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

In the Matter of

Bimini Brothers Inc. ENF No.: 25-00799
dba The Lab Processing and Co-Packing
License No.: AU-P-000217
_____/ CONSENT ORDER AND STIPULATION

CONSENT ORDER

On October 3, 2025, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the adult-use marijuana processor license (AU-P-000217) of Bimini Brothers Inc. dba The Lab Processing and Co-Packing (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 420.103(3) and R 420.212(1)

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 420.103(3) and R 420.212(1).

Accordingly, for these violations, IT IS ORDERED:

1. Respondent must pay a fine in the amount of two thousand and 00/100 dollars ($2,000.00). 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 25-00799" and license number "AU-P-000217" 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-IAS@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: 2/26/2026

By: Brian Hanna Digitally signed by: Brian Hanna DN: CN = Brian Hanna email = hannab@michigan.gov C = US O = CRA OU = CRA Date: 2026.02.26 13:17:55 -05'00'

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 discovered the error and voluntarily recalled the products prior to the CRA investigating the package. After contacting the statewide monitoring system (Metrc), the licensee relabeled the products with the correct source tag.
    b. The product in the formal complaint all passed compliance testing, but the Metrc tracking error caused the test results to not attach properly to the appropriate tag.
    c. Respondent provided standard operating procedures (SOP) for inhalable compound concentrates (ICC) and label printing during investigation.
        i. Respondent stated at the compliance conference that relevant staff were trained on the SOPs.
    d. Respondent was cooperative and wishes to resolve the allegations without the need for and expense of an administrative hearing.
    e. Respondent has been licensed as a processor since 2021 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.

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: 2026.02.23 09:56:23 -05'00'

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

Dated: 2/23/2026

AGREED TO BY:

Nathan Russell, Authorized Officer
on behalf of Respondent
Bimini Brothers Inc.

Dated: 2/22/26

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

In the Matter of

Bimini Brothers Inc. ENF No: 25-00799
dba The Lab Processing and Co-Packing
License No: AU-P-000217
_____/

FORMAL COMPLAINT

The Cannabis Regulatory Agency (CRA) files this formal complaint against Bimini Brothers Inc. dba The Lab Processing and Co-Packing (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 processor in the state of Michigan.

4. Respondent operated at 207 Elsie Street, Kalkaska, Michigan 49646, 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 July 3, 2025, Respondent opened a support ticket with the statewide monitoring system (Metrc) help desk, requesting electronic reassignment of passing test results from Metrc package tag 1A4050300023C45000105725 (tag number ending -5725) to its only source package, Metrc package tag 1A4050300023C45000122130 (tag number ending -2130).

b. The CRA Scientific Section denied the request after reviewing the package histories and determining Respondent did not compliantly create the following packages:

   i. On June 5, 2025, Respondent created tag number ending -2130 with 5,144 grams of infused flower by combining 4,600 grams of bulk flower from Metrc source tag number 1A40503000423C5000004062 (tag number ending -4062) with 837 grams of THCA concentrate from Metrc source package tag number 1A405030004D775000043301 (tag number ending -3301).

   ii. On June 5, 2025, Respondent then used all 5,144 grams of infused flower from tag number ending -2130 to create a child package of 5,035 ICC pre-rolls with tag number ending -5725.

   iii. On June 6, 2025, Respondent submitted a sample of 16 eaches from tag number ending -5725 for testing.

   iv. On June 12, 2025, the remaining 5,019 eaches from tag number ending -5725 received passing test results.

   v. On June 13, 2025, Respondent returned the 5,019 eaches from tag number ending -5725 to tag number ending –2130 by adjusting tag number ending -5725 down to zero and finishing the package with notes indicating “Entry Error”, and “grams moved to tag 122130”; and

adjusting tag number ending -2130 back up by 5,000 grams with notes indicating “Entry Error”, and “to make Metrc for shipping”.

vi. On June 13, 2025, Respondent created at least 17 child transfer packages from tag number ending -2130, each containing between 59 and 100 grams of the ICC pre-rolls returned from tag number ending -5725.

vii. On various subsequent dates, Respondent sent the 17 child transfer packages to sales locations, where some of the ICC pre-rolls were sold to customers.

c. On July 16, 2025, a CRA Regulation Agent (RA) visited the establishment to investigate. Respondent’s inventory manager, M.R., confirmed the above package histories, and further stated:

i. Respondent failed to flag tag number ending -2130 as a production batch, so it could not be tested.

ii. To resolve that issue, Respondent created tag number ending -5725.

iii. Respondent later learned the child transfer packages created from tag number ending -2130 had “labeling issues”.

iv. Respondent submitted the Metrc request to associate the testing information and certificate of authenticity (COA) from tag number ending -5725 to tag number ending -2130.

v. When the Metrc request was denied, Respondent recalled the remaining ICC pre-rolls from the child transfer packages; unfinished tag number ending -5725 and returned the recalled ICC pre-rolls to it; and issued replacement child transfer packages from tag number ending -5725 to the retailers with the correct Metrc and labeling information.

d. The RA reviewed this information, as well as the corrected package histories in Metrc, and determined the replacement child packages created

from tag number ending -5725 could be traced to Metrc. However, the first set of child transfer packages created from tag number ending -2130 were not compliantly created and tracked in Metrc:

i. Since tag number ending -2130 was not created as a production batch, it inherited the passing test results from its flower and THCA concentrate source packages, dated January 21, 2025.

ii. The 5,019 ICC pre-rolls from tag number ending -5725 were not compliantly transferred back to tag number ending -2130.

iii. As a result, the June 13, 2025, test results from tag number ending -5725 did not follow; and the 17 new child transfer packages issued from tag number ending -2130 inherited the wrong Metrc data for the testing lab, test date, and COA from the flower and THCA concentrate source packages dated January 21, 2025.

iv. Respondent could not electronically reassign the passing test results from tag number ending -5725 to tag number ending -2130 because it was not a production batch, and the source package listed on the COA did not match the tested package in Metrc.

Count I

Respondent's actions as described above in paragraphs a through d demonstrate a violation of Mich Admin Code, R 420.103(3), which states, a marihuana processor must accurately enter all transactions, current inventory, and other information into the statewide monitoring system as required in these rules.

Count II

Respondent's actions as described above in paragraphs a through d demonstrate a violation of Mich Admin Code, R 420.212(1), which states in relevant part, products stored at a marijuana business must be tracked consistently in the statewide monitoring system under these rules.

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.

Respondent has the right to request a compliance conference under Mich Admin Code, R 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.

Alternatively, a Respondent has a right to a contested case hearing regarding the allegations in this complaint. Under Mich Admin Code, R 420.704(2), 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 may choose to be represented by a Michigan State Bar licensed attorney regarding this formal complaint. If so, Respondent's attorney must file an appearance with the CRA with the compliance conference or hearing request, or as soon as applicable.

Compliance conference and hearing requests, as well as attorney appearances, 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 at (517) 284-8599 or CRA-LegalHearings@michigan.gov.

Dated: 10/3/25

By: Alyssa A. Grissom

Digitally signed by Alyssa A. Grissom
Date: 2025.10.03 11:47:13 -04'00'

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