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

In the Matter of

Native Leaf, LLC
License No.: AU-G-C-001151
_____/

ENF No.: 25-00454

CONSENT ORDER AND STIPULATION

CONSENT ORDER

On April 28, 2025, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the adult-use marijuana grower class C establishment license (AU-G-C-001151) of Native Leaf, LLC (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 420.211(2) and R 420.211(6)(a-d).

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 420.211(2) and R 420.211(6)(a-d).

Accordingly, for these violations, IT IS ORDERED:

1. Respondent must pay a fine in the amount of one thousand and 00/100 dollars ($1,000.00). 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 "25-00454" and license number "AU-G-C-001151" 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 section7(1)(c) of the MRTMA, MCL 333.27957, 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: 7/23/2025

By: Brian Hanna

Digitally signed by: Brian Hanna
DN: CN = Brian Hanna email = hannab@michigan.gov C = US O = CRA OU = CRA
Date: 2025.07.23 12:41:45 -04'00'

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 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:
    a. Respondent submitted an updated standard operating procedure for Trimming and Harvesting which documents appropriate waste procedures.
    b. Respondent submitted purchase receipts for kitty litter. The kitty litter's intended use is to be mixed into the marijuana waste.
    c. Respondent was cooperative and wishes to resolve the allegations without the need for and expense of an administrative hearing.
4. The CRA's legal division 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 legal division 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: 2025.07.20 15:33:30 -04'00'

Alyssa Grissom, Director
Legal Division
or her designee
Cannabis Regulatory Agency

Dated: 7/20/2027

AGREED TO BY:

Joseph Glusak, Authorized Officer
on behalf of Respondent
Native Leaf, LLC.

Dated: 7/18/2025

Thomas Lavigne

Thomas M.J. Lavigne, P58395
Attorney for Respondent

Dated: 7/18/25

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

In the Matter of

Native Leaf, LLC ENF No.: 25-00454
License No.: AU-G-C-001151
_____/

FORMAL COMPLAINT

The Cannabis Regulatory Agency (CRA) files this formal complaint against Native Leaf, LLC (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 marijuana class C grower establishment in the state of Michigan.

4. Respondent operated at 116 Enterprise Drive, Reading, Michigan 49274, at all times relevant to this complaint.

5. Following an investigation, the CRA determined that Respondent violated the MRTMA and/or administrative rules promulgated thereunder as set forth below:

a. On February 18, 2025, the CRA's Investigations Section received a referral for investigation from police officer, R.C., who, while investigating another matter at Respondent's establishment, observed that Respondent had an unlocked dumpster and marijuana plant material in its dumpster.
b. On March 13, 2025, a CRA Regulation Agent (RA) conducted an onsite visit at Respondent's establishment and met with manager, A.C. The CRA RA inquired about the above allegations and A.C. lead him to a waste receptacle, where the CRA RA observed that the receptacle was unlocked, contained plant stems, and the marijuana waste was not mixed with any other materials.
c. A.C. admitted that when they remove flower from the marijuana plant, the stems are thrown directly into trash bags and placed in the dumpster.

Count I

Respondent's actions as described above in paragraphs a, b and c demonstrate a violation of Mich Admin Code R 420.211(2), which states marihuana plant waste, including roots, stalks, leaves, and stems that have not been processed with a solvent must be rendered into an unusable and unrecognizable form through grinding or another method as determined by the agency that incorporates the marihuana plant waste with 1 or more of the following types of compostable waste so that the resulting mixture is not less than 50% non-marihuana plant waste: (a) Food waste. (b) Yard waste. (c) Vegetable based grease or oils. (d) Other compostable wastes approved by the agency.

Count II

Respondent's actions as described above in paragraphs a and b demonstrate a violation of Mich Admin Code R 420.211(6), which states a licensee shall dispose of marihuana product waste and marihuana plant waste in a secured waste receptacle using 1 or more of the following methods that complies with applicable state and local laws and regulations: (a) A licensed municipal solid waste landfill. (b) A registered composting facility that has specific approval under part 115 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11501 to 324.11554, to accept the material. (c) An anaerobic digester that has specific approval under part 115 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11501 to 324.11554, to accept the material. (d) An in-state municipal solid waste or hazardous waste incinerator that has been permitted under part 55 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.5501 to 324.5542.

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

Dated: 4/28/25

By: Alyssa A. Grissom Digitally signed by Alyssa A. Grissom Date: 2025.04.28 10:48:49 -04'00'

Alyssa A. Grissom, Director
Legal Division
Or her designee
Cannabis Regulatory Agency