

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

In the Matter of

200 Euclid, LLC
dba Green Pharm Bay City
License No.: PC-000299

ENF No.: 24-00726

/ CONSENT ORDER AND STIPULATION

CONSENT ORDER

On August 29, 2024, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the medical marijuana provisioning center facility license (PC-000299) of 200 Euclid, LLC dba Green Pharm Bay City (Respondent) under the Medical Marijuana 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 420.802(3)(a).

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 420.802(3)(a).

Accordingly, for these violations, IT IS ORDERED:

1. Respondent must pay a fine in the amount of four thousand five hundred and 00/100 dollars (\$4,500.00). This fine shall be paid within 60 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 "24-00726" and license number "PC-000299" clearly displayed on the check or money order. Respondent shall mail the fine to Department of Licensing and

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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: 1/21/2025

By: Brian Hanna  Digitally signed by: Brian Hanna
DN: cn = Brian Hanna email = hannab@michigan.gov C = US O =
CRA OU = CRA
Date: 2025.01.21 11:50:15 -0500

Brian Hanna, Executive Director
or his designee
Cannabis Regulatory Agency

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STIPULATION

The parties stipulate to the following:

1. Respondent does not contest the allegations of fact and law in the formal complaint. By pleading no contest, Respondent does not admit the truth of the allegations but agrees that the CRA's executive director or designee may enter an order treating the allegations as true for purposes of resolving the formal complaint.
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. Respondent states the employee compensation error which caused the violation was corrected as soon as the error was recognized.
 - b. 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 director, executive director, or their designees reject the proposed consent order.

CONTINUED ONTO THE NEXT PAGE

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: 2025.01.17 14:36:24 -05'00'

Alyssa Grissom, Legal Manager
or her designee
Cannabis Regulatory Agency

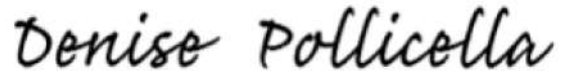
Dated: 1/17/2025

AGREED TO BY:



Chris Jamil, Authorized Officer
on behalf of Respondent
200 Euclid, LLC

Dated: 15 January 2025



Denise Pollicella, P55629
Attorney for Respondent

Dated: 01-15-2025

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

In the Matter of

200 Euclid, LLC
dba Green Pharm Bay City
License No.: PC-000299

ENF No: 24-00726

FORMAL COMPLAINT

The Cannabis Regulatory Agency (CRA) files this formal complaint against 200 Euclid, LLC dba Green Pharm Bay City (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 in the state of Michigan.
4. Respondent operated at 200 S Euclid Avenue, Bay City, Michigan 48706, at all times relevant to this complaint.
5. Following an investigation, the CRA determined that Respondent violated the

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

- a. On March 25, 2024, the CRA Financial Compliance Section submitted a referral for investigation stating Respondent failed to disclose a supplemental applicant to the CRA.
- b. The definition of an applicant in Mich Admin Code, R 420.1(c)(ii)(F), provides that a person who receives a bonus as an employee is not an applicant if the employee is on a fixed wage or salary and the bonus is not more than 25% of the employee's pre-bonus annual compensation or if the bonus is based upon a written incentive/bonus program that is not out of the ordinary for the services rendered.
- c. Respondent's employee, B.G., is on a fixed wage/salary and received a bonus of more than 25% of the employee's pre-bonus compensation. During the review of Respondent's Annual Financial Statement for fiscal year 2023, the CRA discovered that B.G. received a pre-bonus compensation of \$41,871.34. B.G. also received a bonus of \$14,000, which is more than 33% of his pre-bonus compensation.
- d. The employee must be reported as a supplemental applicant of the provisioning center since he received a bonus of more than 25% of his pre-bonus compensation.
- e. As of this filing, Respondent failed to report B.G. as a supplemental applicant to the CRA.

Count I

Respondent's actions as described above in paragraphs a, b, c, and d demonstrate a violation of Mich Admin Code, R 420.802(3)(a), which states licensees shall report to the agency any proposed material changes to the marihuana business before making a material change. A proposed material change is any action that would result in alterations or changes being made to the marihuana business to effectuate

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the desired outcome of a material change. Material changes, include, but are not limited to, the following: (a) change in owners, officers, members, or managers.

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

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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: 8/29/24

By: Alyssa A. Grissom
Digitally signed by Alyssa A. Grissom
Date: 2024.08.29 10:08:36 -04'00'

Alyssa A. Grissom
Legal Section Manager
Cannabis Regulatory Agency

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