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

In the Matter of

Revolution Strains, Inc. dba Nirvana Center Traverse City License No.: AU-R-000951 ENF No.: 24-00103

CONSENT ORDER AND STIPULATION

CONSENT ORDER

On February 22, 2024, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the adult-use marijuana retailer establishment license (AU-R-000951) of Revolution Strains, Inc. dba Nirvana Center Traverse City (Respondent) under the Michigan Regulation and Taxation of Marihuana Act (MRTMA), MCL 333.27951 *et seq.*, and the administrative rules promulgated thereunder. The formal complaint alleged Respondent violated Mich Admin Code, R 420.20.

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 all of the allegations contained in the formal complaint are true and that Respondent violated Mich Admin Code, R 420.20.

Accordingly, for these violations, IT IS ORDERED:

 Respondent must pay a fine in the amount of one-thousand eight-hundred and 00/100 dollars (\$1,800.00). This fine shall be paid within 60 days of the effective date of this order by check, money order, or online through Accela Citizen Access (ACA). Instructions on how to make online payments can be found under the Tips for Licensees bulletin section at <u>www.michigan.gov/cra</u>. Check or money orders shall be made payable to the State of Michigan with enforcement number "24-00103" and license number "AU-R-000951" clearly displayed on the check or money order. Respondent shall mail the fine to Department of Licensing and CANNABIS REGULATORY AGENCY 2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909 <u>www.michigan.gov/CRA</u> LARA is an equal opportunity employer/program Regulatory Affairs, Cannabis Regulatory Agency, PO BOX 30205, Lansing, Michigan 48909.

- 2. If Respondent fails to timely comply with the terms of this order, Respondent's license shall be suspended until compliance is demonstrated.
- Unless otherwise specified in this order, Respondent shall direct any communications to the CRA that are required by the terms of this order to <u>CRA-</u> <u>CSS@michigan.gov</u>.
- 4. Respondent shall be responsible for all costs and expenses incurred in complying with the terms and conditions of this consent order.
- If Respondent violates any term or condition set forth in this order, Respondent shall be subject to fines and/or other sanctions under section7(1)(c) of the MRTMA, MCL 333.27957, and Mich Admin Code, 420.808.
- 6. Upon timely compliance of the terms of this order 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 30 days after the date signed by the CRA's executive director or his designee, as set forth below.

CANNABIS REGULATORY AGENCY

Signed on: <u>10/29/2024</u>

Digitally signed by: Brian Hanna Brian Hanna Brian Hanna email = By:

Brian Hanna, Executive Director or his designee Cannabis 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 MRTMA.
- 2. Respondent understands and intends that by signing this stipulation, Respondent is waiving the right under the MRTMA, 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 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 filed its completed Annual Financial Statement (AFS) report on March 04, 2024.
 - b. Respondent was cooperative and wishes to resolve the allegations without the need for and expense of an administrative hearing.
- 4. The CRA's centralized services director or her 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 centralized services director, executive director, or their designees reject the proposed consent order.

CONTINUED ONTO NEXT PAGE

By signing this stipulation, the parties confirm that they have read, understand, and agree with the terms of the consent order.

AGREED TO BY:

Sara Hernandez Hernandez DW: CN = Sara Hernandez DW: CN = Sara Hernandez email = Hernandez St@michigan.gov C = US O = CRA OU = LIRA Date: 2024.10.16 14:28:34-0400

Sara Hernandez, CSD Director or her designee Cannabis Regu**l**atory Agency

Dated: <u>10/16/2024</u>

AGREED TO BY:

a

Sheraz Warraich, Authorized Officer on behalf of Respondent Revolution Strains, Inc.

Dated: 14/10/2024

Jacqueline Langwith

Jacqueline Langwith, P79600 Attorney for Respondent

Dated: 16/10/2024

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

In the Matter of

Revolution Strains, Inc. dba Nirvana Center Traverse City License No.: AU-R-000951 ENF No. 24-00103

FORMAL COMPLAINT

The Cannabis Regulatory Agency ("CRA") files this formal complaint against Revolution Strains, Inc. dba Nirvana Center Traverse City ("Respondent") alleging upon information and belief as follows:

1. The Cannabis Regulatory Agency (CRA) is authorized under the Michigan Regulation and Taxation of Marihuana Act (MRTMA), MCL 333.27951 *et seq*. to investigate alleged violations of the MRTMA 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 MRTMA or administrative rules.

2. Pursuant to Mich Admin Code, R 420.20, Respondent is required to transmit to the CRA a financial statement of the licensee's total operations by 30 days after the due date provided by the CRA.

3. Respondent's annual financial statement for fiscal year 2023 was due on or before December 31, 2023.

4. As of the date of this formal complaint, Respondent has failed to file its complete annual financial statement for FY 2023. On December 31, 2023, Respondent submitted a deficient annual financial statement. On January 2, 2024, the CRA notified Respondent that the annual financial statement was not accepted due to deficiencies.

5. Respondent's failure to timely file the required Annual Financial Statement is a violation of Mich Admin Code, R 420.20.

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.

A licensee 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. See Mich Admin Code, R 420.704(3) and R 420.808(2)(b). A request for a hearing must be submitted to the CRA in writing within 21 days after service of this complaint. Mich Admin Code, R 420.704(2) and R 420.808(3). Notice served by certified mail is considered complete on the business day following the date of the mailing.

Respondent may also be given an opportunity to meet with the CRA to negotiate a settlement or demonstrate compliance with the MRTMA and administrative rules prior to a contested case hearing. Mich Admin Code, R 420.704(1) and R 420.808(2)(a). A request for a compliance conference request must be submitted to the CRA in writing within 21 days after service of this complaint. Mich Admin Code, R 420.808(3).

Hearing and compliance conference requests must be submitted in writing by one of the following methods:

- 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: <u>CRA-LegalHearings@michigan.gov</u>

If Respondent fails to timely respond to this formal complaint, a contested case hearing will be scheduled to resolve this matter. Mich Admin Code, R 420.808(3).

Questions about this complaint should be directed to the Cannabis Regulatory Agency at (517) 284-8599 or <u>CRA-LegalHearings@michigan.gov</u>.

Dated: ____2/22/24

By: _______ Digitally signed by Alyssa A. Grissom _______ Digitally signed by Alyssa A. Grissom _______ Date: 2024.02.22 16:14:10 -05'00'

Alyssa A. Grissom Legal Section Manager Cannabis Regulatory Agency