

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

In the Matter of

Candid Labs, LLC
License Nos.: GR-C-000690,
GR-C-000764, GR-C-000765,
GR-C-000766, GR-C-000817,
GR-C-000818, GR-C-000819,
& GR-C-000820

ENF No. 22-00669

/ CONSENT ORDER AND STIPULATION

CONSENT ORDER

On February 3, 2023, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the medical marijuana class C grower licenses (nos. GR-C-000690, GR-C-000764, GR-C-000765, GR-C-000766, GR-C-000817, GR-C-000818, GR-C-000819, GR-C-000820) of Candid Labs, LLC (Respondent) under the Medical Marihuana Facilities Licensing Act (MMFLA), MCL 333.27101 *et seq.*, and administrative rules promulgated thereunder. The complaint alleged Respondent violated Mich Admin Code, R 420.6(5), R 420.108(8), R 420.206a(2), R 420.209(11), R 420.209(12), R 420.210(1), R 420.210(2), R 420.211(1), R 420.211(2), R 420.211(8), R 420.212(1), R 420.802(3)(f), and R 420.803(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 420.6(5), R 420.108(8), R 420.206a(2), R 420.209(11), R 420.209(12), R

420.210(1), R 420.210(2), R 420.211(1), R 420.211(2), R 420.211(8), R 420.212(1), R 420.802(3)(f), and R 420.803(1).

Accordingly, for these violations, IT IS ORDERED:

1. Respondent's licenses (nos. GR-C-000690, GR-C-000764, GR-C-000765, GR-C-000766, GR-C-000817, GR-C-000818, GR-C-000819, GR-C-000820) are revoked. The licenses shall not be renewed, reinstated, reissued, or reactivated, limited or otherwise, at any future date.
2. Prior to the effective date of this order, Respondent shall follow the CRA's procedures for "Closing a Licensed Marijuana Business" at <https://www.michigan.gov/cra/closing-a-licensed-marijuana-business>. Respondent's inventory may be sold, transferred, or destroyed pursuant to these procedures.
3. Respondent and Respondent's supplemental applicant, Ramon Hana, are permanently prohibited from applying for or otherwise seeking any new marijuana business license in the State of Michigan; exercising managerial control over a such a business; or otherwise meeting the criteria to be deemed an applicant, supplemental applicant, or otherwise subject to a background investigation of any such business.
4. Respondent and Respondent's supplemental applicant, Ramon Hana, are permanently prohibited from any new ownership interest in a licensed marijuana business in the State of Michigan.
5. Respondent's supplemental applicant, Ramon Hana, is also the sole supplemental applicant for other state marijuana business licenses under license numbers AU-P-000328 and PR-000312. Mr. Hana is prohibited from applying for or otherwise seeking renewal, reinstatement, reissuance, or reactivation, limited or otherwise, at any future date of license numbers AU-P-000328 and PR-000312. Mr. Hana shall administratively close licenses AU-P-000328 and PR-000312 before the date of license expiration. This includes following the CRA's procedures for "Closing a Licensed Marijuana Business" at <https://www.michigan.gov/cra/closing-a-licensed-marijuana-business>.
6. Respondent's supplemental applicant, Ramon Hana, is permanently prohibited from being employed or working in any capacity at a licensed marijuana business in the State of Michigan, including but not limited to, performing the functions of a regular or managerial employee, rendering any services as an independent contractor, or

rendering any services via another party. This paragraph does not apply to the licenses identified in paragraph 5 above.

7. 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.
8. Respondent shall be responsible for all costs and expenses incurred in complying with the terms and conditions of this consent order.
9. If Respondent violates any term or condition set forth in this order, Respondent may be subject to additional fines and/or other sanctions.
10. This order concludes the CRA's investigation into Respondent and the individuals associated with the allegations contained in formal complaint ENF No. 22-00669.

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: 6/12/23

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: 2023.06.12 10:23:38 -04'00'

STIPULATION

The parties stipulate to the following:

1. Respondent does not contest the allegations of fact and law in the formal complaint. By pleading no contest, Respondent does not admit the truth of the allegations but agrees that the CRA's executive director or designee may enter an order treating the allegations as true for purposes of resolving the complaint.
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 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) This consent order and stipulation is part of a comprehensive resolution of all of Respondent's currently outstanding formal complaints.
 - b) Respondent and Respondent's supplemental applicant, Ramon Hana, understand and agree that any new application for a state marijuana business license or renewal contrary to the accompanying consent order will be denied.
 - 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 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: 2023.06.12 09:14:42 -04'00'


Desmond Mitchell
Operations Director
Cannabis Regulatory Agency
Dated: 6/12/23

AGREED TO BY:


Ramon Hana
On behalf of Respondent
Candid Labs, LLC
Dated: 6-8-2023


Ramon Hana
Dated: 6-8-2023

/s/ Adam M. Leyton
Adam M. Leyton (P80646)
Risa Hunt-Scully (P58239)
Assistant Attorneys General
Attorneys for Cannabis Regulatory Agency
Dated: 06/09/2023


Robert Huth (P42531)
Attorney for Respondent

Dated: 6/8/2023