



STATE OF RHODE ISLAND  
DEPARTMENT OF BUSINESS REGULATION  
OFFICE OF CANNABIS REGULATION  
560 JEFFERSON BOULEVARD, SUITE 204  
WARWICK, RHODE ISLAND 02886

Business Regulation  
Office of Cannabis Regulation

SEP 07 2022

RECEIVED

IN THE MATTER OF:

MAMMOTH, INC.

DBR No. 22OCR006

RESPONDENT.

**CONSENT AGREEMENT**

Reference is made to the Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act, Rhode Island General Laws § 21-28.6-1 *et seq.* (the “Act”) and Rules and Regulations Related to the Medical Marijuana Program Administered by the Office of Cannabis Regulation at the Department of Business Regulation, 230-RICR-80-5-1 *et seq.* (the “Regulations”). The Department of Business Regulation through its Office of Cannabis Regulation (the “Department” or “OCR” respectively) and Mammoth, Inc., a Rhode Island Corporation (“Respondent”), hereby consent and agree that:

1. On or about July 5, 2017, Respondent’s Medical Marijuana Cultivator Application, Application Number MMP CV 0017 (“Application”), was approved by the Department; To date, Respondent has successfully renewed and maintained its Medical Marijuana Cultivator License.
2. Respondent participated in the 8<sup>th</sup> Annual New England Cannabis Convention (“NECANN”), which took place at the Hynes Convention Center in Boston, Massachusetts from March 18 to March 20, 2022.<sup>1</sup>
3. Respondent’s cannabis flower, MAC 10, won the First Place Award for “THC Flower” at the “NECANN Canna Competition”<sup>2</sup> (“Competition”).
4. Pursuant to the “Categories” Section on the Competition website, NECANNComp.com, in order to compete in the flower competition entrants must submit 28 single gram samples.

<sup>1</sup> See <https://necann.com/boston/exhibitors-sponsors/> (identifying “Mammoth inc” as an “Exhibitor” at NECANN).

<sup>2</sup> NECANN Canna Competition is a third-party blind evaluation of cannabis and cannabis products. The competition recognizes and awards the best cannabis products from New England during the Cannabis Convention.” <https://www.necanncomp.com/>.

5. On or about February 27, 2022, Respondent's marijuana product was entered into the Competition by delivery to "Summit Lounge" in Worcester, Massachusetts.
6. At least 28 grams of marijuana flower were transported outside of the borders of the State of Rhode Island in order for Respondent's flower to be entered into the NECANN Canna Competition.
7. On or about March 20, 2022, Respondent posted a video to Instagram, a digital social networking application and website, wherein Respondent's agents accepted the NECANN First Place Award for the "THC Flower" category.
8. Pursuant to Subsection 1.1.1 of the Regulations, entitled Limitations on Scope of the Rhode Island Medical Marijuana Program, "[t]he **protections and immunities for participation in the Rhode Island Medical Marijuana Program** set forth in R.I. Gen. Laws §§ 21-28.6-4 (patient[s] and caregivers), 21-28.6-12(h) (compassion centers), and **21-28.6-16(m) (cultivators) do not apply to any activities beyond the borders of the state of Rhode Island.**" 230-RICR-80-05-1 § 1.1.2(B) (*Emphasis added*).
9. "A licensed medical marijuana cultivator licensed under this section may acquire, possess, manufacture, cultivate, deliver, or transfer medical marijuana to licensed compassion centers, to another licensed medical marijuana cultivator." R.I. Gen. Laws § 21-28.6-16(a).
10. "Licensed cultivators shall only sell to and receive medical marijuana and medical marijuana products from Rhode Island licensed compassion centers and Rhode Island licensed cultivators, as authorized by R.I. Gen. Laws § 21-28.6-16(a). As part of such sales transactions, the licensed cultivator may transfer and transport medical marijuana and medical marijuana products to a registered compassion center or licensed cultivator in accordance with § 1.6.8 of this Part." 230-RICR-80-05-1 § 1.6.3(A)(1).
11. "Unless specifically permitted by § 1.6 of this Part, no other compassion center or licensed cultivator sales or transfers of marijuana or marijuana products or services are permitted." 230-RICR-80-05-1 § 1.6.3(E)(5).
12. "The originating marijuana establishment licensee shall ensure that all transport routes remain within the state of Rhode Island." 230-RICR-80-05-1 § 1.6.8(C).
13. "In the course of promoting a licensee's brand, medical marijuana or medical marijuana products, a licensee may not advertise or cause any advertising or agent to advertise in a manner that: (c) Promotes activity that is illegal under Rhode Island law[.]" 230-RICR-80-05-1 § 1.10(A)(2)(c).
14. "The following warnings must be displayed on all medical marijuana products, when applicable: . . . (2) 'Warning: It is unlawful to transport this product outside of Rhode Island.'" 230-RICR-80-05-1 § 1.5.6(B)(2).

15. It is the Department's position that Respondent disregarded several provisions of the Act and Regulations pertaining to:
  - a) Transportation of marijuana products across state lines; and
  - b) Failure to comply with Labeling requirements.
16. It is the Respondent's position that it neither transported nor caused to be transported any of its marijuana product from the State of Rhode Island into the Commonwealth of Massachusetts.
17. The Department is authorized to administer discipline and penalties for violations of the Act and/or Regulations including, but not limited to, suspension or revocation of any license registration and assessment of administrative penalties/fines. R.I. Gen. Laws § 21-28.6-9; 230-RICR-80-05-1.13(C)(1).
18. Pursuant to § 1.13(D)(1) of the Regulations, the administrative penalty schedule for a cultivator marijuana establishment licensee's violation where DBR determines that the violation does not pose an immediate threat to public health or public safety provides for the imposition "of up to \$5,000 per plant/ounce/unit of product (as applicable) per day."
19. Based upon the FOREGOING, and in an effort to effect a timely and amicable resolution of the issues raised in this Consent Agreement without an Administrative Hearing, the Department and Respondent enter into this Consent Agreement subject to the following acknowledgments and satisfaction of the following terms and conditions:
  - a) Respondent willingly and voluntarily affirms, agrees and acknowledges the veracity of ¶¶ 1-7 of this Consent Agreement;
  - b) Within thirty (30) days of executing this Consent Agreement, Respondent shall submit to the Department a Corrective Action Plan, subject to the Department's approval, detailing what compliance failures occurred in connection with ¶¶ 2-7 of this Consent Agreement and what steps Respondent will take to prevent same from occurring in the future; and
  - c) Respondent will provide to OCR an administrative penalty in the amount of ten thousand dollars (\$10,000.00), paid for in four equal amounts of two thousand five hundred dollars (\$2,500.00) each by a check or money order made payable to the "Rhode Island General Treasurer." The first payment shall be made concurrently with the execution of this Consent Agreement, and the remaining three payments shall be made by December 31, 2022, March 31, 2023, and June 30, 2023, respectively.
20. The parties agree that this Consent Agreement and its terms represent the final determination of this matter.
21. *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.*

22. *Enforcement.* If the 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 Department shall be entitled to immediately take enforcement or other action in accordance with applicable law.
23. *Compliance; Laws.* Compliance with the terms of this Consent Agreement does not relieve the Respondent of any obligation to comply with other applicable laws or regulations administered by or through the Department or any other governmental agency.

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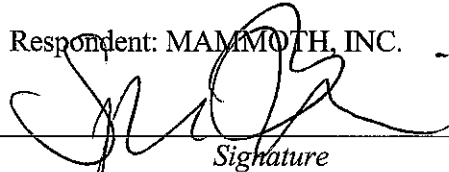
Signature Page

For the Department:

  
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Signature

Name: Matthew Santavice  
Title: Interim Deputy Director  
Date: Sept. 7, 2022

Respondent: MAMMOTH, INC.

  
\_\_\_\_\_  
Signature

Name: Spencer Blier  
Title: Founder + CEO  
Date: 9/6/2022

Counsel for Respondent:

  
\_\_\_\_\_  
Signature

Name: LISA S. HOLLEY  
Title: Legal Counsel  
Date: 9-6-2022