

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

In the Matter of

Hongrui Enterprises, Inc.
License No(s): GR-C-000565, GR-C-000566,
GR-C-000567 & GR-C-000568

ENF No.: 22-00275

FORMAL COMPLAINT

The Cannabis Regulatory Agency (“Complainant”) files this formal complaint against Hongrui Enterprises, Inc. (“Respondent”) alleging upon information and belief as follows:

1. The Cannabis Regulatory Agency (CRA) is authorized under the Medical Marihuana 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. Respondent, under section 701 of the MMFLA (MCL 333.27701) is required to transmit to the CRA a financial statement(s) of the licensee’s total operations by 30 days after the end of each state fiscal year.

3. Respondent’s annual financial statement(s) for fiscal year 2021 were due on or before January 31, 2022.

4. As of the date of this formal complaint, Respondent has failed to file its annual financial statement(s) for FY 2021.

CANNABIS REGULATORY AGENCY
The MRA became the Cannabis Regulatory Agency (CRA) on April 13, 2022.
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5. Respondent's failure to timely file the required Annual Financial Statement(s) is in violation of Section 701 of the MMFLA, MCL 333.27701.

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 MCL 333.27407(4); 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. MCL 333.27407(4).

Respondent also may be given an opportunity to meet with the CRA to negotiate a settlement or demonstrate compliance with the MMFLA 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 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

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By Email: 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. Mich Admin Code, R 420.808(3).

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

Dated: 4/20/22

CANNABIS REGULATORY AGENCY

By: Alyssa A. Grissom Digitally signed by Alyssa A. Grissom
Date: 2022.04.20 09:14:47 -04'00'

Alyssa A. Grissom
Legal Section Manager
Enforcement Division
Cannabis Regulatory Agency

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PROOF OF SERVICE

I hereby certify that on 4/20/22, I mailed a copy of the
Formal Complaint dated 4/20/22 in the above-captioned case
by certified mail (return receipt requested) to:

Hongrui Enterprises, Inc.
15 Division St.
2 Floor
New York, New York 10002

Abby Rae Brooks

Digitally signed by: Abby Rae Brooks
DN: CN = Abby Rae Brooks email =
BrooksA17@Michigan.gov C = US O = Marijuana
Regulatory Agency OU = Legal Section
Date: 2022.04.20 10:02:48 -0400

Abby Rae Brooks
Departmental Technician
Cannabis Regulatory Agency
Department of Licensing & Regulatory
Affairs

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