product inventory.
9. On November 5 and November 6, 2025, Cannabis Office Inspectors Kevin Kretchman, Derek Ducharme, Jacob Crisafulli, Peter Squatrito, and Steven Frusher (the "Inspectors") performed inspections of Respondent's licensed premises.
10. During the inspections of November 5 and November 6, the Inspectors observed approximately 35,688 grams of cannabis plant and product inventory that was untagged, plus two (2) large trash bags containing untagged cannabis that were too large to weigh. Further, the Inspectors observed multiple instances of cannabis plant and product inventory that was tagged incorrectly.
11. On November 7, 2025, the Cannabis Office issued to Respondent a Deficiency and Investigation Notice (the "Notice") identifying all instances where cannabis was observed to be untagged or tagged incorrectly during the inspections of November 5 and November 6, 2025. The Notice required Respondent to quarantine all cannabis products, packages and plants referenced in the Notice for thirty (30) days.
12. On November 10, 2025, Senior Economic and Policy Analysts Cynthia Miller and Sarah Ouch (the "Analysts") performed an on-site audit of Respondent's Metrc records at Respondent's licensed premises.
13. During the November 10 audit, the Analysts observed additional instances of cannabis plant and product inventory that was tagged incorrectly.
14. On November 14, 2025, the Cannabis Office issued to Respondent an Amended Deficiency and Investigation Notice (the "Amended Notice") identifying the additional instances of cannabis that was observed to be tagged incorrectly during the audit of November 10, 2025.

Applicable Law

15. Pursuant to R.I. Gen. Laws § 21-28.11-18(a)(1), “Notwithstanding any other provision of this chapter, if the [cannabis control] commission has cause to believe that a violation of any provision of chapters 21-28.6 or 21-28.11 or any regulations promulgated thereunder has occurred by a licensee that is under the commission's jurisdiction pursuant to chapters 21-28.6 or 21-28.11, or that any person or entity is conducting any activities requiring licensure or registration by the commission under chapters 21-28.6 or 28.11 or the regulations promulgated thereunder without such licensure or registration, the commission may, in accordance with the requirements of the Administrative Procedures Act, chapter 35 of title 42:
- (i) With the exception of patients and authorized purchasers, revoke or suspend a license or registration;
 - (ii) Levy an administrative penalty in an amount established pursuant to law or regulations promulgated by the cannabis control commission;
 - (iii) Order the violator to cease and desist such actions;
 - (iv) Require a licensee or registrant or person or entity conducting any activities requiring licensure or registration under chapters 21-28.6 or 21-28.11 to take such actions as are necessary to comply with such chapter and the regulations promulgated thereunder; or
 - (v) Any combination of the penalties authorized by this section.”
16. Pursuant to R.I. Gen. Laws § 21-28.11-7(b), “On August 1, 2022 and thereafter, any medical marijuana cultivator licensed or approved pursuant to the provisions of § 21-28.6-16, upon payment of an additional license fee, shall be permitted to cultivate, manufacture and process cannabis as a hybrid cannabis cultivator for both adult use and medical use. The amount of the additional license fee shall be determined by the Office of Cannabis Regulation during the transitional period established by § 21-28.11-10 and shall be subject to review by the commission pursuant to the final rules and regulations. The fee shall be deposited in the social equity fund established in § 21-28.11-31. Sale of the cultivated cannabis shall be made directly to a licensee pursuant to the provisions of this chapter and chapter 28.6 of this title, subject to the following conditions:
- (1) The cultivator must be in good standing and maintain the cultivator license pursuant to the provisions of chapter 28.6 of this title; and
 - (2) The cultivator must make good faith efforts to ensure the adult use cannabis production portion of the cultivation operation has no significant adverse effect on the medical marijuana program and patient needs.”
17. Pursuant to R.I. Gen. Laws § 21-28.11-7(h), “Every individual cannabis plant possessed by a licensed cannabis cultivator shall be catalogued in a seed-to-sale inventory tracking system. The commission shall review the current seed-to-sale tracking system utilized pursuant to

chapter 28.6 of this title and promulgate new or additional regulations, as it deems appropriate.”

18. Pursuant to 560-RICR-10-10-2.9(A), “Upon direction by the Commission and in accordance with R.I. Gen. Laws §§ 21-28.11-5(b)(12), 21-28.6-12(g)(3), and 21-28.6-16(d) each licensed cannabis establishment shall be required to utilize the state approved cannabis seed-to-sale tracking system to document and monitor compliance with the Cannabis Act, the Medical Marijuana Act and all regulations promulgated thereunder. Applicable licensees may be required to pay costs associated with use of the cannabis seed-to-sale tracking system which may be assessed on an annual, monthly, per use, or per volume basis and payable to the state or to its approved vendor.”
19. Pursuant to 560-RICR-10-10-2.9(B), “All information related to the acquisition, propagation, cultivation, transfer, manufacturing, processing, testing, storage, destruction, wholesale and/or retail sale of all cannabis plants and inventory possessed by licensees and/or distributed at retail to consumers in accordance with the Cannabis Act, the Medical Marijuana Act and these regulations must be kept up to date in the cannabis seed-to-sale tracking system, including but not limited to:
 1. At least one owner and one compliance manager identified as administrators of the licensee’s system;
 2. Employee access to the system and permission levels;
 3. All areas in which cannabis will be cultivated, stored, processed, manufactured, dispensed, and/or sold;
 4. Planting and propagation of plants;
 5. Transition of immature to mature plants;
 6. Harvest dates with yield documentation;
 7. Destructions of immature plants, mature plants and cannabis products;
 8. Transportation of immature plants, mature plants, and cannabis products;
 9. Remediation of cannabis and cannabis products;
 10. Theft of immature plants, mature plants, cannabis and cannabis products;
 11. Adjustment of product quantities and/or weights;
 12. Samples, including but not limited to quality control and trade samples;
 13. Conversion of product types including waste documentation;
 14. Required test results as reported by a licensed cannabis testing laboratory;
 15. Retail and wholesale transaction data;
 16. A complete inventory, including but not limited to:
 - a. Batches or lots of cannabis;
 - b. Batches or lots of concentrates;
 - c. Batches or lots of extracts;
 - d. Batches or lots of cannabis infused products;
 - e. Immature plants;
 - f. Mature plants; and
 - g. Cannabis waste;
 17. Product compliance data; and
 18. Any other information or technical functions the Commission deems appropriate.”

20. Pursuant to 560-RICR-10-10-2.10(A), "Unique identifier tags shall be placed in a manner to clearly display their association with a particular plant, plant material, or cannabis product as approved by the Commission. For example:
 1. Affixed to the plant itself or, if the plant is not of a sufficient size to support the tag, the plant receptacle;
 2. By labeling drying racks and other receptacles that wet cannabis dries on;
 3. On a label affixed to a storage/transport package and/or retail-ready package; and/or
 4. Any other means deemed appropriate by the Commission."

21. Pursuant to 560-RICR-10-10-2.10(B), "All cannabis inventory, including but not limited to immature plants, seeds, cannabis, cannabis derivatives, cannabis currently being processed, cannabis products and waste must be tagged with the following information unless otherwise approved by the Commission:
 1. The licensee's license number and tradename/business name;
 2. The unique identifier generated by the cannabis seed-to-sale tracking system;
 3. Strain name, if applicable;
 4. Product name;
 5. Product type;
 6. The quantity of the product; and
 7. Any other information or technical functions the Commission deems appropriate."

22. Pursuant to 560-RICR-10-05-1.5(C)(4)(b), "If any licensed cannabis establishment or any key person or employee thereof is found to have cannabis plants or cannabis material which are not tracked in accordance with these regulations, the Commission shall impose an administrative penalty in accordance with these regulations on the licensed cannabis establishment or any other person or entity for each untagged cannabis plant or unit of untracked cannabis material."

23. In an effort to affect a timely and amicable resolution of the issues raised in this Consent Agreement without an administrative hearing, the Cannabis Office and the Respondent enter into this Consent Agreement solely for the purpose of avoiding the burdens and expenses of litigation. Based upon Respondent's representations and agreements set forth herein, the Cannabis Office agrees to abstain from pursuing further enforcement action(s) related to the track and trace issues set forth above, subject to Respondent's satisfaction of the following terms and conditions:
 - a. From February 1, 2026 to March 3, 2026 (30 calendar days), Respondent shall suspend all sales and transfers of cannabis, cannabis products, and cannabis materials from its licensed premises. During said suspension period, Respondent may continue to operate its facility, including cultivating, maintenance, harvesting, and processing cannabis plants, products and materials in accordance with applicable laws and the Regulations;
 - b. Upon execution of this Agreement, Respondent shall remit to the Cannabis Office an administrative penalty in the amount of \$70,000 (seventy thousand

dollars) payable to "General Treasurer, State of Rhode Island," which may be paid in six (6) equal installments on the following dates: April 1, 2026; July 1, 2026; October 1, 2026; January 1, 2027; April 1, 2027; and July 1, 2027.

- c. -b.- No later than February 15, 2026, Respondent shall destroy, under Cannabis Office supervision, all untagged and improperly tagged cannabis plants, products, and materials identified in Exhibit A;
- d. -e.- No later than February 15, 2026, Respondent shall provide documentation to the Cannabis Office confirming Respondent's appointment of a Compliance Officer responsible for managing all track and trace activities and for ensuring Respondent's Metrc records are accurate and timely updated in accordance with Rhode Island cannabis industry standards;
- e. -d.- No later than February 15, 2026, Respondent shall ensure Metrc is completely up to date including but not limited to the destruction and/or adjustment of all untagged and improperly tagged cannabis plants, products, and materials as well as the removal of all cannabis packages in Metrc that were unable to be located onsite, all as identified in Exhibit A;
- f. -e.- No later than February 15, 2026, Respondent shall ensure that the Compliance Officer has developed and implemented Standard Operating Procedures for the processing and manufacturing of cannabis and cannabis products consistent with the rules and regulations and CCC Metrc Guidance 2025 (November) guidance document.
- g. -f.- Respondent agrees and acknowledges that it expressly selected resolution of this matter by Consent Agreement, rather than proceeding through the administrative hearing process beginning with the issuance of an Order to Show Cause.

24. *Final Determination.* The parties agree that this Consent Agreement and its terms represent the final determination of this matter.

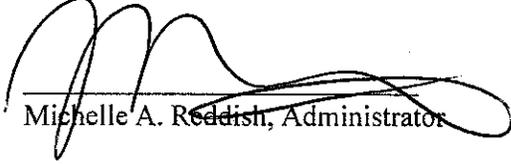
25. *Waiver of Hearing and Appeal.* By agreeing to resolve this matter through the execution of this Consent Agreement, Respondent knowingly and voluntarily waives any right to an administrative hearing and waives any right to pursue an appeal to the Superior Court under the Rhode Island Administrative Procedures Act, R.I. Gen. Laws § 42-35-1, *et seq.*

26. *Enforcement.* If Respondent fails to comply with any term or condition of this Consent Agreement within any applicable time period set forth herein, the Respondent will be in violation hereunder and the Cannabis Office shall be entitled to immediately take enforcement or other action in accordance with applicable law.

27. *Compliance; Laws.* Compliance with the terms of this Consent Agreement does not relieve Respondent of any obligation to comply with other applicable laws or regulations

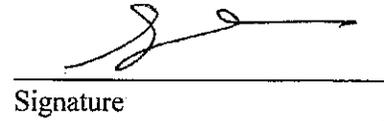
administered by or through the Cannabis Office or any other governmental agency.

For the Cannabis Office:


Michelle A. Reddish, Administrator

Date: 11/5/2026

For Respondent:

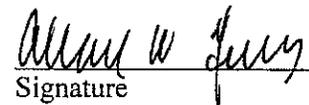

Signature

Printed Name: Simon Chan

Title: President

Date: 12/30/2025

Counsel for Respondent:


Signature

Allan W. Fung
Printed Name
he:izzara & kapoe:na

12/30/2025
Date

Exhibit A

The following cannabis packages must be destroyed physically under the supervision of a Cannabis Office inspector and in Metrc by February 15, 2026:

Quantity onsite does not match what is in Metrc (<10% variance)

- 1A42A0300000323000000041
- 1A42A0300000323000000060
- 1A42A0300000323000000086
- 1A42A0300000323000000130
- 1A42A0300000323000000133
- 1A42A0300000323000000333
- 1A42A0300000323000000339
- 1A42A0300000323000000341
- 1A42A0300000323000001149
- 1A42A0300000323000002041
- 1A42A0300000323000002042
- 1A42A0300000323000002043
- 1A42A0300000323000002045
- 1A42A0300000323000002603
- 1A42A0300000323000002796
- 1A42A0300000323000002925
- 1A42A0300000323000002931
- 1A42A0300000323000002990
- 1A42A0300000323000003191
- 1A42A0300000323000003202
- 1A42A0300000323000003479
- 1A42A0300000323000003483
- 1A42A0300000323000003655
- 1A42A0300000323000003699
- 1A42A0300000323000004022
- 1A42A0300000323000004364
- 1A42A0300000323000004365
- 1A42A0300000323000004516
- 1A42A0300000323000004520
- 1A42A0300000323000004538
- 1A42A0300000323000004570
- 1A42A0300000323000004754
- 1A42A0300000323000004893
- 1A42A0300000323000004975
- 1A42A0300000323000005035
- 1A42A0300000323000005099
- 1A42A0300000323000005202
- 1A42A0300000323000005423
- 1A42A0300000323000005424

- 1A42A0300000323000005510
- 1A42A0300000323000005548
- 1A42A0300000323000005552
- 1A42A0300000323000005553
- 1A42A0300000323000005654
- ~~1A42A0300000323000005736 [deleted]~~
- ~~1A42A0300000323000005738 [deleted]~~
- ~~1A42A0300000323000005750 [deleted]~~
- ~~1A42A0300000323000005751 [deleted]~~
- ~~1A42A0300000323000005752 [deleted]~~
- 1A42A0300000323000005767
- 1A42A0300000323000005802
- 1A42A0300000323000005903
- 1A42A0300000323000005903
- 1A42A0300000323000002039
- 1A42A0300000323000002046
- 1A42A0300000323000004890
- 1A42A0300000323000002038
- 1A42A0300000323000005847
- ~~1A42A01000000CB000002371 (in Metrc as bud/flower but physically kief) [deleted]~~
- 1A42A030000032300000286 (finished in Metrc with quantity of 0 but tag was still physically with 35 grams of cannabis)
- 1A42A0300000323000001066

Cannabis Product onsite tagged with an inactive Metrc tag

- 1A42A0300000323000005898

Cannabis concentrate made directly from harvest batch (no intermediate flower/trim package created which is required)

- ~~1A42A0300000323000004385 [deleted]~~
- ~~1A42A0300000323000004442 [deleted]~~
- ~~1A42A0300000323000004836 [deleted]~~
- ~~1A42A0300000323000004969 [deleted]~~
- ~~1A42A0300000323000005274 [deleted]~~
- ~~1A42A0300000323000005275 [deleted]~~
- ~~1A42A0300000323000005421 [deleted]~~
- ~~1A42A0300000323000005428 [deleted]~~
- ~~1A42A0300000323000005436 [deleted]~~
- ~~1A42A0300000323000005568 [deleted]~~
- ~~1A42A0300000323000005625 [deleted]~~
- ~~1A42A0300000323000005626 [deleted]~~
- ~~1A42A0300000323000005627 [deleted]~~
- ~~1A42A0300000323000005756 [deleted]~~
- ~~1A42A0300000323000005901 [deleted]~~

- 1A42A0300000323000000305

Multiple Metrc tags found on/with cannabis onsite- could not determine which Metrc tag belonged to the cannabis product

- 1A42A0300000323000000192
- 1A42A0100000323000001774
- 1A42A0100000323000001775
- 1A42A0100000323000001776
- 1A42A0300000323000000110
- 1A42A0300000323000000111
- 1A42A0300000323000000112
- 1A42A0300000323000000190
- 1A42A0300000323000000193
- 1A42A0300000323000000217
- 1A42A0300000323000003788
- 1A42A0300000323000003791
- 1A42A0300000323000003930
- 1A42A0300000323000003934
- 1A42A0300000323000003936
- 1A42A0300000323000003970
- 1A42A0300000323000003971
- 1A42A0300000323000003972
- 1A42A0300000323000003985
- 1A42A0300000323000003986
- 1A42A0300000323000003987
- 1A42A0300000323000004752
- 1A42A0300000323000004756
- 1A42A0300000323000004518

Packages created in Metrc at/after inspection of the facility

- 1A42A0300000323000005892 (4 days post physical creation)
- 1A42A0300000323000005900 (6 days post physical creation)

The following cannabis and cannabis products must be destroyed physically under the supervision of a Cannabis Office inspector by February 15, 2026:

Untagged cannabis material onsite

- 35,688 grams
- 2 large black trash bags of cannabis/trim material-- too large to weigh

The below packages must be removed from Metrc on or before January 31, 2026.

In Metrc but not able to be physically located onsite

- 1A42A01000000CB000002304
- 1A42A0100000323000002322
- 1A42A0300000323000000030
- 1A42A0300000323000000055
- 1A42A0300000323000000082
- 1A42A0300000323000000083
- 1A42A0300000323000000085
- 1A42A0300000323000000099
- 1A42A0300000323000000100
- 1A42A0300000323000000120
- 1A42A0300000323000000124
- 1A42A0300000323000000125
- 1A42A0300000323000000630
- 1A42A0300000323000000635
- 1A42A0300000323000000636
- 1A42A0300000323000000682
- 1A42A0300000323000001151
- 1A42A0300000323000001322
- 1A42A0300000323000001499
- 1A42A0300000323000001662
- 1A42A0300000323000002306
- 1A42A0300000323000002352
- 1A42A0300000323000002355
- 1A42A0300000323000002494
- 1A42A0300000323000002551
- 1A42A0300000323000002558
- 1A42A0300000323000002906
- 1A42A0300000323000002910
- 1A42A0300000323000002994
- 1A42A0300000323000003194
- 1A42A0300000323000003449
- 1A42A0300000323000003457
- 1A42A0300000323000003480
- 1A42A0300000323000003507
- 1A42A0300000323000003612
- 1A42A0300000323000003649
- 1A42A0300000323000003653
- 1A42A0300000323000003714

- 1A42A0300000323000003716
- 1A42A0300000323000003719
- 1A42A0300000323000003869
- 1A42A0300000323000003931
- 1A42A0300000323000003935
- 1A42A0300000323000004138
- 1A42A0300000323000004139
- 1A42A0300000323000004140
- 1A42A0300000323000004221
- 1A42A0300000323000004222
- 1A42A0300000323000004230
- 1A42A0300000323000004280
- 1A42A0300000323000004288
- 1A42A0300000323000004438
- 1A42A0300000323000004513
- 1A42A0300000323000004514
- 1A42A0300000323000004531
- 1A42A0300000323000004565
- 1A42A0300000323000004566
- 1A42A0300000323000004569
- 1A42A0300000323000004571
- 1A42A0300000323000004582
- 1A42A0300000323000004741
- 1A42A0300000323000004821
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- 1A42A0300000323000004950
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- ~~1A42A0300000323000005755~~[deleted]
- 1A42A0300000323000005830
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