STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
CANNABIS REGULATORY AGENCY[1]

In the Matter of

313 MI Ventures, LLC
dba The Clinic Cannabis Co Center Line **ENF No. 21-00348**
AU-ER No. 000632
License No. AU-R-000391
CMP No. 21-000774
_____/ CONSENT ORDER AND STIPULATION

CONSENT ORDER

On August 25, 2021, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the adult-use retail establishment license (no. AU-R-000391) of 313 MI Ventures, LLC dba The Clinic Cannabis Co Center Line (Respondent) under the Michigan Regulation and Taxation of Marihuana Act (MRTMA), MCL 333.27951 *et seq.,* and administrative rules promulgated thereunder. The complaint alleged Respondent violated Mich Admin Code, R 420.502(3) and R 420.502(4).

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 Mich Admin Code, R 420.502(3) and R 420.502(4).

[1] The Marijuana Regulatory Agency was renamed the Cannabis Regulatory Agency under Executive Reorganization Order No. 2022-1, effective April 13, 2022. MCL 333.27002(1)(a).

Accordingly, for these violations, IT IS ORDERED:

1. Respondent must pay a fine in the amount of thirty thousand and 00/100 dollars ($30,000.00). This fine shall be paid within 90 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. Checks or money orders shall be made payable to the State of Michigan with "ENF No. 21-00348" and "License No. AU-R-000391" 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.

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.

CANNABIS REGULATORY AGENCY

Signed on: February 20, 2024

By:

Executive Director Brian Hanna
or Designee
Cannabis Regulatory Agency

STIPULATION

The parties stipulate to the following:

1. The facts alleged in the formal complaint are true and constitute a violation of the MRTMA and administrative rules promulgated thereunder.

2. Respondent understands and intends that by signing this stipulation, Respondent is waiving the right under the MRTMA, 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 represents that the incident stemmed from its own misunderstanding, rather than an intentional disregard of applicable rules.

   b) Respondent acknowledges that it is responsible for familiarizing itself with, understanding, and complying with all statutory requirements and rules applicable to its business.

   c) Respondent states that it provided additional staff training to avoid future recurrences.

   d) 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: 2024.02.20 09:58:55 -05'00'

Desmond Mitchell
Operations Director
Cannabis Regulatory Agency

Dated: 2/20/24

/s/ Risa Hunt-Scully

Risa Hunt-Scully (P58239)
Assistant Attorney General
Attorney for Cannabis Regulatory Agency
Dated: February 15, 2024

AGREED TO BY:

Vince Bahri
Authorized Representative
On behalf of Respondent
313 MI Ventures, LLC dba
The Clinic Cannabis Co Center Line
Dated: 1-31-24

Jacqueline Langwith (P79600)
Attorney for Respondent

Dated: 1-31-24

LF: 2023-0375697-A\313 MI Ventures, LLC, ENF 21-00348\Pleading – Consent Order – 01/24/24

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

In the Matter of

313 MI Ventures, LLC dba The Clinic Cannabis Co Center Line CMP No.: 21-000774
AU-ER No.: 000632
License No.: AU-R-000391
ENF No.: 21-00348
_____/

FORMAL COMPLAINT

The Marijuana Regulatory Agency ("Complainant") files this formal complaint against 313 MI Ventures, LLC dba The Clinic Cannabis Co Center Line ("Respondent") alleging upon information and belief as follows:

1. The Marijuana Regulatory Agency (MRA) is authorized under the Michigan Regulation and Taxation of Marihuana Act (MRTMA), 2018 IL1, *et seq*., and Executive Reorganization Order No.2019-2, MCL 333.27001, to investigate alleged violations of the MRTMA and the Administrative Rule promulgated thereunder, take disciplinary action to prevent such violations, and impose fines and other sanctions against applicants and licensees that violate the MRTMA or Administrative Rules.

2. Section 8(1)(d) of the MRTMA provides that the Administrative Rules must ensure the health, safety, and security of the public and integrity of the marihuana establishment operations.

3. Respondent's conduct as described below is a risk to public health and safety and/or the integrity of marihuana establishment operations.

FACTUAL ALLEGATIONS AND INTENDED ACTION OF THE MRA

4. Respondent holds an active state license under the MRTMA to operate an adult use retail establishment in the state of Michigan.

5. Respondent operated at 26829 Lawrence Ave., Center Line, Michigan 48015, at all times relevant to this complaint.

6. Following an investigation, the MRA determined that Respondent violated the MRTMA and/or Administrative Rules promulgated thereunder as set forth below:

a. On May 19, 2021, three packages (statewide monitoring system (METRC) tag numbers 1A4050300006EF600000**9039**, 1A4050300006EF600000**9075**, & 1A4050300006EF600000**9092** (tag #9039, tag #9075, & tag &9092, respectively) were placed on administrative hold due to an investigation.

b. Between May 20, 2021 and June 1, 2021, one sale was made from package tag #9039, eight sales were made from package tag #9075, and ten sales were made from package tag #9092 after the packages were placed on administrative hold in violation of Mich Admin Code, R 420.502(3), which states a marihuana business shall not sell or transfer marihuana product that has been placed on administrative hold, recalled, or ordered to be destroyed.

c. Additionally, because sales were made from package tag #9039, tag #9075, and tag #9092 after the packages were placed on administrative hold, Respondent did not verify in METRC that the packages were placed on administrative hold prior to any sale or transaction in violation of Mich Admin Code 420.502(4), which states a marihuana business must verify in the statewide monitoring system, prior to any sale or transfer, that the marijuana product has not been placed on administrative hold, recalled, or ordered to be destroyed.

THEREFORE, based on the above, the MRA 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 333.27957 (1)(c) and Mich Admin Code, R 420.704(2), any party aggrieved by an action of the MRA 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 MRA 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 MRTMA and/or the Emergency Rules. A compliance conference request must be submitted to the MRA 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 Marijuana Regulatory Agency P.O. Box 30205 Lansing, Michigan 48909
In Person:	Department of Licensing & Regulatory Affairs Marijuana Regulatory Agency 2407 North Grand River Lansing, Michigan 48906
By Email:	MRA-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 Marijuana Regulatory Agency's legal section at (517) 284-8599 or MRA-LegalHearings@michigan.gov.

Dated: 8/25/21

MARIJUANA REGULATORY AGENCY

By: Claire Patterson Digitally signed by Claire Patterson Date: 2021.08.25 09:45:00 -04'00'

Claire Patterson, Scientific and Legal Section Manager