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

In the Matter of

One Love Labs, LLC
License No. AU-P-000519
_____/

ENF No. 24-00659

CONSENT ORDER AND STIPULATION

CONSENT ORDER

On July 31, 2024, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the adult use processor license (no. AU-P-000519) of One Love Labs, LLC (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 420.103(1), R 420.103(3), R 420.206(14), 420.304(2)(g), and R 420.304(2)(k).

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 420.103(1), R 420.103(3), R 420.206(14), 420.304(2)(g), and R 420.304(2)(k).

Accordingly, for these violations, IT IS ORDERED:

1. Respondent must pay a fine in the amount of thirty thousand and 00/100 dollars ($30,000.00). 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). 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. 24-00659" and "License No. AU-P-000519" 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: 7/22/2025

By: Brian Hanna

Digitally signed by: Brian Hanna
DN: CN = Brian Hanna email = hannab@michigan.gov C = US O = CRA OU = CRA
Date: 2025.07.22 14:35:59 -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 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 states and evidence supports that this was a one-time incident, and Respondent maintains that they will no longer accept hemp product into their business.

   b. Respondent candidly acknowledged accepting what they believed to be hemp product from an out-of-state vendor when speaking with the CRA's regulation agent during the investigation and immediately worked to rectify the situation. The licensee immediately stopped using the product and returned it to the sender.

   c. Respondent credibly explained why they believed that the product provided was hemp rather than marijuana. Various out-of-state certificates of analysis from out-of-state laboratories show that the total THC levels were under .3 percent.

   d. The actual THC limit was learned when the product was tested in a licensed Michigan laboratory. Upon learning that the product was in fact marijuana, Respondent did not use the product and returned it to the out-of-state vendor.

   e. Respondent represents that the incident stemmed from its own misunderstandings, rather than an intentional disregard of applicable rules and statutes.

f. Respondent acknowledges that it is responsible for familiarizing itself with, understanding, and complying with all statutory requirements and rules applicable to its business.

g. There is no evidence that the products referenced in the complaint entered the supply chain or were made available to patients or consumers.

h. Respondent states that it has learned from this situation, completed a thorough review of the applicable statutes and administrative rules in light of this matter, and provided additional staff training to avoid future recurrences.

i. A site visit was conducted by a CRA regulation agent after the formal complaint was filed. No violations were reported.

j. Respondent was cooperative and wishes to resolve the allegations without the need for and expense of an administrative hearing.

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:

Alyssa A. Grissom Digitally signed by Alyssa A. Grissom Date: 2025.07.22 14:25:44 -04'00'

Desmond Mitchell
Operations Director
or Designee
Cannabis Regulatory Agency
Dated: 7/22/2025

AGREED TO BY:

Casey Yosin
Authorized Representative
On behalf of Respondent
One Love Labs, LLC
Dated: 4/10/2025

/s/Sarah E. Huyser

Sarah E. Huyser (P70500)
Assistant Attorney General
Attorney for Cannabis Regulatory Agency
Dated: *April 14, 2025*

Greg Schmid (P37964)
Attorney for Respondent
Dated: 4-11-25

LF: 2024-0407970-B / One Love Labs, ENF 24-00659, AU-P-000519 / Consent Order & Stipulation / 2025-04-04

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

In the Matter of

One Love Labs, LLC ENF No: 24-00659
License No. AU-P-000519
_____/

FORMAL COMPLAINT

The Cannabis Regulatory Agency (CRA) by and through its attorneys, Assistant Attorneys General Sarah E. Huyser and Michael J. Trescone, files this formal complaint against One Love Labs, 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*., to investigate alleged violations of the MRTMA and 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.

FACTUAL ALLEGATIONS

2. Respondent holds an active state license under the MRTMA to operate an adult-use marijuana processor establishment in the state of Michigan.

3. Respondent does not hold an industrial hemp processor-handler license.

4. Respondent operated at 1271 Eden Way, Suite P, Chesaning, MI 48616, 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.

6. On June 27, 2024, the CRA received a complaint alleging that Respondent received product that was identified on the manifest as CBD isolate but was actually marijuana.

7. According to Metrc, Respondent accepted an external transfer of 50,067 grams of isolate categorized as hemp concentrate under Metrc tag number 1A4050300049A9000000100 (-0100) on June 25, 2024.

8. The product was transferred from a business located in the State of Oregon with a Michigan industrial hemp processor-handler license (no. HPHL-002334). The Oregon business is not a licensed marijuana business. The product was delivered via UPS, not by a secured transporter.

9. CRA regulation agents (RAs) conducted an onsite visit at Respondent's business on June 29, 2024. The RAs were directed to 10 buckets labeled with Metrc tag number 1A4050300049A9000000101 (-0101) and the words "THCA Concentrate."

10. T.S., compliance personnel for Respondent, informed the RAs that the buckets contained the isolate under Metrc tag -0100, combined with five grams of THCA oil that Respondent extracted from biomass under Metrc tag 1A4050300049A900000043 (-0043).

11. T.S. further explained that Respondent only added the five grams of THCA oil from -0043 to one bucket of product under Metrc tag -0100, not all 10. However, all 10 buckets were identified as being the new product and entered in Metrc under tag number -0101.

12. Respondent forwarded a certificate of analysis (COA) provided by the Oregon business, which showed that the isolate under Metrc tag -0100 was 99.0% THCA.

13. While reviewing video surveillance recordings, a CRA RA observed T.S. removing a label from the buckets of isolate. Several labels with the words "Hemp Extract Batch #5907" were in Respondent's trash. A COA corresponding to batch number 5907 showed that the product was 99.0% THCA.

14. The isolate under tag -0101 was sampled for compliance testing on June 25, 2024. The sample was identified with Metrc tag number 1A4050300494A900000102 (-0102). The COA shows that the isolate under tag -0101 was 87.84296% THC and failed testing for residual solvents.

15. One of the RAs watched video surveillance of the sampling event for the isolate under tag number -0101. The video revealed that the lab collected the sample only from the one bucket that had THCA oil from -0043 combined with the original isolate. The other nine buckets remained sealed.

16. Respondent's owner, C.Y., told the RA that there was a second test of the product scheduled for that day (6/28/24) so Respondent could obtain a second opinion on the product from a different lab.

17. On July 3, 2024, the CRA observed the second lab's sampling event at Respondent's business. The lab conducted what appeared to be a proper sampling of all 10 buckets.

18. Shortly after the RAs left on the morning of July 3, 2024, while the second test results were pending, Respondent transferred all 10 buckets of isolate back to the hemp processor in Oregon. This included the bucket that was mixed with oil Respondent created.

19. On July 8, 2024, the second lab uploaded the results from the testing it conducted. The COA shows that the product was 86.49% THC.

COUNT 1

Respondent's actions as described above demonstrate a violation of Rule 420.103(1), which relevantly states that a marijuana processor license authorizes the marijuana processor to purchase or transfer marijuana or marijuana-infused products from only a licensed marijuana establishment and sell or transfer marihuana-infused products to only a licensed marijuana establishment.

COUNT 2

Respondent's actions as described above demonstrate a violation of Rule 420.103(3), which states that a marijuana processor must accurately enter all transactions, current inventory, and other information into the statewide monitoring system as required in the rules.

COUNT 3

Respondent's actions described above demonstrate a violation of Rule 420.206(14), which states that when combining marijuana and marijuana product, each form of marijuana and marijuana product must have passing safety compliance test results in the statewide monitoring system prior to the creation of the new combined product.

COUNT 4

Respondent's actions as described above demonstrate a violation of Rule 420.304(2)(g), which states that an employee of the marijuana business from which marijuana product test samples are collected shall be physically present to observe the laboratory employee collect the sample of marijuana product for testing and ensure that the sample increments are taken from throughout the batch.

COUNT 5

Respondent's actions as described above demonstrate a violation of Rule 420.304(2)(k), which states that if a testing sample is collected from a marijuana business for testing in the statewide monitoring system, that marijuana business shall quarantine the marijuana product that is undergoing the testing from any other marijuana product at the marijuana business, and that the quarantined marijuana product may not be packaged, transferred, or sold until passing test results are entered into the statewide monitoring system.

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 333.27957(1)(c) and Rule 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 Rule 420.704(1) and R 420.808(4). 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.

Hearing and compliance conference requests must be submitted in writing by one of the following methods, with a copy provided to the assistant attorneys general named below:

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 undersigned assistant attorneys general.

Respectfully submitted,

/s/ *Sarah E. Huyser*
Sarah E. Huyser (70500)
Michael J. Trescone (85263)
Assistant Attorneys General
Attorneys for Cannabis Regulatory Agency
Licensing and Regulation Division
525 West Ottawa Street
P.O. Box 30758
Lansing, Michigan 48909
Telephone: (517) 335-7569
Fax: (517) 241-1997

Dated: July 31, 2024

GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

MARLON I. BROWN, DPA
DIRECTOR

In the Matter of

One Love Labs, LLC
License No.: AU-P-000519

ENF No.: 24-00659

_____/

PROOF OF SERVICE

I hereby certify that on 8/15/24, I provided a copy of the Formal Complaint dated 7/31/24 in the above captioned case by personal service to:

CASEY YOSIN
1271 EDEN WAY
CHESANING, MI 48616

Cannabis Regulatory Agency
Department of Licensing & Regulatory Affairs