

1301:18-3-06**Change of Ownership.**

(A) A licensee shall not modify its ownership without prior approval from the division, provided modifications involving less than ten percent of the ownership in a licensee do not mandate prior approval.

(1) For purposes of this rule, all changes of ownership that occur within a given calendar year shall be calculated in the aggregate.

(B) Prior to any proposed change, a licensee shall apply on a form prescribed by the division and demonstrate all of the following:

(1) The licensee's current:

(a) Ownership list and capitalization table:

(i) Each applicant shall identify any person who owns ten percent or greater ownership interest within the applicant's ownership structure;

(b) Ownership structure;

(c) Organizational chart identifying all owners, officers, and board members of the applicant; and

(d) Any supporting documentation evidencing the mandates outlined under this paragraph.

(2) The licensee's proposed:

(a) Ownership list and capitalization table:

(i) Each applicant shall identify any person who owns ten percent or greater ownership interest within the applicant's ownership structure.

(b) Ownership structure;

(c) Organizational chart identifying all owners, officers, and board members of the applicant; and

(d) Any supporting documentation evidencing the mandates outlined under this paragraph.

(3) Every proposed owner has submitted one of the following:

- (a) Verification of an active employee badge pursuant to rule 1301:18-3-09; or
- (b) Both of the following:

  - (i) An application for an employee badge pursuant to 1301:18-3-09; and
  - (ii) Evidence showing that the proposed owner has submitted fingerprints to the Ohio bureau of criminal identification and investigation for an Ohio and federal criminal records check within the past sixty calendar days.
- (4) For any instance in which a proposed owner, or any person associated with the proposed owner, is currently or was previously licensed or authorized in another state or jurisdiction to cultivate, produce, test, dispense, or otherwise deal in the distribution cannabis in any form, the following:

  - (a) A statement granting permission to contact the regulatory agency that granted the license, accompanied by the contact information, to confirm the information contained in the application; and
  - (b) If the license, authorization or application was ever fined, denied, suspended, revoked or otherwise sanctioned, a copy of documentation so indicating, or a statement that the applicant was so licensed and was never sanctioned.
  - (c) This paragraph does not apply to proposed owners who are all of the following:

    - (i) An active employee badged pursuant to rule 1301:18-3-09 of the Administrative Code;
    - (ii) A current owner, as outlined in the documentation submitted pursuant to paragraph (B)(1) of this rule; and
    - (iii) A proposed owner, as outlined in the documentation submitted pursuant to paragraph (B)(2) of this rule.
- (5) ) Any proposed owner meets all ownership, financial interest, and control requirements under rule 1301:18-3-04 of the Administrative Code;
- (6) The licensee shall remain in compliance with all other licensure mandates outlined under these rules; and

(7) Payment of the requisite fee pursuant to rule 1301:18-2-09 of the Administrative Code.

(C) A proposed change of ownership shall not be effective unless and until approved in writing by the division.

Effective:

Five Year Review (FYR) Dates:

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Certification

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Date

Promulgated Under: 119.03

Statutory Authority: 3780.03, 3796.03

Rule Amplifies: 3780.03, 3780.10, 3780.11, 3796.03, 3796.09, 3796.10