

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

In the Matter of

GLOBAL TREE SPECIALTIES LLC
dba ZAZA EXTRACTS
License No.: AU-P-000480

ENF No.: 25-00141

_____/ CONSENT ORDER AND STIPULATION

CONSENT ORDER

On February 28, 2025, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the adult-use marijuana processor establishment license (AU-P-000480) of GLOBAL TREE SPECIALTIES LLC dba ZAZA EXTRACTS (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 420.802(3)(b), R 420.802(3)(f)(i), and R 420.802(3)(f)(ii).

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)(b), R 420.802(3)(f)(i), and R 420.802(3)(f)(ii).

Accordingly, for these violations, IT IS ORDERED:

1. Respondent must pay a fine in the amount of three-thousand and 00/100 dollars (\$3,000.00). 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 "25-

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00141” and license number “AU-P-000480” 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. Respondent shall provide standard operating procedures (SOP) related to reporting to, and receiving approval from, CRA and Bureau of Fire Services (BFS) for material changes, within 30 days of the effective date of this order.
3. If Respondent fails to timely comply with the terms of this order, Respondent’s license shall be suspended until compliance is demonstrated.
4. 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.
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 section 7(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

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: 6/16/2025

By: Brian Hanna Digitally signed by: Brian Hanna
DN: CN = Brian Hanna email =
hannab@michigan.gov C = US O = CRA OU = CRA
Date: 2025.06.16 09:33:51 -0400

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 did not submit a reporting form for the equipment to the CRA and Bureau of Fire Services (BFS) prior to the disapproved BFS inspection dated December 16, 2024, nor scheduled an inspection with BFS for the equipment prior to the disapproved inspection.
 - b. On December 18, 2024, Respondent submitted a reporting form for the equipment identified in the formal complaint, to correct the deficiency identified in the disapproved BFS inspection.

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- c. On January 17, 2025, Respondent received a passing post licensure BFS inspection which did not include inspection of the reported equipment.
 - d. On February 20, 2025, Respondent received an X-Ray Inspection from the Department of Labor and Economic Opportunity (LEO) Radiation Safety Section for the reported equipment.
 - i. On February 28, 2025, Respondent received a passing inspection report from LEO.
 - e. On April 2, 2025, the reported equipment was inspected and approved by BFS.
 - f. Respondent stated that the equipment was never used prior to approval by BFS.
 - g. Respondent was cooperative and wishes to resolve the allegations without the need for and expense of an administrative hearing.
 - h. Respondent has been licensed as a processor since 2023 and has no prior discipline against its license.
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.

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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: 2025.06.11 14:54:25 -04'00'

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

Dated: 6/11/2025

AGREED TO BY:

Sam Seblani

Sam Seblani, Authorized Officer
on behalf of Respondent
GLOBAL TREE SPECIALTIES LLC
dba ZAZA EXTRACTS

Dated: 6-8-2025

Efstathios Kiousis

Efstathios Kiousis, P46573
Attorney for Respondent

Dated: 6-8-2025

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

In the Matter of

GLOBAL TREE SPECIALTIES, LLC
dba ZAZA EXTRACTS
License No.: AU-P-000480

ENF No.: 25-00141

FORMAL COMPLAINT

The Cannabis Regulatory Agency (CRA) files this formal complaint against GLOBAL TREE SPECIALTIES, LLC dba ZAZA EXTRACTS (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 processor establishment in the state of Michigan.

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4. Respondent operated at 12950 Evergreen Road, Detroit, Michigan 48223, 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 December 17, 2024, the Bureau of Fire Services (BFS) referred an investigation to the CRA after conducting an inspection at Respondent's establishment and discovered that a RAD Source-RS 420 M X-Ray Irradiator had been installed onsite.
- b. On December 22, 2024, a CRA Regulation Agent (RA) reviewed Accela and located Reporting Form RF-007064 dated December 18, 2024, which was submitted for the new equipment. However, the CRA RA was unable to find any reporting form submitted to the BFS.
- c. On December 26, 2024, the CRA RA went to Respondent's establishment and met with owner, S.S. to discuss Respondent's failure to report the installation of the new equipment. S.S. showed the CRA RA an email that he notified the CRA of the new equipment on December 12, 2024, and was advised to submit a reporting form to the CRA for the new equipment.
- d. Respondent also failed to notify BFS of the new equipment.
- e. Respondent has not received approval for the installation of the new equipment from the CRA as of February 28, 2025.

Count I

Respondent's actions as described above in paragraph a, b, c and d demonstrate a violation of Mich Admin Code R 420.802(3)(b), 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: (b) Change of processing machinery or equipment.

Count II

Respondent's actions as described above in paragraphs a, b, c and d demonstrate a violation of Mich Admin Code R 420.802((3)(f)(i), 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 the desired outcome of a material change. Material changes, include, but are not limited to, the following: (f) Any change or modification to the marihuana business before or after licensure that was not preinspected, inspected, or part of the marihuana business location plan or final inspection, including, but not limited to, all of the following: (i) Operational or method changes requiring inspection under these rules.

Count III

Respondent's actions as described above in paragraphs a, b, c and d demonstrate a violation of Mich Admin Code R 420.802(3)(f)(ii), 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 the desired outcome of a material change. Material changes, include, but are not limited to, the following: f) Any change or modification to the marihuana business before or after licensure that was not preinspected, inspected, or part of the marihuana business location plan or final inspection, including, but not limited to, all of the following: (ii) Additions or reductions in equipment or processes.

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

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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

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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: 2/28/25

By: Alyssa A. Grissom Digitally signed by Alyssa A. Grissom
Date: 2025.02.28 11:19:41 -05'00'

Alyssa A. Grissom
Legal Section Manager
Cannabis Regulatory Agency

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