

SAINT REGIS MOHAWK TRIBE
ADULT USE CANNABIS RETAIL REGULATION

CONTENTS

SECTION 1.0 PURPOSE	2
SECTION 2.0 AUTHORITY	2
SECTION 3.0 TERMS AND DEFINITIONS.....	2
SECTION 4.0 OPERATING REQUIREMENTS	3
SECTION 4.1 CONTENTS OF APPLICATION	3
SECTION 4.2 PARTICIPATION IN TRIBAL CANNABIS EXCHANGE	3
SECTION 4.3 TRACKING SYSTEM.....	4
SECTION 4.4 SAFETY OF CANNABIS AND CANNABIS PRODUCTS	5
SECTION 4.5 MANDATORY TESTING.....	5
SECTION 4.6 EMPLOYEES, VISITORS AND CONTRACTORS	6
SECTION 4.7 RESTRICTED ACCESS	6
SECTION 4.8 DISPLAY OF CANNABIS AND CANNABIS PRODUCTS	7
SECTION 4.9 OTHER MERCHANDISE	7
SECTION 4.10 WASTE DISPOSAL.....	7
SECTION 4.11 STORAGE OF CANNABIS AND CANNABIS PRODUCTS.....	8
SECTION 4.12 SANITARY REQUIREMENTS.....	8
SECTION 4.13 TRANSPORTATION OF CANNABIS AND CANNABIS PRODUCTS	8
SECTION 4.14 DUTY TO REPORT INFORMATION TO CCO	9
SECTION 4.15 SECURITY	10
SECTION 4.16 RESTRICTIONS ON USE OF RESIDENTIAL PROPERTY.....	10
SECTION 4.17 DRIVE-THROUGH WINDOWS.....	11
SECTION 5.0 PENALTIES	12
SECTION 5.1 MAJOR LICENSE VIOLATIONS	12
SECTION 5.2 MINOR LICENSE VIOLATIONS.....	13

SECTION 1.0 PURPOSE

The Saint Regis Mohawk Tribe (The “Tribe”) is responsible for the health, safety, education and welfare of all community members. With respect to the non-medical use of cannabis by persons 21 years of age and older (“adult use”), it has the authority, responsibility and jurisdiction to exercise sovereign rights in governing cannabis retail sales on the Saint Regis Mohawk Reservation (Reservation).

SECTION 2.0 AUTHORITY

The authority of the Tribe to enact the Adult Use Cannabis Regulation lies in the inherent sovereign authority of the Saint Regis Mohawk Tribe; the Tribal Procedures Act section IV (C) (1), (2), (10) and (13) (TCR 2013-32); and the Tribal Court and Judiciary Code Section V and VI (TCR 2008- 22). The Tribe has adopted an Adult Use Cannabis Ordinance (the “Ordinance”) authorizing the Cannabis Control Board (“CCB”) and Cannabis Compliance Office (“CCO”) to adopt regulations governing cannabis cultivation, processing, sale and use by persons 21 years of age and older for non-medical purposes.

SECTION 3.0 TERMS AND DEFINITIONS

This Regulation incorporates all definitions in Chapter One of the Saint Regis Tribe Adult Use Cannabis Ordinance.

“Allocation” means a process in which the Tribal Cannabis Exchange sets prices for bulk cannabis extract and pre-packaged cannabis products, determines demand by Processors and Retail Stores, and sets amounts to be transferred by Processors who have not opted out to individual Processors and Retail Stores.

“Cannabidiol” or “CBD” means a specific cannabinoid compound found in cannabis and hemp.

“Cannabis waste” means cannabis and cannabis products that are not usable due to spoilage, contamination or other reasons. Packaging materials that are free of visible residue are not considered cannabis waste.

“Child-resistant” means difficult to open, in alliance with standards established by the United States Consumer Product Safety Commission in 16 C.F.R. part 1700 (2020).

“Detectable level” means the concentration of a particular contaminant that can reliably be measured by testing measures available to a licensee, as determined by the CCB and CCO in consultation with testing facilities.

“Diversion” means transferring cannabis or cannabis products to anyone not authorized under the Ordinance to receive such a transfer.

“Inversion” means accepting a transfer of mature cannabis plants, cannabis or cannabis products from a source not authorized in the Ordinance.

“Licensee” means a Cultivator, Processor, Retail Store, or other type of adult use cannabis business recognized by the CCB and CCO.

“Opt out” means to decline participation in allocation by the Tribal Cannabis Exchange, either in the first year of operation or for good cause thereafter.

“Per-gram fees” means the fees imposed by Section 6.02 of the Ordinance on all cannabis products transferred to the premises of a Retail Store.

“Tamper-evident” means sealed using a method that provides clear, lasting evidence that a package has previously been opened.

“Time/temperature control for safety food” or “TCS food” has the meaning in Section 1-201.10 (pp. 22-24) of the United States Food and Drug Administration’s Food Code (2017), <https://www.fda.gov/media/110822/download>.

“Transport Manifest” means a triplicate document accompanying all transports of cannabis plants, cannabis or cannabis products by a licensee.

SECTION 4.0 OPERATING REQUIREMENTS

SECTION 4.1 CONTENTS OF APPLICATION

Pre-clearance Required: An applicant for a Retail Store license must obtain pre-clearance pursuant to Section 4.01 of the Ordinance.

Complete Application: A complete application for a Retail Store license includes an application on a form supplied by the CCO, an operating plan consistent with the Ordinance and this Regulation, and any required fees.

SECTION 4.2 PARTICIPATION IN TRIBAL CANNABIS EXCHANGE

Payment of Per-Gram Fees: A Retail Store shall not have on its premises any cannabis or cannabis products without proof that the Cultivator or Processor, as applicable, has paid per-gram fees on the cannabis or cannabis products.

Request for Allocations: A Retail Store may, at any time, submit requests for allocations of prepackaged cannabis, pre-rolled cannabis cigarettes, or cannabis products to the Tribal Cannabis Exchange (the Exchange). Requests for prepackaged cannabis or pre-rolled cannabis cigarettes shall include the numbers and net weights of packages; desired strain, if any; and desired THC and CBD potency, if any. Requests for cannabis products shall include the types of products, the numbers of packages and, if desired, the THC and CBD potency.

Allocation of Cannabis and Cannabis Products: The Exchange shall fulfill allocation requests from all Retail Stores in an equitable manner, considering the date of the requests, the amount and types of cannabis and cannabis products requested, and the supply available from Cultivators and Processors who are participating in allocation. The Exchange may reject future requests from

a Retail Store that fails to purchase the cannabis and cannabis products requested through the Exchange. If demand for cannabis or cannabis products through the Exchange drops by at least 10 percent in four consecutive quarters, the Exchange may discontinue allocations and release Cultivators and Processors from their obligation to participate in the Exchange.

Setting of Prices: The Exchange shall publish at least annually its prices for pre-packaged cannabis, pre-rolled cannabis cigarettes, and individual categories of prepackaged cannabis products based on the objective standards included in the Ordinance. The Exchange does not purchase any cannabis or cannabis products from Cultivators or Processors but facilitates the sale to Retail Stores. The price excludes the per-gram fee, which the Cultivator or Processor may bill to the Retail Store in addition to the price set by the Exchange.

Quality of Cannabis and Cannabis Products Supplied Through Exchange: The Exchange shall have discretion to monitor the types and quality of cannabis and cannabis products supplied through the Exchange and may require a Cultivator or Processor to equitably allocate higher quality product.

SECTION 4.3 TRACKING SYSTEM

Adoption of Inventory Tracking System: The Ordinance authorizes the CCO to adopt an inventory tracking system to monitor cannabis activities from the planting of cannabis to its sale in final form. The CCO will provide each licensee a reasonable timeframe, not less than 60 days, in which it must implement the inventory tracking system that the CCO has selected.

Implementation of Inventory Tracking System: Within the timeframe specified by the CCO, each licensee shall establish an inventory tracking system account, install the necessary software, and identify an administrator. The administrator shall complete all necessary training requirements specified by the CCO within the timeframe specified by the CCO. The administrator shall then train each employee in proper use of the system before the employee is issued a system account or accesses the system. Both the administrator and all employees with accounts may be required to attend ongoing training in effective use of the system, if required by the CCO.

Use of Inventory Tracking System: Upon implementation, all licensees shall be required to use any inventory tracking system adopted by the CCO to maintain accurate inventory of all cannabis and cannabis products received, sold, returned to a Cultivator or Processor or destroyed.

Fees: A licensee is responsible for reasonable fees charged by the software vendor for system accounts, as well as expenses, if any, involved in linking the inventory tracking system to the licensee's other software.

Prior to Implementation: Until an inventory tracking system is adopted by the CCO and implemented by the Retail Store, the Retail Store shall maintain detailed inventory records of all cannabis and cannabis products received, sold, returned or destroyed. The Retail Store shall make such records available to the CCO upon request.

SECTION 4.4 SAFETY OF CANNABIS AND CANNABIS PRODUCTS

Residual Pesticides: It is a violation of the Ordinance to sell cannabis or cannabis products with detectable levels of residual pesticides, unless the pesticide is both approved by the CCB and within the tolerance levels established by the United States Environmental Protection Agency in 40 C.F.R. part 180. The CCO may order a licensee to hold or destroy cannabis or cannabis products containing impermissible pesticide residues.

Mold, Yeast and Mycotoxins: It is a violation of the Ordinance to sell cannabis or cannabis products containing detectable levels of mold, yeast or mycotoxins. The CCO may order a licensee to hold or destroy cannabis or cannabis products containing impermissible mold, yeast or mycotoxins.

Bacteria: It is a violation of the Ordinance to sell cannabis or cannabis products containing detectable levels of coliform bacteria, enterobacteriaceae, e. coli or salmonella. The CCO may order a licensee to hold or destroy cannabis or cannabis products with impermissible bacterial contamination.

Metals: It is a violation of the Ordinance to transfer or process cannabis products with detectable levels of cadmium, lead, arsenic or mercury. The CCO may order a licensee to hold or destroy cannabis or cannabis products containing impermissible metals.

Packaging: A Retail Store shall ensure that any cannabis or cannabis product is in child-resistant, tamper-evident opaque packaging at the time of sale to the consumer.

Refrigeration: Any TCS food must be kept in temperature ranges that prevent spoilage or contamination.

SECTION 4.5 MANDATORY TESTING

Testing Required: Upon notification that the CCB has identified an independent testing laboratory capable of performing tests for cannabinoid potency and contaminants, a Retail Store shall accept delivery of cannabis or cannabis products only if they have passed all mandatory tests and are labeled in compliance with the Ordinance.

Reliance on Cultivator and Processor Representations: Prior to the institution of mandatory testing, a Retail Store that in good faith relies upon Cultivator or Processor representations that cannabis or cannabis products are free of contamination shall not be liable for monetary penalties, license suspension, or license revocation for selling cannabis or cannabis products containing contaminants unless the Retail Store continues to sell the cannabis or cannabis products after learning of the contamination.

SECTION 4.6 EMPLOYEES, VISITORS AND CONTRACTORS

Qualifications of Employees: The licensee must ensure that any employee receives adequate training to perform all job duties.

Contents of Training: Prior to allowing an employee to sell cannabis or cannabis products or interact with customers, a Retail Store licensee shall provide a minimum of four hours of training on age verification, recognizing false identifications, purchase limits, identification of intoxicated persons, approved and prohibited items, and packaging and labeling requirements.

Documentation of Training: The licensee shall document the training provided to each employee, including the date, number of hours and topic. The shall document additional training whenever necessary to perform additional job duties or implement changes to the Ordinance or this Regulation.

Employee Identification Badges: All employees of licensees must wear a photographic identification badge whenever the employee is on the premises of the licensee or is transporting cannabis. The badge shall contain the full name of the employee and the name and license number of the licensee. The licensee and key participants of a licensee are subject to this requirement. The CCO may require employees to wear CCO-issued badges if it determines that standardization of employee identification is necessary.

SECTION 4.7 RESTRICTED ACCESS

Areas Open to Persons 21 Years of Age or Older: A Retail Store shall require photographic identification and verify the age of all members of the public at the time of entry. No entry shall be left unlocked and unattended. Acceptable means for restricting access by persons under 21 years of age include checking identification at the door or immediately after entry; using a locked door with a buzzer; checking identification through a window or using a video feed; or similar means.

Restricted Areas: Areas designated for receiving shipments, storing and sorting merchandise, preparing deposits and other activities other than sales are restricted to employees of the licensee, employees and agents of the CCO, members of the CCB, law enforcement agents and other Tribal officials designated by the CCO. No other person may be admitted except by following procedures for visitors.

Visitors: Visitors must be at least 21 years of age; must present photographic identification; must sign a visitor log collecting name, contact information and purpose of visit; and must be supervised by an employee of the licensee at all times.

Use of Contractors: Licensees may hire contractors to perform work onsite that does not involve handling cannabis, including but not limited to carpentry, plumbing, electrical or alarm work. However, such contractors are considered visitors and may not be left unattended in areas where cannabis or cannabis products are present.

SECTION 4.8 DISPLAY OF CANNABIS AND CANNABIS PRODUCTS

Self-Service Not Allowed: A Retail Store shall use displays requiring staff assistance to purchase any cannabis or cannabis products. Such displays shall be either locked or behind a counter preventing customer access.

Samples Not Allowed: A Retail Store may not provide samples of cannabis or cannabis products to consumers for free or for a nominal price. Nothing in the section prohibits advertised promotions, including “buy one get one” sales.

Allowable Product Claims: A display of cannabis or cannabis products shall not contain claims regarding product safety, health or physical benefits to the consumer or intoxicating effects, except to list independently verified THC and CBD content.

Appeal to Persons Under 21 Years of Age: A display of cannabis or cannabis products shall not be designed to appeal to anyone under 21 years of age, including the depiction of any person under the age of 21 or the use of any character, symbol or activity commonly associated with persons under 21 years of age.

SECTION 4.9 OTHER MERCHANDISE

Allowable Paraphernalia: A Retail Store may sell vaporizer batteries, pipes, rolling papers, bongs, lighters, grinders and other products ancillary to the storage, preparation or use of the cannabis and cannabis products sold by the Retail Store. A Retail Store shall not sell any solvents or equipment for home extraction or infusion.

Allowable Food and Beverage: A Retail Store may sell non-alcoholic beverages and snacks that do not contain cannabis.

Branded Merchandise: A Retail Store may sell t-shirts, stickers, water bottles, keychains and other merchandise branded with its logo.

SECTION 4.10 WASTE DISPOSAL

Preparation of Cannabis Waste: Prior to disposing cannabis waste, the licensee must render the waste unusable by removing any packaging material, grinding the cannabis waste and mixing it with an equal or greater volume of food waste, grass clippings, wood chips, yard waste or other material that renders it unusable and unrecoverable, consistent with the licensee’s waste disposal plan.

Classification: Cannabis waste that has been rendered unusable shall not be considered hazardous waste unless it contains other components considered hazardous waste.

Waste Collection: After rendering cannabis waste unusable and unrecoverable, the licensee shall store the cannabis waste in an area inaccessible to the public until it is collected or disposed of in accordance with the Saint Regis Mohawk Tribe Solid Waste Management Code. Discarded packaging material shall also be stored in an area inaccessible to the public until it is collected or disposed of in accordance with the Solid Waste Management Code.

Composting of Cannabis Waste: The unusable cannabis waste may be taken, with permission, to the Saint Regis Mohawk Tribe Composting Program; or may be taken, with the permission of the CCO, to a farm located within the Tribal Territory for composting. No person shall burn cannabis waste. No person shall transport cannabis waste off Tribal Territory without a determination from the CCO.

Return to Cultivator or Processor: A Retail Store may, by mutual agreement, return unsold cannabis or cannabis products to the Cultivator or Processor as an alternative to destruction.

SECTION 4.11 STORAGE OF CANNABIS AND CANNABIS PRODUCTS

Security. Outside normal hours of operation, licensees must secure cannabis and cannabis products in a commercial quality safe or vault or a locked display case, closet or refrigerator protected by a seismic sensor connected to the alarm system. During normal operation, licensees must secure cannabis and cannabis products in access-controlled display cases or in areas inaccessible to the public.

Environmental Conditions. Licensees must store cannabis and cannabis products under conditions that will protect products against physical, chemical and microbial contamination, as well as against deterioration of any container.

SECTION 4.12 SANITARY REQUIREMENTS

Employee Illness. No person may perform work duties when suffering from an open or draining skin lesion, fever, respiratory infection, diarrhea or vomiting. Cuts must be covered with bandages and, if on the hand, disposable gloves.

Hand Washing. Each licensee must provide hand-washing facilities with warm running water, soap or detergent and paper towels or drying device. All persons must wash their hands before starting work; after eating, drinking or smoking; and when hands become soiled or contaminated.

Litter Removal. Each licensee must provide receptacles and regularly remove any litter or waste to avoid contamination of cannabis.

Toilet Facilities. Each licensee must provide employees with adequate and readily accessible toilet facilities in good repair and sanitary conditions.

Other Laws Remain in Effect. Nothing in this section is intended to supersede or diminish any other food safety requirements applicable to an establishment selling prepackaged food.

SECTION 4.13 TRANSPORTATION OF CANNABIS AND CANNABIS PRODUCTS

Transportation Limited to Employees of Licensees: Any person transporting cannabis or cannabis products for commercial purposes must be an employee of a licensee wearing an identification badge.

Vehicle Requirements: Licensees must provide, in advance, the make, model and license plate number of any vehicle used to transport cannabis or cannabis products. The vehicle must be insured, in good working order and equipped with an alarm and a locking compartment for securing cargo.

Temperature Control: Any vehicle used to transport a TCS food shall have a refrigerated compartment. Any vehicle used to transport cannabis products must have adequate means to keep products within a temperature range that prevents melting, spoilage or other damage.

Transport Manifest: A licensee must create a transport manifest in advance each time the licensee transports cannabis or cannabis products. The transport manifest must include the name, address, phone number and license number of the licensee originating the shipment and the licensee receiving the shipment, description and quantities of each item in the shipment, date and time of shipment, vehicle make and model, license plate number, name and signature of the driver and any other employee in the vehicle and name and signature of the employee of the licensee receiving the shipment. A licensee shall use the tracking system to create the transport manifest, unless use of the tracking system is waived by the CCO. If the tracking system is temporarily unavailable, the licensee shall handwrite a transport manifest and enter the required information into the tracking system within one business day of the tracking system becoming operational.

Other Laws Remain in Effect. Nothing in this section is intended to supersede or diminish state or federal laws and regulations applicable to transportation of cannabis or cannabis products off Tribal territory.

SECTION 4.14 DUTY TO REPORT INFORMATION TO CCO

Change in Management or Ownership: A licensee must report any change in management personnel or structure or ownership of the business. No person may assume a role meeting the definition of key participant in the Ordinance before the individual has obtained pre-clearance from the CCO and the CCO has determined that the change in management or ownership is consistent with limits on participation by non-Tribal Members.

Theft or Other Loss of Cannabis or Cannabis Products: A licensee must report to the CCO and law enforcement, within 24 hours, the suspected theft of cannabis or cannabis products. A licensee must report any other loss of cannabis or cannabis products to the CCO within 24 hours.

Other Unlawful Activity: A licensee must report to the CCO within 48 hours any suspected diversion, inversion, attempt to avoid paying per-gram fees or to other violations of the Ordinance or this Regulation.

Failure of Security System: A licensee must report to the CCO within 48 hours any failure of the licensee's security system, including video cameras, lasting more than 120 minutes.

Traffic and Other Incidents: A licensee must report to the CCO as soon as possible, and within 24 hours, any accident involving a motor vehicle transporting cannabis, any traffic citation

involving a vehicle transporting cannabis or any stop or arrest by law enforcement while performing duties related to the operation of the licensee.

SECTION 4.15 SECURITY

Building and Grounds: A retail store shall operate in a permanent building providing a minimum of 400 square feet of interior space and equipped with electricity, heat, running water and toilet facilities. The location of retail operations in a trailer, shed, cargo container, motor vehicle or other similar enclosure is prohibited. The retail store shall ensure adequate parking is available and that areas designated for parking are illuminated for customer safety.

Security Plan: Each licensee shall maintain a security plan that includes a floor plan and indicates all doors, windows, alarm sensors, alarm panels, video cameras and video storage devices. The security plan shall explain how alarms and video are monitored and backed up in case of loss of power.

Video Monitoring: Cameras shall record, 24 hours per day and 7 days per week, the area around any exterior door or door separating public and non-public areas, as well as any area where cannabis is displayed, stored, destroyed, disposed or prepared for transfer, sale or testing. The recordings shall be a minimum of 720 pixels, 15 frames per second, Internet Protocol compatible and accurately stamped with date and time. Cameras shall have a backup power source that allows uninterrupted operation for 120 minutes.

Video Storage: The licensee shall store video footage for 45 days, either in a locked cabinet or closet that prevents employee tampering or theft or on a secure third-party server. The licensee shall limit access to video footage and maintain a list of all individuals who have access to the footage. The licensee shall permit the CCO to access the video footage during normal operating hours.

Windows and Doors: All windows and doors shall be commercial grade and lockable to prevent theft. Each window or door shall have a monitored alarm sensor.

Alarm Systems: All licensees must have an alarm system that is remotely monitored by the licensee or an alarm company that can alert law enforcement of any breeches. The alarm system shall include perimeter sensors, motion sensors and vibration sensors.

SECTION 4.16 RESTRICTIONS ON USE OF RESIDENTIAL PROPERTY

General Limitations on Shared Occupancy: No structure used as a residence may be used for the cultivation, processing or retail of cannabis, except as permitted by Chapter 18 of the Tribal Cannabis Ordinance, exempted from licensing by Section 6.1 of the Adult Use Cannabis Cultivation Regulation or if all following requirements are met:

- The cultivation, processing or retail area is separated from the occupied dwelling unit by a firewall complying with Tribal building code;

- The property contains only one occupied dwelling unit;
- An occupant of that unit is licensed to cultivate, process or sell cannabis on the property;
- The dwelling unit and the cultivation, processing or retail area have separate entrances to the outdoors;
- The dwelling unit does not contain direct indoor access to the cultivation, processing or retail area; and
- No person under 21 years of age resides at the property.

Limitations on Use of Residential Property: Outdoor cultivation or cultivation, processing or retail of cannabis in a freestanding structure is prohibited at a property also containing a residence, except as permitted by Chapter 18 of the Tribal Cannabis Ordinance, exempted from licensing by Section 6.1 of the Adult Use Cannabis Cultivation Regulation or if all following requirements are met:

- The property contains no more than one occupied dwelling unit;
- An occupant of that unit is licensed to cultivate, process or sell cannabis on the property;
- The dwelling unit does not contain access to the cultivation, processing or retail area except through a lockable entrance; and
- No person under 21 years of age resides at the property.

Limitations on Extraction in a Structure Used as a Residence: Extraction using inherently hazardous substances, compressed gas or ethanol is prohibited in any structure containing a dwelling unit.

Limitations on Pesticide Use in a Structure Used as a Residence: The application of any pesticide other than bacterial or fungal agents and plant extracts listed in Section 4.2 of the Adult Use Cannabis Cultivation Regulation is prohibited in any structure containing a dwelling unit.

No Use of Apartments or Townhouses: The cultivation, processing or retail of cannabis indoors or outdoors at any multifamily dwelling (apartment building) or single-family attached dwelling (townhouse) is prohibited.

Tribal License Required: Nothing in this section exempts a person from any other requirement of the Tribal Cannabis Ordinance, Adult Use Cannabis Cultivation Regulation, Adult Use Cannabis Processing Regulation, or Adult Use Cannabis Retail Regulation.

SECTION 4.17 DRIVE-THROUGH WINDOWS

Prior approval required: No Retail Store shall operate a drive-through window prior to its approval by the CCO, including the completion of an onsite inspection.

Minimizing obstruction of traffic: The design of a drive-through lane, including number of vehicles accommodated and placement of entrances and exits, shall minimize any obstructions to traffic on public highways and roadways.

Posting of warnings: The following language shall be posted prominently at all drive-through windows: “Proof of age required for all occupants of vehicle. There may be health risks associated with the use of cannabis. There may be additional health risks for women who are pregnant, breastfeeding or planning on becoming pregnant. Do not drive a motor vehicle or operate heavy machinery while using cannabis.”

Posting of menus: A Retail Store is not permitted to post menus that are visible from a public highway or roadway. A Retail Store may use handheld or mobile menus as an alternative.

Security: A Retail Store operating a drive-through shall ensure:

- Security cameras capture the rear license plates of each vehicle passing through the drive-through;
- Lighting is adequate to allow video recording;
- The drive-through window is constructed from tempered glass; and
- The window is closed and locked whenever not in use for a transaction.

SECTION 5.0 PENALTIES

SECTION 5.1 MAJOR LICENSE VIOLATIONS

Monetary Penalties in Addition to Revocation or Suspension: The CCO may impose monetary penalties in addition to revoking or suspending the licenses of any Retail Store committing violations of the Ordinance affecting public health and safety.

Sales to Persons Under 21 Years of Age: The CCO may impose monetary penalties for any sale of cannabis, cannabis products, or cannabis paraphernalia to anyone under 21 years of age, including a maximum penalty of \$500 for each transaction within the single-day transaction limit.

Sale of excess cannabis or cannabis products: The CCO may impose monetary penalties for exceeding the single-day transaction limit for sales to a single individual 21 years of age or older, in the amount of \$50, plus \$50 per ounce of cannabis or \$3 per gram of concentrate.

Other Diversion of Cannabis: The CCO may impose monetary penalties for other transfers of cannabis or cannabis products not permissible under the Ordinance, including a minimum penalty of \$500 and a maximum additional penalty of \$500 per pound of cannabis and \$5,000 per pound of concentrate.

Inversion of Cannabis: The CCO may impose monetary penalties for accepting cannabis or cannabis products from a source not authorized by the Ordinance, not to exceed \$500 per pound of cannabis or \$5,000 per pound of concentrate.

False Statements to CCB, CCO or Law Enforcement: The CCO may impose monetary penalties up to \$10,000 for knowingly making false statements to the CCB, the CCO or Law Enforcement in an effort to conceal violations of this Regulation or the Ordinance.

Sale of Contaminated Cannabis or Cannabis Products: The CCO may impose monetary penalties up to \$250 per pound of cannabis or \$2,500 per pound of concentrate used for the knowing sale of any cannabis products with detectable levels of pesticides, mold, mildew, yeast, harmful bacteria or heavy metals.

Other Violations Affecting Public Health or Safety: The CCO may impose monetary penalties up to \$5,000 for any other violation affecting public health or safety.

SECTION 5.2 MINOR LICENSE VIOLATIONS

Failure to Pay Per-Gram Fees: The CCO may impose monetary penalties on Retail Stores in possession of cannabis or cannabis products on which per-gram fees have not been paid, in an amount equal to three times the unpaid fees.

Failure to Provide Required Notifications: The CCO may impose monetary penalties up to \$250 per instance on Retail Stores who fail to provide required notifications to the CCO or CCB.

Other Violations Not Affecting Public Health or Safety: The CCO may impose monetary penalties up to \$500 for any other violation not affecting public health or safety.