

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

In the Matter of

Wolverine-Buckeye Enterprises, LLC
License No.: AU-G-C-000741

ENF No.: 25-00359

/ CONSENT ORDER AND STIPULATION

CONSENT ORDER

On April 7, 2025, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the adult-use marijuana class C grower establishment license (AU-G-C-000741) of Wolverine-Buckeye Enterprises, 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 420.802(3)(a) and R 420.802(3)(e).

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) and R 420.802(3)(e).

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 "25-00359" and license number "AU-G-C-000741" clearly displayed on the check or

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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 section 7(1)(c) of the MRTMA, MCL 333.27957, and Mich Admin Code, 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: 6/16/2025

By: Brian Hanna

Digitally signed by: Brian Hanna
DN: CN = Brian Hanna email =
bhanna@michigan.gov C = US O = CRA OU = CRA
Date: 2025.06.16 09:29:41 -0400

Brian Hanna, Executive Director
or his designee
Cannabis Regulatory Agency

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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 a complex amendment to the CRA to update reported ownership. The complex amendment was approved on June 2, 2025.
 - 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 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 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: 2025.06.11 14:52:46 -04'00'

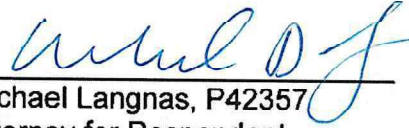
Alyssa Grissom, Director
Legal Division
or her designee
Cannabis Regulatory Agency

Dated: 6/11/2025

AGREED TO BY:


J. Scott Scheel, Authorized Officer
on behalf of Respondent
Wolverine-Buckeye Enterprises, LLC

Dated: 6/6/25


Michael Langnas, P42357
Attorney for Respondent

Dated: 6/6/25

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DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
CANNABIS REGULATORY AGENCY

In the Matter of

Wolverine-Buckeye Enterprises, LLC
License No: AU-G-C-000741

ENF No: 25-00359

FORMAL COMPLAINT

The Cannabis Regulatory Agency (CRA) files this formal complaint against Wolverine-Buckeye Enterprises, 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 class C grower establishment in the state of Michigan.

4. Respondent operated at 415 Hammontree Drive, Morenci, Michigan 49256, at all times relevant to this complaint.

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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 19, 2024, the CRA Financial Compliance Section (FCS) submitted a referral for investigation against Respondent alleging an unreported and unapproved change in the ownership structure.
- b. During the review of Respondent's annual financial statement (AFS) for fiscal year 2024 (FY24), the CRA FCS determined that an unapproved change in ownership had occurred.
- c. As of June 26, 2023, the Respondent's ownership structure approved by CRA License Maintenance Section (LMS) was Bats Freedom Group, LLC at 91.53% and Brighter Future Holdings, LLC at 9.47%.
- d. On Respondent's FY24 AFS, the ownership presented was Bats Freedom Group, LLC at 56.74%, Brighter Future Holdings, LLC at 6.3% and 24 new individual members with ownership interest ranging from .03-7.56% making up the remaining 36.96%. These changes were neither reported to nor approved by 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 marijuana business before making a material change. A proposed material change is any action that would result in alterations or changes being made to the marijuana business to effectuate 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.

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)(e), which states licensees shall report

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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: (e) Any attempted transfer, sale, or other conveyance of an interest in a marihuana license.

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

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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

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: 4/7/25

By: Alyssa A. Grissom

Digitally signed by Alyssa
A. Grissom
Date: 2025.04.07
12:06:32 -04'00'

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

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