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

In the Matter of

MEDS CAFÉ LLC dba Meds Cafe ENF No.: 21-00492 License Nos.: AU-R-000141 & AU-R-000200 / CONSENT ORDER AND STIPULATION

CONSENT ORDER

On November 24, 2021, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the adult-use marijuana retail establishment licenses (AU-R-000141 & AU-R-000200) of Meds Café LLC dba Meds Café ("Respondent") under the Michigan Regulation and Taxation of Marihuana Act (MRMTA), MCL 333.27951 *et seq.*, and the administrative rules promulgated thereunder. The formal complaint alleged Respondent violated Mich Admin Code, R 420.20.

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 the allegations contained in the formal complaint are true and that Respondent violated Mich Admin Code, R 420.20.

Accordingly, for these violations, IT IS ORDERED:

 Respondent must pay a fine in the amount of twenty thousand and 00/100 dollars (\$20,000). 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 <u>www.michigan.gov/cra</u>. Check or money orders shall be made payable to the State of Michigan with enforcement number "22-00492" and license numbers "AU-R-000141 & AU-R-000200" 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.
- Unless otherwise specified in this order, Respondent shall direct any communications to the CRA that are required by the terms of this order to <u>CRA-</u> <u>LegalHearings@michigan.gov.</u>
- 4. Respondent shall be responsible for all costs and expenses incurred in complying with the terms and conditions of this consent order.
- If Respondent violates any term or condition set forth in this order, Respondent will be subject to fines and/or other sanctions under section 7(1)(c) of the MRTMA, MCL 333.27957, and Mich Admin Code, R 420.808.
- 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: 03/28/2023

Adam By: Sandoval By: Sandoval

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

STIPULATION

The parties stipulate to the following:

CANNABIS REGULATORY AGENCY 2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING. MICHIGAN 48909 www.michigan.gov/CRA LARA is an equal opportunity employer/program

- 1. The facts alleged in the formal complaint are true and constitute a violation of the administrative rules promulgated under the MRTMA.
- Respondent understands and intends that by signing this stipulation, Respondent is waiving the right under the MRTMA, 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 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:
 - Respondent submitted the Annual Financial Statement on November 7, 2021.
 - 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 an adult use retail establishment since 2020 and has no prior discipline against its licenses.
- 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.

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CANNABIS REGULATORY AGENCY 2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909 www.michigan.gov/CRA LARA is an equal opportunity employer/program By signing this stipulation, the parties confirm that they have read, understand, and agree with the terms of the consent order.

AGREED TO BY:

AGREED TO BY:

Desmond Des Mitchell Des

d Digitally signed by Desmond Mitchell Date: 2023.03.28 06:43:35 -04'00'

Aishael Athing Mana

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

Michael Atkins, Managing Member on behalf of Respondent Meds Café LLC

Dated: 03/28/2023

Dated: <u>3-27-23</u>

Joshua Covert (P75733) Attorney for Respondent

Dated: 3-27-23

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

In the Matter of

Meds Café, LLC AU-ER No.: 000148 License No(s).: AU-R-000141 & AU-R-000200 CMP No.: 21-001489 ENF No.: 21-00492

FORMAL COMPLAINT

1

The Marijuana Regulatory Agency ("Complainant") files this formal complaint against Meds Café, LLC ("Respondent") alleging upon information and belief as follows:

1. The Marijuana Regulatory Agency (MRA) 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. Respondent, under Mich Admin Code, R 420.20, is required to transmit to the MRA a financial statement of the licensee's total operations by 30 days after the end of each state fiscal year.

3. Respondent's annual financial statement(s) for fiscal year 2021 were due on or before June 30, 2021.

4. As of the date of this formal complaint, Respondent has failed to file its annual financial statement(s) for FY 2021.

5. Respondent's failure to timely file the required Annual Financial Statement(s) is in violation of Mich Admin Code, R 420.20.

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.

A licensee 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. See Mich Admin Code, R 420.704(3) and R 420.808(2)(b). A request for a hearing must be submitted to the MRA in writing within 21 days after service of this complaint. Mich Admin Code, R 420.704(2) and R 420.808(3). Notice served by certified mail is considered complete on the business day following the date of the mailing.

Respondent may also be given an opportunity to meet with the MRA to negotiate a settlement or demonstrate compliance with the MRTMA and administrative rules prior to a contested case hearing. Mich Admin Code, R 420.704(1) and R 420.808(2)(a). A request for a compliance conference request must be submitted to the MRA in writing within 21 days after service of this complaint. Mich Admin Code, R 420.808(3).

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

- 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

MARIJUANA REGULATORY AGENCY 2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909 <u>www.michigan.gov/MRA</u> LARA is an equal opportunity employer/program 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. Mich Admin Code, R 420.808(3).

Questions about this complaint should be directed to the Marijuana Regulatory Agency at (517) 284-8599 or <u>MRA-LegalHearings@michigan.gov</u>.

Dated: ____11/18/21

MARIJUANA REGULATORY AGENCY

By: Digitally signed by Claire Patterson Date: 2021.11.18 12:20:57 -05'00'

> Claire Patterson Scientific and Legal Section Manager Enforcement Division