

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

In the Matter of

Sky Labs, LLC

ENF No.: 21-00144, 21-00249,  
21-00496, 22-00296,  
22-00413, 22-00415,  
22-00416, 22-00418,  
22-00311, 22-00448,  
& 22-00489

License No.: PR-000121

/ CONSENT ORDER AND STIPULATION

CONSENT ORDER

On August 10, 2022 and December 28, 2022, the Cannabis Regulatory Agency (CRA) issued a first superseding formal complaint (ENF Nos.: 21-00144, 21-00249, 21-00496, and 22-00296) and a second superseding formal complaint (ENF Nos.: 21-00413, 22-00415, 22-00416, 22-00418, 22-00311, 22-00448, and 22-00489) against the medical marijuana producer facility license (PR-000121) of Sky Labs, LLC ("Respondent") under the Medical Marijuana Facilities Licensing Act (MMFLA), MCL 333.27101 *et seq.*, and the administrative rules promulgated thereunder. The first superseding formal complaint and second superseding formal complaint alleged Respondent violated Mich Admin Code, R 420.6(5), R 420.109(4), R 420.109(4), R 420.206a(1), R 420.206a(2), R 420.206(4), R 420.206(11), R 420.209(6)(a)(i), R 420.209(7), R 420.209(14)(a), R 420.209(14)(b), R 420.209(14)(c), R 420.210(2), R 420.210(3), R 420.209(11), R 420.209(12), R 420.210(1), R 420.211(2), R 420.211(6), R 420.212(1), R 420.304(2), R 420.403(6), R 420.403(8)(c), R 420.403(9)(a), R 420.403(9)(b), R 420.403(9)(c), R 420.502(1).

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The executive director reviewed the stipulation contained in this document and agrees the public interest is best served by resolution of the first superseding formal complaint and the second superseding formal complaint. Therefore, the executive director finds that all of the allegations contained in the first superseding formal complaint and the second superseding formal complaint are true and that Respondent violated Mich Admin Code, R 420.6(5), R 420.109(4), R 420.109(4), R 420.206a(1), R 420.206a(2), R 420.206(4), R 420.206(11), R 420.209(6)(a)(i), R 420.209(7), R 420.209(14)(a), R 420.209(14)(b), R 420.209(14)(c), R 420.210(2), R 420.210(3), R 420.209(11), R 420.209(12), R 420.210(1), R 420.211(2), R 420.211(6), R 420.212(1), R 420.304(2), R 420.403(6), R 420.403(8)(c), R 420.403(9)(a), R 420.403(9)(b), R 420.403(9)(c), R 420.502(1).

or his designee  
Cannabis Regulatory Agency

Accordingly, for these violations, IT IS ORDERED:

1. Respondent will voluntarily surrender its license under number PR-000121.
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 will be subject to fines and/or other sanctions under section 407(1) of the MMFLA, MCL 333.27407(1), and Mich Admin Code, 420.808.

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6. Upon timely compliance of the terms of this order by Respondent, the matters set forth in the first superseding formal complaint and the second superseding formal complaint shall be deemed resolved and closed subject to this Consent Order.

This order shall be effective 10 days after the date signed by the CRA's executive director or his designee, as set forth below.

**CANNABIS REGULATORY AGENCY**

Signed on: \_\_\_\_\_

By: \_\_\_\_\_

Brian Hanna, Executive Director  
or his designee  
Cannabis Regulatory Agency

**STIPULATION**

The parties stipulate to the following:

1. The facts alleged in the first superseding formal complaint and the second superseding 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 first superseding formal complaint and the second superseding 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 was cooperative and wishes to resolve the allegations without the need for and expense of an administrative hearing.

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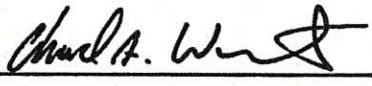
4. The CRA's operations director or his designee must approve this proposed agreement before it is forwarded to the CRA's executive director or his designee for review and issuance of the above consent order. The parties reserve the right to proceed to an administrative hearing without prejudice to either party, should the CRA's operations director, executive director, or their 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:

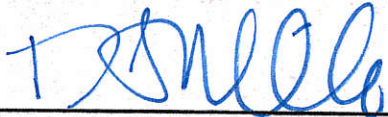
AGREED TO BY:

\_\_\_\_\_  
Desmond Mitchell, Operations Director  
or his designee  
Cannabis Regulatory Agency

  
\_\_\_\_\_  
Chad Wurtzel, Authorized Officer  
on behalf of Respondent  
Sky Labs, LLC

Dated: \_\_\_\_\_

Dated: 5/30/2023

  
\_\_\_\_\_  
Denise Pollicella, P55629  
Attorney for Respondent

Dated: 05/20/2023

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