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

In the Matter of

Great Lakes Aqua Culture, LLC dba White Flower Cannabis Company License No. AU-P-000264 ENF No. 24-00091

CONSENT ORDER AND STIPULATION

CONSENT ORDER

On February 8, 2024, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the adult-use marijuana processor license (no. AU-P-000264) of Great Lakes Aqua Culture, LLC, dba White Flower Cannabis Company (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 420.20.

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 420.20.

Accordingly, for this violation, IT IS ORDERED:

1. Respondent must pay a fine in the amount of three thousand, three hundred and 33/100 dollars and thirty-three cents (\$3,333.33). 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. Checks or money orders shall be made payable to the State of Michigan with "ENF No. 24-00091" and "License No. AU-P-000264" 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 from the date signed by the CRA's executive director or designee, as set forth below.

Signed on:	07/02/2024	Brian Hanna By: By: Date: 2024.07.02 10:30:00-04'00'
~15110 tt 0111 <u>-</u>		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 administrative rules promulgated under the MRTMA.
- 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 filed the annual financial statement at issue on March 26, 2024.
- 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:

Sara Hernandez DN: CN = Sara Hernandez email = Hernandez DN: CN = Sara Hernandez email = Hernandez S1 @milchigan.gov C = US O = CRA QU = LARA Date: 2024.07.01 14:35:00 -04'00'

Desmond Mitchell
Operations Director
Or Designee
Cannabis Regulatory Agency

Dated: 07/01/2024

Risa Hunt-Scully (P58239)

Marrena S. Sambou (P79149) Assistant Attorneys General

Attorneys for Cannabis Regulatory Agency

Dated: <u>July 1, 2024</u>

AGREED TO BY:

\an White

Authorized Representative
On benalf of Respondent
Great Lakes Aqua Culture, LLC

dba White Flower Cannabis Company

Dated: 06/27/24

Devin Loker (P79694) Veritas Law Group

Attorney for Respondent

Dated: 7/1/24

LF: $2024-0398727-A\$ Great Lakes Aqua dba White Flower, ENF $24-00091\$ Great Lakes Aqua dba White Flower — ENF 24-00091—Consent Order and Stipulation 2024-06-12

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

In the Matter of

Great Lakes Aqua Culture, LLC dba White Flower Cannabis Company

License No.: AU-P-000264

ENF No.: 24-00091

FORMAL COMPLAINT

The Cannabis Regulatory Agency ("CRA") files this formal complaint against Great Lakes Aqua Culture, LLC dba White Flower Cannabis Company ("Respondent") alleging upon information and belief as follows:

- 1. The Cannabis Regulatory Agency (CRA) is authorized under the Michigan Regulation and Taxation of Marihuana Act (MRTMA), MCL 333.27951 *et seq.* to investigate alleged violations of the MRTMA 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 MRTMA or administrative rules.
- 2. Pursuant to Mich Admin Code, R 420.20, Respondent 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 July 1, 2022 June 30, 2023, was due on or before December 31, 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 Mich Admin Code, R 420.20.

CANNABIS REGULATORY AGENCY
2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909

www.michigan.gov/CRA

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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.

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 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.

Respondent may also be given an opportunity to meet with the CRA to negotiate a settlement or demonstrate compliance with the MRTMA 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 request 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

CANNABIS REGULATORY AGENCY
2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909

www.michigan.gov/CRA

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Formal Complaint ENF No.: 23-00091 CRA 5070 If Respondent fails to timely respond to this formal complaint, a contested case hearing 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 <u>CRA-LegalHearings@michigan.gov</u>.

Dated: 3/13/24

Alyssa A. Grissom Digitally signed by Alyssa A. Grissom Date: 2024.03.13 14:08:40 -04'00'

Alyssa A. Grissom Legal Section Manager Cannabis Regulatory Agency

Formal Complaint ENF No.: 23-00091 CRA 5070