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

In the Matter of

AIM HIGH MEDS, LLC License No. AU-R-000558 ENF No. 22-00693

CONSENT ORDER AND STIPULATION

CONSENT ORDER

On March 17, 2023, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the adult-use retailer license (no. AU-R-000558) of Aim High Meds, LLC (Respondent) under the Michigan Regulation and Taxation of Marihuana Act (MRTMA), MCL 333.27951 *et seq.*, and administrative rules promulgated thereunder. The complaint alleged Respondent violated Mich Admin Code, R 420.209.

The 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 executive director or designee finds that the allegations contained in the complaint are true and that Respondent violated Mich Admin Code, R 420.209.

Accordingly, for this violation, IT IS ORDERED:

- 1. Respondent must pay a fine in the amount of Seven Thousand and 00/100 dollars (\$7,000.00). 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). CRA guidance on how to make compliance payments online is available under "Tips for Licensees" at www.michigan.gov/cra/bulletins. Checks or money orders shall be made payable to the State of Michigan with "ENF No. 22-00693" and "License No. AU-R-000558" clearly displayed on the check or money order and mailed to: Department of Licensing and Regulatory Affairs, Cannabis Regulatory Agency, P.O. Box 30205, Lansing, Michigan 48909.
- 2. Paragraph 5(a) of the formal complaint is corrected to change the date from August 26, 2022 to July 26, 2022.
- 3. If Respondent fails to timely comply with the terms of this order, Respondent's license shall be suspended until compliance is demonstrated.
- 4. 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-CSS@michigan.gov.
- 5. Respondent shall be responsible for all costs and expenses incurred in complying with the terms and conditions of this consent order.
- 6. 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 days after the date signed by the CRA's executive director or designee, as set forth below.

Brian Hanna

By:

Brian Hanna

Digitally signed by: Brian Hanna

DN: CN = Brian Hanna email = hannab@michigan.

Dotte: 2023.10.18 10:08.30-0400'

CANNABIS REGULATORY AGENCY

Signed on: <u>10/18/23</u>

Executive Director Brian Hanna or Designee 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 maintains that the failure to keep compliant video surveillance recordings began on May 16, 2022 following a power outage that, unbeknownst to Respondent, reset the hard drives to the factory settings.
 - b) Respondent presented documentation showing that, on July 25, 2022, the date the CRA's Regulation Officer inspected Respondent's operations and alerted Respondent to this issue, Respondent immediately ordered replacement hard drives to expeditiously remedy the situation.
 - c) Respondent also presented its security camera maintenance log, which indicates that Respondent remedied the issue on July 29, 2022—4 days after the CRA's Regulation Officer inspected Respondent's operations and alerted Respondent of the deficiency.
 - d) 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 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, 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.

AGREED TO BY:

Desmond Mitchell Digitally signed by Desmond Mitchell

Date: 2023.10.12 13:02:47 -04'00'

Desmond Mitchell Operations Director Cannabis Regulatory Agency

Dated: 10/12/23

/s/ Adam M. Leyton

Adam M. Leyton (P80646) Jeffrey W. Miller (P78786) Assistant Attorneys General Attorneys for Cannabis Regulatory Agency

Dated: 10/12/2023

AGREED TO BY:

Steven W. Roberts

Authorized Representative On behalf of Respondent

Aim High Meds, LLC Dated: 10-11-23

Tiffany E. Edwards (P83462)

Michael J. Caywood (P59905) Attorneys for Respondent

Dated: October 11, 2023

LF: 2023-0377252-A / Aim High Medicine, ENF No. 22-00693 / Consent Order and Stipulation / 2023-10-10

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

In the Matter of

Aim High Meds, LLC.

License No.: AU-R-000558 ENF No.: 22-00693

_____/

FORMAL COMPLAINT

The Cannabis Regulatory Agency ("Complainant") files this formal complaint against Aim High Meds, 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 rule 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. Section 8(1)(d) of the MRTMA provides that the administrative rules must ensure the health, safety, and security of the public and integrity of the marijuana establishment operations.

FACTUAL ALLEGATIONS AND INTENDED ACTION OF THE CRA

- 3. Respondent holds an active state license under the MRTMA to operate an adult use retail license in the state of Michigan.
- 4. Respondent operated at 880 East Chicago Street, Coldwater, Michigan, at all times relevant to this complaint.
- 5. Following an investigation, the CRA determined that Respondent violated the MRTMA and/or administrative rules promulgated thereunder as set forth below:

CANNABIS REGULATORY AGENCY
2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909

www.michigan.gov/CRA

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a. On August 26, 2022, CRA investigations was notified that during a semiannual inspection at Respondent's establishment it was discovered that the

licensee did not have 30 days of video surveillance retained.

b. Respondent only had 23 days of surveillance video. The Respondent was

aware of the deficiency.

Count I

Respondent's actions as described in paragraphs a and b demonstrate a violation of

Mich Admin R 420.209 which states that a licensee shall keep surveillance recordings

for a minimum of 30 calendar days, except in instances of investigation or inspection by

the agency in which the licensee shall retain the recordings until the time as the agency

notifies that the recordings may be destroyed.

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.

Pursuant to Mich Admin Code, R 420.704(2), any party 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. 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 MRTMA and/or the administrative 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

CANNABIS REGULATORY AGENCY 2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909 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 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.

Dated:

Alyssa A.

Grissom

Date: 2023.03.17 09:46:40
-04'00'

Alyssa A. Grissom Legal Section Manager Cannabis Regulatory Agency