

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

In the Matter of

Holistic Health Wayne, Inc.
dba Joyology of Wayne
License No.: PC-000285

ENF No.: 22-00592

/ CONSENT ORDER AND STIPULATION

CONSENT ORDER

On August 4, 2023, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the medical marijuana provisioning center facility license (PC-000285) of Holistic Health Wayne, Inc. dba Joyology of Wayne ("Respondent") under the Medical Marihuana Facilities Licensing Act (MMFLA), MCL 333.27101 *et seq.*, and the administrative rules promulgated thereunder. The formal complaint alleged Respondent violated Mich Admin Code, R 420.111(4)(b), R 420.212(1), and R 420.505(2).

The executive director reviewed the stipulation contained in this document and agrees the public interest is best served by resolution of the formal complaint. Therefore, the executive director finds that all of the allegations contained in the formal complaint are true and that Respondent violated Mich Admin Code, R 420.111(4)(b), R 420.212(1), and R 420.505(2).

Accordingly, for these violations, IT IS ORDERED:

1. Respondent must pay a fine in the amount of seven thousand five hundred and 00/100 dollars (\$7,500.00). 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). Instructions on how to make online payments can be found under the Tips for Licensees bulletin section at www.michigan.gov/cra. Check or money orders shall be made payable to the State of Michigan with enforcement number "22-00592" and license number "PC-000285" clearly displayed on the check or

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money order. Respondent shall mail the fine to Department of Licensing and Regulatory Affairs, Cannabis Regulatory Agency, PO 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.
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 shall be subject to fines and/or other sanctions under section 407(1) of the MMFLA, MCL 333.27407(1), and Mich Admin Code, R 420.808.
6. Upon timely compliance of the terms of this order by Respondent, the matters set forth in the formal complaint shall be deemed resolved and closed subject to this Consent Order.

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

CANNABIS REGULATORY AGENCY

Signed on: 5/2/2024

By: Brian Hanna
Brian Hanna, Executive Director
or his designee
Cannabis Regulatory Agency

Digitally signed by: Brian Hanna
DN: CN = Brian Hanna email =
hannab@michigan.gov C = US O
= CRA OU = CRA
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STIPULATION

The parties stipulate to the following:

1. The facts alleged in the formal complaint are true and constitute a violation of the administrative rules promulgated under 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 violations set forth in the formal complaint by presentation of evidence and legal authority, and to present a defense to the violations.
3. The parties considered the following in reaching this agreement:
 - a. The license is now closed.
 - b. Respondent voluntarily destroyed all marijuana product which was transferred without agency approval. Destruction of the marijuana product ensured there was minimal risk to public health and safety.
 - c. Respondent was cooperative and wishes to resolve the allegations without the need for and expense of an administrative hearing.
4. The CRA's centralized services director or her designee must approve this proposed agreement before it is forwarded to the CRA's executive director or his 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 centralized services director, executive director, or their designees reject the proposed consent order.

CONTINUED ONTO NEXT PAGE

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

AGREED TO BY:

Sara
Hernandez

Digitally signed by: Sara Hernandez
DN: CN = Sara Hernandez email =
HernandezS1@michigan.gov C = US
O = CRA OU = LARA
Date: 2024.04.24 14:17:03 -04'00'

Sara Hernandez, CSD Director
or her designee
Cannabis Regulatory Agency

Dated: 04/24/2024

AGREED TO BY:



Nidhal Zeer, Authorized Officer
on behalf of Respondent
Holistic Health Wayne Inc.

Dated: 4/22/24

/s/ Seth P. Tompkins
Seth Tompkins, P63249
Attorney for Respondent

Dated: 4-22-2024

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DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
CANNABIS REGULATORY AGENCY

In the Matter of

Holistic Health Wayne, Inc.
dba Joyology of Wayne
License No.: PC-000285

ENF No: 22-00592

FORMAL COMPLAINT

The Cannabis Regulatory Agency (“CRA”) files this formal complaint against Holistic Health Wayne, Inc. dba Joyology of Wayne (“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. Section 402(12) of the MMFLA provides that the expiration of a license does not terminate the CRA’s authority to impose sanctions on the license.

FACTUAL ALLEGATIONS AND INTENDED ACTION OF THE CRA

3. Respondent holds an active state operating license under the MMFLA to operate a medical marijuana provisioning center facility in the state of Michigan.

4. Respondent operated at 38110 Michigan Avenue, Wayne, Michigan 48184, at all times relevant to this complaint.

5. Following an investigation, the CRA determined that Respondent violated the MMFLA and/or administrative rules promulgated thereunder as set forth below:

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- a. On July 18, 2022, the CRA Operations Support Section (OSS) found that Respondent had product that was declared as non-transferable.
- b. On July 20, 2022, the CRA Regulation Agent (RA) spoke with Respondent's general manager who stated all of the product from PC-000616 and PC-000468 was transferred to Respondent's location, set aside, and staff were instructed not to sell the product.
- c. On July 21, 2022, the CRA RA arrived to Respondent's facility to inventory the product from the unapproved transfer.
- d. The CRA RA reviewed the transfers and found that three transfers were conducted without agency approval (manifest numbers 0001318762, 0001319414, and 0001323401).
- e. Respondent's product manager stated he received the transfer in Metro without verifying the product on hand and, when it was later discovered that some product on the manifests did not arrive in physical inventory, created a virtual manifest (0001413744) to send that product back to its original license. The estimated value of the product was \$30,733.15.

Count I

Respondent's actions as described above in paragraph e demonstrate a violation of Mich Admin Code, R 420.111(4)(b), which states in relevant part that a provisioning center shall comply with all of the following: (b) accurately enter all transactions, current inventory, and other information into the statewide monitoring system as required in the MMFLA, these rules, and the marihuana tracking act.

Count II

Respondent's actions as described above in paragraph e demonstrate a violation of Mich Admin Code, R 420.212(1), which states that all marihuana products must be stored at a marihuana business in a secured limited access area or restricted access area and must be identified and tracked consistently in the statewide monitoring system under these rules.

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Count III

Respondent's actions as described above in paragraph e demonstrate a violation of Mich Admin Code, R 420.505(2), which states a marihuana sales location shall enter all transactions, current inventory, and other information required by these rules in the statewide monitoring system. The marihuana sales location shall maintain appropriate records of all sales or transfers under the acts and these rules and make them available to the agency upon request.

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

Under MCL 333.27407(4) and Mich Admin Code, R 420.704(2), any party 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. A request for a hearing must be submitted to the CRA in writing within 21 days after service of this complaint. Notice served by certified mail is considered complete on the business day following the date of the mailing.

Respondent also has the right to request a compliance conference under Mich Admin Code, R 420.704(1) A compliance conference is an informal meeting at which Respondent has the opportunity to discuss the allegations in this complaint and demonstrate compliance under the MMFLA and/or the administrative rules. A compliance conference request must be submitted to the CRA in writing.

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

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

By Email: CRA-LegalHearings@michigan.gov

If Respondent fails to timely respond to this formal complaint, a contested case hearing will be scheduled to resolve this matter.

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

Dated: 8/4/2023

By: Alyssa A. Grissom

Digitally signed by Alyssa A. Grissom
Date: 2023.08.04
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Alyssa A. Grissom
Legal Section Manager
Cannabis Regulatory Agency