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

In the Matter of

Fresh Coast Cannabis Group, LLC
License No.: AU-G-C-001036

ENF No.: 25-00895

_____/ CONSENT ORDER AND STIPULATION

CONSENT ORDER

On October 7, 2025, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the adult-use marijuana class C grower license (AU-G-C-001036) of Fresh Coast Cannabis Group, 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 420.602(1) and R 420.602(2)(b).

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 420.602(1) and R 420.602(2)(b).

Accordingly, for these violations, IT IS ORDERED:

1. Respondent must pay a fine in the amount of five hundred thirty-three and 33/100 dollars ($533.33). 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 "25-00895" and license number "AU-G-C-001036" clearly displayed on the check

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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: 2/9/2026

By: Brian Hanna Digitally signed by: Brian Hanna DN: CN = Brian Hanna email = hannab@michigan.gov C = US O = CRA OU = CRA Date: 2026.02.09 09:03:05 -05'00'

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 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.

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Docusign Envelope ID: C905FBB6-659D-4C57-8FF6-75AF852AE9F1

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: 2026.02.05 20:12:13 -05'00'

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

Dated: 2/5/2026

AGREED TO BY:

Signed by:
Paul Kountouriotis
A6D85E622964483...

Paul Kountouriotis, Authorized Officer
on behalf of Respondent
Fresh Coast Cannabis Group, LLC

Dated: 2/4/2026

DocuSigned by:
John Mackewich
1D95D5863A774...

John Mackewich, P70120
Attorney for Respondent

Dated: 2/3/2026

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

In the Matter of

Fresh Coast Cannabis Group, LLC ENF No: 25-00895
License No.: AU-G-C-001036
_____/

FORMAL COMPLAINT

The Cannabis Regulatory Agency (CRA) files this formal complaint against Fresh Coast Cannabis Group, 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 in the state of Michigan.

4. Respondent operated at 4955 Lansing Road, Building A, Charlotte, Michigan 48813, at all times relevant to this complaint, 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 June 13, 2025, the CRA received a complaint from Respondent's former employee alleging, among other things, that Respondent's owners were allowing a new investor to manage Respondent's operations.
b. On July 16, 2025, a CRA Regulation Agent (RA) visited the facility to investigate. The RA met with Respondent's compliance manager, A.B., and another individual, A.K., who stated he worked onsite two to three days a week since at least June 18, 2025.
c. A.B. confirmed Respondent had not completed background checks for A.K. and another new employee, A.A.
d. Later that same day, Respondent's owner, P.K., emailed background checks for both employees that had been completed after the RA visit.
e. The RA reviewed the statewide monitoring system (Metrc) and observed both A.K. and A.A. were entered as Respondent's employees on July 15, 2025, one day before their background checks were completed, and nearly a month after A.K. began working onsite.

Count I

Respondent's actions as described above in paragraphs b through e demonstrate a violation of Mich Admin Code, R 420.602(1) which states in relevant part, a licensee shall conduct a criminal history background check on any prospective employee before hiring them.

Count II

Respondent's actions as described above in paragraphs b through e demonstrate a violation of Mich Admin Code, R 420.602(2)(b) which states in relevant part, a licensee shall enter in the statewide monitoring system an employee's information and level of statewide monitoring system access within 7 business days of hiring.

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: 10/7/25

By: Alyssa A. Grissom

Digitally signed by Alyssa A. Grissom
Date: 2025.10.07 11:47:13 -04'00'

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