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

In the Matter of

MPM-C Marshall LLC
dba Common Citizen
License No.: GR-C-001097

ENF No.: 23-00632

_____/ CONSENT ORDER AND STIPULATION

CONSENT ORDER

On September 22, 2023, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the medical marijuana Class C Grower facility license (GR-C-001097) of MPM-C Marshall LLC ("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 420.210(2) and R 420.502(1).

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 420.210(2) and R 420.502(1).

Accordingly, for these violations, IT IS ORDERED:

1. Respondent must pay a fine in the amount of one thousand four hundred twenty-eight and 00/100 dollars ($1,428.00). 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 "23-00632" and license number "GR-C-001097" clearly

displayed on the check or 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: 2/15/2024

By: Brian Hanna

Digitally signed by: Brian Hanna
DN: CN = Brian Hanna email = hannab@michigan.gov C = US O = CRA OU = CRA
Date: 2024.02.15 10:16:40 -05'00'

Brian Hanna, Executive Director
or his 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 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 at issue closed on February 22, 2023.
    b. Respondent stated that the statewide monitoring system (Metrc) employee responsible for the violations was ultimately not fulfilling his duties and was terminated.
    c. Respondent went to the receiving medical marijuana facility and assisted with conducting an inventory audit to correct its error.
    d. Corrective actions were taken at the entity's other locations to ensure the noncompliance does not happen at other locations.
    e. Respondent was cooperative and wishes to resolve the allegations without the need for and expense of an administrative hearing.
    f. Respondent has been licensed as a Class C grower since 2022 and has no prior discipline against its license.

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.

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: 2024.02.14 13:42:02 -05'00'

Sara Hernandez, CSD Director
or her designee
Cannabis Regulatory Agency

Dated: 2/14/2024

AGREED TO BY:

Joseph Jarvis, Authorized Officer
on behalf of Respondent
MPM-C Marshall LLC

Dated: 2-12-24

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

In the Matter of

MPM-C Marshall LLC dba Common Citizen ENF No: 23-00632
License No.: GR-C-001097
_____/

FORMAL COMPLAINT

The Cannabis Regulatory Agency ("CRA") files this formal complaint against MPM-C Marshall LLC dba Common Citizen ("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 class C grower facility in the state of Michigan.

4. Respondent operated at 59242 White Temple Road, Vandalia, Michigan 49095, 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:

a. Between February 13, 2023, and February 15, 2023, Respondent transferred packages to a third-party processor (including statewide monitoring system (Metrc) manifest # 0001860884; 0001861076; 0001860883; 0001861245; 0001860880; 0001861306; 0001861079; 0001860978; 0001860950; 0001860948; 0001861309; 0001860960; 0001860959; 0001861131; and 0001860678).
b. On April 12, 2023, a CRA Regulation Officer ("RO") conducted an inspection of the third-party processor. During this inspection, Metrc tag deficiencies were noted related to product transferred by Respondent. According to the third-party processor, many of the individual sealed bags of transferred product remained untagged at the time of arrival.
c. Once notified of the deficiency, Respondent worked with the third-party processor to inventory and audit the transferred packages.

Count I

Respondent's actions as described above in paragraphs a and b demonstrate a violation of Mich Admin Code, R 420.210(2), which states except for a designated consumption establishment or temporary marihuana event licensed under the MRTMA, a marihuana business must not have any marihuana product without a batch number or identification tag or label pursuant to these rules. A licensee shall immediately tag, identify, or record as part of a batch in the statewide monitoring system any marihuana product as provided in these rules.

Count II

Respondent's actions as described above in paragraphs a and b demonstrate a violation of Mich Admin Code, R 420.502(1), which states each marihuana products sold or transferred must be clearly labeled with the tracking identification numbers assigned by the statewide monitoring system affixed, tagged, or labeled and recorded, and any other information required by the agency, the acts, and these rules.

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

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: 9/22/2023

By: Alyssa A. Grissom Digitally signed by Alyssa A. Grissom Date: 2023.09.22 09:08:14 -04'00'

Alyssa A. Grissom
Legal Section Manager
Cannabis Regulatory Agency