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

In the Matter of

Uncle Buds Provisioning Center, LLC License No.: PC-000150	ENF No.: 22-00517
	CONSENT ORDER AND STIPULATION

CONSENT ORDER

On December 13, 2022, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the medical marijuana provisioning center license (no. PC-000150) of Uncle Buds Provisioning Center, 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 Mich Admin Code, R 333.233(5), R 333.238(1), and R 333.274(3)¹.

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 333.233(5), R 333.238(1), and R 333.274(3).

¹ The CRA's administrative rules were updated and took effect on March 7, 2022. Rule 333.233(5), Rule 333.238(1), and Rule 333.274(3) are substantially similar to revised Rules 420.111(4)(b) and 420.505(2), Rule 420.212(1), and Rule 420.505(2), respectively.

Accordingly, for these violations, IT IS ORDERED:

- 1. Respondent must pay a fine in the amount of ten thousand and 00/100 dollars (\$10,000.00). 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. 22-00517" and "License No. PC-000150" 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: <u>6/14/24</u>	Brian Hanna Digitally signed by: Brian Hanna DN; CN = Brian Hanna email = Jannab@michigan.gov C = US O = CRA OU = CRA Date: 2024.06.14 10.43.01 -04'00'
	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 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. The business is no longer in operation and the license was closed on April 17, 2023.
- 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:	AGREED TO BY:
Sara Hernandez Oligitály signed by: Sara Hernandez ON: CN = Sara Hernandez email = Hernandez Si@michigan.gov C = US O = CRA OU = LARA Date: 2024.06.11 13.27:39-04007	all Signit
Desmond Mitchell	Ashley Super
Operations Director	Authorized Representative
Cannabis Regulatory Agency	On behalf of Respondent
Dated: 6/11/24	Uncle Buds Provisioning Center, LLC Dated: 4-22-2024
_/s/ Jeffrey W. Miller	Megler
Jeffrey W. Miller (P78786)	Jacqueline Langwith (P79600)
Assistant Attorney General	Attorney for Respondent
Attorney for Cannabis Regulatory Agency Dated: 04/25/2024	Dated: 4-25-24

LF: 2023-0383653-A / Uncle Buds Provisioning Center, LLC, ENF 22-00517 / 2024-03-22

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

In the Matter of

Uncle Buds Provisioning Center, LLC

License No.: PC-000150

/

FORMAL COMPLAINT

The Cannabis Regulatory Agency ("CRA") files this formal complaint against Uncle Buds Provisioning Center, 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. 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 11 S Huron Rd., Linwood, Michigan 48634, 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:

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

www.michigan.gov/CRA

LARA is an equal opportunity employer/program

Formal Complaint ENF No.: 22-00517 CRA 5039

Page 1 of 5

ENF No: 22-00517

a. While reviewing Respondent's annual financial statement (AFS) and supporting documentation for FY 2020, the CRA discovered Respondent did not record all of its sales into the statewide monitoring system (Metrc).

b. Respondent's license became active on September 5, 2019, but it did not begin entering sales into Metrc until October 21, 2019.

Count I

Respondent's actions as described above demonstrate a violation of Mich Admin Code, R 333.233(5)¹, which states a marihuana facility shall enter in the statewide monitoring system all transactions including, but not limited to, current inventory.

Count II

Respondent's actions as described above demonstrate a violation of of Mich Admin Code, 333.238(1)², which states all inventories of marihuana products must be tracked consistently in the statewide monitoring system under the act, the marihuana tracking act, or these rules.

Count III

Respondent's actions as described above demonstrate a violation of Mich Admin Code, R 333.274(3)³, which states a provisioning center shall enter all transactions, current inventory, and other information required by these rules in the statewide monitoring system in compliance with the act, marihuana tracking act, 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

CANNABIS REGULATORY AGENCY 2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909 www.michigan.gov/CRA

LARA is an equal opportunity employer/program

Formal Complaint ENF No.: 22-00517 CRA 5039

¹ The Cannabis Regulatory Agency (CRA) Administrative Rules were updated and took effect on March 7, 2022. The updated rules, Mich Admin Codes, R 420.111(4)(b) and R 420.505(2), are substantially similar to the prior rule.

² The Cannabis Regulatory Agency (CRA) Administrative Rules were updated and took effect on March 7, 2022. The updated rule, Mich Admin Code, R 420.212(1), is substantially similar to the prior rule.

³ The Cannabis Regulatory Agency (CRA) Administrative Rules were updated and took effect on March 7, 2022. The updated rule, Mich Admin Code, R 420.505(2), is substantially similar to the prior rule.

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.

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

www.michigan.gov/CRA

LARA is an equal opportunity employer/program

Formal Complaint ENF No.: 22-00517 CRA 5039 Questions about this complaint should be directed to the Cannabis Regulatory Agency at (517) 284-8599 or CRA-LegalHearings@michigan.gov.

Dated: 12/13/2022

Alyssa A.

By: Grissom

Digitally signed by Alyssa A. Grisson

Digitally signed by Alyssa A. Grisson

Alyssa A. Grissom Legal Section Manager Cannabis Regulatory Agency

Formal Complaint ENF No.: 22-00517 CRA 5039