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6 SUPERIOR COURT OF CALIFORNIA
7 COUNTY OF SAN DIEGO, CENTRAL DIVISION

8 DARRYL COTTON, an individual,

9 Plaintiff

10 v.

11 LAWRENCE (A/K/A LARRY) GERACI, an
12 individual

13 Defendant.

Case No.: 37-2022-00000023-CU-MC-CTL

REPLY TO OPPOSITION TO PLAINTIFF'S
MOTION TO VACATE VOID JUDGMENT

Hearing Date: July 12, 2024

Hearing Time: 9:00 a.m.

Judge: Honorable James Mangione

Courtroom: C-75

Related Case: 37-2021-00050889-CU-AT-CTL

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1 **I. Introduction**

2 Lawrence Geraci’s (“Geraci”) Opposition acknowledges – by failing to oppose - that in 2014 and
3 2015 he got caught operating three illegal dispensaries and was sanctioned in the Geraci Judgments¹ by
4 two San Diego Superior Court judges. They ordered Geraci to pay fines and to not operate a dispensary
5 without complying with the San Diego Municipal Code. Pursuant to California Business & Professions
6 Code (“BPC”) § 19323, effective January 1, 2016, he was, by law, barred from qualifying for a license
7 to engage in commercial cannabis activity for three years from the date of his last sanction.

8 In November 2016, Geraci and I reached an agreement for a conditional sale of my real property
9 (the “Property”) to open up a dispensary,² under a joint venture, from which I was to receive 10% of the
10 net profits from sales. However, it was an illegal and therefore judicially unenforceable contract because
11 Geraci, having been sanctioned in the Geraci Judgments, pursuant to BPC § 19323, could not legally
12 engage in commercial cannabis activity.

13 Geraci hired cannabis attorney Gina Austin (“Austin”) to acquire the necessary conditional use
14 permit (“CUP”) from the City of San Diego to own/operate a dispensary in the name of his receptionist,
15 Rebecca Berry (the “Berry Application”). The Berry Application stated, under penalty of perjury, that
16 Berry would be the owner of the CUP applied for. It did not disclose Geraci or I as the owner. At that
17 point I did not know that there was no such thing as lawfully owning and operating dispensaries for profit.
18 It was criminally illegal to operate medical marijuana dispensaries **for profit**. Thereafter, I terminated
19 the joint venture agreement with Geraci.
20

21 Geraci then hired Michael Weinstein (“Weinstein”) of Ferris & Britton (“F&B”) to file the sham
22 lawsuit (“Cotton I”)³ against me. Geraci really wanted to continue to profit from the illegal sale of
23 cannabis. F&B and Geraci never intended to go to trial but rather to extort the Property from me via the
24 financial and emotional pressures of sham litigation. The judge who presided over Cotton I was Joel
25

26 ¹ Terms not defined herein have the meaning set forth in the opening brief.

27 ² Geraci never told me he had been sanctioned for operating unlicensed dispensaries and I was not aware of it until I was
preparing for litigation. His having been sanctioned was why he needed to apply for the license under a strawman as he
could not legally own one.

28 ³ “Cotton I” means Geraci v. Cotton Case No. 37-2017-00010073-CU-BC-CTL.

1 Wohlfeil (“Wohlfeil”). I and my attorneys notified Wohlfeil in motions, and oral arguments that Austin
2 and Weinstein, among others, were maintaining Cotton I as a sham lawsuit because the alleged contract
3 that was the foundation of Cotton I – a breach of contract action seeking to force the sale of the Property
4 to Geraci - was unlawful. Wohlfeil said that, because he personally knew Austin and Weinstein, he did
5 not believe that they were capable of acting unethically by filing/maintaining a sham lawsuit. For years,
6 Wohlfeil relied on Austin and Weinstein’s integrity, unaware that they had fraudulently deceived him
7 into holding that Geraci could lawfully sell a controlled substance, in the name of Berry, without being
8 disclosed to licensing agencies. Because a judge cannot, without violating the Fifth and Fourteenth
9 Amendments, preside over a matter in which he believes that the attorneys are incapable of acting
10 unethically, I sued Wohlfeil in federal court for prospective relief pursuant to 42 USC § 1983. In other
11 words, a different judge would preside over my case. The federal court stayed my action, alleging that
12 the Colorado River doctrine required my case be stayed pending the resolution of Cotton I. It did not
13 address Wohlfeil’ statements that constitute prima facie judicial bias. Nor that judicial bias is an
14 established and undisputed exception to the application of the Colorado River doctrine. The federal court
15 and every state court thereafter has never addressed, much less quoted, Wohlfeil’s statements which
16 unequivocally demonstrate that he was disqualified from presiding over my case because he was biased.

17
18 In Cotton I, the case went to trial without Wohlfeil ever examining the law to determine if the
19 alleged contract was lawful. The facts are undisputed. I lost because the jury was allowed to hear
20 prohibited and false testimony from Austin and others that contradicted the plain language of the contract
21 between us. This is a miscarriage of justice pursuant to the California Constitution.

22 Federal proceedings resumed after I lost Cotton I, and the federal court said *res judicata* meant I
23 lose in federal court because I lost in front of a jury in state court. This was in error. Wohlfeil lacked the
24 jurisdiction to preside over a case he was disqualified from or to enforce an illegal contract based on
25 undisputed facts. The judgments he rendered were void. Any judgment that enforces an unlawful contract
26 is void and any judgment effectuating, enforcing or ratifying it is also void.
27
28

1 James D. Crosby (“Crosby”) defended Geraci in federal court. Crosby worked in the same
2 building as Weinstein. Weinstein had previously represented Crosby in a case and acquired a \$500,000
3 verdict for him. His relationship with Weinstein is likely why he made misrepresentations, direct and by
4 omission, to the state and federal courts that it was/is lawful to sell cannabis in the name of a strawman.
5 These misrepresentations resulted in the unlawful ratification of an illegal conspiracy to fraudulently
6 deprive me of my Property and the profits from a highly lucrative dispensary (for-profit dispensaries
7 became lawful with the November 9, 2016, passage of Proposition 64). Crosby is a coconspirator that
8 will say ANYTHING to avoid criminal prosecution and civil financial liability for his actions. If Crosby
9 had been correct he would have argued facts and law. Instead, he relies on the Court continuing to be
10 deceived by directly or implicitly holding that it is legal for attorneys to aid and abet their clients with
11 criminal cannabis sales, in violation of both state and federal law. Crosby has for years claimed, and
12 continues to claim in his Opposition, that I have lost and therefore “Case over.” Again, these are the
13 actions of an attorney desperate to conceal the fact that he was/is complicit in a conspiracy whose criminal
14 actions include the murder of Michael Sherlock.
15

16 Your Honor, Judge Wohlfeil, you and other judges have been defrauded. The facts are undisputed.
17 This is a case where truth and justice will and must prevail; because while the public may not care about
18 me and other victims having our lives destroyed, either purposefully or negligently, they will care about
19 the corruption of government officials. Judges are not supposed to preside over cases where the attorneys
20 are their personal friends nor when they believe those attorneys are incapable of deceiving them. In this
21 case, whether or not it is true that missing the issues were unaddressed because of their personal
22 friendships, it gives the appearance that this is the case and that is proscribed by the California Code of
23 Judicial Ethics (*See, e.g.,* Canon 2).
24

25 **II. Crosby’s arguments all fail.**

26 **A. The evidence is admissible.**

27 Crosby’s ongoing attempts to perpetrate a fraud upon the court can be seen in his Opposition
28 argument to the effect that I submitted this MTV based on “...the guise of ‘ newly discovered

1 evidence'...Cotton makes the same legal arguments he made in his previous motion...in a brazen attempt
2 to make the same arguments he made before..." This is contradicted by the fact that in my moving papers
3 I cite several areas of new evidence for the court to consider, most notably the fact that the Alexander
4 Report was provided to me on February 6, 2024, whereby Eulenthias Duane Alexander ("Alexander"), a
5 codefendant in the Sherlock matter and a DOE⁴ in Cotton I, admits and provides self-incriminating
6 evidence⁵ that a conspiracy to deprive Sherlock of her rights to real property, the dispensary and to
7 monopolize the industry. Alexander provided documents that show that Alexander and Sherlock were
8 represented by William L. Miltner, of Miltner & Menck, APC. ("Miltner")

9
10 The denial of my first Motion to Vacate Void Judgment occurred on February 25, 2022. Crosby's
11 position lacks any factual or legal justification. **It is new evidence.** I have attached that exhibit to this
12 reply, so the court won't have to wade through all the exhibits in my moving papers, which provide new
13 evidence that mandates at the very least the court examines the merits of my arguments. (See Exhibit A)

14 First, Crosby accurately states, the undisputed facts have been presented before. Crosby and other
15 attorneys have misrepresented the law regarding those facts. The Courts got it wrong. Most court errors
16 cannot be rectified. However, court errors that result in ratifying criminal activity are void. A void
17 judgment is forever void and can always be challenged. (*Hunter v. Superior Court of Riverside Cty.*
18 (1939) 36 Cal. App. 2d 100, 116; *Cty. of San Diego v. Gorham*, 186 Cal. App. 4th 1215, 1226.)

19 Second, California case law recognizes a "*newly discovered facts*" exception to the application of
20 *res judicata*. (See, e.g., *Allied Fire Protection v. Diede Constr., Inc.*, 127 Cal. App. 4th 150 (2005).) Here,
21 there are many new facts. But the most horrific one, which alone should compel this court to consider
22 the actual evidence and not rely on erroneous holdings by previous courts, is that Mr. Sherlock was
23 murdered. It is virtually certain he was murdered for his real property and the \$20,000,000 worth of
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26 ⁴ At the time I filed Cotton I, I was unaware of Alexander's full name. Alexander had come to my place of business and
27 threatened me that it was "in my best interest to settle with Geraci." The 07/01/2019 Minute Order where, in Cotton I, the
28 court denies any introduction of antitrust evidence and "Duane" Alexander's involvement in the conspiracy. (See Exhibit B)
⁵ Pg. 019 of Ex. A is the forged signature of Amy Sherlock. Until Alexander revealed this information, Sherlock had never
even heard of attorney Miltner or anything involving his representation of the parties who signed his Consent and Waiver of
Rights document. (See Flores Dec. at Ex. B, BAR Complaint, Case No. 37-2021-0050889-CU-AT-CTL, 05/17/2024.)

1 dispensaries that were transferred to defendants after his death via forged documents. Crosby provides
2 no legal authority for why the new evidence by 3rd party forensic expert Scott Roder of the Evidence
3 Room should be inadmissible. The report concludes “...the following evidence is 100% inconsistent with
4 a self-inflicted GSW [i.e. gunshot wound] and suicide.” (MTV at Pg. 289). The report was provided on
5 December 28, 2023. Michael Sherlock was murdered. This evidence is new and admissible.

6
7 **B. The Judgment is void on its face.**

8 Crosby continues to blatantly ignore that a judgment that grants relief which the law declares shall
9 not be granted is void. (*311 S. Spring St. Co. v. Dep't of Gen. Servs.* (2009) 178 Cal. App. 4th 1009, 1018
10 (“*we define a judgment that is void for excess of jurisdiction to include a judgment that grants relief*
11 *which the law declares shall not be granted.*”) (emphasis added)); *Hunter v. Superior Court of Riverside*
12 *Cty.* (1939) 36 Cal. App. 2d 100, 116.) A judgment that enforces a contract whose object is the criminal
13 sale of cannabis is void for being rendered in excess of jurisdiction. (*Id.*) Neither this Court nor any other
14 court can change this basic legal principle. Courts cannot allow, enforce or ratify illicit drug sales. Every
15 judgment and order to date in this matter dances around this issue and fails to acknowledge that federal,
16 state and local laws, prohibit selling cannabis in someone else’s name. It is criminally illegal and
17 attorneys that aid and abet their client’s in these criminal endeavors are liable as coconspirators. Further,
18 as explained in detail by the Court of Appeals:

19 Although courts have often also distinguished between a judgment void on its face, i.e.,
20 when the defects appear without going outside the record or judgment roll, versus a
21 judgment shown by extrinsic evidence to be invalid for lack of jurisdiction, **the latter is**
22 **still a void judgment with all the same attributes of a judgment void on its face.** (*Los*
23 *Angeles v. Morgan* (1951) 105 Cal.App.2d 726, 732–733 [234 P.2d 319] (Morgan).)
24 “Whether the want of jurisdiction appears on the face of the judgment or is shown by
25 evidence aliunde, in either case the judgment is for all purposes a nullity—past, present
26 and future. [Citation.] ‘... All acts performed under it and all claims flowing out of it are
27 void ... [.] No action upon the part of the plaintiff, no inaction upon the part of the
28 defendant, no resulting equity in the hands of third persons, no power residing in any
legislative or other department of the government, can invest it with any of the elements of
power or of vitality.’ [Citation.]” (*Id.* at p. 732.) In such cases, the judgment or order is
wholly void, although described as “voidable” because court action is required to determine
the voidness as a matter of law and is distinguishable from those judgments merely
voidable due to being in excess of the court's jurisdiction. (*Ibid.*) **Consequently, once**

1 **proof is made that the judgment is void based on extrinsic evidence, the judgment is**
2 **said to be equally ineffective and unenforceable as if the judgment were void on its**
3 **face because it violates constitutional due process.** (See *Peralta v. Heights Medical*
4 *Center, Inc.* (1988) 485 U.S. 80, 84 [99 L. Ed. 2d 75, 108 S. Ct. 896] (Peralta).)

5 (*Cty. of San Diego v. Gorham* (2010) 186 Cal. App. 4th 1215, 1226.)

6 The language above is unambiguous. This Court's previous judgments and orders have been
7 contrary to this controlling law, which, by *stare decisis*, it is bound to follow. No court can lawfully
8 make criminal activity legal and leave me without an avenue to seek judicial redress.

9 Wohlfeil erred. The enforcement of a forged contract whose objects include or support the illegal
10 sale of cannabis is criminally illegal and therefore in excess of his jurisdiction. No Court has ever
11 explained how Geraci could lawfully sell drugs in the name of his receptionist, Berry, and it not be fraud.
12 Saying that Berry was going to be the owner of the CUP was perjury. Geraci ADMITS that his petitioning
13 via Austin to the City of San Diego contains false statements/lies. What more does this, or any other
14 impartial Court, need to determine that this act by itself is sham petitioning and the entire course of
15 conduct constitutes fraud upon the court?

16 **C. Res judicata does not apply to void judgments.**

17 **The doctrine of res judicata is inapplicable to void judgments.** "Obviously a judgment,
18 though final and on the merits, has no binding force and is subject to collateral attack if it
19 is wholly void for lack of jurisdiction of the subject matter or person, and perhaps for excess
20 of jurisdiction, or where it is obtained by extrinsic fraud." [Citations.] ... In addition, [a]
21 trial court's subsequent order denying [a] plaintiff's motion to vacate [an] amended
22 judgment, in that it gives effect to a void judgment, is itself void. (*County of Ventura v.*
23 *Tillett* [(1982) 133 Cal.App.2d 105].) While defendants are correct in stating that the order
24 denying the motion to vacate was itself appealable, plaintiff's failure to appeal from it, thus
25 allowing it to become final, makes no difference. **A "final" but void order can have no**
26 **preclusive effect.** "A void judgment [or order] is, in legal effect, no judgment. By it no
27 rights are divested. From it no rights can be obtained. Being *worthless* in itself, all
28 proceedings founded upon it are equally worthless. It neither binds nor bars any one.'
[Citation.]" (*Bennett v. Wilson* (1898) 122 Cal. 509, 513-514 [55 P. 390].) We conclude
that the trial court erred in sustaining defendants' demurrer on the basis of res judicata.

(*Rochin v. Pat Johnson Mfg. Co.* (1998) 67 Cal. App. 4th 1228, 1239-1240.)

There is also nothing unclear or ambiguous about the preceding language. I understand the
meaning of the word "**worthless**." Crosby's *res judicata* and related arguments all fail because they don't

1 apply to void judgments and Crosby does not dispute the facts that prove, as a matter of law, the judgement
2 is void for enforcing and ratifying criminal activity and therefore void, i.e., “worthless.” (*Id.*)

3
4 **D. Crosby perverts the truth and says that my position is legally untenable and void of
logic and reason.**

5 Crosby will one day face criminal charges. His continued position here, that selling cannabis in
6 someone else’s name, is not a criminal act and that my position is “void of logic and reason” will come
7 back and bite him in front of an impartial tribunal and jury. The public may not care about me, or my
8 issues with Wohlfeil but they will care about corrupt attorneys and the judiciary weaponizing the law to
9 infringe on the First Amendment rights of innocent victims exercising that right to seek judicial redress.

10 In his Opposition, Crosby fails to contest my arguments that “shall,” as it is applied in BPC §§
11 19323(a)/26057(a) is, by law, an “imperative” command to judges. Crosby’s failure to oppose that
12 argument constitutes a waiver, thus an admission that I am correct. “‘Shall’ is mandatory and ‘may’ is
13 permissive.” (*HNHPC, Inc. v. Dep’t of Cannabis Control (2023) 94 Cal. App. 5th 60, 70.*) And while it is
14 true that “that the use of the word ‘shall’ in a statute does not necessarily create a mandatory duty,” (*id.*),
15 in the instant case the Legislature did mandate the California cannabis licensing authority (i.e., now the
16 DCC) to deny applications from applicants who were sanctioned for unlicensed commercial cannabis
17 activity such as operating illegal dispensaries. The plain language of the statute states so. And the DCC
18 also states so. This Court and the Court of Appeal have implicitly and contrary to common sense and the
19 plain language have held that the DCC recognizing its ministerial duty to deny applications from
20 prohibited individuals is unconstitutional and is not to be respected by the courts. (*Yamaha Corp. of Am.*
21 *v. State Bd. of Equalization (1998) 19 Cal. 4th 1, 7, 78 Cal. Rptr. 2d 1, 3* (“An agency interpretation of the
22 meaning and legal effect of a statute is entitled to consideration and respect by the courts...”).)

24 The DCC explicitly and unequivocally recognizes that it must deny applications from some
25 applicants: “Under section 26051.5 of the Business and Professions Code, the Bureau [6] must conduct

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⁶ The Department of Cannabis Control (“DCC”) was formerly known as the Bureau of Cannabis Control (“BCC”) and
before it was named that it was referred to as California’s “licensing agency” in legislation.

1 background checks on commercial cannabis business owners applying for licensure. If an owner does not
2 qualify for licensure under section 26057 of the Business and Professions Code, the Bureau must deny
3 that.” (See Exhibit C at Appendix C, Pg’s. 65-66)

4 The Doctrine of *Ejusdem Generis* mandates that this case must be differentiated from cases
5 wherein the Court of Appeals, has allowed “shall” to be construed as permissive rather than imperative.
6 (See, e.g., *RSL Funding, LLC v. Alford* (2015) 239 Cal. App. 4th 741, 745.) “[W]hen a statute contains a
7 list or catalogue of items, (e.g. Subsection (b) of 26057), a court should determine the meaning of each by
8 reference to the others, giving preference to an interpretation that uniformly treats items similar in nature
9 and scope.” (*Moore v. California State Bd. of Accountancy* (1992) 2 Cal.4th 999,1011-1012.) Failure to
10 do so constitutes an unequal application of law and a clear violation of my Constitutional rights to Due
11 Process and Equal Protection under the Law. Crosby knows that previous arguments, made by opposing
12 counsels in both mine and the related Sherlock case have deceived the courts into giving “shall” a
13 permissive meaning that does not comport with the Legislature’s intent. (*Tarrant Bell Property, LLC v.*
14 *Superior Court* (2011) 51 Cal. 4th 538, 542.)

16 Under the doctrine of *Stare Decisis*, except in specifically differentiated instances, the “law of the
17 land” in Cal.App.4th is as stated above. “Shall is an imperative command, usually indicating that certain
18 actions are mandatory and not permissive. This contrasts with the word “may” which is generally used
19 to indicate a permissive provision, ordinarily implying some degree of discretion. Crosby did not contest
20 the fact that “shall” is imperative.

21 Some common uses of the term “shall” in a legal sense include; in the context of statutes, cases
22 such as this one from California [*Tarrant, ibid*], explain that “settled principles of statutory
23 construction direct that courts ordinarily construe the word ‘may’ as permissive and the word ‘shall’ as
24 mandatory, particularly when a single statute uses both terms... (<https://www.law.cornell.edu/wex/shall>).
25 Here, BPC Section 19323 as in effect when Geraci submitted the Berry Application and Cotton and
26 Geraci reached their agreement on November 2, 2016, provided that”

27 (a) The department **shall** deny an application if either the applicant, or the premises for which a
28 state license is applied, do not qualify for licensure under this division.

1 (b) The department may deny the application for licensure or renewal of a state license if any of
2 the following conditions apply:

3 (1) Failure or inability to comply with the provisions of this division, or any rule or regulation
4 adopted pursuant to this division, or any requirement imposed to protect natural resources,
5 including, but not limited to protections for instream flow, water quality, and fish and wildlife.

6 (2) Conduct that constitutes grounds for denial of licensure under Chapter 2 (commencing with
7 Section 480) of Division 1.5, except as otherwise specified in this section and Section 26059.

8 (3) Failure to provide information required by the department....

9 (7) The applicant, or any of its officers, directors, or owners, has been sanctioned by the
10 department, the BCC, the CDFA, or the State Department of Public Health or a city, county, or
11 city and county for unauthorized commercial cannabis activities, has had a license suspended or
12 revoked under this division in the three years immediately preceding the date the application is
13 filed with the department....”

14 (BPC Section 19323 (Added Stats 2015 ch 719 § 10 (SB 643), effective January 1, 2016. Amended Stats
15 2016 ch 32 § 27 (SB 837), effective June 27, 2016. Repealed Stats 2017 ch 27 § 2 (SB 94), effective June
16 27, 2017).)

17 The public’s right to be certain that California’s cannabis regulation protects against criminal
18 takeover would be severely impaired by interpreting B1-9 as anything other than a list of absolutely
19 disqualifying conditions when the applicant is a single natural person. The contrary intent of the
20 legislature is reiterated at every stage of the evolution of California’s regulatory regime. Crosby waives
21 this and the DCC clearly states in its Final Statement of Reasons, “...the Bureau must conduct
22 background checks on commercial cannabis owners applying for licensure.” (See Exhibit C at Appendix
23 C, Pg’s 65-66.) How do you do a background check on someone who is not on the application? Explain
24 this to me and I promise you’ll never hear from me again.

25 **E. A decision resulting in “substantial injustice” is an exception to the Law of the Case**
26 **doctrine.**

27 This Court has ruled against me on three grounds. First, *res judicata*, holding that I had an
28 “opportunity” to make this argument before Wohlfeil, but failing to explain how that is Constitutionally
valid as Wohlfeil is biased. That is not an “opportunity.” Second, that the “shall” language of BPC Section
19323(a)/26057(a) is not mandatory and means permissive when it granted Austin’s anti-SLAPP motion.
But the Court did so in conclusory fashion in one sentence and nothing reflects that this Court understands
that “shall” applies to the word “applicant” in subsection (a) and “may,” meaning permissive, applies to
the word “application” in subsection (b). The DCC language above is clear, as well as the Federal Bureau
of Investigation which has been informed that this Court is allegedly by mistake enforcing RICO criminal

1 activity that includes the murder of Mr. Sherlock. Third, the Court found that it cannot reach the merits
2 of the Sherlock Family’s identical arguments being made here because of the doctrine of the law of the
3 case as the Court of Appeal affirmed this Court’s granting of Austin’s anti-SLAPP motion. The Court of
4 Appeal erred. It also clearly, plainly, unequivocally, failed to understand that “shall” applies to
5 “applicant” and “may” applies to “applications” and its holding contradicts the DCC’s interpretation of
6 the statutes. So, either the Courts have it wrong or the DCC has got it wrong, and the Legislature placed
7 no absolute prohibitions on who can sell cannabis and allowed convicted drug dealers to sell cannabis.
8 That makes absolutely no sense.

9 As stated by the DCC itself in providing its reasoning for the regulations promulgated under the
10 statues passed by the California Legislature: “**If an owner does not qualify for licensure under § 26057**
11 **of the Business and Professions Code, the Bureau must [emphasis added] deny that application for**
12 **licensure.**” (See Exhibit C at Appendix C, Pg’s 65-66.) Thus, this Court has erred and so has the Court
13 of Appeals, resulting in a substantial injustice to me and many other victims. The California Supreme
14 Court has held, in controlling case law that this Court is bound to follow under the doctrine of stare decisis
15 and its judicial oath, that law of the case doctrine does not apply “where there has been a manifest
16 misapplication of existing principles resulting in substantial injustice.” (*Morohoshi v. Pac. Home* (2004)
17 34 Cal. 4th 482, 491-92 (emphasis added).)

18 The Court and the Court of Appeals made a “manifest misapplication of existing principles” in
19 holding that petitioning in furtherance of selling a controlled substance in violation of the law is not
20 criminally illegal.

21 CONCLUSION

22 A void judgment and order cannot be enforced. New evidence that a man was murdered for this
23 \$20,000,000 in assets must be considered. The Court must not ignore the evidence that Mr. Sherlock was
24 murdered pursuant to the same conspiracy that was used to deprive me of the value of a dispensary at my
25 Property via the sham Cotton I action. This is never going away. Lives have been destroyed. I and many
26 others believe the judiciary has been protecting Wohlfeil and will to that end protect murderers and
27 criminals. I beg this court to prove us wrong.
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DATED: June 24, 2024.

Respectfully Submitted,



Darryl Cotton, pro se
Plaintiff

Exhibit A

Date: February 6, 2024
To: Andrew Flores - Attorney
From: Efrain Garcia
Plaintiff: Amy Sherlock
Investigation Type: Witness Interview
Date of Request: January 24, 2024
Date Assigned: January 24, 2024
Assigned: Investigator, Michael Mercurio



WITNESS INTERVIEW

The following information and Witness Interview Report is being provided to the client, Attorney Andrew Flores

Assignment

This assignment was received on January 24, 2024, along with the necessary information to conduct an interview of witness, Eulenthius "Duane" Alexander and provide a thorough and detailed Witness Interview Report. The main task of this assignment is the collection of document evidence from Alexander. The provided information was reviewed and used as the criteria to conduct the interview:

Witness: Eulenthius "Duane" Alexander
Phone: (702) 350-9699

The interview was assigned to Investigator, Michael Mercurio. The following is his documentation of the assignment:

Plaintiff Amy Sherlock Interview/Investigation

Background

*As per Attorney Andrew Flores' instructions the task is for an Investigator is to meet with a witness in Flores' Civil Court Filing identified as **Eulenthius "Duane" Alexander**. Alexander is in possession of copies/facsimiles of a document/s alleged to be fraudulently signed. Attorney Flores cannot accept this evidence directly from this witness without becoming a witness in his own Court Complaint Filing, thus requiring an independent person to act on his behalf in taking possession of the document(s). Questions of this witness about the alleged fraudulently signed document(s) may also take place.*

Pre-Investigative Case Activity: *I was assigned the task by Efrain Garcia of E.G. & Associates Investigations on January 24, 2024. Efrain Garcia provided me with a verbal synopsis of the task to be performed and the objective to be accomplished as needed by Attorney Flores. Efrain Garcia was notified of my failed attempts to contact Attorney Flores. Later Garcia advised me to retry telephone contact with Attorney Flores. Upon doing so, I connected with him.*

Attorney Flores explained he has filed a Civil Complaint action on behalf of his Client, Ms. Amy Sherlock. Atty. Flores explained that a witness identified as Eulenthius "Duane" Alexander has

come forward in this case who reports to be in possession of copies/facsimiles of document(s) supporting Flores' contention that acts of fraud were perpetrated against his client. Flores stated he could not offer to accept the document/s directly from this witness without becoming a witness in his own Civil Court action, and therefore needs an Investigator to meet with the witness and take possession of the document(s) and brief interview. In this way, the Investigator becomes an additional witness to the turnover of the alleged fraudulent document(s). An understanding was verbally agreed to between Atty. Flores and me that questioning about the document was permissible, however no questioning regarding the allegations contained within the Court Filing Case would take place. As well, the authenticity of the document/s is not to be made by the Investigator, just the acceptance of the document(s) from the witness and an interview of the witness as to the circumstances of the turnover of these documents would take place. We were both in agreement. Flores provided me with the witness' telephone number of (702) 350-9699 and no other information.

I telephoned witness Alexander twice on January 26, 2024, with no success. I left messages both times advising Alexander that I was acting on behalf of Attorney Andrew Flores and wished to set up a meeting. I offered that if Alexander were too busy, then to at least text me and I'd work around his schedule. I left my mobile number, but there was no reply. I contacted Efrain Garcia of E.G. & Associates and informed him I left two messages without success. Efrain Garcia made contact with Attorney Flores, who in turn called Mr. Alexander, then Garcia called me back to have me retry telephone contact with the witness. I complied and on January 29, 2024, and Mr. Alexander answered.

Investigative Activity - February 5, 2024, and Forward: In my call to the witness, I informed Alexander I represented E.G. & Associates who had been retained by Attorney Andrew Flores to meet with him and take possession of the documents he possessed. I explained I would record the event, as I had only a couple of questions to ask him about his possession of the documents.

Alexander told me he wished to meet only in a public setting, preferably a coffee shop and could do so on either Friday, February 2, 2024, at noon or Monday, February 5, 2024, at noon. I agreed to call him Thursday, February 1, 2024, so we could firm up the meeting, Friday or push it to the following Monday, as well as set a location to meet. I called Alexander the morning of Thursday, February 1, 2024, and we mutually agreed to meet on Monday February 5, 2024, at noon because of the heavy rains expected on Thursday and Friday. I selected the Denny's Restaurant in Rancho Bernardo just off Hwy. 15 North, as it provided easy access, a quiet setting for recording, and is in a locale where neither one of us would likely be recognized. We agreed.

I arrived at Denny's Restaurant at about 11:30am that Monday. Roughly 15 minutes later, E. Alexander texted me that he had a late client and was running roughly one-half hour late. He asked if we could possibly meet at a coffee shop closer to his location. I told him that was possible and asked what he had in mind. I didn't get a reply for almost another one-half hour. Alexander texted that he wished to meet at the Coffee Bean Coffee Shop at Ruffin Road and Clairemont Mesa Boulevard. I replied this was fine and told him we'd instead meet at 1:00pm to allow me driving time.

I arrived at the Coffee Bean Coffee Shop a few minutes before 1:00pm. The witness arrived at about 1:20pm. This venue proved to be a poor choice, as there were only three tables inside and all were full of people and children talking loudly. Also, a stereo system played Hip Hop music loudly, with loud calls for coffee orders constantly. This wasn't conducive to recording any sort of conversation. After a lengthy wait for a table, Alexander and I sat at a table. I again explained to the witness that my only part in the lawsuit filed by Attorney Andrew Flores, is to take possession

of the documents that he is in possession of, and that I have no part in investigating any other matters contained within the lawsuit, including whether the documents themselves are fraudulent. The witness said he understood.

Witness Alexander" placed the documents on the table. He removed a paperclip that held the bundle together, separating three yellow pages of 8 1/2" X 11" handwritten notes from another eleven similar sized pages of computer printouts. Before the witness began explaining the documents, I asked the following questions:

Interview

Q: Did you speak with Attorney Andrew Flores about all documents you have in your possession, and if so, are these documents the very same documents the Attorney is expecting? Are you withholding anything?

A: Alexander replied that these are the documents he told Attorney Flores he had, and Flores is expecting them. He said he is not withholding any documents.

Q: Are there any additional documents you did not mention to Attorney Flores, but are willing and able to provide to him?

A: Alexander said these are all of them, but vowed if he were able to get his hands on more, he would turn them over. Alexander voiced vitriol toward "**Steve Lake**" who figures prominently in the Flores lawsuit.

Alexander then pointed to pages ten and eleven of the computer printout stack and said these signature pages from a legal document written by a law firm, contain a signature appearing to be that of the Plaintiff, Amy Sherlock, in Attorney Andrew Flores' lawsuit, and that he would testify in a court of law that the signature of Plaintiff Amy Sherlock on that document copy is fraudulent. The witness Alexander went on to say his handwritten notes name people, places and things in chronological order that show the signature couldn't possibly be that of Amy Sherlock. The witness Alexander began getting visibly angry, blaming "Steve" for the fraud, and saying he himself had been the victim of "Steve" and this is why he's cooperating with Attorney Flores. I changed the subject frequently, as Alexander easily became agitated when talking about "Steve", a business partner. I got the witness to concentrate only on discussing the documents. Within the eleven pages of computer printouts, were numerous emails Alexander took part in which shed more light on his contention that "Steve" was not "trustworthy, was manipulative and a liar" as Alexander put it.

E. Alexander pointed out the three yellow tablet sheets with his handwritten notes. He said the information contained on these three pages were facts, dates and occurrences Attorney Flores had asked him to memorialize. No questioning of these pages was undertaken, as they had to do with the facts Attorney Flores used in his court filing and were clearly outside the investigative realm set for EG & Associates by Attorney Andrew Flores. Our meeting lasted almost two hours before we parted ways.

Introduced to Steve. Had County License For Sale
I know of Paloma For Sale, But I didn't know
Steve owned it when negotiating Paloma.

② HE TOLD ME HE WAS THE INVESTOR + PARTNER
- BROTHERS Renny ③ BROTHER Had Part
WAS PARTNERS IN LICENSE. WOULD DO A DEAL W/ BROTHERS PARTNER
+ S.I.S + BRAD ON LICENSE @ 50%/50%

④ HE WAS LOOKING OUT FOR HIS FAMILY + AMY
THE ORIGINAL AGREEMENT WAS DRAFTED BY
STEVE'S
~~AMY'S~~ ATTORNEY AS RAB

50% PH 50% RAB Renny
Amy
BRAD

STEVE AS TRUSTEE TOOK LOAD POSITION. HE DID NOT
WANT HIS NAME IN LICENSE.

MY AGREEMENT W/ STEVE WAS ALWAYS IF I GAVE
HIM HIS \$2M INVESTMENT, THAT HE WOULD WALK
AWAY, + I WOULD RECEIVE 25% OF ANY MONIES
ABOUT \$2M WHEN SOLD.

Signed license with that language

- AGREEMENT WAS THAT I WOULD PUT IN \$200K TO START
OPEN BUSINESS. I ENDED UP SPENDING OVER \$500K
@ LOSS FIRST 5 YEARS.

- ONCE BIZ STARTED PICKING UP, Renny WANTED A CHECK.
+ MET W/ STEVE, Renny + BRAD TO EXPLAIN \$50K NEGATIVE.
BUT WHEN BIZ STABILIZED I PUT Renny ON PAYROLL FOR \$5K
PER MONTH.

IN WINTON 2021 BUSINESS WENT FROM MEDICAL TO RECREATIONAL

AT THAT POINT I WANTED TO EXERCISE OUR AGREEMENT & PURCHASE THE PROPERTY.

AT THIS POINT STEVE SAID HE WOULD NOT HONOR HIS WORD @ 2MM BUT HE WOULD SELL @ \$2.7.

- I FOUND AN INVESTOR TO DO \$2.7

I MET W/ STEVE TO DISCUSS HOT DETAILS.

+ PAYMENT OF 25% WHICH I EXPECTED TO BE \$175K.

③ HE TOLD ME HE WOULD NOT HONOR 25%

④ HE SAID NEVER SIGNED PRA. MY THOUGHTS...

① WHY IS HE TELLING ME THIS

② SOUND LIKE A LY... NOBODY WOULD DO THAT.

③ TRYING TO CREATE NARRATIVE FOR CASE FR CALLED IN

④ SISTER FILED LAWSUIT OR LAWSUIT WAS STILL PENDING.

- AT THIS POINT I CANCELLED THE PURCHASE AGREEMENT...

- Simultaneously, I HAD PURCHASE AG TO PURCHASE 50% - MADE \$100K DEPOSIT. DID NOT MOVE FORWARD BECAUSE ^{STEVE} POST

→ AS SOME POINT PRIOR TO AGREEMENT I MET W/ REEMP A FEW TIMES TO DISCUSS DETAILS OF POA

② HE EXPRESSED THAT HE WAS NOT PAYING ANY

Anything BECAUSE NEVER SELLER FROM THEM &

① BRAD GAVE HIM HIS PART OF THE \$\$\$ @ WHICH

- I don't know exact details of all the things that went on. But I can say that I appeared that they went to do fuck any position. Steve, Brad, Penny all shuffled the deck, for themselves, & using me as a pawn.

WINTER
- ~~WINTER~~ 2023

- STEVE SOLD PROPERTY
- I DEPOSITE \$200K PENNY ON \$650K PURCHASE AG. BALANCE \$450K
- AFTER THINKING ABOUT ALL THE MEETINGS & DIFFERENT STORIES THEY TOLD OVER THE YEARS I DECIDED TO LOOK @ OLD EMAILS...
THEN I REMEMBERED R.A.B + SAW THAT ATTORNEY DID NOT HAVE ANY CONTACT INFO THEREFORE NONE OF THIS WAS REVIEWED BY HER, BUT HER NAME WAS SIGNED ON RAB AGREEMENT.

Lawsuit

- To convoluted.. SHOULD REMOVE CONSPIRACY LANGUAGE + BE SIMPLE TOMAS, STEVE, BRAD, + PENNY.
- PENNY SHOULD BE NAMED SECONDARY TO STEVE.
THEY WERE IN CONTACT THE WHOLE TIME.

Alexander's Notes (Transcripts): Transcription of Alexander's handwritten notes provided to Investigator Michael Mercurio, during their meeting of February 5, 2024 – Transcription has been verified by Investigator Efrain Garcia, for accuracy.

Page 1

Introduced to Steve. Had county license for sale.

I knew of Balboa for sale. But I didn't know

Steve owned it when negotiating Ramona.

He told me he was the investor and

2) Brother Renny

3) Brother had pact

Was partners in license 3) would do a deal w Brothers' partner

& sis and Brad on license @ 50%/ 50%

4) He was looking out for his family/Amy

The original agreement was drafted by

Steve's attorney as RAB

50% PH 50% RAB Renny

Amy

Brad

Steve as investor took landlord position. He didn't

Want his name on the license

My agreement w Steve was always if I gave

Him his \$2mm investment that he would walk

Away.. & I would receive 25% of any moneys

Above \$2mm when sold

Signed lease with that language

Agreement was that I would put in \$200K to start

Open the business. I ended up spending over \$850K

@loss first 5 years.

Once business started picking up Renny wanted a check

I met w Steve Renny and Brad to explain \$850K negative

But when biz stabilized I put Renny on payroll for \$5K

Per month

Page 2

In winter 2021 business went from

Medical to recreational

At that point I wanted to exercise our agreement

+ purchase the property.

At this point Steve said he would not honor

His word @ \$2mm but he would sell @\$2.7mm

I found an investor to do \$2.7mm

+ met w Steve to discuss last details

+ payment of 25% which I expected to

Be \$175k.

2) He told me he would not honor the 25%

3) He said Biker pre signed ag (agreement?) My thoughts...

1) Why is he telling me this

2) Sounded like a lye (lie?) nobody would do that

3) trying to create narrative in case I'm called in

1) Sister filed lawsuit or lawsuit was still

Pending

At this point I canceled the purchase agreement

Simultaneously, I had purchase ag to purchase

50%- made \$100k deposit. Did not move forward because Steve past

At some point prior to this agreement I met with Renny

A few times to discuss details of PA

He expressed that he was not paying Amy

Anything because Biker stole from them +

1) Brad "gave him" his part of the % @ which

Page 3

I don't know exact details of all the

Things that went on but I can say

That it appears that they went into

Fuck Amy position. Steve Brad, Renny all

Shuffling for the deck for themselves

+ using me as a pawn

Winter 2023

- Steve sold property

- I deposit \$200K Renny on \$650K

Purchase Ag Balance \$450K

After thinking about all the meetings +

Different stories they told over the years

I decided to look @ old emails

Then I remembered RAB + seen that

Attorney did not have Amy contact info

Therefore none of this was received by

Her, but her name was signed on RAB agreement.

Lawsuit

To convoluted. Should revive conspiracy language

+ be direct towards Steve, Brad and Renny

Renny should be named secondary to Steve.

They were in cohorts (cahoots) the whole time.

Emails Provided by Alexander:

This message and attachments (message) is intended solely for the use of the intended recipient(s) and may contain information that is privileged, confidential or proprietary. If you are not an intended recipient, please notify the sender at bradford@equitycapital.us and then please delete and destroy all copies and attachments, and be advised that any review or dissemination of, or the taking of any action in reliance on, the information contained in or attached to this message is prohibited. Unless specifically indicated, this message is not an offer to sell or a solicitation of any investment products or other financial product or service, an official confirmation of any transaction, or an official statement of sender. Subject to applicable law, sender may intercept, monitor, review and retain e-communications (e-) traveling through its network, systems and may produce any such E.C. to regulators, law enforcement, in litigation and as required by law. This message cannot be guaranteed to be secure or free of errors or viruses.

On Friday, May 5, 2017 3:52 PM, Bill Miltner <bill@miltnerlaw.com> wrote:

Steve, Duane, Bradford, Amy, and Renny,

Enclosed herein, please find the Conflict of Interest Waiver and Attorney Client Fee Agreement to be executed by everyone. I do not have an email for Amy, but I assume that someone will be able to get it to her. Please review the same and execute the same. If you have any questions at all, do not hesitate to call.

I look forward to working with all of you.

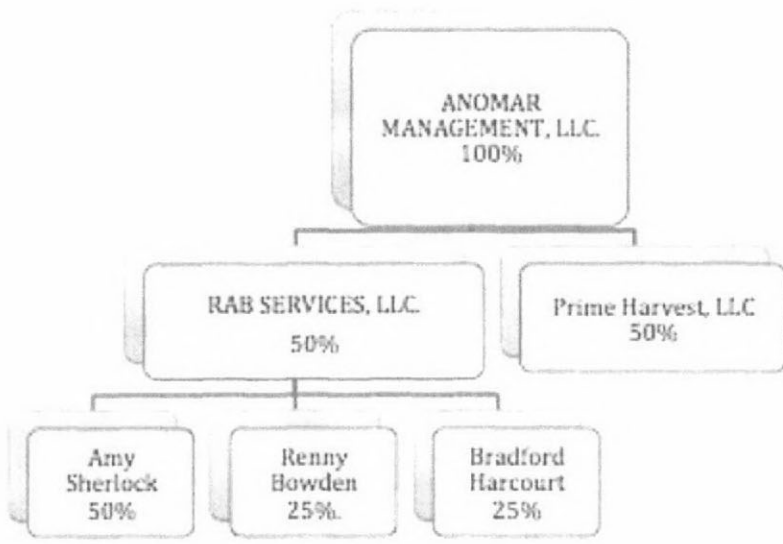
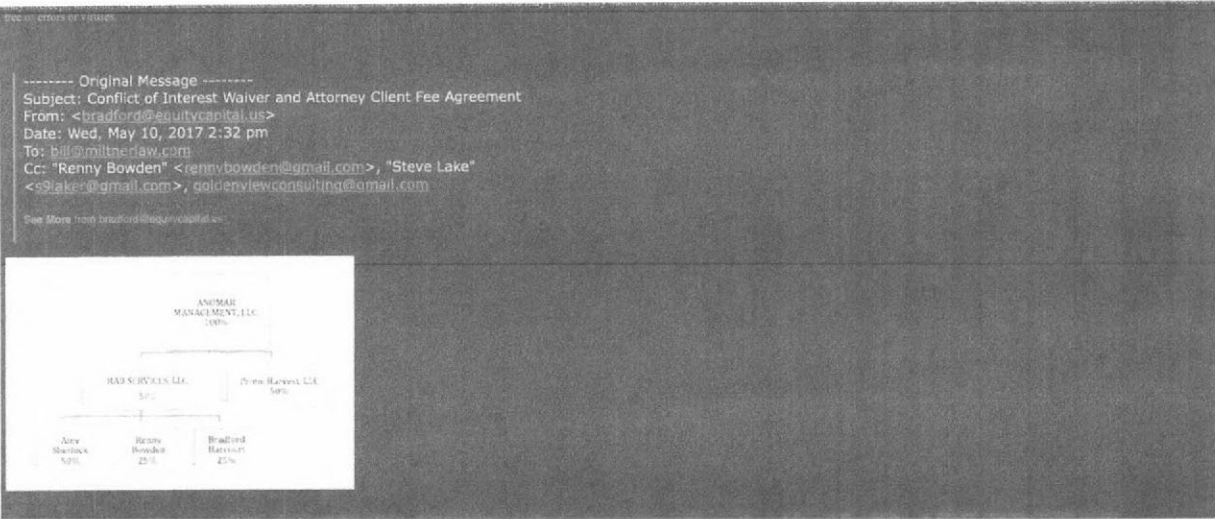
Thanks,

Bill

**MILTNER
& MENCK, APC**

William L. Miltner
Managing Partner
402 West Broadway, Suite 800
San Diego, CA 92101
(619) 615-6393
(619) 615-5334 facsimile
WWW.MILTNERLAW.COM

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bradford@equitycapital.us

May 11, 2017 at 12:16 PM

RE: Conflict of Interest Waiver and Attorney Client Fee Agreement

To: bill@miltnerlaw.com, Cc: Renny Bowden, Steve Lake, Eulenthuis Alexander

Siri found new contact info in this email: Bradford bradford@equitycapital.us

Bill,

Glad we were able to connect. I have attached the proposed structure for your review. ANOMAR and RAB, LLC's are the only entities that need to file and operating agreements drawn up for. Prime Harvest is Duane's existing entity that he will be using to hold his interest in ANOMAR. Steve Lake has advised me that you have all the deal terms and necessary docs to draw up the management agreement. Take a look at the org chart and give me a call with any questions.

Best,



7938 Ivanhoe Avenue, Suite B
La Jolla, CA 92037

Direct: 858-220-0770 | Fax: 858-510-0301

bradford@equitycapital.us | www.equitycapital.us

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Drifts 100% - Flagged

Save Account Online

bradford@equitycapital.us

May 15, 2017 at 3:37 PM

RE: Conflict of Interest Waiver and Attorney Client Fee Agreement

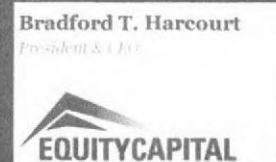
To: bill@miltnerlaw.com, Cc: Renny Bowden, Steve Lake, Eulenthuis Alexander

Siri found new contact info in this email: Bradford bradford@equitycapital.us

Bill,

Please let me know if you will be able to jump on a call so we can get this ball moving forward. I will be leaving town Wednesday night for the remainder of the weekend for a weeding out of the county. Thank you!

Best,



7938 Ivanhoe Avenue, Suite B
La Jolla, CA 92037

Direct: 858-220-0770 | Fax: 858-510-0301

bradford@equitycapital.us | www.equitycapital.us

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----- Original Message -----
Subject: RE: Conflict of Interest Waiver and Attorney Client Fee Agreement
From: <bradford@equitycapital.us>
Date: Thu, May 11, 2017 12:18 pm
To: bill@miltnerlaw.com
Cc: "Renny Bowden" <rennybowden@gmail.com>, "Steve Lake" <slake@msd.com>, goldendave@consulting@gmail.com

WILLIAM L. MILTNER
WALTER E. MENCK
ROBERT C. HARVEY
AUTUMN S. FRYE

MILTNER
& MENCK, APC

EMERALD PLAZA
402 W. Broadway
Suite 800
San Diego, CA 92101
(619) 615-5333
(619) 615-5334 Fax
WWW.MILTNERLAW.COM

May 5, 2017

Sent Via Email: s9laker@gmail.com;
Steve Lake

Sent Via Email: rennybowden@gmail.com;
Renny Bowden

Sent Via Email: dalexander@gethichi.com
Duane Alexander

Amy Sherlock

Sent Via Email: bradford.harcourt@att.net
Bradford Harcourt

Re: Conflict of Interest Waiver

Dear Steve, Renny, Duane, Amy, and Bradford,

You have asked us to represent both Steve Lake (hereafter Client A), Renny Bowden (hereafter Client B), Duane Alexander (hereafter Client C), Bradford Harcourt (hereafter Client D), and Amy Sherlock (hereafter Client E) to provide legal counsel in connection with a cannabis business venture, including assisting with forming entity structure of venture and general counsel regarding the same ("Subject Action"). As you are aware, our representation of Client A, B, C, D, and E may create certain conflicts of interest, in that the interests and objectives of each client individually on certain issues related to the Subject Action are, or may become, inconsistent with the interests and objectives of the other.

Our representation of multiple interests has significant implications which you should consider. For example, rather than our vigorously asserting a single client's interest on an issue, there likely will be a balancing of interests between the parties represented. For example, there may be grounds to settle on behalf of one party, but not the other which may be sources for potential conflicts. Terms that are advantageous to one party are typically disadvantageous to the other party. Further, in the event of a dispute between you, we may be precluded from representing either of you without first obtaining the informed written consent of all concerned.

There are additional problems resulting from joint defense. In cases of joint representation, counsel must fully inform each client as to information obtained during the representation. Moreover, under California Evidence Code § 962 and California case law, in cases of joint representation there is no attorney-client privilege between or among the joint clients so that joint representation may result in a waiver of the attorney-client privilege with respect to the Subject Action.

For these reasons, our normal practice in these circumstances is to represent only one party. However, you have advised us that neither of you wishes to seek other counsel in this matter at the

MILTNER & MENCK, APC

STEVE LAKE, RENNY BOWDEN, DUANE ALEXANDER,
BRADFORD HARCOURT, AMY SHERLOCK

May 5, 2017

Page 2

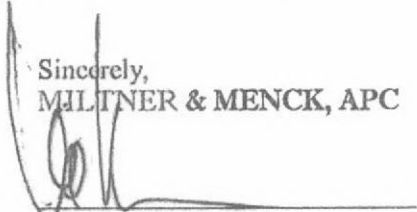
present time, and that you have decided that we should represent your multiple interests in connection with the Subject Action.

Accordingly, we request that you sign and return to us a copy of this letter acknowledging that you have been advised of the potential conflicts associated with your respective interests and that you nevertheless want us to represent you both in connection with the matters discussed above.

We stress that each of you remains completely free to seek other counsel at any time even if you decide to sign the consent set forth below. Should you have any questions concerning this letter or the consent, please discuss them with your own counsel before signing and returning the enclosed copy of this letter.

Sincerely,
MILTNER & MENCK, APC

By:


William L. Miltner, Esq.
Attorney at Miltner & Menck APC

MILTNER & MENCK, APC

STEVE LAKE, RENNY BOWDEN, DUANE ALEXANDER,
BRADFORD HARCOURT, AMY SHERLOCK

May 5, 2017

Page 3

CONSENT

Attorney has explained to both of the undersigned that there exist potential conflicting interests in the above-described matter and has informed both of us of the possible consequences of these conflicts. We also understand that we have the right to and have been encouraged to consult independent counsel before signing this consent.

Each of the undersigned nevertheless desires representation by Attorney to the extent described above and, therefore, consents and gives approval to such representation. Each of the undersigned further acknowledges that it has been apprised of the following California Rules of Professional Conduct Rule:

California Rules of Professional Conduct Rule 3-310, Avoiding the Representation of Adverse Interests:

“(A) For purposes of this rule:

- (1) “Disclosure” means informing the client or former client of the relevant circumstances and of the actual and reasonably foreseeable adverse consequences to the client or former client;
- (2) “Informed written consent” means the client's or former client's written agreement to the representation following written disclosure;
- (3) “Written” means any writing as defined in Evidence Code section 250.

(B) A member shall not accept or continue representation of a client without providing written disclosure to the client where:

- (1) The member has a legal, business, financial, professional, or personal relationship with a party or witness in the same matter; or
- (2) The member knows or reasonably should know that:
 - (a) the member previously had a legal, business, financial, professional, or personal relationship with a party or witness in the same matter; and
 - (b) the previous relationship would substantially affect the member's representation; or
- (3) The member has or had a legal, business, financial, professional, or personal relationship with another person or entity the member knows or reasonably should know would be affected substantially by resolution of the matter; or

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STEVE LAKE, RENNY BOWDEN, DUANE ALEXANDER,
BRADFORD HARCOURT, AMY SHERLOCK

May 5, 2017

Page 4

(4) The member has or had a legal, business, financial, or professional interest in the subject matter of the representation.

(C) A member shall not, without the informed written consent of each client:

(1) Accept representation of more than one client in a matter in which the interests of the clients potentially conflict; or

(2) Accept or continue representation of more than one client in a matter in which the interests of the clients actually conflict; or

(3) Represent a client in a matter and at the same time in a separate matter accept as a client a person or entity whose interest in the first matter is adverse to the client in the first matter.

(D) A member who represents two or more clients shall not enter into an aggregate settlement of the claims of or against the clients without the informed written consent of each client.

(E) A member shall not, without the informed written consent of the client or former client, accept employment adverse to the client or former client where, by reason of the representation of the client or former client, the member has obtained confidential information material to the employment.

(F) A member shall not accept compensation for representing a client from one other than the client unless:

(1) There is no interference with the member's independence of professional judgment or with the client-lawyer relationship; and

(2) Information relating to representation of the client is protected as required by Business and Professions Code section 6068, subdivision (e); and

(3) The member obtains the client's informed written consent, provided that no disclosure or consent is required if:

(a) such nondisclosure is otherwise authorized by law; or

(b) the member is rendering legal services on behalf of any public agency which provides legal services to other public agencies or the public."

This letter will therefore confirm our understanding that:

MILTNER & MENCK, APC

STEVE LAKE, RENNY BOWDEN, DUANE ALEXANDER,
BRADFORD HARCOURT, AMY SHERLOCK

May 5, 2017

Page 5

(1) You acknowledge Miltner & Menck's disclosure of the potential or actual conflicts of interest described herein;

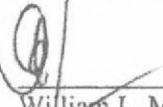
(2) You, for yourself and any affiliates, assigns, successors or heirs, will not directly or indirectly seek to disqualify Miltner & Menck, or support such disqualification, or seek sanctions against Miltner & Menck, as a result of the potential or actual conflicts of interest that you have waived under this Agreement; and

(3) You have been fully informed regarding the legal implications of this consent and conflict waiver.

We request that you signify your informed written consent to the above by signing the Consent and Waiver of Rights set forth below and return this letter to us. We encourage you to seek the advice of independent legal counsel before signing this Consent and Waiver of Rights; and we emphasize that you remain completely free to consult with independent legal counsel at any time even if you decide to sign this Consent and Waiver of Rights.

Sincerely,
MILTNER & MENCK, APC

By:



William L. Miltner, Esq.
Attorney at Miltner & Menck APC

MILTNER & MENCK, APC

STEVE LAKE, RENNY BOWDEN, DUANE ALEXANDER,
BRADFORD HARCOURT, AMY SHERLOCK

May 5, 2017

Page 6

CONSENT AND WAIVER OF RIGHTS

Steve Lake, Renny Bowden, and Duane Alexander acknowledge the foregoing letter and its written disclosure pursuant to Rule 3-310 of the California Rules of Professional Conduct and hereby consent and agree to the terms and conditions described therein, including that:


(1) I, for myself and any affiliates, assigns, successors or heirs, will not directly or indirectly seek to disqualify Miltner & Menck, or support such disqualification, or seek sanctions against Miltner & Menck, as a result of the potential or actual conflicts of interest that I have waived under this agreement; and

(2) I have been fully informed regarding the legal implications of this consent and conflict waiver, and of my right to seek independent legal advice concerning the implications of this Agreement, and that I have had a reasonable opportunity to consult with independent counsel before executing this Consent and Waiver of Rights, and that I do so voluntarily and of my own free will.

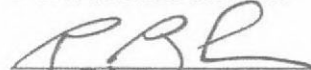
Dated: 5/9/17

By: 
STEVE LAKE

Dated: 5/9/17

By: 
DUANE ALEXANDER

Dated: 5/9/17

By: 
RENNY BOWDEN

Dated: 5/9/17

By: 
BRADFORD HARCOURT

Dated: 5/9/17

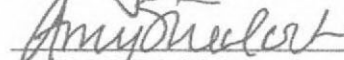
By: 
AMY SHERLOCK

Exhibit B

SUPERIOR COURT OF CALIFORNIA,
COUNTY OF SAN DIEGO
CENTRAL

MINUTE ORDER

DATE: 07/01/2019

TIME: 01:30:00 PM

DEPT: C-73

JUDICIAL OFFICER PRESIDING: Joel R. Wohlfeil

CLERK: Andrea Taylor

REPORTER/ERM: Not Reported

BAILIFF/COURT ATTENDANT: R. Camberos

CASE NO: **37-2017-00010073-CU-BC-CTL** CASE INIT.DATE: 03/21/2017

CASE TITLE: **Larry Geraci vs Darryl Cotton [Imaged]**

CASE CATEGORY: Civil - Unlimited CASE TYPE: Breach of Contract/Warranty

EVENT TYPE: Civil Jury Trial

APPEARANCES

Michael R Weinstein, counsel, present for Respondent on Appeal,Cross - Defendant,Cross - Complainant,Plaintiff(s).

Scott H Toothacre, counsel, present for Respondent on Appeal,Cross - Defendant,Cross - Complainant,Plaintiff(s).

Jacob Austin, counsel, present for Defendant,Cross - Complainant,Appellant(s).

Darryl Cotton, Defendant is present.

Larry Geraci, Plaintiff is present.

1:31 p.m. This being the time set for Jury Trial in the above-entitled cause, having been trailed in this department, all parties and counsel appear as noted above and trial commences.

The Court hears argument by counsel on the filed Motions in Limine.

Defendant DARRYL COTTON's Motion:

No. 1 (# 551) – To exclude Plaintiff from offering in evidence, examination, argument or other reference to an alleged phone call in which Defendant disavows his alleged 10% equity interest in the marijuana business "Geraci's November 3rd Factual Allegations" – **DENIED.**

Plaintiff LARRY GERACI's Motions:

No. 1 (# 555) – To exclude Defendant's lawsuit filed in the USDC Case No. 3:18-cv-00325-GPC-MDD, and Defendant and Joe Hurtado's lawsuit filed in the USDC Case No. 3:18-cv-02751-GPC-MDD – **GRANTED.**

No. 2 (# 556) – To preclude any evidence, examination or reference to Darryl Cotton, Jacob Austin, or Joe Hurtado's personal attacks against Michael R. Weinstein, Scott H. Toothacre and Attorney Gina

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Austin – **DENIED.**

No. 3 (# 557) – To preclude any evidence, examination argument or any other reference to Cotton's and Hurtado's allegations that the Court is biased – **GRANTED.**

No. 4 (# 558) – To preclude any evidence, examination, argument or other reference to Cotton's, Hurtado's and Attorney Jacob Austin's allegations that Mr. Geraci's case is frivolous and / or a malicious prosecution case, or was otherwise filed pursuant to a fraudulent scheme to acquire an MMCC business – **DENIED.**

No. 5 (# 559) – To preclude any evidence or reference to Corina Young's alleged conversation with Jim Bartell and any reference to Corina Young allegedly relaying the context of that conversation to Daryl Cotton, Jacob Austin, or Joe Hurtado and / or any evidence or argument concerning Mr. Cotton 's conspiracy theory – **DENIED.** Counsel directed to stay away from the word conspiracy.

No. 6 (# 560) – To exclude any and all evidence, examination, argument or other reference to allegations that Mr. Geraci was somehow behind a burglary of his 151 farms on June 10, 2017 – **GRANTED.**

No. 7 (# 561) – To preclude any evidence, examination, argument or other reference to Mr. Cotton and Mr. Hurtado's allegations that Mr. Geraci is somehow connected to Sean Miller, Logan Stulmacher and an individual known only as Duane, individuals whom they allege threatened Mr. Cotton and Mr. Hurtado to force a settlement of the instant action – **GRANTED.**

No. 8 (# 562) – To preclude any evidence, examination, argument or other reference to Mr. Cotton and Mr. Hurtado's allegations that Mr. Geraci "screwed some other guy, and the guy committed suicide and shot himself because he lost his life savings and everything" – **GRANTED.**

No. 9 (# 563) – To exclude any evidence, examination, argument or other reference to Mr. Cotton and Mr. Hurtado's allegations that Mr. Geraci's prior settlement agreements bar him from obtaining a CUP or owning a business operating a dispensary pursuant to a CUP – **DEFERRED.** Counsel to stay away from prior settlement agreements. Defendant to lodge with Court any settlement agreement with the City by tomorrow.

No. 10 (# 564) – To preclude any evidence, examination, argument or other reference to Mr. Cotton and Mr. Hurtado's allegations that Mr. Bartell sexually harassed his former employee Bianca Martinez – **GRANTED.**

No. 11 (# 565) – To preclude any evidence, examination or reference to Cotton's and Hurtado's financial conditions allegedly resulting from this litigation – **GRANTED.**

No. 12 (# 566) – To preclude any evidence, examination, argument or other reference to an alleged Venture Agreement or JVA between Geraci and Cotton – **DENIED.**

No. 13 (# 567) – To preclude any evidence, examination or reference to Mr. Cotton's alleged heart attack and / or TIA and / or Mr. Cotton's alleged ongoing physical, mental and psychological damage which he attributes to the litigation – **GRANTED.**

No. 14 (# 568) – To preclude any evidence, examination, argument or other reference to Mr. Cotton and

Mr. Hurtado's lay opinions regarding the CUP process – **DENIED**. Lay opinion may be admissible. CACI 223.

No. 15 (# 569) – To preclude any evidence, examination or reference to Mr. Cotton's allegations that Mr. Geraci and Mr. Magagna conspired to have a competing CUP application approved and the allegation that Mr. Magagna threatened a witness on Mr. Geraci's behalf such that she refuses to testify in this matter – **DEFERRED**.

Defense counsel makes a motion to amend answer to add Anti-Trust Enterprise defense for conspiracy. Court hears oral argument. The motion to amend answer is denied.

Defense counsel makes a motion that the Court issue an order against Natalie Nguyen and Corina Young. The motion is denied.

3:00 p.m. Court is in recess.

3:15 p.m. Court reconvenes with plaintiff(s), defendant(s) and counsel present as noted above.

The Court intends to pre-instruct on the following CACI jury instructions: 100, 101, 102, 106, 107, 111, 113, 114, 116, 200, 303, Special #1, 325, 335, 336, 1900, 1902 and 1903.

The Court explains departmental procedure with counsel.

Counsel will give mini opening statements.

Plaintiff makes a motion to exclude witnesses Natalie Nguyen and Bianca Martinez. The Court hears argument. The motion to exclude Natalie Nguyen as a lawyer is granted. The motion to exclude Bianca Martinez is denied.

Court will have the clerk email the jury instructions to counsel to review this evening.

3:55 p.m. Court is adjourned until 07/02/2019 at 09:00AM in Department 73.

Exhibit C

**BUREAU OF CANNABIS CONTROL
CALIFORNIA CODE OF REGULATIONS TITLE 16, DIVISION 42
MEDICINAL AND ADULT-USE CANNABIS REGULATION**

FINAL STATEMENT OF REASONS AND UPDATED INFORMATIVE DIGEST

SUBJECT MATTER OF PROPOSED REGULATIONS: Medicinal and Adult-Use Cannabis Regulation

SECTION(S) AFFECTED:

Adopt

Cal. Code Regs., Tit. 16, §§5000, 5001, 5002, 5003, 5004, 5005, 5006, 5007, 5007.1, 5007.2, 5008, 5009, 5010, 5010.1, 5010.2, 5010.3, 5011, 5012, 5013, 5014, 5015, 5016, 5017, 5018, 5019, 5020, 5021, 5022, 5023, 5024, 5024.1, 5025, 5026, 5027, 5028, 5030, 5031, 5032, 5033, 5034, 5035, 5036, 5037, 5038, 5039, 5040, 5040.1, 5041, 5041.1, 5042, 5043, 5044, 5045, 5046, 5047, 5048, 5049, 5050, 5051, 5052, 5052.1, 5053, 5054, 5300, 5301, 5302, 5303, 5303.1, 5304, 5305, 5305.1, 5306, 5307, 5307.1, 5307.2, 5308, 5309, 5310, 5311, 5312, 5313, 5314, 5315, 5400, 5402, 5403, 5403.1, 5404, 5405, 5406, 5407, 5408, 5409, 5410, 5411, 5412, 5413, 5414, 5415, 5415.1, 5416, 5417, 5418, 5419, 5420, 5421, 5422, 5423, 5424, 5426, 5427, 5500, 5501, 5502, 5503, 5504, 5505, 5506, 5506.1, 5507, 5600, 5601, 5602, 5603, 5604, 5700, 5701, 5702, 5703, 5704, 5705, 5706, 5707, 5708, 5709, 5710, 5711, 5712, 5713, 5714, 5715, 5717, 5718, 5719, 5720, 5721, 5722, 5723, 5724, 5725, 5726, 5727, 5728, 5729, 5730, 5731, 5732, 5733, 5734, 5735, 5736, 5737, 5738, 5739, 5800, 5801, 5802, 5803, 5804, 5805, 5806, 5807, 5808, 5809, 5810, 5811, 5812, 5813, 5814, 5815, 5900, 5901, 5902, 5903, 5904 and 5905

BACKGROUND

On December 7, 2017 the Bureau of Cannabis Control (Bureau) adopted emergency regulations to clarify and make specific licensing and enforcement criteria for commercial cannabis businesses under the Medicinal and Adult-Use Regulation and Safety Act (MAUCRSA or the Act). On June 6, 2018 the Bureau readopted the emergency regulations. On July 13, 2018 the Bureau issued a Notice of Proposed Rulemaking and began a 45-day comment period on the proposed regulations. The Bureau held public hearings on August 7, 2018, August 14, 2018, and August 27, 2018 in Oakland, Los Angeles, and Sacramento respectively. The Bureau received thousands of comments, both oral and written, on the proposed regulations. Based on review of the comments received, the Bureau determined that there were a number of sufficiently related changes to the proposed regulations that were necessary to clarify certain sections and provisions. These changes included clarifying sections and provisions of the regulations that were impacted by recent legislative changes to the Act, such as expanding the locations that temporary cannabis events can be held at and preventing the sell and transport of cannabis goods that are labeled with terms that would create a misleading impression that the product is an

alcoholic beverage. Additional changes included clarifying which individuals in a multi-layer business structure must be disclosed as owners or financial interest holders in an application for a commercial cannabis business and expanding on a distributor's ability to label or re-label cannabis goods with the amounts of cannabinoids and terpenoids after receiving a certificate of analysis for regulatory compliance testing. Pursuant to Government Code section 11346.8, subdivision (c) and section 44 of Title 1 of the California Code of Regulations the Bureau made substantive and sufficiently related changes to the proposed regulations and circulated them to the public for a 15-day comment period.

UPDATED INFORMATIVE DIGEST

There have been no substantial changes in applicable laws or to the effect of the proposed regulations from the laws and effects described in the Notice of Proposed Regulatory Action. However, several bills were passed during the legislative session that modify the Act. Each bill that impacted the Bureau's proposed regulations is summarized below. Further discussion of the bills and their impacts on specific proposed regulations is included in the summary of changes made to the proposed regulations.

Stats. 2018, Chapter 556 (SB 311), which became effective on September 19, 2018, amended Section 26110 of the Business and Professions Code and authorizes a licensed distributor to transport cannabis or cannabis products that are fit for sale to the premises of another licensed distributor for further distribution.

Stats. 2018, Chapter 857 (SB 1459), which became effective on September 27, 2018, added Section 26050.2 to the Business and Professions Code and, until January 1, 2020, authorizes a licensing authority to issue a provisional license for commercial cannabis activity if the applicant holds or held a temporary license for the same premises and the same commercial cannabis activity. The bill requires a provisional license to be valid for 12 months and prohibits the license from being renewed. The bill requires the provisions of the Act to apply to a provisional license in the same manner as an annual license, except as specified and exempts the issuance of a provisional license from the California Environmental Quality Act (CEQA). The bill also prohibits the refusal by the licensing authority to issue a provisional license or revocation or suspension by the licensing authority of a provisional license from entitling the applicant or licensee to a hearing or an appeal of the decision.

Stats. 2018, Chapter 827 (AB 2914), which becomes effective on January 1, 2019, adds Section 26070.2 to the Business and Professions Code and prohibits a licensee from selling, offering, or providing a cannabis product that is an alcoholic beverage, including, but not limited to, an infusion of cannabis or cannabinoids derived from industrial hemp into an alcoholic beverage.

Stats. 2018, Chapter 749 (AB 2020), which becomes effective on January 1, 2019, amends Section 26200 of the Business and Professions Code and authorizes a state temporary event license to be issued to a licensee for an event to be held at any other venue expressly approved by a local jurisdiction for events. The bill also amends Section 26200 of the Business and Professions Code to codify requirements that are similar to those provided in the Bureau's emergency regulations, including requiring that all participants who are engaged in the onsite retail sale of cannabis or cannabis products at the event to be licensed to engage in that activity, and requiring an applicant who submits an application for a state temporary event license to, 60 days before the event, provide the Bureau a list of all licensees that will be providing onsite sales of cannabis or cannabis products at the event and to update the list in a manner similar to what is provided in the existing emergency regulations. The bill also authorizes the Bureau to require the event and all participants to cease operations without delay if in the opinion of the Bureau or local law enforcement it is necessary to protect the immediate public health and safety of the people of the state. The bill also authorizes the Bureau to require the event organizer to immediately expel from the event any participant selling cannabis or cannabis products without a license from the Bureau that authorizes the participant to sell cannabis or cannabis products and authorizes the Bureau to require the event and all participants to cease operations immediately if the participant does not leave immediately. The bill also specifies that an order by the Bureau for the event to cease operations does not entitle the event organizer or any participant in the event to a hearing or an appeal of the decision and exempts an order by the Bureau for the event to cease operations from specified provisions related to the discipline of a license and from specified provisions related to the appeal of a decision by a licensing authority.

Stats. 2018, Chapter 971 (AB 2799), which becomes effective on January 1, 2019, amends Section 26051.5 of the Business and Professions Code and requires an applicant for initial licensure or renewal of a state license under the Act to provide a statement that the applicant employs, or will employ within one year of receiving a license or renewal, one supervisor and one employee who have successfully completed a Cal-OSHA 30-hour general industry course offered by a training provider that is authorized by an OSHA Training Institute Education Center.

Except as set forth above, there are no other changes in applicable laws or to the effect of the proposed regulations from the laws and effects described in the Notice of Proposed Action.

UPDATE OF INITIAL STATEMENT OF REASONS AND INFORMATIVE DIGEST

As authorized by Government Code section 11346.9, subdivision (d), the Bureau hereby incorporates the Initial Statement of Reasons prepared in this matter. Unless a specific basis is stated for any modification to the regulations as initially proposed, the necessity for the adoption of new regulations as set forth in the Initial Statement of Reasons continues to apply to the regulations as adopted.

All modifications from the initially proposed text of the regulations are summarized below.

MODIFICATIONS MADE AVAILABLE FOR A 15-DAY COMMENT PERIOD

Chapter 1. All Bureau Licensees

Changes Made to Article 1. Division Definitions:

§ 5000. Definitions

The Bureau has made amendments to this section, including the addition of new definitions. As such, the numbering of the subsections has changed beginning with subsection (b).

The Bureau has added a definition for “branded merchandise.” Branded merchandise has been defined to mean clothing, hats, pencils, pens, keychains, mugs, water bottles, beverage glasses, notepads, lanyards, cannabis accessories, or other types of merchandise approved by the Bureau with the name or logo of a commercial cannabis business licensed pursuant to the Act. The definition further clarifies that branded merchandise does not include items containing cannabis or any items that are considered food as defined by Health and Safety Code section 10993.5. This addition was necessary because the Bureau has proposed to allow distributors to distribute and retailers to sell branded merchandise but had not clarified what constitutes branded merchandise. The Bureau limited branded merchandise to those items often used for marketing to allow licensees to avail themselves of this type of marketing, while not allowing licensees to sell other items that are not cannabis goods or accessories. It was necessary for the Bureau to identify branded merchandise because this broad range of customary branded items provides licensees with a great deal of flexibility, while also ensuring that the health and safety of the public is protected by ensuring that licensees are not using branded materials to appeal to underage persons

The Bureau has added a definition for “business day.” Business day has been defined as a day Monday through Friday from 8:00 a.m. to 5:00 p.m. Pacific Time, excluding state holidays in which the Bureau is closed for business. This was necessary because the Bureau has clarified throughout the regulations its requirements related to a period of days whether the period is business days or calendar days. This change assures that licensees are aware of the appropriate timing associated with the Bureau’s regulatory requirements.

The Bureau has amended the definition of “cannabis waste” to remove a reference to section 5055. This is necessary because the Bureau has amended the sections regarding waste and has removed section 5055 in whole. The Bureau has also removed the references to hazardous waste and organic waste. This change was necessary because the Bureau determined that the terms were not appropriate for all types of cannabis waste that may be generated by a licensee.

Final Statement of Reasons Appendix C

Regulation Section	15-Day Comment Number(s) and Page Location	Summary of 15-Day Comments	Bureau Response to 15-Day Comments
Definitions	3646.5 (p.5254)	Commenter states that the Bureau has instructed them that brands need to obtain distribution licenses because they are “procuring” cannabis. Commenter states the definition of the word “procure” does not appear in any of the regulations and should be clarified.	The Bureau disagrees with this comment. Business and Professions Code section 26001(r) defines distribution to mean “the procurement, sale, and transport of cannabis and cannabis products between licensees.” The Bureau has determined that defining procure is unnecessary as the plain meaning of the word is applicable.
General	3513 (p.4428)	Commenter recommends moving forward with the changes for cannabis distribution throughout the state.	The Bureau notes the commenter’s support of the changes to the regulations.
	3516 (p.4431) 3517 (p.4432)	Commenter opposes any regulation that diminishes local control. Commenter wants marijuana related policies to be made at the local level, informed by those in the community, not in Sacramento, informed by marijuana companies and lobbyists.	The Bureau disagrees with this comment. State law provides for state licensing and regulation of commercial cannabis activity.
	3534 (p.4454)	Commenter recommends marijuana delivery be regulated in the same manner as alcohol delivery.	The Bureau disagrees with this comment. Delivery requirements for commercial cannabis activity are set by statute, under Business and Professions Code section 26070 et seq.
	3628.1 (p.4798) 3653.1 (p.5316)	Commenter recommends using business days instead of calendar days to figure deadlines, and this would sync with the cannabis industry. Using business days allows business to honor commitments to union employees and promotes sane and healthy workplace, enjoying weekends and holidays just as Bureau employees do. The change forces licensees to figure deadlines using calendar days instead of business and could cause problems pertaining to METRC and the inability to handle peak loads, communicate with track and trace teams on holiday, or with Bureau staff, union houses,	The Bureau disagrees with this comment. The timeframes established for certain activities or processes were determined as the appropriate and sufficient time period to accomplish or complete such activities either business or calendar days.

Regulation Section	15-Day Comment Number(s) and Page Location	Summary of 15-Day Comments	Bureau Response to 15-Day Comments
5023	3528.3 (p.4446) 3620.6 (p.4772)	Commenters support subsection (c)(1) regarding assigning licenses. This assures that licensees are aware that they cannot allow another person to operate under their license as the statute requires evaluation of individuals with specific roles in the business.	The Bureau has noted commenter’s support for the subsection.
5023	3308.3 (p.4092) 3310.3 (p.4100) 3719.3 (p.5700)	Commenters indicate section (e)(4) should be stricken. They suggest that changes to financial information including funds, loans, investments, and gifts be disclosed with re-application documents.	The Bureau disagrees with this comment. The Bureau’s review of financial information is necessary to determine how the commercial cannabis business will be organized and to ensure that all owners as defined in section 5003 and all financial interest holders in section 5004 are identified. To ensure the Bureau’s licensee information is up-to-date, the Bureau determined that requiring licensees to submit a notification of changes to its financial information was necessary to assure that the Bureau is apprised of changes to a license as soon as possible, while providing a reasonable time period for licensees to reach out to the Bureau regarding changes to its operations. The change aims to protect public health and safety by ensuring that all individuals that may be assuming responsibility for a license are accounted for and, if necessary, are qualified as owners.
5023	3490.2 (p.4404) 4092.3 (p.6787) 4103.8 (p.6833)	Commenter indicates that there needs to be clarification as to when a change of business structure will be considered a business modification. Commenter suggests that a change in the entity structure is not considered a modification unless there is an ownership interest change exceeding 20% of the existing ownership. One commenter indicates that owners of publicly traded companies may not be aware that a person has acquired 5% or more of their shares. The obligation to file an amendment should	The Bureau disagrees with this comment. Clarification regarding whether a change of business structure is considered a business modification is not necessary. A change in entity structure is considered a new entity that must qualify for licensure. The Bureau has determined that requiring a new application where ownership is changing is necessary to ensure prospective owners to comply with the Act at Business and Professions Code sections 26051.5 and 26057. Under section 26051.5 of the Business and Professions Code, the Bureau must conduct background checks on commercial cannabis business owners applying for licensure. If an owner does not qualify for licensure under section 26057 of the Business and Professions Code, the Bureau must deny that

Regulation Section	15-Day Comment Number(s) and Page Location	Summary of 15-Day Comments	Bureau Response to 15-Day Comments
		<p>be limited to the public company’s knowledge of such a change in ownership.</p>	<p>application for licensure. Accordingly, section 5023(c) requires existing licensees to timely notify and apprise the Bureau of certain changes to the information listed in the application; this assures that the Bureau has up-to-date information on its licensees and that the Bureau has the opportunity to determine whether certain changes affect licensure status.</p> <p>The Bureau disagrees with commenter’s recommendation that the obligation to file an amendment should be limited to the public company’s knowledge of such a change in ownership. The Bureau’s requirement aligns with the requirements of the US Securities and Exchanges Commission, which requires certain filings for persons who hold at least 5 % of the total shares in a publicly traded company.</p>
5023	3628.8 (p.4801) 3650.8 (p.5274)	<p>Commenter indicates that subsection (c)(1) is overly cautious. If a business has a complete ownership changeover, the business must close between the time when all old owners divest and when the new owners are approved by the Bureau. Business will suffer irreversible damages or bankrupt themselves. No other business that deals with plants are required to shut down until the State approves the new owners. The Bureau should allow businesses to remain open when a complete change of ownership occurs. New ownership groups can nominate one of their members to exercise control until the full team is vetted by the Bureau. Such nominees would have no disqualifying criminal record and would have a work history which demonstrates the ability to serve as owner of record until the</p>	<p>The Bureau disagrees with this comment. The Bureau determined that limiting the transfer of a license where there was a presence of new ownership was necessary to ensure prospective owners comply with the Act at Business and Professions Code sections 26051.5 and 26057. Under section 26051.5 of the Business and Professions Code, the Bureau must conduct background checks on commercial cannabis business owners applying for licensure. If an owner does not qualify for licensure under section 26057 of the Business and Professions Code due to that owner’s conduct, the Bureau must deny that application for licensure. Accordingly, section 5023 (c) requires existing licensees to timely notify and apprise the Bureau of certain changes to the information listed in the application; this assures that the Bureau has up-to-date information on its licensees and that the Bureau has the opportunity to determine whether certain changes affect licensure status. The reapplication process outlined in section 5023 would not prevent a licensee and prospective owner from structuring their contract in a manner where license issuance is a condition precedent to the ownership transfer, to avoid having to cease operations.</p>