

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

In the Matter of

KISA Enterprises MI, LLC. dba Pinnacle Emporium  
ERG No.: 001351  
License No.: PC-000490  
ENF No.: 20-00120

CMP No.: 20-001011

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

CONSENT ORDER

On November 18, 2020, the Marijuana Regulatory Agency (MRA) issued a formal complaint against the medical marijuana provisioning center facility license (PC-000490) of KISA Enterprises MI, LLC. dba Pinnacle Emporium (“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. 111(1), 420.111(4)(a).

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 the allegations contained in the formal complaint are true and that Respondent violated Mich Admin Code, R 420. 111(1).

Accordingly, for these violations, IT IS ORDERED:

1. Respondent must pay a fine in the amount of Four Thousand 00/100 dollars (\$4,000.00). This fine shall be paid within 30 days of the effective date of this order by check or money order made payable to the State of Michigan with enforcement number “20-00120” 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.
2. If Respondent fails to timely pay the fine, Respondent’s license shall be suspended until payment is received.


<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.

3. The paragraph of the formal complaint alleging a violation of Mich Admin Code, R 420.111(4)(a). is DISMISSED.
4. 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).
5. Respondent shall be responsible for all costs and expenses incurred in complying with the terms and conditions of this consent order.
6. 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, R 420.806.
7. Upon timely payment of the fine 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 on the date signed by the MRA's executive director or his designee, as set forth below.

MARIJUANA REGULATORY AGENCY

Signed on: 5/20/2021

By: 
**Andrew  
Brisbo**

Digitally signed by: Andrew Brisbo  
DN: CN = Andrew Brisbo email =  
brisboa@michigan.gov C = US O =  
Marijuana Regulatory Agency OU =  
Executive Director  
Date: 2021.05.20 13:22:00 -04'00'
  
 Andrew Brisbo, Executive Director  
 Marijuana Regulatory Agency

## 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 MRA to prove the charges set forth in the formal 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. Respondent self-reported the noncompliant transfer to its regulation officer.
  - b. Respondent alleged the incident occurred due to a misinterpretation of the rules.
  - c. Respondent reached out to the MRA prior to transferring the product for clarification on the rules however, no response was received by Respondent from the MRA before it took action.
  - d. Respondent provided an updated standard operating procedure (SOP) to prevent similar circumstances from happening in the future.
  - e. Respondent provided signed documentation that the updated SOP was reviewed, discussed, and understood by staff.
  - f. Respondent and the MRA engaged in negotiations of the proposed penalties listed in the Consent Order.
  - g. Respondent has not had any previous disciplinary action issued against it.
  - h. Respondent was cooperative and wishes to resolve the allegations without the need for and expense of an administrative hearing.
4. 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 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:

 Digitally signed by: Julie Kluytman  
DN: CN = Julie Kluytman email =  
Kluytmanj@michigan.gov C = AD  
Date: 2021.05.19 20:09:51 +04:00

Julie Kluytman, Director  
Enforcement Division  
Marijuana Regulatory Agency

Dated: 5/19/2021

AGREED TO BY:

Michael Silver

Michael Silver, Authorized Officer  
On behalf of Respondent  
KISA Enterprises MI, LLC. dba  
Pinnacle Emporium  
Dated: 5/17/21



Craig Aronoff (P57997)  
Attorney for Respondent  
Dated: 5/17/2021

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

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FORMAL COMPLAINT

The Marijuana Regulatory Agency (“Complainant”) files this formal complaint against KISA Enterprises MI, LLC. dba Pinnacle Emporium (“Respondent”) alleging upon information and belief as follows:

1. The Marijuana Regulatory Agency (MRA) is authorized under the Medical Marijuana 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 MRA’s authority to impose sanctions on the license.
3. 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 marijuana facility operations.
4. Respondent’s conduct as described below is a risk to public health and safety and/or the integrity of marijuana facility operations.

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

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FACTUAL ALLEGATIONS AND INTENDED ACTION OF THE MRA

5. Respondent holds an active state operating license under the MMFLA to operate a medical marihuana provisioning center in the state of Michigan.

6. Respondent operated at 100 South Steer Street, Addison, MI, 49220, at all times relevant to this complaint.

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

- a. On August 27, 2020, Respondent transferred marijuana product on statewide monitoring system (METRC) manifest # 000272527 and #000272847 to another one if its provisioning centers (PC-000365).
- b. A provisioning center license authorizes the purchase or transfer of marijuana only from a grower or processor and sale or transfer to only a registered qualifying patient or registered primary caregiver.
- c. Respondent's transfer of marijuana product to another medical marihuana provisioning center is in violation of Mich Admin Code R 420. 111(1), R 420.111(4)(a).

THEREFORE, based on the above, the MRA 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 MRA 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 MRA 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

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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 MRA 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  
Marijuana Regulatory Agency  
P.O. Box 30205  
Lansing, Michigan 48909

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

If Respondent fails to timely respond to this formal complaint, a contested case hearing will be scheduled to resolve this matter. The MRA reserves the right to review the formal complaint and amend it should this matter proceed to a contested case hearing.

Questions about this complaint should be directed to the Marijuana Regulatory Agency at (517) 284-8599 or [MRA-LegalHearings@michigan.gov](mailto:MRA-LegalHearings@michigan.gov).

Dated: November 17, 2020

**MARIJUANA REGULATORY AGENCY**

Claire Patterson

By:

Claire Patterson, Scientific and Legal Section Manager  
Enforcement Division

Digitally signed by: Claire Patterson  
DN: CN = Claire Patterson email =  
PattersonC8@michigan.gov C = US O = MRA OU =  
LARA  
Date: 2020.11.17 07:28:47 -0500

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**PROOF OF SERVICE**

I hereby certify that on \_\_\_\_\_, I mailed a copy of the Formal Complaint dated \_\_\_\_\_ in the above captioned case by certified mail (return receipt requested) to:

Kisa Enterprises MI, LLC dba Pinnacle Emporium  
1221 Bowers St. #161  
Birmingham, MI 48012

\_\_\_\_\_  
Jessica S. Fox  
Departmental Analyst  
Marijuana Regulatory Agency  
Department of Licensing & Regulatory  
Affairs