

STATE OF MICHIGAN  
DEPARTMENT OF REGULATORY AFFAIRS<sup>1</sup>  
MARIJUANA REGULATORY AGENCY

In the Matter of

Feleo Manufacturing Strategies, LLC  
ERG No: 000161  
ENF No.: 20-00183

CMP No.: 20-001234

/            CONSENT ORDER AND STIPULATION

CONSENT ORDER

On February 3, 2021, the Marijuana Regulatory Agency (MRA) issued a Pre-Complaint Consent Order and Stipulation against Feleo Manufacturing Strategies, LLC (“Respondent”) who holds state operating license(s) under the Medical Marihuana Facilities Licensing Act (MMFLA).

Through the information provided and execution of this agreement, Respondent admits that it violated Section 701 of the MMFLA, MCL 333.27701.

The MRA is authorized under the 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.

Section 402(12) of the MMFLA provides that the expiration of a license does not terminate the MRA’s authority to impose sanctions against the Respondent.

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<sup>1</sup> Executive Reorganization Order 2019-2 created the Marijuana Regulatory Agency (MRA) as a Type I agency within the Department of Licensing and Regulatory Affairs (LARA). MCL 333.27001(1)(a)(d). The MRA exercises its statutory powers, duties, and functions independent of LARA’s direction. MCL 16.103.

Section 206(c) of the MMFLA provides that the administrative rules must ensure the health, safety, and security of the public and integrity of the marihuana facility operations.

Mich Admin Code R 420.805 and Mich Admin Code R 420.806 authorizes the MRA to impose sanctions against the respondent if it has been determined that the respondent violated the MMFLA and/or administrative rules promulgated thereunder.

The parties have stipulated that the MRA may enter this consent order for the purpose of resolving this matter.

The MRA reviewed the stipulation contained in this document and agrees that the public interest is best served by resolution of this matter. Therefore, the MRA finds that the factual allegations and violations set forth in the stipulation are true and that Respondent violated Section 701 of the MMFLA, MCL 333.27701.

Accordingly, for these violations, IT IS ORDERED:

1. Respondent must pay a fine in the amount of Eight Thousand and 00/100 dollars (\$8,000.00). This fine shall be paid within 14 days of the effective date of this order by check or money order made payable to the State of Michigan with enforcement number "20-00183" clearly displayed on the check or money order. Respondent shall mail the fine to Department of Licensing and Regulatory Affairs, Marijuana Regulatory Agency, PO BOX 30205, Lansing, Michigan 48909 or submit the fine in person to Department of Licensing & Regulatory Affairs Marijuana Regulatory Agency 2407 North Grand River Lansing, Michigan 48906.
2. If Respondent fails to timely pay the fine, Respondent's state operating license(s) shall be suspended until payment is received.
3. Unless otherwise specified in this order, Respondent shall direct any communications to the MRA that are required by the terms of this order to [MRA-LegalHearings@michigan.gov](mailto:MRA-LegalHearings@michigan.gov).

This order shall be effective on the date signed by the MRA's executive director or his designee, as set forth below.

MARIJUANA REGULATORY AGENCY

Signed on: 8/9/21

By: Andrew Brisbo  
Andrew Brisbo, Executive Director  
Marijuana Regulatory Agency

Digitally signed by: Andrew Brisbo  
DN: CN = Andrew Brisbo email =  
brisbo@michigan.gov, C = US, O =  
Marijuana Regulatory Agency, OU =  
Executive Director  
Date: 2021.08.09 14:48:35 -0400

## STIPULATION

The parties stipulate to the following:

1. The facts alleged in the pre-complaint consent order 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 MRA to prove the charges set forth in this disciplinary action by presentation of evidence and legal authority, and to present a defense to the charges.
3. Respondent desires to resolve and settle all issues related to this matter, in lieu of disputing the disciplinary action in a contested case hearing.
4. The MRA shall report this resolution as a disciplinary proceeding as required by state or federal law. This consent order shall be subject to disclosure under the Michigan Freedom of Information Act, MCL 15.231, et seq.
5. The parties considered the following in reaching this agreement:
  - a. Respondent engaged professionals to perform the AFS services on September 11, 2020, per the recommendation of the service provider.
  - b. Respondent did not realize how in depth the AFS would be.
  - c. Respondent hired additional temporary staff to assist in obtaining the necessary documentation for the AFS.
  - d. Respondent's facility was properly open and operating prior to licensure and was required to obtain documentation from individuals outside of the regulated industry, which was a significant burden and took increased effort and time.
  - e. Respondent provided documentation that the AFS could have been filed prior to the deadline but may not have been as accurate as the ones ultimately filed. Respondent chose to take the extra time to review the filings prior to submission.
  - f. Respondent was required to file 2 Annual Financial Statements by the deadline.
  - g. Respondent did not file either required Annual Financial Statement by the deadline of October 31, 2020.
  - h. Respondent filed both required Annual Financial Statements on November 14, 2020, 14 days after the due date.
  - i. Respondent was cooperative and wishes to resolve the allegations without the need for and expense of an administrative hearing.
  - j. Respondent and the MRA engaged in negotiations of the proposed penalties listed in the Consent Order.
  - k. Respondent has not had any previous disciplinary action issued against it.
6. The MRA's enforcement division director or her designee must approve this proposed agreement before it is forwarded to the MRA's executive director or his designee for review

MARIJUANA REGULATORY AGENCY  
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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 MRA's enforcement division 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.

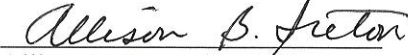
AGREED TO BY:

**Julie Kluytman**  
Digitally signed by: Julie Kluytman  
DN: CN = Julie Kluytman email =  
kluytman@michigan.gov C = US O =  
Marijuana Regulatory Agency  
Date: 2021.08.09 13:28:50 -0400

Julie Kluytman, Director  
Enforcement Division  
Marijuana Regulatory Agency  
Dated: \_\_\_\_\_

AGREED TO BY:

  
Patrick Finney, Authorized Officer  
On behalf of Respondent  
Feleo Manufacturing Strategies, LLC  
Dated: 8/3/21

  
Allison B. Ireton (P70467)  
Attorney for Respondent  
Dated: 8/2/21