

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

**In the Matter of**

**Exclusive Brands, LLC  
License No. PR-000021**

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**ENF No.: 24-00729**

**FORMAL COMPLAINT**

The Cannabis Regulatory Agency (CRA) by and through its attorneys, Assistant Attorneys General Audrey E. Elzerman and Erika N. Marzorati, files this formal complaint against Exclusive Brands, LLC (Respondent), alleging upon information and belief as follows:

1. The CRA is authorized under the Medical Marijuana Facilities Licensing Act (MMFLA), MCL 333.27101 *et seq.*, to investigate alleged violations of the MMFLA and 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.

**FACTUAL ALLEGATIONS**

2. Respondent holds an active state license under the MMFLA to operate a medical marijuana processor business in the State of Michigan.

3. Respondent was licensed to operate at 3820 Varsity Drive, Ann Arbor, MI 48108, at all times relevant to this complaint.

4. Following an investigation, the CRA determined that Respondent violated the MMFLA and/or administrative rules promulgated thereunder as set forth below.

5. On June 26, 2024, CRA staff conducted an unannounced site inspection at Respondent's business.

#### Untracked Distillate

6. During the June 26 inspection, CRA staff selected eight packages of distillate in Respondent's Metrc inventory for a package audit.

7. Of the eight packages selected for the audit, two packages (Metrc ID numbers 1A405010000C031000000211 and 1A405010000C031000000212) totaling 4,777.32 grams (10.53 pounds) of marijuana product could not be located in Respondent's physical inventory. Respondent stated that the products were destroyed but could not provide evidence of the destruction.

#### Surveillance System Issues

8. During the June 26 inspection, CRA staff requested access to Respondent's surveillance system to confirm the system was compliant.

9. Respondent's director of operations, M.M., was unable to provide access to the surveillance system.

10. The following day, a CRA regulation officer (RO) completed a virtual re-inspection of Respondent's surveillance system.

11. Respondent could not provide 30 days of recordings to the RO.

COUNT 1

Respondent's actions as described above demonstrate a violation of Rule 420.109(4), which states that a processor shall enter all transactions, current inventory, and other information into the statewide monitoring system as required in the MMFLA and the rules.

COUNT 2

Respondent's actions as described above demonstrate a violation of Rule 420.209(11), which relevantly states that a licensee shall keep surveillance recordings for a minimum of 30 calendar days.

COUNT 3

Respondent's actions as described above demonstrate a violation of Rule 420.209(12), which relevantly states that surveillance recordings are subject to CRA inspection and must be kept in a manner that allows the agency to view and obtain copies immediately upon request.

COUNT 4

Respondent's actions as described above demonstrate a violation of Rule 420.211(8), which relevantly states that a licensee shall maintain accurate and comprehensive records regarding marijuana product waste, and marijuana plant waste that accounts for, reconciles, and evidences all waste activity related to the disposal.

COUNT 5

Respondent's actions as described above demonstrate a violation of Rule 420.212(1), which relevantly states that all marijuana products must be stored at a marijuana business in a secured limited access area or restricted access area and must be identified and tracked consistently in the statewide monitoring system.

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 Rule 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 Rule 420.704(1) and Rule 420.808(4). 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.

Hearing and compliance conference requests must be submitted in writing by one of the following methods, with a copy provided to the assistant attorneys general named below:

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](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 undersigned  
assistant attorneys general.

Respectfully submitted,

*/s/ Audrey E. Elzerman*  
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Audrey E. Elzerman (P82596)  
Erika N. Marzorati (P78100)  
Assistant Attorneys General  
Attorneys for Cannabis Regulatory  
Agency  
Licensing and Regulation Division  
525 West Ottawa Street  
P.O. Box 30758  
Lansing, Michigan 48909  
Telephone: (517) 335-7569  
Fax: (517) 241-1997

Dated: September 4, 2024

LF: 2024-0409035-A/Exclusive Brands, LLC, ENF 24-00729/Formal Complaint 2024-09-04



STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
LANSING

GRETCHEN WHITMER  
GOVERNOR

MARLON I. BROWN, DPA  
DIRECTOR

In the Matter of

Exclusive Brands, LLC  
License No(s): PR-000021

ENF No(s): 24-00729

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**PROOF OF SERVICE**

I hereby certify that on \_\_\_\_\_, I provided a copy of the  
Formal Complaint dated \_\_\_\_\_ in the above captioned case  
by personal service to:

\_\_\_\_\_  
Cannabis Regulatory Agency  
Department of Licensing & Regulatory  
Affairs

CANNABIS REGULATORY AGENCY  
2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909  
[www.michigan.gov/cra](http://www.michigan.gov/cra)

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