

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
CANNABIS REGULATORY AGENCY

In the Matter of

HOS Investments, LLC  
License No. PC-000556

ENF No. 23-00868

\_\_\_\_\_/      **CONSENT ORDER AND STIPULATION**

**CONSENT ORDER**

On October 31, 2023, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the medical marijuana provisioning center license (no. PC-000556) of HOS Investments, LLC (Respondent) under the Medical Marihuana Facilities Licensing Act (MMFLA), MCL 333.27101 *et seq.*, and administrative rules promulgated thereunder. The complaint alleged Respondent violated MCL 333.27701.

The executive director or designee reviewed the stipulation contained in this document and agrees the public interest is best served by resolution of the complaint. Therefore, the executive director or designee finds that the allegations contained in the complaint are true and that Respondent violated MCL 333.27701.

Accordingly, for this violation IT IS ORDERED:

1. Respondent must pay a fine in the amount of four thousand five hundred and 00/100 dollars (\$4,500.00). This fine shall be paid within 30 days of the effective date of this order by check, money order, or online through Accela Citizen Access (ACA). CRA guidance on how to make compliance payments online is available under “Tips for Licensees” at [www.michigan.gov/cra/bulletins](http://www.michigan.gov/cra/bulletins). Checks

or money orders shall be made payable to the State of Michigan with “ENF No. 23-00868” and “License No. PC-000556” clearly displayed on the check or money order and mailed to: Department of Licensing and Regulatory Affairs, Cannabis Regulatory Agency, P.O. Box 30205, Lansing, Michigan 48909.

2. If Respondent fails to timely comply with the terms of this order, Respondent’s license shall be suspended until compliance is demonstrated.

3. Unless otherwise specified in this order, Respondent shall direct any communications to the CRA that are required by the terms of this order to [CRA-CSS@michigan.gov](mailto:CRA-CSS@michigan.gov).

4. Respondent shall be responsible for all costs and expenses incurred in complying with the terms and conditions of this consent order.

5. If Respondent violates any term or condition set forth in this order, Respondent may be subject to additional fines and/or other sanctions.

This order shall be effective 30 days after the date signed by the CRA’s executive director or designee, as set forth below.

Signed on: 5/3/2024

CANNABIS REGULATORY AGENCY

By: Brian Hanna  
Executive Director Brian Hanna  
or Designee  
Cannabis Regulatory Agency

Digitally signed by: Brian Hanna  
DN: CN = Brian Hanna email =  
haninab@michigan.gov C = US O = CRA  
OU = CRA  
Date: 2024.05.03 11:55:37 -04'00'

## STIPULATION

The parties stipulate to the following:

1. The facts alleged in the formal complaint are true and constitute a violation of the MMFLA.
2. Respondent understands and intends that by signing this stipulation, Respondent is waiving the right under the MMFLA, administrative rules promulgated thereunder, and the Administrative Procedures Act of 1969, MCL 24.201 *et seq.*, to require the CRA to prove the charges set forth in the complaint by presentation of evidence and legal authority and to present a defense to the charges.
3. The parties considered the following in reaching this agreement:
  - a. Respondent filed the annual financial statement at issue on October 11, 2023, before the CRA issued the formal complaint.
  - b. Respondent was cooperative and wishes to resolve the allegations without the need for and expense of an administrative hearing.
4. The CRA's operations director or designee must approve this proposed agreement before it is forwarded to the CRA's executive director or designee for review and issuance of the above consent order. The parties reserve the right to proceed to an administrative hearing without prejudice to either party, should the CRA's operations director, executive director, or designees reject the proposed consent order.

By signing this stipulation, the parties confirm that they have read,  
understand, and agree with the terms of the consent order.

AGREED TO BY:

Desmond  
Mitchell

Digitally signed by: Desmond Mitchell  
DN: CN = Desmond Mitchell email =  
MitchellD6@michigan.gov C = US O =  
Cannabis Regulatory Agency OU =  
Directors Office  
Date: 2024.05.02 15:57:47 -04'00'

Desmond Mitchell  
Operations Director  
Cannabis Regulatory Agency

Dated: 5/2/2024

*Risa Hunt-Scully*

Risa Hunt-Scully (P58239)  
Assistant Attorney General  
Attorney for Cannabis Regulatory Agency  
Dated: 05/02/2024

AGREED TO BY:



Steven Romaya  
Authorized Representative  
On behalf of Respondent  
HOS Investments, LLC  
Dated: 5-1-24

*M. Bahoura*

Mike M. Bahoura (P80205)  
Attorney for Respondent

Dated: 5-1-2024

LF: 2023-0390831-A\HOS Investments, dba Breaking Bud, ENF 23-00868\COS (ENF 23-00868), 2024.04.25

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
CANNABIS REGULATORY AGENCY

In the Matter of

HOS Investments, LLC  
License No.: PC-000556

ENF No: 23-00868

FORMAL COMPLAINT

The Cannabis Regulatory Agency ("CRA") files this formal complaint against HOS Investments, LLC ("Respondent") alleging upon information and belief as follows:

1. The CRA is authorized under the Medical Marihuana Facilities Licensing Act (MMFLA), MCL 333.27101 *et seq.*, and Executive Reorganization Order No. 2019-2, MCL 333.27001, to investigate alleged violations of the MMFLA and the administrative rules promulgated thereunder, take disciplinary action to prevent such violations, and impose fines and other sanctions against applicants and licensees that violate the MMFLA or administrative rules.
2. Respondent, under section 701 of the MMFLA (MCL 333.27701) is required to transmit to the CRA a financial statement of the licensee's total operations by 30 days after the due date provided by the CRA.
3. Respondent's annual financial statement for fiscal year 2023 was/were due on or before September 30, 2023.
4. As of the date of this formal complaint, Respondent has failed to file its annual financial statement for FY 2023.
5. Respondent's failure to timely file the required Annual Financial Statement is a violation of Section 701 of the MMFLA, MCL 333.27701.

THEREFORE, based on the above, the CRA gives notice of its intent to impose fines and/or other sanctions against Respondent's license, which may include the

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2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909  
[www.michigan.gov/CRA](http://www.michigan.gov/CRA)

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suspension, revocation, restriction, and/or refusal to renew Respondent's license.

A licensee aggrieved by an action of the CRA suspending, revoking, restricting, or refusing to renew a license, or imposing a fine, shall be given a hearing upon request. See MCL 333.27407(4); Mich Admin Code, R 420.704(3) and R 420.808(2)(b). A request for a hearing must be submitted to the CRA in writing within 21 days after service of this complaint. Mich Admin Code, R 420.704(2) and R 420.808(3). Notice served by certified mail is considered complete on the business day following the date of the mailing. MCL 333.27407(4).

Respondent also may be given an opportunity to meet with the CRA to negotiate a settlement or demonstrate compliance with the MMFLA and administrative rules prior to a contested case hearing. Mich Admin Code, R 420.704(1) and R 420.808(2)(a). A request for a compliance conference must be submitted to the CRA in writing within 21 days after service of this complaint. Mich Admin Code, R 420.808(3).

Hearing and compliance conference requests must be submitted in writing by one of the following methods:

By Mail: Department of Licensing & Regulatory Affairs  
Cannabis Regulatory Agency  
P.O. Box 30205  
Lansing, Michigan 48909

In Person: Department of Licensing & Regulatory Affairs  
Cannabis Regulatory Agency  
2407 North Grand River  
Lansing, Michigan 48906

By Email: [CRA-LegalHearings@michigan.gov](mailto:CRA-LegalHearings@michigan.gov)

If Respondent fails to timely respond to this formal complaint, a contested case hearing

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will be scheduled to resolve this matter. Mich Admin Code, R 420.808(3).

Questions about this complaint should be directed to the Cannabis Regulatory Agency at (517) 284-8599 or [CRA-LegalHearings@michigan.gov](mailto:CRA-LegalHearings@michigan.gov).

Dated: 10/31/23

By: Alyssa A. Grissom Digitally signed by Alyssa A. Grissom  
Date: 2023.10.31 15:33:11 -04'00'

Alyssa A. Grissom  
Legal Section Manager  
Cannabis Regulatory Agency