

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

In the Matter of

Feleo Manufacturing Strategies, LLC  
dba TreeTown Cannabis  
License No.: PR-000223

ENF No.: 23-00477

\_\_\_\_\_/ CONSENT ORDER AND STIPULATION

CONSENT ORDER

On August 1, 2023, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the medical marijuana processor facility license (PR-000223) of Feleo Manufacturing Strategies, LLC (“Respondent”) under the Medical Marijuana Facilities Licensing Act (MMFLA), MCL 333.27101 *et seq.*, and the administrative rules promulgated thereunder. The formal complaint alleged Respondent violated Mich Admin Code, R 420.212(1) and R 420.209(12).

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 all of the allegations contained in the formal complaint are true and that Respondent violated Mich Admin Code, R 420.212(1) and R 420.209(12).

Accordingly, for these violations, 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). Instructions on how to make online payments can be found under the Tips for Licensees bulletin section at [www.michigan.gov/cra](http://www.michigan.gov/cra). Check or money orders shall be made payable to the State of Michigan with enforcement number “23-00477” and license number “PR-000223” clearly displayed on the check or

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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.
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-CSS@michigan.gov](mailto:CRA-CSS@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 shall 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 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: 1/12/2024

By: Brian Hanna

Digitally signed by: Brian Hanna  
DN: CN = Brian Hanna email = hannab@michigan.gov  
C = US O = CRA OU = CRA  
Date: 2024.01.12 14:41:49 -05'00'

Brian Hanna, Executive Director  
or his designee  
Cannabis Regulatory Agency

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## STIPULATION

The parties stipulate to the following:

1. The facts alleged in the formal complaint are true and constitute a violation of the administrative rules promulgated under the MMFLA.
2. Respondent understands and intends that by signing this stipulation, Respondent is waiving the right under the MMFLA, administrative rules promulgated thereunder, and the Administrative Procedures Act of 1969, MCL 24.201 *et seq.*, to require the CRA to prove the violations set forth in the formal complaint by presentation of evidence and legal authority, and to present a defense to the violations.
3. The parties considered the following in reaching this agreement:
  - a. Respondent self-reported the incident at issue to the CRA.
  - b. Respondent provided an updated standard operating procedure (SOP) prohibiting the distribution of non-medicated products being provided to non-employees and non-medicated products and medicated products being produced on the same day.
  - c. Respondent was cooperative and wishes to resolve the allegations without the need for and expense of an administrative hearing.
  - d. Respondent has been licensed as a processor since 2021 and has no prior discipline against its license.
4. The CRA's centralized services director or 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 centralized services director, executive director, or their designees reject the proposed consent order.

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By signing this stipulation, the parties confirm that they have read, understand, and agree with the terms of the consent order.

AGREED TO BY:

Sara E. Hernandez

Digitally signed by: Sara E. Hernandez  
DN: CN = Sara E. Hernandez email =  
hernandezs1@michigan.gov C = AD O = LARA OU  
= MRA  
Date: 2024.01.12 14:17:09 -0500

Sara Hernandez, CSD Director  
or her designee  
Cannabis Regulatory Agency

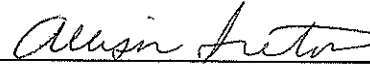
Dated: 01/12/2024

AGREED TO BY:



Patrick Kinney, Authorized Officer  
on behalf of Respondent  
Feleo Manufacturing Strategies, LLC

Dated: 1/10/2023



Allison Ireton, P70467  
Attorney for Respondent

Dated: 1/10/2023

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DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
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In the Matter of

Feleo Manufacturing Strategies, LLC  
dba TreeTown Cannabis  
License No(s): PR-000223

ENF No: 23-00477

FORMAL COMPLAINT

The Cannabis Regulatory Agency (“CRA”) files this formal complaint against Feleo Manufacturing Strategies, LLC dba TreeTown Cannabis (“Respondent”) alleging upon information and belief as follows:

1. The 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 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 MMFLA or administrative 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.

FACTUAL ALLEGATIONS AND INTENDED ACTION OF THE CRA

3. Respondent holds an active state operating license under the MMFLA to operate a medical marijuana processor in the state of Michigan.
4. Respondent operated at 4990 Page Avenue, Michigan Center, Michigan, 49254, at all times relevant to this complaint.
5. Following an investigation, the CRA determined that Respondent violated the MMFLA and/or administrative rules promulgated thereunder as set forth below:

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- a. On June 8, 2023, the Cannabis Regulatory Agency (CRA) received a report from Respondent that a Gordon's Food Service driver, who delivers to Respondent, was provided non-medicated edible samples (cookies) on June 7, 2023.
- b. The investigation revealed that the driver consumed the cookies after leaving Respondent's facility. Respondent acknowledged that owner of the facility gave the driver five cookies.
- c. During his shift, the driver reported vomiting and discomfort shortly after consuming the cookies.
- d. The driver went to the hospital to seek medical attention.
- e. The Blackman Township Public Safety Department was dispatched to the facility and collected samples of the cookies that were provided to the driver.
- f. The test results indicated that the cookies provided to the driver were positive for TCH.
- g. During the investigation by the CRA, Respondent stated that there was a possible mix-up between the non-medicated edible sample and the medicated samples.
- h. Respondent's owner indicated he did not intend to provide medicated cookies to the driver.
- i. On June 12, 2023, a CRA Regulation Agent (RA) met with Respondent's production manager.
- j. The RA requested video footage to review the situation between Respondent's owner and the driver. Respondent was unable to provide the video footage when requested to do so.

### **Count I**

Respondent's actions as described above in paragraph a, f, and g demonstrate a violation of Mich Admin Code Rule 420.212(1) which all marijuana products must be identified and tracked consistently in the statewide monitoring system under these rules.

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## Count II

Respondent's actions as described above in paragraph i demonstrates a violation of Mich Admin Code Rule 420.209(12) which states surveillance recordings of the licensee are subject to inspection by the agency and must be kept in a manner that allows the agency to view and obtain copies of the recordings at the marihuana business immediately upon request.

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 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 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 the following methods:

By Mail:                   Department of Licensing & Regulatory Affairs  
                                  Cannabis Regulatory Agency  
                                  P.O. Box 30205  
                                  Lansing, Michigan 48909

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

By Email: [CRA-LegalHearings@michigan.gov](mailto: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 at (517) 284-8599 or [CRA-LegalHearings@michigan.gov](mailto:CRA-LegalHearings@michigan.gov).

Dated: 8/1/2023

By: Alyssa A. Grissom  
Digitally signed by Alyssa A. Grissom  
Date: 2023.08.01  
09:41:33 -04'00'

Alyssa A. Grissom  
Legal Section Manager  
Cannabis Regulatory Agency