

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

In the Matter of

200 Euclid, LLC
License No.: PC-000299

ENF No.: 22-00001

_____/ CONSENT ORDER AND STIPULATION

CONSENT ORDER

On March 21, 2022, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the medical marijuana provisioning center facility license (PC-000299) of 200 Euclid, LLC (“Respondent”) under the Medical Marijuana Facilities Licensing Act (MMFLA), MCL 333.27101 *et seq.*, and the administrative rules promulgated thereunder. The formal complaint alleged Respondent violated Mich Admin Code, R 420.504(1)(a), (g) and R 420.507(2).

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 420.504(1)(a), (g) and R 420.507(2).

Accordingly, for these violations, IT IS ORDERED:

1. Respondent must pay a fine in the amount of six thousand and 00/100 dollars (\$6,000.00). This fine shall be paid within 90 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 “22-00001” and license number “PC-000299” 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-LegalHearings@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 will be subject to fines and/or other sanctions under section 407(1) of the MMFLA, MCL 333.27407(1), 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.

Signed on: 6/5/2023

CANNABIS REGULATORY AGENCY
Brian Hanna
Digitally signed by: Brian Hanna
DN: CN = Brian Hanna email =
hanhnb@michigan.gov C = US O = CRA
OU = CRA
Date: 2023.06.05 16:52:11 -04'00'

By: _____
Brian Hanna, Executive Director
and/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 MMFLA.
2. Respondent understands and intends that by signing this stipulation, Respondent is waiving the right under the MMFLA, 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. In response to the noncompliance, Respondent has since corrected its labeling practices.
 - b. Respondent was cooperative and wishes to resolve the allegations without the need for and expense of an administrative hearing.
 - c. Respondent has been licensed as a provisioning center since 2019 and has no prior discipline against its license.
4. The CRA's enforcement division director or his/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 enforcement 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.

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AGREED TO BY:

Desmond
Mitchell

Digitally signed by Desmond
Mitchell
Date: 2023.06.02 14:26:24
-04'00'

Desmond Mitchell, Operations Director
and/or his designee
Cannabis Regulatory Agency

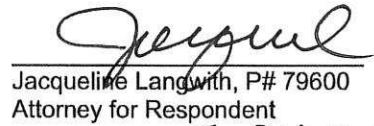
Dated: 6/2/2023

AGREED TO BY:



Ghassan Brikho, Authorized Officer
on behalf of Respondent
200 Euclid, LLC

Dated: 5.24.2023


Jacqueline Langwith, P# 79600
Attorney for Respondent

Dated: 5-24-23

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

In the Matter of

200 Euclid, LLC
ERG No.: 001381
License No.: PC-000299
ENF No.: 22-00001

CMP No.: 21-001440

FORMAL COMPLAINT

The Marijuana Regulatory Agency (“Complainant”) files this formal complaint against 200 Euclid, LLC (“Respondent”) alleging upon information and belief as follows:

1. The Marijuana Regulatory Agency (MRA) is authorized under the Medical Marihuana Facilities Licensing Act (MMFLA), MCL 333.27101 *et seq.*, and Executive Reorganization Order No.2019-2, MCL 333.27001, to investigate alleged violations of the MMFLA 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 MMFLA or administrative rules.

2. Section 402(12) of the MMFLA provides that the expiration of a license does not terminate the MRA’s authority to impose sanctions on the license.

3. Section 206(c) of the MMFLA provides that the administrative rules must ensure the health, safety, and security of the public and integrity of the marihuana facility operations.

4. Respondent’s conduct as described below is a risk to public health and safety and/or the integrity of marihuana facility operations.

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FACTUAL ALLEGATIONS AND INTENDED ACTION OF THE MRA

5. Respondent holds an active state operating license under the MMFLA to operate a medical marihuana provisioning center in the state of Michigan.

6. Respondent operated at 200 S. Euclid Ave., Bay City, Michigan 48706, at all times relevant to this complaint.

7. Following an investigation, the MRA determined that Respondent violated the MMFLA and/or administrative rules promulgated thereunder as set forth below:

- a. On September 16, 2021, Respondent transferred a portion of statewide monitoring system (METRC) package tag #1A4050100008BDA000000656 (tag #0656) to its adult-use retailer establishment with MRA approval.
- b. Following the transfer, the amount transferred became package tag #1A405010000445D000000432 (tag #0432) on the adult-use side.
- c. On October 12, 2021, the MRA received a complaint from a licensee stating the marijuana product it picked up from Respondent's retailer establishment (tag #0432) showed the THC listed as 0.0000% on the product label.
- d. According to METRC, the THC percentage was 20.4%.
- e. The product label was also missing the name and license number of the producer.
- f. Respondent transferred marijuana product to its retailer establishment with the THC percentage listed incorrectly and the producer information missing on the product label in violation of Mich Admin Code, 420.504(1), which states before a marihuana product is sold or transferred to or by a marihuana sales location, the container, bag, or product holding the marihuana product must be sealed and labeled with all of the following information: (a) the name and the state license number of the producer, including business or trade name, and tag and source number as assigned by the statewide monitoring system (g) Concentration of

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Tetrahydrocannabinol (THC) and cannabidiol (CBD) as reported by the laboratory after potency testing along with a statement that the actual value may vary from the reported value by 10%.

- g. According to METRC, Respondent made 14 sales from tag #0656 between July 26, 2021 and September 12, 2021, prior to the transfer, with the THC percentage listed incorrectly and the producer information missing on the product label, which is also a violation of Mich Admin Code, 420.504(1)(a) and (g).
- h. Additionally, Respondent transferred and sold marijuana product that had false information printed on the product label in violation of Mich Admin Code, R 420.507(2), which states marijuana product must not be advertised in a way that is deceptive, false, or misleading. A person shall not make deceptive, false, or misleading assertions or statements on any marijuana product, sign, or document provided.

THEREFORE, based on the above, the MRA 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.

Under MCL 333.27407(4) and Mich Admin Code, R 420.704(2), any party aggrieved by an action of the MRA 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 MRA 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 MMFLA and/or the administrative rules. A compliance conference request must be submitted to the MRA in writing.

Hearing and compliance conference requests must be submitted in writing by one of the following methods:

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By Mail: Department of Licensing & Regulatory Affairs
Marijuana Regulatory Agency
P.O. Box 30205
Lansing, Michigan 48909

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

By Email: MRA-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 Marijuana Regulatory Agency at (517) 284-8599 or MRA-LegalHearings@michigan.gov.

Dated: 3/21/22

By: Julie Kluytman
Julie Kluytman, Director
Enforcement Division
Marijuana Regulatory Agency

Digitally signed by: Julie Kluytman
DN: CN = Julie Kluytman email =
kluytmanj@michigan.gov C = US O = Marijuana
Regulatory Agency
Date: 2022.03.21 13:22:35 -0400

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