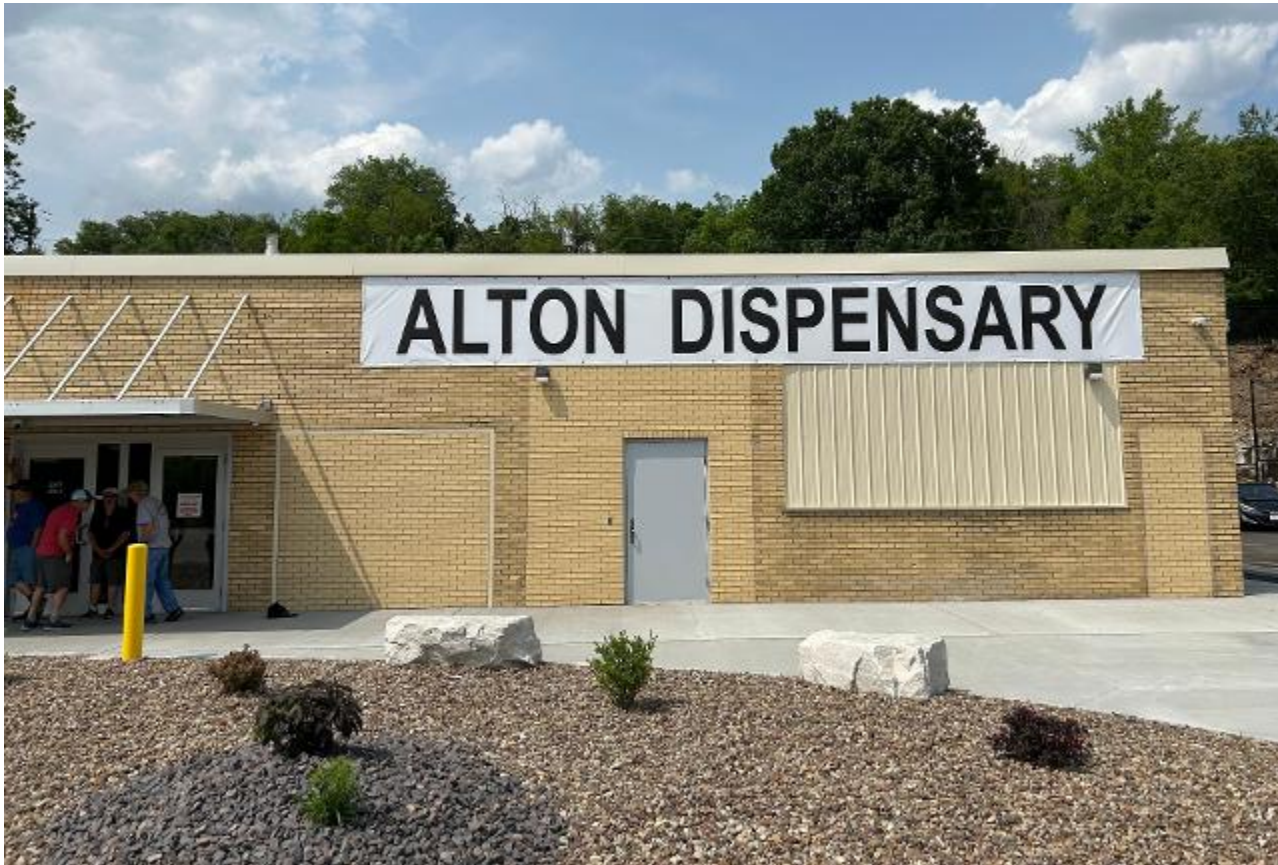




Alton Dispensary Plans To Reopen Wednesday, Oct. 11, After Terminating Contract With Subsero

by Dan Brannan, Content Director
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ALTON - The Alton Dispensary has plans to reopen as soon as Wednesday, Oct. 11, 2023, after terminating its contract with the management company Subsero Alton Ops, LLC. Dispensary owners allege misappropriations and diversions of hundreds of thousands of dollars of cash and marijuana products by Subsero.

The re-opening date was changed by The Alton Dispensary in an information release late Friday, Oct. 6, 2023.

Subsero Alton Ops, LLC, was contracted by the holder of the state's cannabis license, The Alton Dispensary, to assist the dispensary's owners in managing the business at 1400 E. Broadway in Alton. Subsero was never an owner of the Alton dispensary.

The Alton Dispensary said in a press release released on Friday, Oct. 6, 2023, that the contract with Subsero was terminated as of Monday, Oct. 2, 2023, when Subsero representatives were escorted from the premises with the assistance of the Alton Police Department. A complaint sent to the Illinois Department of Financial & Professional Regulation includes fraud, breach of contract, breach of fiduciary duties, conversion, and civil conspiracy, and more.

The Alton Dispensary said the allegations stem from them being contacted by an attorney representing a cannabis business in the Quad Cities area of Illinois warning them a fraud lawsuit was filed against Subsero's affiliates, who entered a contract to purchase the Quad Cities business.

The Alton Dispensary said in the release that further investigation showed what appeared to the owners of Alton Dispensary to be misappropriations and diversions of hundreds of thousands of dollars of cash and marijuana products by Subsero from Illinoiscannabis49, d/b/a The Alton Dispensary.

“Upon termination of its management contract with Subsero, Alton Dispensary representatives allege retaliation efforts from their former management firm, including locking them out of their point-of-sale system, inventory tracking system, phone line, website, cameras, and social media accounts,” the Alton Dispensary said in the statement.

The Alton Dispensary said to ensure they are within compliance with Illinois State law regarding cannabis sales, the Alton Dispensary closed the business over the last week, at a loss of an estimated \$200,000 in revenue, and is now in the process of restoring business operations.

“This includes an arduous process of uploading each item of inventory, following a hand count, as they were no longer able to access electronic inventory files,” the Alton Dispensary said. “They also have to retire their staff to ensure they are properly employed by The Alton Dispensary and not Subsero.”

Alton Dispensary also said it has made the decision to pay employees, vendors and other fees themselves, resulting in nearly \$500,000 in paid out-of-pocket expenses.

“Subsero was trusted to move money from funds to ensure payroll was met,” Alton Dispensary added in a statement. “The Alton Dispensary said the money had been moved from the account for payroll, but could not determine if that was its destination.

They also allege in the complaint several other unauthorized transactions were made. These alleged transactions, which included both money and product, were moved to different accounts and locations, including a cannabis dispensary in Moline, Illinois. Losses accrued by these alleged transfers could not be calculated at this time, but representatives of The Alton Dispensary claim Subsero even left The Alton Dispensary’s bank account as much as \$9,000 “in the red.”

Due to the website, social media accounts, and even phone lines being under the control of Subsero at this time, representatives of The Alton Dispensary were unable to inform their customers and the public of their situation. Only a handwritten sign on the door declared the business was closed and orange traffic cones blocked the entrance to the parking lot from Broadway this week.

The Alton Dispensary is currently in the process of reclaiming its communication assets at this time and has enlisted the assistance of attorneys Mike Wagner and former Illinois State Senator James Clayborne, to ensure they can make the business whole again.

The Alton Dispensary’s President Jeremy Wysocki said: “Light always conquers darkness. The Alton Dispensary will overcome this attack on the business and the Alton community and the Alton Dispensary will prove a great partner and asset to the Alton community as originally attended by the Alton Dispensary owners.”

“The Alton Dispensary will come back from this obstacle stronger than before,” General Manager Ashley Hale said. “We have a great team of employees who are very excited to welcome back. We thank everyone in the community for reaching out and for their continued support during this transitional period.”