

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

In the Matter of

Securecann II, Inc. dba DACUT  
License No. AU-R-000887

ENF No. 24-01184

\_\_\_\_\_/ CONSENT ORDER AND STIPULATION

**CONSENT ORDER**

On December 1, 2024, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the adult use retailer license (no. AU-R-000887) of Securecann II, Inc. dba DACUT (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 420.507(4).

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 420.507(4).

Accordingly, for this violation, IT IS ORDERED:

1. Respondent must pay a fine in the amount of four thousand and 00/100 dollars (\$4,000.00). 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](http://www.michigan.gov/cra/bulletins). Checks or money orders shall be made payable to the State of Michigan with “ENF No. 24-01184” and “License No. AU-R-000887” 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](mailto: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: 6/6/2025

By: **Brian Hanna**  
Executive Director Brian Hanna  
or Designee  
Cannabis Regulatory Agency

Digitally signed by: Brian Hanna  
DN: CN = Brian Hanna email =  
bhanna@michigan.gov, C = US, O = CRA, OU = CRA  
Date: 2025.06.06 10:37:38 -0400

## 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 complaint.
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 represents that the incident stemmed from its own misunderstandings, rather than an intentional disregard of applicable rules.
  - b. Respondent acknowledges that it is responsible for familiarizing itself with, understanding, and complying with all statutory requirements and rules applicable to its business.
  - 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 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 Legal Division director, executive director, or designees reject the proposed consent order.

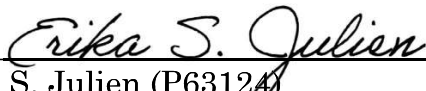
By signing this stipulation, the parties confirm that they have read, understand, and agree with the terms of the consent order.

AGREED TO BY:

 Digitally signed by Alyssa A. Grissom  
Date: 2025.06.05 12:26:35 -04'00'

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Alyssa A. Grissom  
Legal Division Director  
or Designee  
Cannabis Regulatory Agency  
Dated: 6/5/2025



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Erika S. Julien (P63124)  
Assistant Attorney General  
Attorney for Cannabis Regulatory Agency  
Dated: 6/3/2025

AGREED TO BY:

  
[Welson Sarkis \(Jun 3, 2025 11:18 EDT\)](#)

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Welson Sarkis  
Authorized Representative  
On behalf of Respondent  
Securecann II, Inc. dba DACUT  
Dated: June 3, 2025



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Denise Pollicella (P55629)  
Attorney for Respondent  
Dated: June 3, 2025

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

In the Matter of

Securecann II, Inc  
dba DACUT  
License No.: AU-R-000887

ENF No.: 24-01184

FORMAL COMPLAINT

The Cannabis Regulatory Agency (CRA) files this formal complaint against Securecann II, Inc dba DACUT (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 retailer establishment in the state of Michigan.
4. Respondent operated at 12668 Gratiot Avenue, Detroit, Michigan 48205, at all

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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 September 4, 2024, the CRA received an anonymous complaint alleging that Respondent had two billboards that listed marijuana products, but did not contain the necessary warnings. The complaint included two pictures of a billboard displaying “Free 8<sup>th</sup>, DAB or GUMMY.”
- b. On September 12, 2024, the CRA RA followed up with an email to J.S. and requested information and documentation, which showed that the target audience for the billboard in question did not reach more than 30% of persons under 21 years of age.
- c. On September 17, 2024, the CRA RA received a response by email from Respondent’s Attorney, D.P., who stated that the billboard was located south of the establishment on Gratiot Avenue and overlooked I-94 interstate expressway. Therefore, the majority of drivers and occupants traveling along I-94 are only commuters and truck drivers over the age of 21 years.
- d. In the same email, D.P. admitted that Respondent could not show that Respondent had reliable evidence that no more than 30% of the audience was under the age of 21 years. D.P. stated that Respondent was in the process of doing research and would follow up with the CRA RA.
- e. As of November 20, 2024, D.P. has not provided the demographic study regarding drivers on I-94.

### **Count I**

Respondent’s actions as described above in paragraphs b, d and e demonstrate a violation of Mich Admin Code R 420.507(4), which states a marijuana product must not be advertised or marketed to members of the public unless the person advertising the product has reliable evidence that no more than 30% of the

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audience or readership for the television program, radio program, internet website, or print publication, is reasonably expected to be under the age listed in subrules (7) and (8) of this rule.

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

**CONTINUED ONTO NEXT PAGE**

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In Person: Department of Licensing & Regulatory Affairs  
Cannabis Regulatory Agency  
2407 North Grand River  
Lansing, Michigan 48906

By Email: [CRA-LegalHearings@michigan.gov](mailto: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](mailto:CRA-LegalHearings@michigan.gov).

Dated: 12/1/24

By: Alyssa A. Grissom  
Digitally signed by Alyssa A. Grissom  
Date: 2024.12.01 21:03:33 -05'00'

Alyssa A. Grissom  
Legal Section Manager  
Cannabis Regulatory Agency

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