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

In the Matter of

Revolution Strains, Inc.	
dba Nirvana Center Processing	
License No.: AU-P-000286	

CONSENT ORDER AND STIPULATION

ENF No.: 24-00286

CONSENT ORDER

On May 7, 2024, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the adult-use marijuana processor establishment license (AU-P-000286) of Revolution Strains, Inc. dba Nirvana Center Processing (Respondent) under the Michigan Regulation and Taxation of Marihuana Act (MRTMA), MCL 333.27951 *et seq.*, and the administrative rules promulgated thereunder. The formal complaint alleged Respondent violated Mich Admin Code, R 420.103(3), R 420.206a(1), R 420.206a(2), R 420.210(1), R 420.210(2), & R 420.212(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 some of the allegations contained in the formal complaint are true and that Respondent violated Mich Admin Code, R 420.103(3), R 420.210(1), R 420.210(2), & R 420.212(1).

Accordingly, for these violations, IT IS ORDERED:

1. Respondent must pay a fine in the amount of seventeen thousand and 00/100 dollars (\$17,000.00). 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

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

<u>www.michigan.gov/CRA</u>
LARA is an equal opportunity employer/program

"24-00286" and license number "AU-P-000286" 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. The alleged violations of Mich Admin Code R 420.206a(1) & R 420.206a(2) are DISMISSED.
- Unless otherwise specified in this order, Respondent shall direct any communications to the CRA that are required by the terms of this order to <u>CRA-CSS@michigan.gov</u>.
- 5. Respondent shall be responsible for all costs and expenses incurred in complying with the terms and conditions of this consent order.
- 6. If Respondent violates any term or condition set forth in this order, Respondent shall be subject to fines and/or other sanctions under section7(1)(c) of the MRTMA, MCL 333.27957, and Mich Admin Code, 420.808.
- 7. 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.

CONTINUED ONTO NEXT PAGE

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

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: 4/18/2025

By: Brian Hanna Political Hanna By: CN = Brian Hanna B

Brian Hanna, Executive Director or his designee Cannabis Regulatory Agency

<u>STIPULATION</u>

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 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:
 - Respondent provided confirmation that all product in question was destroyed.
 - b. Respondent provided copies of its standard operating procedures (SOPs) when requested by the CRA.
 - c. The CRA confirmed that all product could be traced back in the statewide monitoring system (Metrc).

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

- d. Respondent was cooperative and wishes to resolve the allegations without the need for and expense of an administrative hearing.
- 4. The CRA's legal manager 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 legal manager, 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:

Alyssa A. Grissom Digitally signed by Alyssa A. Grissom Date: 2025.04.15 14:10:00 -04'00'

Alyssa Grissom, DRS Manager or her designee Cannabis Regulatory Agency

Dated: 4/15/2025

AGREED TO BY:

Ihsan Ullah (Apr 13, 2025 15:13 PDT)

Ihsan Ullah, Authorized Officer on behalf of Respondent Revolution Strains, Inc.

Dated: 04-08-2025

Denise Pollicella

Denise Pollicella P55629 Attorney for Respondent

Dated: 04-08-2025

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

In the Matter of

Revolution Strains, Inc dba Nirvana Center Processing

License No.: AU-P-000286

FORMAL COMPLAINT

The Cannabis Regulatory Agency (CRA) files this formal complaint against Revolution Strains, Inc. dba Nirvana Center Processing (Respondent) alleging upon information and belief as follows:

- 1. The CRA is authorized under the Michigan Regulation and Taxation of Marihuana Act (MRTMA), MCL 333.27951, *et seq.*, and Executive Reorganization Order No.2019-2, MCL 333.27001, 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. 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 marijuana establishment operations.

FACTUAL ALLEGATIONS AND INTENDED ACTION OF THE CRA

- 3. Respondent holds an active state license under the MRTMA to operate an adult use processor establishment in the state of Michigan.
- 4. Respondent operated at 24290 Sherwood Avenue, Center Line, Michigan 48015, at all times relevant to this complaint.
 - 5. Following an investigation, the CRA determined that Respondent violated the

Formal Complaint ENF No.: 24-00286 CRA 5052 ENF No.: 24-00286

MRTMA and/or administrative rules promulgated thereunder as set forth below:

- a. On February 7, 2024, CRA Regulation Officers (ROs) conducted an onsite inspection at Respondent's establishment for an inspection of a eleven totes of marijuana product that were not properly labeled or identified in the statewide monitoring system (Metrc).
- b. While onsite, the CRA ROs were unable to properly identify the marijuana products without Metrc labels that were located in the storage area.
- c. During the inspection, the CRA ROs physically counted and quarantined the eleven totes which contained remains of flower/shake from bulk flower marijuana packages.
- d. On February 8, 2024, a CRA Regulation Agent (RA) conducted an unannounced visit to Respondent's establishment. Respondent's Production Manager, K. C. directed the CRA RA to the quarantined product as mentioned above.
- e. While in the storage room, the CRA RA observed that separate and apart from the eleven larger totes, there were two smaller clear plastic containers with various small packages of marijuana products, that were labeled display samples, and had strain names written on a white label, with incomplete Metrc tags bearing only the last four digits of the required Metrc tag numbers.
- f. The CRA RA also, observed a mason jar of kief and was told by K.C. that the untagged marijuana product inside the jar did not have Metrc information because it came from multiple bulk flower marijuana packages.
- g. On February 8, 2024, the CRA RA asked Respondent to provide any Standard Operating Procedures (SOPs) covering the various topics: tagging, labeling, Metrc inventory, and weight discrepancy.

- h. On February 12, 2024, K.C. admitted that the non-complaint, untagged marijuana product the CRA located at Respondent's establishment was not intended for sale or transfer and had been onsite since 2022.
- i. K.C. admitted to the CRA RA that Respondent did not have a procedure to manage bulk flower and acknowledged that when packing bulk flower, the remaining flower/shake was packaged in a non-compliant manner.
- j. K.C. stated that Respondent was developing SOPs to ensure compliance with the CRA and are preventing this situation from happening again in the future.
- k. On February 12, 2024, the CRA RA received an email from K.C. requesting permission to physically destroy the untagged kief and untagged product that were unable to be traced back to Metrc. Respondent also sought permission to destroy the bags which were in Metrc, that were placed back into the totes and quarantined for voluntary destruction.
- I. On February 12, 2024, Respondent provided the requested SOPs.

Count I

Respondent's actions as described above in paragraphs a, b, d, e, g, and j demonstrate a violation of Mich Admin Code, R 420.103(3), which states a marihuana processor must accurately enter all transactions, current inventory, and other information into the statewide monitoring system as required in these rules.

Count II

Respondent's actions as described above in paragraphs f, h and i demonstrate a violation of Mich Admin Code, R 420.206a(1), which states a marihuana business must have up-to-date written standard operating procedures on site at all times.

Count III

Respondent's actions as described above in paragraphs f, h and i demonstrate a

violation of Mich Admin Code, R 420.206a(2), which states standard operating

procedures must be made available to the agency upon request.

Count IV

Respondent's actions as described above in paragraphs a, b, c and g

demonstrate a violation of Mich Admin Code, R 420.210(1), which states except

for designated consumption establishments or temporary marihuana events

licensed under the MRTMA, a marihuana business must not have marihuana

products that are not identified and recorded in the statewide monitoring system

pursuant to these rules. A licensee shall not transfer or sell a marihuana product

that is not identified in the statewide monitoring system pursuant to these rules.

Count V

Respondent's actions as described above in paragraphs a, b, d, e, g and h

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 VI

Respondent's actions as described above in paragraphs c, f and g demonstrate a

violation of Mich Admin Code, R 420.212(1), which states 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.

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

www.michigan.gov/CRA

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.

Pursuant to 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 MRTMA 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: <u>CRA-LegalHearings@michigan.gov</u>

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

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's legal section at (517) 284-8599 or CRA-LegalHearings@michigan.gov.

Dated: 5/7/24

By: Alyssa A. Grissom Digitally signed by Alyssa A. Grissom Date: 2024.05.07 16:24:43 -04'00'

Alyssa A. Grissom Legal Section Manager Cannabis Regulatory Agency

Formal Complaint ENF No.: 24-00286 CRA 5052