

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

In the Matter of

3843 Euclid, LLC

ENF No. 21-00534

AU-ER No. 000213

License Nos. AU-G-C-000115, AU-P-000106, AU-R-000153

CMP No. 21-001518

CONSENT ORDER AND STIPULATION

CONSENT ORDER

On April 14, 2022, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the adult-use class C grower, processor, and retailer licenses (nos. AU-G-C-000115, AU-P-000106, AU-R-000153) of 3843 Euclid, 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 420.20.¹

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 420.20.

¹ The administrative rules cited throughout this consent order and stipulation refer to the administrative rules filed with the Secretary of State on June 22, 2020, which were in effect at all times relevant to the conduct at issue in the formal complaint.

Accordingly, for this violation, IT IS ORDERED:

1. Respondent must pay a fine in the amount of thirty thousand and 00/100 dollars (\$30,000.00). 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). 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. 21-00534” and “License Nos. AU-G-C-000115, AU-P-000106, AU-R-000153” 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. 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 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.

CANNABIS REGULATORY AGENCY

Signed on: 9/18/23

By: Brian Hanna
Executive Director Brian Hanna
or Designee
Cannabis Regulatory Agency

Digitally signed by: Brian Hanna
DN: CN = Brian Hanna email =
hannab@michigan.gov C = US O =
CRA OU = CRA
Date: 2023.09.18 15:30:22 -04'00'

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 submitted the annual financial statements at issue on December 19, 2022.
 - b) 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: 2023.09.13
16:22:07 -04'00'

Desmond Mitchell
Operations Director
Cannabis Regulatory Agency

Dated: 9/13/23

AGREED TO BY:



Brandon Dabish
Authorized Representative
On behalf of Respondent
3843 Euclid, LLC

Dated: 9/8/2023

/s/ Erika N. Marzorati with permission for

Adam M. Leyton (P80646)
Assistant Attorney General
Attorney for Cannabis Regulatory Agency

Dated: 09/13/2023



Reese Serra (P74482)
Attorney for Respondent

Dated: 9/8/2023

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

In the Matter of

3843 Euclid, LLC
AU-ER No.: 000213
License No(s): AU-G-C-000115, AU-P-000106, AU-R-000153
CMP No.: 21-001518
ENF No.: 21-00534

FORMAL COMPLAINT

The Cannabis Regulatory Agency (“Complainant”) files this formal complaint against 3843 Euclid, 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(s) 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(s) 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.

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www.michigan.gov/CRA

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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 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

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

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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: 4/14/22 _____

CANNABIS REGULATORY AGENCY

By: Alyssa A. Grissom _____
Digitally signed by Alyssa A. Grissom
Date: 2022.04.14 13:33:32 -04'00'

Alyssa Grissom, Manager
Legal Section Manager
Enforcement Division
Cannabis Regulatory Agency

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