

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

In the Matter of

420 Relief, LLC
dbas: Flower Bowl Corktown & Corktown Collective
License No.: PC-000210

ENF No: 21-00025

_____/ CONSENT ORDER AND STIPULATION

CONSENT ORDER

On February 10, 2023, the Cannabis Regulatory Agency (CRA) issued a first superseding formal complaint against the medical marijuana provisioning center license (PC-000210) of 420 Relief, LLC (“Respondent”) under the Medical Marijuana Facilities Licensing Act (MMFLA), MCL 333.27101 *et seq.* and the administrative rules promulgated thereunder. The first superseding formal complaint alleged Respondent violated Section 701 of the MMFLA, MCL 333.27701 and Mich Admin Code R 420.202(f)(i).

The executive director reviewed the stipulation contained in this document and agrees the public interest is best served by resolution of the first superseding formal complaint. Therefore, the executive director finds that the allegations contained in the first superseding formal complaint are true and that Respondent violated Section 701 of the MMFLA, MCL 333.27701 and Mich Admin Code R 420.202(f)(i).

Accordingly, for these violations, IT IS ORDERED:

1. Respondent must pay a fine in the amount of fourteen thousand and 00/100 dollars (\$14,000). 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

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number “21-00025” and license number “PC-000210” 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. Respondent must submit a completed Annual Financial Statement via Accela for the portion of the reporting period when Respondent owned and operated the license within 30 days of the effective date of this order. 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 R 420.808.
6. Upon timely compliance of the terms of this order by Respondent, the matters set forth in the first superseding 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.

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Signed on: 02/28/2023

By: Brian Hanna
Brian Hanna, Executive Director
and/or his designee
Cannabis Regulatory Agency

Digitally signed by: Brian Hanna
DN: CN = Brian Hanna email =
hannab@michigan.gov C = US O =
CRA OU = CRA
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STIPULATION

The parties stipulate to the following:

1. The facts alleged in the first superseding formal complaint are true and constitute a violation of the MMFLA and Mich Admin Code R 420.202(f)(i).
2. Respondent understands and intends that by signing this stipulation, Respondent is waiving the right under the MMFLA, the administrative rules promulgated thereunder, and the Administrative Procedures Act of 1969, MCL 24.201 *et seq.*, to require the CRA to prove the charges set forth in the first superseding formal complaint by presentation of evidence and legal authority, and to present a defense to the charges.
3. The parties considered the following in reaching this agreement:
 - a. Respondent stated that it worked diligently to obtain financial records for the portion of the reporting period prior to the acquisition, but the former owner left the country and has refused to cooperate.
 - 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 medical marijuana provisioning center since 2018 and has no prior discipline against its license.

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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.

AGREED TO BY:

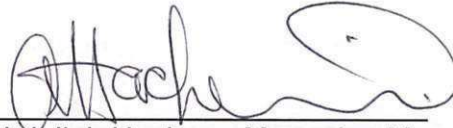
Desmond
Mitchell

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

Dated: 02/26/2023

AGREED TO BY:



Abdallah Hachem, Managing Member
on behalf of Respondent
420 Relief, LLC

Dated: 2/16/2023



Hassan Ali Zaarour (P83043)
Attorney for Respondent

Dated: 2/16/2023

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

In the Matter of

420 Relief, LLC dba Corktown Collective
License No.: PC-000210

ENF No: 21-00025

FIRST SUPERSEDING FORMAL COMPLAINT

The Cannabis Regulatory Agency (“Complainant”) files this first superseding formal complaint against 420 Relief, LLC dba Corktown Collective (“Respondent”) alleging upon information and belief as follows:

1. The Cannabis Regulatory Agency (CRA) 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 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 rules.
2. Section 402(12) of the MMFLA provides that the expiration of a license does not terminate the CRA’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.

FACTUAL ALLEGATIONS AND INTENDED ACTION OF THE CRA

5. Respondent, under section 701 of the MMFLA (MCL 333.27701) is required to

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transmit to the CRA a financial statement of the licensee's total operations by 30 days after the due date provided by the CRA.

6. Respondent's first annual financial statement for fiscal year 2020 was due on or before October 31, 2020.

7. As of the date of this formal complaint, Respondent has failed to file its first annual financial statement for FY 2020.

8. Respondent stated that it purchased the license PC-000210 in an acquisition, and it has been unable to obtain financial records from the portion of the reporting period that the prior licensee owned and operated the license.

Count I

Respondent's actions in paragraph 7 above demonstrate a violation of Section 701 of the MMFLA, MCL 333.27701, which states that every 3 years, or a shorter time period as determined by the marijuana regulatory agency, a licensee shall transmit to the marijuana regulatory agency and to the municipality financial statements of the licensee's total operations that have been reviewed by a certified public accountant in a manner and form prescribed by the marijuana regulatory agency.

Count II

Respondent's actions in paragraph 8 above demonstrate a violation of Mich Admin Code R 420.202(f)(i), which states a licensee shall maintain accurate and comprehensive financial records for each license that clearly documents the licensee's income and expenses.

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.

Under MCL 333.27407(4) and Mich Admin Code, R 420.704(2), any party aggrieved by an action of the CRA suspending, revoking, restricting, or refusing to

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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 MMFLA and/or 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
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 first superseding 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.

The formal complaints filed against the Respondent on May 25, 2022 and September 14, 2022 are hereby WITHDRAWN and replaced in full by this first superseding formal complaint.

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Dated: 02/10/2023

By: Alyssa A. Grissom
Alyssa A. Grissom
Legal Section Manager
Cannabis Regulatory Agency

Digitally signed by Alyssa
A. Grissom
Date: 2023.02.10
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