



Mike DeWine, Governor Jon Husted, Lt. Governor Sherry Maxfield, Director

**STATE OF OHIO
DEPARTMENT OF COMMERCE
DIVISION OF CANNABIS CONTROL
COLUMBUS, OHIO 43215**

**IN THE MATTER OF LICENSEE: The Source Holdings Ohio, LLC dba Certified
Dispensary CCD00144-000**

DEPARTMENT ORDER IMPOSING CONDITIONS

WHEREAS, the Ohio Department of Commerce ("Department"), by way of the Division of Cannabis Control ("Division"), is charged with licensing medical, adult-use, and dual-use cannabis cultivators, processors, dispensaries, and the laboratories that test medical marijuana and to administer the medical marijuana program pursuant to sections 3796.02, 3780.03, and 3780.10 of the Ohio Revised Code;

WHEREAS, the Department and The Source Holding Ohio, LLC dba Certified Dispensary ("Respondent") referred to collectively as "the Parties," have agreed in this matter and Respondent has voluntarily entered into a Consent Agreement with the Department attached hereto as "**Exhibit A**" and hereby incorporated in its entirety in this Department Order;

WHEREAS, as a result of the Department's on-site inspections and compliance reviews, the Parties' ongoing negotiations, documents Respondent produced to the Department, and the signed Consent Agreement attached hereto and incorporated herein, the Department finds as follows:

1. Respondent is a dual use dispensary with license number CCD 000144-00 with a principal place of business located at: 13381 Cedar Road, South Euclid, Ohio 44121.
2. On or about July 18, 2025, the Division issued guidance regarding permissible activities at a dispensary. This guidance was posted on the Divisions website and was sent directly to Respondent. A follow up reminder noting all applicable guidance was sent to all licensees on or about August 5, 2025.
3. The July 18 guidance indicated that "product displays outside of the dispensary, celebratory décor/unapproved signage outside of the dispensary and ribbon cuttings outside of the dispensary" is prohibited. Furthermore, in this guidance the Division reminded licensees that any violation of these restrictions could result in a civil penalty of up to \$50,000 per violation.
4. On or about July 24, 2024 Respondent attended a meeting with the Division of Cannabis Control where the requirements to follow the medical rules and guidance as a condition of licensure were specifically outlined.

5. On or about July 22, 2024 Respondent signed an agreement as a condition of receiving the above referenced dual use license which required Licensee to continue to follow the current medical marijuana rules as required by OhioAdm.Code Chapter 3796 and Licensee agreed to adhere to all present and future guidance and directives issued by the Division of Cannabis Control ("Division"). This agreement specifically required Licensee to follow the medical rules as it relates to advertising. This agreement was fully executed on or about August 2, 2024.
6. On or about August 23, 2024, Respondent allowed various vendor tables to be set up outside of the dispensary distributing dispensary advertising material including Certified Dispensary branded medications trays, rolling trays, grinders, lanyards and enamel pins.
7. On or about August 23, 2024, Respondent had a ribbon cutting ceremony outside the dispensary, contrary to the guidance received from the Division and contrary to specific direction given by Division inspector.
8. On August 23, 2024, Respondent displayed external signage larger than sixteen inches by eighteen inches that was not attached to the dispensary's permanent structure.
9. On August 26, 2024, Respondent had promotional flyers in the dispensary waiting room which contained unapproved loyalty rewards programs.
10. On August 26, 2024, Respondent had informational material in the dispensary lobby with recreational verbiage and potential health claims connected to unapproved medical qualifying conditions.
11. On or about August 26, 2024, several social media postings were made on behalf of Respondent. These postings did not receive pre-approval and were not authorized by the guidance provided regarding generally approved advertising.
12. When asked, Respondent initially indicated that the advertisements had received pre-approval from the Division, but could not produce the approval.
13. Respondent did not receive preapproval from the Division for any of the advertising activities listed in paragraphs 6 through 11 as required by OhioAdm.Code 3796:6-3-24(C) and (D).
14. Division inspectors reviewed Respondent's transmissions into the Prescription Monitoring Program ("PMP"). 179 transactions were not transmitted into the PMP. Various errors were found including missing patient demographic information and missing physician information.
15. On August 21, 2024, an adult use consumer was able to purchase more than a ten day supply of marijuana within one transaction.
16. Respondent offered discounts on products to dispensary employees that were not offered to registered patients and caregivers, veterans and individuals of indigent status.
17. On August 27, 2024, Division inspector found unsigned manifests in relation to the inspection and delivery of marijuana products. Six of seventeen manifests were unsigned.
18. Upon review of the state inventory tracking system, Division inspector found inaccuracies due to Respondent incorrectly processing returns.

Based upon the findings outlined under paragraphs 1 through 17 above, the Department hereby finds the following violations:

In the category of advertising violations:

19. Respondent used a name, logo, sign or advertisement without the advertisement having been submitted to the state Division and the applicable advertising approval fee having been paid in violation of OhioAdm.Code 3796:6-3-24(C)
20. Respondent displayed external signage larger than sixteen inches in height by eighteen inches in width that is not attached to the entity's permanent structure in violation of OhioAdm.Code 3796:6-3-24(H).
21. Respondent displayed medical marijuana paraphernalia that is visible from the exterior of the dispensary in violation of OhioAdm.Code 3796:6-3-24(H)(5).
22. Respondent failed to comply with an order or settlement agreement of the Division in violation of OhioAdm.Code 3796:6-4-03(A)(13) with regards to a ribbon cutting held outside the dispensary.
23. Respondent offered discounts to employees that was not offered equally to patients, caregivers, veterans and individuals with indigent status in violation of OhioAdm.Code 3796:6-3-22(F) and an order or settlement agreement of the Division in violation of Ohio Adm. Code 3796:6-3-24(H)(5).

In the category of inventory control:

24. Respondent failed to report information into the prescription monitoring program in violation of OhioAdm.Code 4729:8-5-01.
25. Respondent failed to comply with a quality assurance program to detect, identify and prevent dispensing errors in violation of OhioAdm.Code 3796:6-3-12.
26. Respondent failed to inspect and acknowledge delivery of medical marijuana prior to accepting deliveries and failed to sign receipt for deliveries in violation of OhioAdm.Code 3796:6-3-06(B) and (H).
27. Respondent failed to track and submit into the state inventory tracking system all information the Department determines necessary for maintaining and tracking medical marijuana, in violation of O.A.C. 3796:6-3-06.
28. Respondent failed to comply with an order or settlement agreement of the Division in violation of OhioAdm.Code 3796:6-4-03(A)(13) by allowing a non-medical customer to purchase over the ten-day supply as required in guidance.

In the category of administrative violations:

29. Respondent misrepresented information provided to the Division by indicating that their advertising had been approved when it had not in violation of OhioAd. Code 3796-4-03(A)(12)

30. Respondent has acknowledged the findings investigation and hereby admits to the above referenced violations. Respondent provided a plan of corrective action on or about September 3, 2024. Respondent has agreed to adhere to the written plan of corrective action as well as any further guidance by the Division.

WHEREFORE, IT IS HEREBY ORDERED THAT, Pursuant to OhioAdm.Code 3796:5-6-01 and to OhioAdm.Code 3796:6-4-01 and in accordance with the Consent Agreement attached and incorporated into this Order as **Exhibit A**, the Department hereby orders that pay a civil penalty to the Department in the following amounts:

1. For violations related to advertising: \$150,000
2. For violations related to inventory control: \$50,000
3. For violations related to administration: \$25,000

The total amount of the civil penalty shall be **Two Hundred Twenty Five Thousand Hundred Dollars (\$225,000.00)** and must be paid within twelve months at the rate of **Eighteen Thousand Seven Hundred Fifty Dollars (\$18,750.00)** per month, following the date of full execution of this Final Consent Order.

It is further ordered that Respondent adhere to the corrective plan of action submitted on or about September 3, 2024 and any Department guidance regarding that corrective plan. Any violation or failure to adhere to the corrective plan of action will result in additional penalties up to and including revocation.

Further, Respondent shall have no same or similar violations of Chapter 3796 or Chapter 1301:18 of the Ohio Admin. Code or Chapter 3796 or Chapter 3780 of the Ohio Revised Code for a period of one year.

NOTICE OF APPEAL RIGHTS: IN ACCORDANCE WITH R.C. 119.12(A), THE RESPONDENT MAY APPEAL THIS FINAL ORDER BY FILING A NOTICE OF APPEAL WITH THE OHIO DEPARTMENT OF COMMERCE SETTING FORTH THE ORDER APPEALED FROM AND STATING THAT COMMERCE'S ORDER IS NOT SUPPORTED BY RELIABLE, PROBATIVE, AND SUBSTANTIAL EVIDENCE AND IS NOT IN ACCORDANCE WITH LAW. THE NOTICE OF APPEAL, MAY, BUT NEED NOT, SET FORTH THE SPECIFIC GROUNDS OF THE PARTY'S APPEAL BEYOND THE STATEMENT THAT THE AGENCY'S ORDER IS NOT SUPPORTED BY RELIABLE, PROBATIVE AND SUBSTANTIAL EVIDENCE AND IS NOT IN ACCORDANCE WITH LAW. ANOTHER NOTICE OF APPEAL MUST BE FILED WITH THE COURT OF COMMON PLEAS OF THE COUNTY IN WHICH THE PLACE OF BUSINESS OF THE LICENSEE IS LOCATED OR THE COUNTY IN WHICH THE LICENSEE IS A RESIDENT. IF LICENSEE IS NOT A RESIDENT OF AND HAS NO PLACE OF BUSINESS IN THIS

STATE, RESPONDENT MAY APPEAL TO THE FRANKLIN COUNTY COURT OF COMMON PLEAS. SUCH NOTICE OF APPEAL MUST BE FILED WITHIN **FIFTEEN (15) DAYS** AFTER THE DATE OF MAILING OF THIS ORDER.

State of Ohio
Department of Commerce



James V. Canepa, Superintendent

Date: 9-5-24

Certified Mail Tracking Number – XXXXXXXXXXXXXXXXXXXXXXXX
cc: Rachel Huston, Assistant Attorney General

**STATE OF OHIO
DEPARTMENT OF COMMERCE
MEDICAL MARIJUANA CONTROL PROGRAM
COLUMBUS, OHIO 43215**

**IN THE MATTER OF LICENSEE: The Source Holdings Ohio, LLC dba Certified
Dispensary CCD00144-000**

EXHIBIT A: CONSENT AGREEMENT

The Department of Commerce Division of Cannabis Control (hereinafter "the Department") and The Source Holdings Ohio, LLC dba Certified Dispensary, (hereinafter "Respondent"), by and through counsel, hereby stipulate and agree to the following:

4. Respondent stipulates to the jurisdiction of the Department;
5. Respondent, with full knowledge of its individual rights, voluntarily waives the right to appeal the Department's findings and orders pursuant to R.C. Chapter 119 as it relates to this Consent Agreement and imposition of conditions;
6. Consistent with this negotiated Consent Agreement, the Department and Respondent consent, stipulate, and agree to the conditions and Order set forth in the attached Final Order (hereinafter "Department Order");
 - a. Respondent shall pay the civil penalty as outlined in the Department Order in its entirety;
 - b. Respondent shall pay the civil penalty outlined in the Department Order within twelve months of the date of full execution of this Consent Agreement;
 - c. Respondent shall adhere to the corrective plan of action plan detailing its policies and procedures to ensure compliance with the rules and regulations of dispensary operations. Respondent will also adhere to any guidance the Division provides regarding the corrective plan of action;
 - d. Respondent shall not have any same or similar violations of the Ohio Administrative Code within twelve (12) months of the last date of the above-referenced violations.
7. After being fully and adequately appraised of its rights Respondent waives all other claims arising out of the Department Order and Consent Agreement;
8. The undersigned hereby acknowledges that:
 - a. They have read this Consent Agreement and the Department Order in their entirety;
 - b. Understand all terms outlined in this Consent Agreement and the Department Order;

- c. Have authority to sign this Consent Agreement on behalf of The Source Holdings Ohio, LLC dba Certified Dispensary;
- d. Have had an opportunity to have this Consent Agreement and Final Order reviewed by counsel and to be advised regarding the same; and
- e. Have executed this Consent Agreement knowingly, intelligently, and voluntarily.

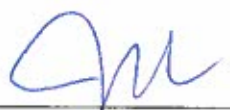
(signature page follows)

SO AGREED:


Name: SCOTT MILLER

Agent for Respondent,
The Source Holdings Ohio, LLC dba Certified Dispensary

Date: 9/4/24


By: James V. Canepa, Superintendent
Ohio Department of Commerce
Date: 9.5.24