## STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS MARIJUANA REGULATORY AGENCY

In the Matter of

3843 Euclid, LLC License No. PR-000098 & AU-P-000106 CMP Nos. 20-000812 & 20-000834 ERG Nos. 000187 & AU-ER-000213

## STIPULATED ORDER OF SUSPENSION

The Marijuana Regulatory Agency (MRA) and 3843 Euclid, LLC (Respondent) hereby stipulate and agree as follows:

- 1. On or about July 31, 2020, the MRA initiated an investigation into the operation of Respondent's medical marijuana processor facility (license no. PR-000098) and co-located adult-use marijuana processor establishment (license no. AU-P-000106) to ensure compliance with the Medical Marijuana Facilities Licensing Act (MMFLA), MCL 333.27101 et seq., Michigan Regulation and Taxation of Marihuana Act (MRTMA), MCL 333.27951 et seq., and/or associated administrative rules, Mich Admin Code, R 420.1 et seq.
- 2. The MRA initiated its investigation based on information that an individual at Respondent's business licked a pre-roll marijuana product while making the product.
- 3. In the interest of the public health and safety, the MRA issued an order on July 31, 2020, placing all marijuana products in Respondent's inventory

<sup>&</sup>lt;sup>1</sup> Executive Reorganization Order 2019-2 created the Marijuana Regulatory Agency (MRA) as a Type I agency within the Department of Licensing and Regulatory Affairs (LARA). MCL 333.27001(1)(a), (d). The MRA exercises its statutory powers, duties, and functions independent of LARA's direction. MCL 16.103.

identified in the statewide monitoring system (METRC) as a "pre-roll" on an administrative hold during the ongoing investigation and prohibiting the sale or transfer of any marijuana products on administrative hold.

- 4. In response to the administrative hold order, Respondent represented that it voluntarily ceased all processing activities as of the close of business on July 31, 2020; took steps to address the issue internally; and intended to remain inactive until further instruction from the MRA and pending internal investigation and corrective action.
- 5. In light of the above, the MRA issued a stipulated order suspending Respondent's medical and adult-use processor licenses for 14 days, effective August 6, 2020, pending further MRA investigation and any resulting enforcement action.
  - 6. The MRA concluded its initial investigation on August 13, 2020.
- 7. The parties have initiated efforts to resolve the factual allegations and violations identified in the initial investigation.
- 8. Thus, the parties stipulate that Respondent's licenses (nos. PR-000098 & AU-P-000106) shall be suspended for an additional period of 14 days after the effective date of this order in order to allow the parties to continue to engage in ongoing settlement negotiations.
- 9. No party makes any concession as to the merits of the opposing party's claims or defenses by entering into and complying with this stipulated order.
- 10. The parties understand that this stipulated order does not resolve any allegations identified in the initial or any subsequent investigation; that this stipulated order does not preclude the MRA from taking disciplinary action, including but not limited to issuing an order of summary suspension, a formal complaint,

and/or a consent order to resolve any violations identified in the investigation; and that the administrative hold issued on July 31, 2020, remains in effect.

11. If Respondent violates this stipulated order, Respondent will be subject to fines and/or other sanctions under the MMFLA, MRTMA, and/or associated administrative rules.

## IT IS SO ORDERED.

Pursuant to the parties' stipulation as outlined above, Respondent's medical and adult-use processor licenses (nos. PR-000098 & AU-P-000106) shall be suspended for a period of 14 days after the effective date of this order.

This order shall be effective on the date signed by the MRA's executive director or his designee, as set forth below.

| Signed on: 8/20/20   | Andrew Brisbo Digitally signed by: Andrew Brisbo DN: CN = Andrew Brisbo email = bfisboa@michigan.gov C = US O = MRA Date: 2020.08.20 13:43:01 -04'00' |
|--|---|
|  | Andrew Brisbo, Executive Director<br>Marijuana Regulatory Agency  |
| AGREED TO BY:  | AGREED TO BY:   |
| Claire Patterson  Digitally signed by: Claire Patterson  DN; CN = Claire Patterson email =  Patterson CR@michigan.gov C = US O = MRA OU  LARA  Date: 2020.08.20 12:55:59 -04'00' | Branden Dalish 15L  |
| Claire Patterson   | Brandon Dabish, Authorized Officer  |
| Manager, Scientific & Legal Section  | On behalf of Respondent   |
| Enforcement Division   | 3843 Euclid, LLC  |
| Marijuana Regulatory Agency<br>Dated: 08/20/2020   | Dated: 820-2020   |
| /s/ Erika N. Marzorati   | Jagger  |
| Erika N. Marzorati (P78100)  | Jacqueline Langwith (P79600)  |
| Risa Hunt-Scully (P58239)  | Attorney for Respondent   |
| Assistant Attorneys General  |   |
| Attorney for Complainant   | 0-711-201212  |
| Datad: 8/20/2020   | Dated: ( 2020   |