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

In the Matter of

Pure, LLC License No. AU-G-C-000266 ENF No. 22-00348

CONSENT ORDER AND STIPULATION

CONSENT ORDER

On May 17, 2022, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the adult use marihuana class c grower license (no. AU-G-C-000266) of Pure, LLC (Respondent) under the Michigan Regulation and Taxation of Marihuana Act (MRTMA), MCL 333.27951 et seq., and administrative rules promulgated thereunder. The formal complaint alleged Respondent violated Mich Admin Code, R 420.20.

The acting executive director or designee reviewed the stipulation contained in this document and agrees the public interest is best served by resolution of the complaint. Therefore, the acting executive director or designee finds that the allegations contained in the complaint are true and that Respondent violated Mich Admin Code, R 420.20.

Accordingly, for these violations, IT IS ORDERED:

- 1. Respondent must pay a fine in the amount of ten thousand and 00/100 dollars (\$10,000.00). This fine shall be paid within 30 days of the effective date of this order by check or money order made payable to the State of Michigan with "ENF No. 22-00348" clearly displayed on the check or money order. Respondent shall mail the fine payment to: Department of Licensing and Regulatory Affairs, Cannabis Regulatory Agency, P.O. Box. 30205, Lansing, Michigan 48909.
- 2. If Respondent fails to timely pay the fine, Respondent's license shall be suspended until payment is received.
- 3. Unless otherwise specified in this order, Respondent shall direct any communications to the CRA regarding the terms of this order to CRA-LegalHearings@michigan.gov.
- 4. If Respondent violates any term or condition set forth in this order, Respondent may be subject to additional fines and/or other sanctions.

This order shall be effective 30 after the date signed by the CRA's acting executive director or designee, as set forth below.

CANNABIS	REGUI	ATORY	AGENCY
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Signed on: _11/6/23	Brian Hanna Digitally signed by: Brian Hanna DN: CN = Brian Hanna email = Partial Hanna email = Digitally signed by: Brian Hanna Digitall
	Date: 2023.11.06 14:42:13 -05'00'

Brian Hanna
Acting Executive Director
Cannabis Regulatory Agency

STIPULATION

The parties stipulate to the following:

- 1. The facts alleged in the formal complaint are true and constitute a violation of the MRTMA and administrative rules promulgated thereunder.
- 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 charges set forth in the 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 has hired an accounting firm to handle financial matters and ensure that all financial statements are timely filed.
 - b) Respondent acknowledges that it is responsible for familiarizing itself with, understanding, and complying with all statutory requirements and rules applicable to its business.
 - c) Respondent was cooperative and wishes to resolve the allegations without the need for and expense of an administrative hearing.
- 4. The CRA's operations director or designee must approve this proposed agreement before it is forwarded to the CRA's acting executive director or 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 operations director, acting executive director, or 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:	AGREED TO BY:
Desmond Mitchell Digitally signed by Desmond Mitchell Date: 2023.11.06 09:24:12 -05'00'	Statherfalleress
Desmond Mitchell	Heather Palcowski, Authorized Officer
Operations Director	On behalf of Respondent
Cannabis Regulatory Agency	Pure, LLC 113 1 . 0 3 00
Dated: 11/6/23	Dated: 10.0.40
/s/ Sarah E. Huyser	Thurston Ulumbers
Sarah E. Huyser (P70500)	Kristina M. Munsters (P74507)
Assistant Attorney General	Attorney for Respondent
Attorney for Cannabis Regulatory Agency	1 -
Dated: 11/03/2023	Dated: 11/3/2023

LF: 2022-0364804-A / Pure, LLC, 22-00348 / Consent Order and Stipulation / 2023-09-25

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

In the Matter of

Pure, LLC ENF No. 22-00348

License No.: AU-G-C-000266

FORMAL COMPLAINT

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

- 1. The Cannabis Regulatory Agency (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. Respondent, under Mich Admin Code, R 420.20, is required to transmit to the CRA a financial statement of the licensee's total operations by 30 days after the due date provided by the CRA.
- 3. Respondent's annual financial statement for fiscal year 2021 was due on or before March 31, 2022.
- 4. As of the date of this formal complaint, Respondent has failed to file its annual financial statement for FY 2021.

CANNABIS REGULATORY AGENCY
The MRA became the Cannabis Regulatory Agency (CRA) on April 13, 2022.
2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909
www.michigan.gov/CRA

LARA is an equal opportunity employer/program

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. The MRA became the Cannabis Regulatory Agency (CRA) on April 13, 2022.

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Respondent's failure to timely file the required Annual Financial Statement is in

violation of Mich Admin Code, R 420.20.

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.

A licensee aggrieved by an action of the CRA 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 CRA 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 CRA 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 CRA 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

Cannabis Regulatory Agency

P.O. Box 30205

Lansing, Michigan 48909

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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. Mich Admin Code, R 420.808(3).

Questions about this complaint should be directed to the Cannabis Regulatory Agency at (517) 284-8599 or CRA-LegalHearings@michigan.gov.

Dated: 5/17/2022

CANNABIS REGULATORY AGENCY

Alyssa A.

Grissom

Digitally signed by Alyssa A.
Grissom
Date: 2022.05.17 22:19:59
-04'00'

Alyssa A. Grissom Legal Section Manager Enforcement Division Cannabis Regulatory Agency

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Formal Complaint ENF No.: 22-00348 CRA 5052