

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN**

HELLO FARMS LICENSING MI LLC,

Plaintiff/Counter-Defendant,

Case No.: 4:21-cv-10499

v.

Hon. Matthew F. Leitman

GR VENDING MI, LLC and
CURA MI, LLC,

Magistrate Judge Patricia T. Morris

Defendants/Counter-Plaintiffs.

**DEFENDANTS' RENEWED MOTION FOR JUDGMENT AS A MATTER
OF LAW**

Defendants GR Vending MI, LLC and CURA MI, LLC (collectively, “Defendants”) hereby renew¹ their motion for judgment as a matter of law under Rule 50(b) of the Federal Rules of Civil Procedure.² In support, Defendants have filed an accompanying memorandum of law.

In accordance with E.D. Mich. L.R. 7.1, concurrence in the motion has not been obtained.

¹ While judgment has not yet been entered by the Court, it is Defendants’ understanding that the Court is accepting this motion and accompanying memorandum of law pre-judgment and will consider them to have been filed post-judgment in compliance with Rule 50(b). (*See* ECF No. 267 (setting briefing schedule on motions under Rules 50 and/or 59).)

² Defendants are concurrently moving in the alternative for a new trial under Rule 59. That motion and brief are being filed separately.

WHEREFORE, Defendants respectfully request that the Court enter judgment as a matter of law in their favor on all of Plaintiff Hello Farms Licensing MI LLC's ("Hello Farms") claims.

Respectfully submitted,

HONIGMAN LLP
Attorneys for Defendants

Date: March 17, 2025

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**DEFENDANTS' MEMORANDUM IN SUPPORT OF RENEWED MOTION
FOR JUDGMENT AS A MATTER OF LAW**

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CONCISE STATEMENT OF ISSUES PRESENTED

1) Whether this Court should grant Defendants judgment as a matter of law because the Court cannot enforce illegal contracts, including the parties' contract in this case?

2) Whether this Court should grant Defendants judgment as a matter of law because Hello Farms materially breached the parties' contract first?

3) Whether this Court should grant Defendants judgment as a matter of law on Hello Farms' claims for damages relating to the 2021 harvest?

4) Whether this Court should grant Defendants judgment as a matter of law and limit Hello Farms' damages to the amount of the deposit Defendants paid to Hello Farms?

To all, Defendants answer: Yes

To all, Hello Farms answer: No

CONTROLLING OR MOST APPROPRIATE AUTHORITY

21 U.S.C. §§ 802, 812, 841, 844

1240 S. Bannock, LLC v. Siem, 21-cv-00183, 2022 WL 2161386 (W.D. Mich., May 27, 2022)

Atlas Noble, LLC v. Krizman Enterprises, 692 F. App'x 256, 264 (6th Cir. 2017)

CCH Acquisitions, LLC v. J&J&D Holdings, LLC, 2025 WL 601249 (S.D. Ohio Feb. 25, 2025)

Dudley v. Bell, 213 N.W.2d 805, 807 (Mich. Ct. App. 1973)

Gonzalez v. Raich, 545 U.S. 1, 33 (2005)

In re ASPC Corp., 601 B.R. 766, 795 (Bankr. S.D. Ohio 2019)

Jackson Purchase Rural Elec. Co-op. Ass'n v. Loc. Union 816, Int'l Bhd. of Elec. Workers, 646 F.2d 264, 267 (6th Cir. 1981)

Lingham v. Eggleston, 27 Mich. 324, 329 (1873)

Malone v. Levine, 215 N.W. 356, 357 (Mich. 1927)

Martin v. Transamerica Occidental Life Ins. Co., 2002 WL 1041337, at *4 (E.D. Mich. May 13, 2002)

Morrison v. Marsh & McLennan Companies, Inc., 439 F.3d 295, 300 (6th Cir. 2006)

United States v. Trevino, 7 F.4th 414 (6th Cir. 2021)

Worley v. McCarty, 93 N.W. 2d 269, 272 (Mich. 1958)

INTRODUCTION

The Court should grant Defendants judgment as a matter of law for several independent reasons. First, the contract is unenforceable because it calls for illegal conduct and is against public policy, even applying the framework in *Jackson Purchase*. Second, Hello Farms breached the contract first by failing to comply with Michigan's strict laws and regulations for the operation of a marijuana business. Third, even if the liability verdict itself is supportable (and it is not), Hello Farms cannot recover damages for the 2021 harvest; alternatively, Hello Farms should only recover the lowest price under the parties' contract. Lastly, Hello Farms' damages should be limited to the deposit amount.

LEGAL STANDARD

Under Fed. R. Civ. P. 50(a), if “the court finds that a reasonable jury would not have a legally sufficient evidentiary basis to find for the party on that issue” the court may resolve the issue against the party and grant a motion for judgment as a matter of law. If the court denies the motion, a party may renew it after trial and may include an alternative request for a new trial under Rule 59. Fed. R. Civ. P. 50(b).

A state-law standard of review applies in this diversity action. *Ventas, Inc. v. HCP, Inc.*, 647 F.3d 291, 313 (6th Cir. 2011). Under Michigan law, a trial court should grant a motion for judgment notwithstanding the verdict where there was

“insufficient evidence presented to create an issue for the jury.” *Attard v. Citizens Ins. Co. of Am.*, 602 N.W.2d 633, 639 (Mich. Ct. App. 1999). A trial court should also grant a party’s motion for judgment notwithstanding the verdict “if the jury was permitted to speculate concerning the amount of . . . damages.” *Id.*

ARGUMENT

I. THIS COURT CANNOT ENFORCE AN ILLEGAL CONTRACT

It is undisputed that cannabis is federally illegal. The Controlled Substances Act (“CSA”) designates it as a Schedule I controlled substance, 21 U.S.C. §§ 802, 812, 841, 844, and criminalizes the manufacture, distribution, and possession of marijuana for any reason, including for purposes permitted by state law. *See Gonzalez v. Raich*, 545 U.S. 1, 33 (2005).

It also is undisputed that, if the parties had fully performed the contract, they would have violated the CSA—specifically, by manufacturing and distributing cannabis. (Ex. 1 (providing for the harvest and sale of cannabis biomass)). Accordingly, Hello Farms asks this court to enforce an agreement that would require the parties to perform federally illegal acts, and to award Hello Farms the proceeds from those illegal acts.

The court’s opinion in *1240 S. Bannock, LLC v. Siem* is directly on point.³

³ *Bannock* is consistent with decisions from courts across the nation that have refused to enforce contracts that violate the CSA. *See, e.g., Jenkins v. Starr*, 2022 WL 11318614 (D. Minn. Sept. 15, 2022), *adopted*, 2022 WL 11226817 (D. Minn.

2022 WL 2161386 (W.D. Mich., May 27, 2022). There, the court declined to enforce a marijuana contract on the basis of its illegality under federal law, explaining that courts “cannot award damages” for breach of a contract that sought to “require[] [the parties] to knowingly participate in activities that would constitute violations of federal law.” *Id.* at *6. *Bannock* involved a contract for the sale of a property that was to be used “to operate a retail marijuana establishment.” *Id.* at *5. The illegality argument has even greater force here, where the contract involves the direct purchase and sale of marijuana *itself*.⁴

It is well-established that a federal court cannot enforce an illegal contract. *See Kaiser Steel Corp. v. Mullins*, 455 U.S. 72, 77 (1982) (“[I]llegal promises will not be enforced in cases controlled by the federal law.”) (citing *McMullen v. Hoffman*, 174 U.S. 629, 654 (1899)); *Anderson v. Int’l Union.*, 370 F.3d 542, 554 (6th Cir. 2004). While acknowledging that the contract between Defendants and

Oct. 19, 2022); *United States v. Gentile*, 2016 WL 3549252 (E.D. Cal. June 30, 2016); *United States v. Gregg*, 2015 WL 1757832 (E.D. Wash. Apr. 17, 2015); *Cocroft v. Graham*, No. 3:23CV431-MPM-RP, 2024 WL 227690 (N.D. Miss. Jan. 22, 2024).

⁴ The court in *CCH Acquisitions, LLC v. J&J&D Holdings, LLC*, 2025 WL 601249 (S.D. Ohio Feb. 25, 2025) recently dismissed a complaint seeking damages relating to a purchase agreement for the sale of a marijuana business. The court noted that “[w]hen parties make illegal contracts, ‘the law will leave [them] as it finds them.’” *Id.* at *7 (quoting *McMullen v. Hoffman*, 174 U.S. 629, 654 (1899)). And further noted that “[t]he parties agreed to a contract that violates the CSA—a gamble that appears not to have played out in Plaintiffs’ favor....” *Id.*

Hello Farms was illegal because it calls for the parties to violate federal law, *see, e.g.*, ECF No. 147, PageID.8323 (“[T]here’s no doubt that the contract calls for conduct that is unlawful under the Controlled Substances Act.”), this Court denied summary judgment to Defendants on their illegality defense. The Court framed the illegality question as “really in the nature of ... [a] public policy defense.” (*Id.* at PageID.8324; *see id.* at PageID.8329 (citing *Jackson Purchase Rural Elec. Co-op. Ass’n v. Loc. Union 816.*, 646 F.2d 264, 267 (6th Cir. 1981).) The Court concluded that the recent scaling back in federal enforcement of the CSA’s prohibitions on marijuana, as evidenced by the Rohrbacher Farr amendments and other executive-branch activity, has purportedly worked a change in federal public policy that supported enforcing the contract here. (*Id.* at PageID.8326.) Defendants respectfully submit that the Court erred in this analysis for the following reasons.

A. A Federally Illegal Contract Violates Public Policy.

Per the Sixth Circuit, “[a]s a matter of public policy, this Court is generally precluded from enforcing illegal contracts.” *Morrison v. Marsh & McLennan*, 439 F.3d 295, 300 (6th Cir. 2006). And “‘one who has ... participated in an illegal act cannot be permitted to assert in a court of justice any right founded upon or growing out of the illegal transaction.’” *Id.* (quoting *Jackson Purchase*, 646 F.2d at 267). If a contract calls for the direct performance of an illegal act—as the contract here does—the analysis ends. As a matter of federal public policy, such a contract may

not be enforced.

Federal appropriations bills and discretionary non-enforcement at the federal level of certain cannabis offenses have not made the manufacture and distribution of cannabis legal, so they are irrelevant to the public-policy analysis. *See CCH Acquisitions, LLC*, 2025 WL 601249, at *4 (rejecting argument that legal landscape of marijuana has changed such that the court can uphold an agreement for the sale of a marijuana business). As a California district court explained in a March 12, 2025 order granting the State of California’s motion to dismiss on illegality grounds in an employment lawsuit brought by a state-licensed marijuana retailer, the executive branch’s non-enforcement of certain cannabis-related offenses does not change federal law:

The Court’s conclusion regarding Plaintiff’s pervasive violations of federal law and resulting unclean hands is unaffected by the fact that [b]oth the legislative and executive branches of the federal government ... appear disquieted by the CSA’s marijuana-based prohibitions. Indeed, if the executive branch is truly “disquieted,” then it has the ability to reschedule marijuana; if the legislature is “disquieted,” then it can change the law. Until either of those co-equal branches of government exercises its constitutional authority to amend Title 21 of the United States Code, this Court has no discretion to ignore “the CSA’s marijuana-based prohibitions” (i.e., the laws), regardless of the current popularity of those laws.

Ctrl Alt Destroy v. Elliott, 2025 WL 790963, at *6 (S.D. Cal. Mar. 12, 2025) (internal

citations omitted).⁵ Manufacturing and distributing cannabis remain illegal, and against federal public policy, even in the current landscape. Contracts to manufacture and distribute marijuana are unenforceable, period.

B. The Court Misapplied *Jackson Purchase*.

Even if resort to the multi-factor test articulated in *Jackson Purchase* were appropriate in the case of a contract where the central aim of which is to violate federal law—which it is not—this Court erred by reading *Jackson Purchase* to permit consideration of *state* public policy in the federal illegality analysis.

The question in this case, even under *Jackson Purchase*, is whether the statute is unenforceable on the basis of its illegality under *federal law*. As the Sixth Circuit has explained, “[b]y the terms of the [CSA], marijuana is ‘contraband for *any* purpose,’ and, ‘if there is any conflict between federal and state law’ with regard to marijuana legislation, ‘federal law shall prevail’ pursuant to the Supremacy Clause.” *United States v. Walsh*, 654 F. App’x 689, 695 (6th Cir. 2016) (quoting *Raich*, 545 U.S. at 27, 29). In other words, cannabis remains illegal under federal law even if it has nominally been ‘legalized’ at the state level.

In deciding the federal illegality question in this case, however, this Court

⁵ The court also noted that—like here—there are other federal statutes that are implicated by Hello Farms’ conduct. *Id.* at *5 n. 6 (citing, *e.g.*, 21 U.S.C. § 848, 21 U.S.C. § 843(b), 18 U.S.C. § 1957).

relied on *Michigan*'s public policy favoring marijuana. (*See, e.g.*, ECF No. 147, PageID.8330-31 (“I think there is an interest in enforcement of the agreement ... derived from state law ... [and] I think the State of Michigan’s interest is relevant and tells us that there is a public benefit from enforcing the contract.”).) But, the CSA makes it unlawful to “manufacture, distribute, or dispense ... a controlled substance.” 21 U.S.C. § 841(a)(1). *That* law—not Michigan law—provides the relevant public policy upon which to base the illegality analysis. Framed correctly, the following *Jackson Purchase* factors mandate non-enforceability.

The justified expectations of the parties. Federal law prohibits manufacturing and distributing marijuana. This Court recognized that “the core of this contract lies at the core of the Controlled Substances Act.” (ECF No 147, PageID.8323.) The Court reasoned that the parties “had justified expectations that the contract here would be enforced ... in light of the Michigan law regarding medical marijuana, the fact that the contract specifies Michigan law will govern, and in light of ... changes in federal policy,” *i.e.*, the appropriations riders, *id.* at PageID.8330; *see id.* at PageID.8325-27 (discussing Congress’s policy toward marijuana). But the appropriations rider applies only to *medical* marijuana. Thus, the parties could not have justified expectations that the contract would be federally enforceable to the extent it covered recreational marijuana. (*See* Section I.C.1, *infra.*) It is irrelevant that Michigan permits the manufacture and sale of marijuana,

as the parties plainly knew the transaction was federally illegal. Thus, Hello Farms was not justified in expecting a federal court to enforce the contract.

Nor could the parties have justifiably expected even a Michigan court to enforce the contract. Michigan courts have recognized that “state courts must give effect to Federal statutes.” *Dudley v. Bell*, 213 N.W.2d 805, 807 (Mich. Ct. App. 1973) (citing *Testa v. Katt*, 330 U.S. 386, 390-91 (1947)). And Michigan courts have a robust doctrine of illegality, under which “[c]ontracts founded on acts prohibited by a statute”—like the contract here—“are void.” *Michelson v. Voison*, 658 N.W.2d 188, 190 (Mich. Ct. App. 2003); *see also, e.g., Mino v. Clio Sch. Dist.*, 661 N.W.2d 586, 594 (Mich. Ct. App. 2003) (“Because the statute precludes entering into an agreement providing exactly what the [contract] states in this case, we hold that the clause is void and unenforceable as a matter of law.”).

Special public interest in enforcement of the agreement. Federal law plainly forbids enforcement. Nevertheless, this Court explained, while it was “not saying that the state law is in any way supreme to the federal law,” it believed “the State of Michigan’s interest is relevant and tells us that there is a public benefit from enforcing the contract.” (ECF No. 147, PageID.8331.) But, states cannot have public policy that contradicts federal public policy because federal public policy *is* state public policy. *See Testa*, 330 U.S. at 392 (“When Congress, in the exertion of the power confided to it by the Constitution, adopted that act, it spoke for all the

people and all the states, and thereby established a policy for all. That policy is as much the policy of [Michigan] as if the act had emanated from its own legislature, and should be respected accordingly in the courts of the state.”). Accordingly, Michigan has recognized that it cannot supersede or alter federal law and has, thus, interpreted the immunities for qualified medical marijuana users granted by Michigan law as exempting users from state *but not federal* prosecutions. *See Ter Beek v. City of Wyoming*, 823 N.W.2d 864, 872-74 (Mich. Ct. App.2012), *aff’d*, 846 N.W.2d 531 (Mich. 2014). In short, there is no public interest in enforcing this agreement, and every interest against it.

The strength of the public policy against enforcement. The CSA makes the manufacture or distribution of “1,000 or more marihuana plants” a felony punishable by “not less than 10 years or more than life” and a fine not to exceed “\$10,000,000 if the defendant is an individual or \$50,000,000 if the defendant is other than an individual.” 21 U.S.C. § 841(b)(1)(A), (b)(1)(A)(vii). The sale here involved several thousand marijuana plants—“a serious crime” such that “unenforceability is plain.” Restatement (Second) of Contracts § 178 cmt. b. There is also no dispute that the federal government continues to prosecute marijuana offenses despite the appropriations rider, including during the relevant period in this case. *See, e.g., United States v. Sirois*, 119 F.4th 143, 148-49 (1st Cir. 2024) (concerning an indictment “for conspiracy to distribute and possess with intent to distribute

marijuana in violation of § 841(a)(1) of the CSA” returned on November 9, 2021). In those circumstances, federal policy strongly contravenes enforcing a contract that can subject both buyer and seller to severe criminal penalties.

How would refusal to enforce the agreement impact public policy? This Court concluded that “refusing to enforce this contract would not go a long way toward furthering [federal] policy” as “[t]here was and is a huge amount of medical marijuana transactions in Michigan, [such that] the policy was already being substantially undermined.” (ECF No. 147, PageID.8332.) This reasoning relies on the mistaken premise that this is a contract solely for medical marijuana. Regardless, the fact that many transactions for the sale of medical marijuana have occurred in Michigan does not indicate that enforcement would not further federal policy. Just the opposite: to the extent that those transactions violate federal law (they do), the federal interest in setting the record straight by declining to enforce this contract is *enhanced* by the volume of illegal transactions occurring. The entire purpose of the illegality defense is to conform private action to public policy by denying enforcement: “[t]o deny [a plaintiff] recovery, though an equally guilty defendant thereby escapes punishment, tends to diminish the number of illegal agreements” going forward, furthering public policy. Restatement (First) of Contracts § 598 cmt. b (1932).

The nature of the alleged misconduct. Finally, the Court erred in its view

that, “to the extent there was any misconduct, ... it wasn’t serious,” both because “it’s lawful under Michigan law” and because “it’s been carved out from federal prosecution for years.” (ECF No. 147, PageID.8332.) But the contract here was not “carved out from federal prosecution” because it involved the sale of recreational, not just medical, marijuana. More fundamentally, the Court’s reasoning improperly elevates state over federal policy. As discussed above, this misconduct is severe as a matter of federal law, even if Michigan disagrees. *See, e.g., United States v. Woods*, 793 F. App’x 94, 98 (3d Cir. 2020) (describing the crime of trafficking “thousands of pounds of marijuana” as “most serious”). For all of these reasons, even applying the factors set out in *Jackson Purchase*, this Court may not enforce the contract in this case.

C. Hello Farms Cannot Benefit From Any Public Policy Shift.

In any event, Hello Farms can no longer claim safe harbor under a public policy shift, given (1) a substantial portion of its 2021 harvest was grown under an “Adult-use License”; and (2) Hello Farms violated Michigan regulations.

1. Hello Farms’ Harvest Was Used for and Intended to Be Used for Recreational Marijuana Activity.

Hello Farms’ Brian Farah admitted that Hello Farms was originally a medical-only farm but later obtained adult-use (*i.e.*, recreational) licenses for its 2021 harvest. (ECF No. 247, PageID.13439.) Hello Farms then began selling directly into the adult use market. (*Id.* at PageID.13440.) That some or all of the cannabis harvested

by Hello Farms would be used in the adult-use industry was specifically contemplated by the parties' agreement, which contained recreational cannabis testing requirements. (Ex. 1 ("This deposit amount ("Deposit") is subject to refund if Hello Farms does not sell all of its Biomass upon harvest in full, passing local and state recreational cannabis testing requirements[.]").)

Hello Farms, thus, falls outside any purported safe harbors under the Appropriations Act, which only restricts prosecution of medical marijuana offenses. Had Congress intended to restrain prosecution of all marijuana-related offenses, it could have done so but did not. *See, e.g., Peridot Tree WA Inc. v. Washington State Liquor & Cannabis Control Bd.*, 2024 WL 69733, at *8 (W.D. Wash. Jan. 5, 2024). Because any federal public policy shift has not likewise occurred with recreational use, enforcing the parties' agreement remains contrary to federal public policy.⁶

⁶ At *most*, the contract could be only partially enforceable as to marijuana grown and sold pursuant to Hello Farms' medical licenses. As discussed above, the parties' contract expressly contemplated recreational marijuana, and Michigan law permitted reclassification of marijuana from medical to adult-use after the fact, placing the contract as a whole outside the protections of the Appropriations Act. But even if Hello Farms had argued that it acted in compliance with federal law, it would require eliminating a large swath of the damages awarded by the jury—that is, damages for any marijuana manufactured and produced for adult use. Hello Farms failed to introduce any evidence at trial that would allow apportionment between Hello Farms' medical and recreational licenses, so the damages should be reduced to \$0, or at a minimum, a new trial ordered for Hello Farms to make that showing.

2. Hello Farms Has Not Complied with Michigan's Laws.

The evidence at trial also conclusively established that Hello Farms failed to operate its marijuana business in compliance with Michigan's marijuana rules and regulations. But for Hello Farms to benefit from any safe harbor protections under the Appropriations Act, Hello Farms must show that it was strictly compliant with Michigan's rules and regulations.

The Sixth Circuit's analysis in *United States v. Trevino*, 7 F.4th 414 (6th Cir. 2021), is instructive. In *Trevino*, a defendant argued that his prosecution of his marijuana-related charge violated Section 538 of the Appropriations Act. *Id.* The Sixth Circuit found that the defendant could not benefit from the Appropriations Act's provision restricting prosecution of certain offenses because the defendant failed to operate in accordance with state laws and regulations governing marijuana use. *See id.* at 422-23 (citing *United States v. McIntosh*, 833 F.3d 1163, 1179 (9th Cir. 2016) (remanding for evidentiary hearing on issue of "whether their conduct was completely authorized by state law, by which we mean that they ***strictly complied with*** all relevant conditions imposed by state law on the use, distribution, possession, and cultivation of medical marijuana") (emphasis added)). Thus, even if the Appropriations Act reflects a federal public policy to *legalize* marijuana-related activities in states that have legalized them, to benefit from such restriction on prosecution, the party must prove that it was in strict compliance with the state

regulatory scheme that legalized marijuana use.

The undisputed evidence at trial was that:

- Mr. Farah admitted that the cannabis industry is “absolutely” highly regulated by the State of Michigan (ECF No. 247, PageID.13401, 1/24/25 Trial Tr.; *id.* at PageID.13426.) He agreed that cannabis operators must follow Michigan’s rules and regulations. (*Id.* PageID.13426.)
- Mr. Farah considered himself a “general manager” and “business leader” of Hello Farms. (*Id.* at PageID.13423, 13430-31). Corporate decisions were a collective decision between the partners of Hello Farms and Mr. Farah. (*Id.*).
- Mr. Farah helped manage the affairs of Hello Farms’ farm during its operations. (*Id.*) He directed other individuals’ actions at the farm. (*Id.* at PageID.13424).
- Mr. Farah negotiated key agreements for Hello Farms in 2020 and worked with Hello Farms’ attorneys. (*Id.* at PageID.13424, 13428).
- Mr. Farah negotiated the agreement with Defendants—not any of the other partners in Hello Farms. (*Id.* at PageID.13432).
- Mr. Farah’s “managerial role” was never disclosed to the State of Michigan in 2020. (*Id.* at PageID.13433).
- Mr. Farah was not listed as a supplemental applicant on Hello Farms’ licenses in 2020 (*Id.* at PageID.13427.) The only supplemental applicants disclosed to the State of Michigan in 2020 were Nahidah and Carl Meiou and Joel and Kathleen Santoro. (*Id.* at PageID.13425).
- Hello Farms was cited by the State of Michigan for failing to file its financial report on time for 2020 and had to pay a \$4,000 fine. (*Id.* at PageID.13435). Hello Farms was also fined for changing the ownership structure of Hello Farms without prior approval from the State in 2021. (*Id.*).

Hello Farms was required to disclose Mr. Farah’s role in Hello Farms to the State of Michigan and did not. As an initial matter, the jury found that Defendants proved that “Brian Farah was authorized by Hello Farms to access Hello Farms’

business during the negotiation, execution, or time for performance of the parties' contracts." (ECF No. 258, PageID.13857.) Thus, Defendants conclusively established that Mr. Farah was an "employee" for purpose of Michigan's regulations concerning disclosures of employee data. *See* Annual Administrative Code Supplement ("AACS") (2020), Rule 420.602 (defining employee as including "any other person given any type of employee credentials or authorized access to the marihuana business").

Because Mr. Farah was an "employee" under Rule 420.602, Hello Farms was required to disclose his role and information to the State of Michigan. For example, under Rule 420.602(2)(b), Hello Farms was required to "[e]nter in the statewide monitoring system an employee's information and level of statewide monitoring system access within 7 business days of hiring[.]" That never happened. The undisputed evidence at trial was that Hello Farms never disclosed Mr. Farah's role to the State of Michigan.

On top of that, the overwhelming evidence established that Mr. Farah was a "managerial employee" under the Michigan cannabis regulations. AACS, Rule 420.1(o) (defining "managerial employee" as those employees "who have the ability to control and direct the affairs of the marijuana business or have the ability to make policy concerning the marihuana business"). Under Rule 420.1(c), an "applicant" includes a "managerial employee"; thus, Mr. Farah was required to complete an

application (as a suppliant applicant) on behalf of Hello Farms and provide the State of Michigan with detailed information. *See* AACS, Rule 420.4 (discussing financial disclosure requirements); Rule 420.5 (discussing additional disclosure requirements); *see also* Ex. 2, 2020 MRA Application Instruction Booklet (providing guidelines for suppliant applicants). It is undisputed that Mr. Farah was not listed as a supplemental applicant and did not provide any details about his work with Hello Farms to the State of Michigan.

Hello Farms also admitted that it was penalized and cited twice by the State of Michigan for violating the State's rules and regulations. These violations further establish that Hello Farms repeatedly failed to comply with Michigan's rules and regulations.

II. HELLO FARMS MATERIALLY BREACHED THE AGREEMENTS BY FAILING TO COMPLY WITH MICHIGAN LAWS

Hello Farms materially breached the parties' Agreement by failing to comply with Michigan's laws and regulations. Under Section 13 of the Terms and Conditions of the Agreement, Hello Farms represented and warranted that (a) "it is a legal entity duly organized and in good standing under the laws of the state (or other governmental entity) of its organization"; (b) "neither these Terms nor Seller's performance hereof shall be a violation of applicable law"; and, (c) Hello Farms "shall comply with all applicable laws and local government regulations regarding labor, child labor, minimum wage, living conditions, overtime, working conditions,

and the environment”. (Ex. 1.) Those representations and warranties turned out to be false. (*See* Section I.C.2, *supra*.)

Many courts have found similar types of breaches of similar provisions to be material—especially in highly-regulated industries. *See In re ASPC Corp.*, 601 B.R. 766, 795 (Bankr. S.D. Ohio 2019) (“Indeed, numerous other courts applying the same or substantially similar ‘obey all laws’ provision have held that a failure to comply with federal or local law is a material breach warranting termination of the contract.”) (cleaned up) (citing cases).

III. HELLO FARMS CANNOT RECOVER DAMAGES FOR THE 2021 HARVEST AS A MATTER OF LAW

At trial, Hello Farms failed to present any evidence—let alone sufficient evidence—to establish a coherent basis for damages for Hello Farms’s 2021 harvest. The undisputed evidence showed that the parties’ agreement was not a “fixed price” contract. In order to establish a price for each “Lot” of Hello Farms’ harvest, Hello Farms had to establish certain basic requirements, including: (1) that the harvest passed Michigan regulatory requirements for the absence of pesticides and heavy metals; and (2) the THC potency of the harvest. (Ex. 1; *see also* ECF No. 252 at PageID.13724.) Because Hello Farms failed to establish that its 2021 harvest could meet these requirements, Hello Farms cannot recover damages for the 2021 harvest; or, alternatively, Hello Farms’s damages award should be revised to reflect the lowest price under the contract.

A. It is Undisputed that Hello Farms Failed to Test the 2021 Harvest and It Contained Pesticides And Heavy Metals.

It is undisputed that Hello Farms chose not to test the 2021 harvest. (ECF No. 252, PageID.13731.) Even without testing, it was conclusively established at trial that Hello Farms’s 2021 harvest contained pesticides. Joseph Bayern, former employee of Choice Labs—the company that bought Hello Farms’s 2021 harvest—testified that Hello Farms’s 2021 harvest contained pesticides. (ECF No. 234, PageID.12357.) As a result of that contamination, “there was a lot of work that had to be done to remediate pesticides.” (*Id.*) Consequently, “it took a very long time to clean the product and then eventually use the product in the normal course of business.” (*Id.*) Moreover, Choice was “not able to use [the Hello Farms harvest] as inhalable oil.” (*Id.*) Hello Farms did not dispute Mr. Bayern’s testimony.

On the contrary, Mr. Farah of Hello Farms conceded that, if the 2021 Harvest had been tested, some portion of that harvest could have failed for pesticides or heavy metals. (ECF No. 252, PageID.13726 (“It could fail for heavy metals or pesticides.”).) He further conceded that the Hello Farms farm is located near cornfields that may contain pesticides. (*Id.* at PageID.13730.) He explained that pesticides sometimes are carried by wind to other fields—a process called “drift,” and thus “potentially” it makes sense to test for pesticides. (*Id.* at PageID.13730-31.)

As a result of the pesticide contamination, Hello Farms’ 2021 harvest would

have failed the testing standards under the parties' Agreement, precluding Hello Farms from recovering any amounts under the parties' Agreement. (Ex. 1; *see also* Farah Testimony, ECF No. 252, PageID.13724 (acknowledging that harvest batches that failed for pesticides would not be saleable); Darin Testimony, ECF No. 240, PageID.12921 (harvest that failed for pesticides would not be sold under parties' agreement).) Mr. Katz, Hello Farms's damages expert, "[a]bsolutely" agreed with that conclusion—agreeing that if a portion of Hello Farms' harvest failed for pesticides, Hello Farms would not be able to recover anything for that portion. (ECF No. 260, PageID.13910.)

Long-standing Michigan law dictates that when an agreement calls for a product to be tested before it is sold, that testing requirement must be satisfied prior to recovery:

But the authorities are too numerous and too uniform to justify citation, which hold that where any thing is to be done by the vendor, or by the mutual concurrence of both parties, for the purpose of ascertaining the price of the goods, as by weighing, testing or measuring them, where the price is to depend upon the quantity or quality of the goods; the performance of those things is to be deemed presumptively a condition precedent to the transfer of the property.

Lingham v. Eggleston, 27 Mich. 324, 329 (1873); *Martin v. Transamerica Occidental Life Ins. Co.*, 2002 WL 1041337, at *4 (E.D. Mich. May 13, 2002) (applying Michigan law, failure to comply with stated condition defeats plaintiff's claim).

Moreover, Michigan law holds that a buyer need not purchase goods that do not meet the specifications agreed by the parties. *Attwood Brass Works v. Aero-Motive Mfg. Co.*, 105 N.W.2d 49, 50 (Mich. 1960) (“plaintiff never produced parts complying with their specifications; and that, therefore, plaintiff was not entitled to be paid the contract price.”) Here, having failed to prove that it produced goods (the 2021 harvest) that complied with the specifications set forth in the parties’ Agreement, Hello Farms cannot recover damages for that harvest.⁷

B. Alternatively, Because The 2021 Harvest Was Contaminated with Pesticides, The Parties’ Agreement Should Be Rescinded.

Because Hello Farms’s 2021 harvest was contaminated with pesticides, it would not have passed the required tests under the Agreements. (Ex. 1 (requiring the Biomass to pass “State of Michigan lab testing requirements . . . for heavy metals, additives, and pesticides”).) Thus, the contract for the sale of the 2021 harvest should be equitably rescinded.

⁷ Mr. Katz calculated that Hello Farms would have received “just shy of \$32 million in revenue from the sale of the 2021 harvest.” (ECF No. 260, PageID.13877.) In reaching that number, he assumed the 2021 harvest amount was 37,400 pounds (*id.* at PageID.13876) and assumed that the “price that would have been available” (the maximum price) was \$850 per pound (*id.* at PageID.13877). That calculation totals \$31,790,000. Mr. Katz further found that Hello Farms received approximately \$2.2 million in damages for the 2021 harvest. (*Id.* at PageID.13923.) Accordingly, Hello Farms sought damages for the 2021 harvest of \$29,590,000.

As Hello Farms previously admitted (ECF No. 248, PageID.13488), Michigan has long looked to the Restatement (Second) of Contracts for guidance. Under Section 244, “[a] party’s duty to pay damages for total breach by non-performance is discharged if it appears after the breach that there would have been a total failure by the injured party to perform his return promise.” Restatement (Second) of Contracts § 244 (1981); *see also Atlas Noble, LLC v. Krizman Enterprises*, 692 F. App’x 256, 264 (6th Cir. 2017) (applying Ohio law) (if a repudiating party can show that the other party would not have performed in any event, “the parties will be in mutual breach of the contract and the [agreement] must be equitably rescinded”).

Here, it is undisputed that Hello Farms could not perform under the Agreement in 2021, as its harvest was contaminated with pesticides. As a result, in the alternative, the Court should find that the parties’ agreement for the 2021 harvest should be equitably rescinded.

C. Alternatively, Hello Farms’ Recovery Must Be Limited to The Minimum Contract Price of \$17 Per Pound.

The parties’ agreement requires Hello Farms to test its harvest to demonstrate the potency of THC contained in the harvest, which determines the price for each “Batch” of the harvest. (Ex. 1; *see also* Farah Testimony, ECF No. 252, PageID.13710-11 (parties’ agreement contained a “scale” of prices based on THC content); Katz Testimony, ECF No. 260, PageID.13895-96.) Under the sliding scale in the agreement, if the harvest fell below a certain THC potency, then the amount

Defendants owed would be reduced. (Katz Testimony, ECF 260, PageID.13897-98.) For the 2021 harvest, the pricing tiers ranged from a maximum of \$850 per pound for product with THC above 12 percent, to \$17 per pound for product with THC content at 7% or below. (*Id.*; *see also* Ex. 1.) There is no basis to award damages at the maximum contract price to Hello Farms, and therefore Hello Farms' damages, if any, should be limited to the minimum contract price of \$17 per pound.

Under Michigan law, when the price for goods must be determined through testing, a plaintiff is not entitled to recover unless that testing is completed. *Lingham*, 27 Mich. at 329; *Martin*, 2002 WL 1041337, at *4. As discussed above, Hello Farms chose not to test even a single "Batch" of the 2021 Harvest. As a result, there was no evidence at trial that supported a finding that Hello Farms was entitled to the maximum price for the 2021 harvest of \$850 per pound, which would only be recoverable if Hello Farms showed that each Lot of that harvest tested above 12 percent THC potency.

Rather, at trial, Hello Farms attempted to offer evidence that the ultimate sale of the *oil* from the 2021 harvest created an inference that the harvest itself would have tested at 12% THC or above. (*See* ECF No. 241, PageID.13191-93.) The Court sustained Defendants' objection to that line of inquiry, holding that "I will not permit a line of questioning aimed at eliciting that the price paid to Hello Farms for the 2021 harvest is an indicator that it had a THC potency of 12 percent of any other

particular potency.” (*Id.* at PageID.13193.) The Court held that Mr. Farah was also precluded from testifying that the limited “R&D tests” performed on the 2021 harvest allowed Hello Farms to assume that each Lot of the harvest would have had a THC content of more than 12 percent. (*Id.* at PageID.13193.) Hello Farms offered ***no other evidence relating to the THC content for the 2021 harvest.***

Accordingly, Hello Farms did not establish a basis to recover anything more than the ***minimum*** contract price for the 2021 harvest—\$17 per pound. At \$17 per pound, Hello Farms’s damages for the 2021 harvest would be limited to \$635,800 (\$17 multiplied by 37,400 pounds), rather than the \$29,590,000 Hello Farms sought and was awarded at trial. Consequently, the judgment in this matter should be reduced by \$28,954,200.

IV. HELLO FARMS’ DAMAGES SHOULD BE LIMITED AS A MATTER OF LAW TO THE DEPOSIT AMOUNT

The Court should find that the parties intended the Deposit provision in the agreement to serve as a “break fee” or liquidated damages clause meant to compensate Hello Farms in the event of termination of the agreement. At trial, the following evidence was presented:

- On September 2, 2020, Whitney Conroy sent an internal email relaying the terms of the deals being negotiated between the parties, including a payment by Defendants of a “20% deposition . . . refundable if all biomass does not meet standards; forfeited ***if Curaleaf backs out of deal***”. (Ex. 3, Pl. Tr. Ex. 11).
- Robert Sciarrone testified that the deposit was meant to be a “break fee” or an

“amount of money which is forfeited, ultimately, if the parties go separate ways”. He further testified that this language was ultimately incorporated into the parties’ agreements. (ECF No. 239, PageID.12763.)

- Matt Darin—the individual who signed the Agreement on behalf of Defendants—also characterized the deposit provision as a “break fee.” (ECF No. 240, PageID.12901.)
- Hello Farms’s Brian Farah testified that Hello Farms received and never returned the deposit. (ECF No. 252, PageID.13671).

Defendants’ understanding of the Deposit provision is consistent with the plain language of the parties’ Agreement. The “Deposit” provision states that “[i]f Curaleaf fails to or decides, for whatever reason, to not purchase the agreed Biomass, the Deposit will be forfeited.” (Ex. 1.) Under the “Payment/Pickup/Acceptance” provision, Hello Farms also has the option to “sell remaining Biomass to third parties” in the event Defendants do not pay for the biomass. (*Id.*). In other words, Hello Farms has two remedies in the event Defendants did not pick up or pay for Hello Farm’s Biomass “for any reason”: (1) forfeiture of the deposit and (2) permission to sell the harvest to third parties.

These are Hello Farms’ exclusive remedies under the agreement. *See Worley v. McCarty*, 93 N.W. 2d 269, 272 (Mich. 1958) (“the parties to a contract can stipulate in advance as to the amount to be paid in compensation for loss or injury which may result in the event of a breach”) (internal quotations and citation omitted); *see also WXON-TV, Inc. v. A.C. Nielson, Co.*, 740 F. Supp. 1261, 1264 (E.D. Mich. 1990) (finding limitation of damages clause in contract valid); *Malone v. Levine*, 215

N.W. 356, 357 (Mich. 1927) (citation omitted) (“[a]n actual deposit by a party to a contract, pursuant to a provision therefor and a stipulation that the amount shall be paid to or retained by the other party in case of default, *is held, as a rule, to import an intent to liquidate the damages, and will be so enforced.*”) (emphasis added).

Because the Agreement here includes a deposit forfeiture, under Michigan law, this deposit forfeiture “import[s] an intent to liquidate damages.” *Malone*, 215 N.W. at 357. Any ambiguity with the Deposit provision should thus be resolved in favor of Defendants’ interpretation.

V. CONCLUSION

For these reasons, Defendants respectfully request that the Court grant Defendants’ Renewed Motion for Judgment as a Matter of Law.

Date: March 17, 2025

Respectfully submitted,

/s/ William B. Berndt

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nburandt@honigman.com

CERTIFICATE OF SERVICE

I hereby certify that on March 17, 2025, I electronically filed the foregoing document with the Clerk of the Court using the ECF e-filing system, which will send notification of such filing to all counsel of record.

By: /s/ William B. Berndt

Exhibit 1

**AMENDED AND RESTATED
PURCHASE ORDER AGREEMENT**

This Amended and Restated Purchase Order Agreement dated November 23, 2020 by and between **GR VENDING MI, LLC**, a Michigan limited liability company, and **HELLO FARMS LICENSING MI LLC**, a Michigan limited liability company, amends, replaces and restates that certain Purchase Order Agreement between GR Vending MI, LLC and Hello Farms, LLC dated October 5, 2020, as follows:

Term: GR VENDING MI, LLC, or one or more of its licensed affiliates, ("Curaleaf") shall purchase a minimum guarantee of two (2) harvests (2020 and 2021), with a right of first refusal for the purchase of an additional two (2) harvests (2022 and 2023) from Hello Farms' outdoor growing facility in Au Gres, Michigan.

Curaleaf's right of first refusal to purchase the 2022 and 2023 harvests shall be exercised, in writing, no later than November 1, 2021, subject to the parties reaching mutually acceptable terms in a new agreement and pricing in writing, not later than December 1, 2021. Such extension shall be for both the 2022 and 2023 harvests. Curaleaf may only retain its right of first refusal the extension if it is not in default of the terms of this Agreement and agrees to purchase one hundred percent (100%) of the 2022 and 2023 harvests of Biomass produced by Hello Farms. In the event the parties do not reach a written and executed agreement by December 1, 2021 regarding Curaleaf's purchase of the 2022 and 2023 harvests, the right of first refusal is terminated and Hello Farms is free to sell its harvests to any purchaser.

Guaranteed Biomass: Curaleaf agrees to purchase 100% of the marijuana biomass (blended A "buds," B "buds" and trim (un-remediated) produced by Hello Farms in its 2020 and 2021 harvests ("Biomass"), and the Biomass delivered is to be no less than the entire plantable land at the outdoor grow facility in Au Gres, Michigan. The first harvest from Hello Farms under this Agreement is expected to take place in October/November 2020 with approximately 6,000 plants generating an anticipated 12,000 - 15,000 pounds of Biomass. Hello Farms shall not conduct any processing of the Biomass, which such Biomass shall be processed by Curaleaf. Such Biomass shall not include stalks or leaf fans (for clarity, sugar leaves are acceptable in the Biomass).

Deposit: Curaleaf agrees to pay 20% of the total estimated purchase price in the amount of Two Million Two Hundred Thirty-Seven Thousand Eight Hundred and 00/100 Dollars (\$2,237,800.00) to Hello Farms on or before October 1, 2020, for the 2020 harvest based on an estimated 6700 lbs of Biomass. As to future harvests, the 20% deposit shall be based on the estimated harvest weight of the Biomass and the applicable price, as mutually agreed between the parties. The deposit terms apply to all future purchases. This deposit amount ("Deposit") is subject to refund if Hello Farms does not sell all of its Biomass upon harvest in full, passing local and state recreational cannabis testing requirements and entirely meeting all requirements of this Purchase Order Agreement and the Terms and Conditions. If Curaleaf fails to or decides, for whatever reason, to not purchase the agreed Biomass, the Deposit will be forfeited. If, for any reason, the harvest is partially or entirely destroyed, the Deposit shall be refunded to Curaleaf on a pro rata basis, so long as Curaleaf is not in default of this Agreement, and Hello Farms shall have no recourse against Curaleaf for any loss.

For the 2021 harvest, Curaleaf will visit the cultivation the week of September 1, 2021 to inspect the harvest; at this visit, the harvest date will be mutually agreed upon by the parties and the Deposit shall be made by Curaleaf thirty (30) days prior to the agreed upon harvest date. Upon failure of Curaleaf to timely pay the Deposit, Hello Farms, at its option, may terminate this Agreement in writing to Curaleaf and not be obligated to sell the Biomass to Curaleaf as stated herein for the then current or future harvests, upon, to and including the 2022 and 2023 harvests. Should Curaleaf exercise its right of first refusal to purchase the 2022 and 2023 harvests, such inspection and Deposit shall be subject to the terms mutually agreed upon by the parties as stated in the Term section above, with the dates set for the weeks of September 1, 2022 and September 1, 2023, respectively.

Testing Requirements: If the Biomass, partially or in full, does not pass State of Michigan lab testing requirements, as established by the Michigan Marijuana Regulatory Agency, for heavy metals, additives,

**DEFENDANT
EXHIBIT**

2

and pesticides, but specifically excluding and excepting any testing requirements for microbials ("Passing COA"). Curaleaf is entitled to a refund of its Deposit on a pro-rata basis. Hello Farms is solely responsible for the selection of a duly licensed and reputable testing lab and associated testing costs and expenses, subject to Curaleaf's prior consent, not to be unreasonably withheld.

Per state regulation, at least every 50 lbs. of biomass must be tested (or a greater weight as may be approved or allowed by MRA). Hello Farms intends to create Batches that fall just below the 50 lbs. threshold. Each such Batch will therefore need to have a Passing COA. For each Batch, if the first Batch tested COA does not meet the foregoing Passing COA specifications ("Non-compliant Batch"), a second test will be conducted at Hello Farms' expense. If the second Batch tested COA does not meet the foregoing specifications, the Batch shall be subject to rejection or price renegotiation. If a Batch is rejected by Curaleaf, the Deposit shall be refunded to Curaleaf on a pro-rata basis. Furthermore, if testing of ten Batches (or at least one quarter of the lot) falls below the foregoing specifications, this agreement is subject to termination by Curaleaf within seven (7) business days of Curaleaf's receipt of all of the applicable COAs and, if terminated, the Deposit shall be refunded. If not rejected or terminated within such seven (7) business days, the Biomass shall be deemed accepted by Curaleaf. If the parties renegotiate the price, such change shall be in writing, approved by the parties. If the renegotiation of the price fails within seven (7) days after communication, then either party may terminate upon written notice to the other within seven (7) days or the Biomass shall be deemed accepted by Curaleaf, in accord with the pricing for that harvest, as contained herein. For clarity, upon termination of this Agreement, or rejection of a Batch based on noncompliance with Passing COA thresholds, the Deposit shall be returned to Curaleaf on a pro rata basis. Upon rejection of a non-compliant Batch or termination of this Agreement, and the return of the any Deposit amounts due and owing to Curaleaf, Hello Farms is free to sell said Batch to any other party.

License Maintenance: Hello Farms shall be responsible for maintaining its cannabis license(s) for its grow facility in Au Gres, Michigan in good standing throughout the term. Any change in this license status where Hello Farms cannot legally sell cultivated cannabis, and its license(s) is not reinstated within thirty (30) days, will cause this agreement to be null and void. Curaleaf shall be responsible for maintaining its cannabis license(s) in good standing throughout the term. Any change in this license status where Curaleaf cannot legally purchase cultivated cannabis and its license(s) is/are not reinstated within thirty (30) days shall cause this Agreement to be null and void and any pre-paid Deposit shall be returned to Curaleaf, so long as Curaleaf is not in default of this Agreement.

Biomass Pricing: Biomass for the 2020 harvest shall be priced at One Thousand and 00/100 Dollars (\$1,000.00) *per dried lb* for any Lot averaging THC potency testing of twelve percent (12%) and above. Prices for lesser THC potency testing levels shall be as follows:

Average Lot THC Potency Testing Level	Price Paid Per Dried Pound
12.00% and above	\$1,000
11.00% – 11.99%	\$917
10.00% – 10.99%	\$834
9.00% – 9.99%	\$751
8.00% – 8.99%	\$668
7.00% – 7.99%	\$585
6.99% and below	\$100

Should any Biomass THC Potency fall below 7%, the price per dried pound shall be \$100, or Hello Farms

shall have the option to sell said Biomass to a third party. The "Average Lot THC Potency Testing Level" is determined by dividing the total potency testing level of all batches in a Lot by the number of potency tests for all batches in a Lot (i.e., if 20 potency tests have a total potency level of 250, then the calculation is $250 \div 20 = 12.50\%$ for the "Average Lot THC Potency Level" and the price of \$1,000 per dried lb. is paid for said Lot). In all calculations concerning potency test levels, the numeric figures shall include two numbers to the right of the decimal point (as stated in the potency testing reports). To avoid any doubt, the per lb. price paid for all batches in a Lot is the price based on the Average Lot THC Potency Testing Level for the entire Lot and not based on the potency level of an individual batch.

The price above is firm for the 2020 harvest and shall not be subject to any change pursuant to the Index Price Adjustments, as stated below.

For the 2021 harvest, the adjusted price for twelve percent (12%) and above THC potency shall be no less than \$850.00 per lb. (or more), as calculated by the Index Price Adjustment and decreased from that price by \$83.00 per the applicable Average Lot THC Potency Testing Level.

Payment/Pickup/Acceptance: Commencing during each harvest season, Hello Farms shall prepare lots of harvested Biomass in increments of between 500 and 1,000 dried lbs. separated into the three (3) Biomass categories ("Lot" or "Lots"). For clarity, each 50 lbs of Biomass shall require an individual Passing COA per MRA regulations ("Batch"), and each Lot shall consist of between 10 and 20 Batches. Hello Farms shall notify Curaleaf that a lot is ready for pick-up and provide the testing data indicating that the Biomass has met the Passing COA thresholds, as stated above, and the corresponding invoice. As set forth below, within seven (7) business days of receiving such notification and invoice, Curaleaf shall issue ACH or other means of electronic payment in "good funds" to a financial institution as designated by Hello Farms. Subsequent to confirmation of the payment, Curaleaf may pick-up the designated Biomass lot at Hello Farms' Au Gres facility. Pick-up of the Biomass by Curaleaf shall constitute irrevocable delivery to and acceptance by Curaleaf, which shall be able to inspect the Biomass on site. Any rejection shall occur prior to Curaleaf removing Biomass from the Hello Farms outdoor grow facility in Au Gres, Michigan. Hello Farms shall retain the Deposit for the harvest until eighty percent (80%) of the harvested Biomass has been purchased and picked up. Thereafter, upon invoicing, Curaleaf will send its written confirmation that the Deposit funds shall be credited against remaining purchases of the harvested Biomass. In the event that any amount of the Deposit remains after all harvested Biomass has been paid for and picked up, Curaleaf may request a refund of the Deposit or apply the amount to the following year's harvest Deposit. Curaleaf will pay for Biomass within seven (7) business days after receiving and accepting a Passing COA. If Curaleaf does not make payment within seven (7) business days of receipt and acceptance of a Passing COA, Hello Farms has a right to sell remaining Biomass to third parties. Hello Farms agrees to store Biomass for a period of sixty (60) days after receipt by Curaleaf of passing COA's for the entire first lot and after payment is received from Curaleaf until such time as processing and transportation can be arranged by Curaleaf. Hello Farms agrees to be responsible for maintaining appropriate storage conditions for the Biomass until Curaleaf takes physical possession. Hello Farms shall be responsible for all costs in connection with security services for the stored product through December 30, 2020, after which Curaleaf shall bear any security costs for stored product. Revocation or rejection by Curaleaf, after inspection, of the Biomass, shall take place prior to Curaleaf taking physical possession. For clarity, all harvested Biomass, which is being purchased by Curaleaf shall be picked up by Curaleaf (after Curaleaf's inspection) no later than sixty (60) days after receipt by Curaleaf of Passing COA's for the first lot (the "Deadline"). After the Deadline, if Curaleaf has not yet picked up the applicable product, Curaleaf shall pay for any reasonable expenses Hello Farms incurs in order to continue to store such product in compliance with the provisions of this Agreement for such extension of pickup time that Curaleaf may request. In addition, if any Biomass purchased by Curaleaf remains at the Au Gres facility after the Deadline, Curaleaf agrees to: 1) have paid Hello Farms in full for all purchased Biomass and all sums paid are deemed fully earned by Hello Farms; 2) such Biomass is deemed accepted by Curaleaf; 3) Curaleaf accepts the risk of loss for such Biomass remaining at the Au Gres facility so long as Hello Farms continues to store such Biomass in compliance with this Agreement at Curaleaf's expense, pursuant to the preceding sentence. Notwithstanding the foregoing, Curaleaf shall remove all such Biomass no later than the 75th day after receipt by Curaleaf of Passing COA's for the first lot.

Index Price Adjustments per harvest: After the week following the end of the quarter prior to the 2021 harvest, a report will be generated, where data derived from the MRA website link here: <https://www.michigan.gov/mra/0,9306,7-386-93032-497635--00.html> will be used to calculate the year on year % change in average retail price of flower for the quarter, provided that no price increase from one harvest to the next may exceed +5% of the then current pricing, and no price decrease from one harvest to the next may exceed -15%. (See Exhibit A for an example calculation.) Further, the prior year Biomass Pricing shall serve as the base price to be adjusted for the next harvest on a "going forward" basis without any "catch up" adjustment (any amount in excess of the limits stated above) from a prior year, whether an increase or a decrease.

Notwithstanding the potential price adjustments (increase or decrease) for the 2021 harvest, the following shall apply and supersede any such price adjustment:

- a. For the 2021 harvest, in no event shall the adjusted price for the Biomass be less than \$850 per dried lb., unless THC Potency drops below 12% as set forth above

This order will be FOB Delivery Point. To remove any absence of doubt, in this instance, "FOB Delivery Point" shall mean: (i) with payment being made by Curaleaf prior to delivery; (ii) delivery shall constitute Curaleaf picking up the Biomass from Hello Farms' Au Gres, Michigan facility; and (iii) title to the Biomass shall pass upon confirmed payment to Hello Farms and pick up of the Biomass from the Au Gres facility, and subject to those certain Curaleaf Terms and Conditions, which are incorporated herein by reference.

Agreement Controls: In the event of any conflict between this Agreement and the Terms and Conditions, the provisions of this Agreement shall control and be binding.

No Assignment: Neither party may assign any portion or all of its rights, benefits, title or obligation under this Agreement to another entity or party, without the express, written consent of the other party. Such consented-to assignment shall be in writing and the assigning party shall notify the other party hereto within twenty-one (21) days of the effectiveness of the assignment. The assignee shall agree in writing to abide by the terms and conditions of this Agreement.

Marketing: Curaleaf and Hello Farms may, subject to prior written approval from Curaleaf's Marketing department and leadership team, include a mutually agreed upon reference to Hello Farms in end packaging to consumers (i.e., "powered by Hello Farms"), at no additional cost, fee or expense to Hello Farms. Further, the Curaleaf may agree to issue a press release concerning Curaleaf's purchase and use of Hello Farms' product, subject to prior written approval from Curaleaf's leadership team.

Binding Effect: This Agreement is binding upon the parties, their successors and assigns, as to the 2020 and 2021 harvests, regardless of when and whether a Deposit is made by Curaleaf.

PURCHASER:

GR VENDING MI, LLC

By: 

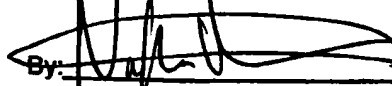
Name: Matt Darin
Title: Authorized Signatory

Date: November 23, 2020

Address: 344 N. Ogden, 5th Floor
Chicago, IL 60607

SUPPLIER:

HELLO FARMS LICENSING MI, LLC

By: 

Name: Nahidah Meiou
Title: Member

Date: November 23, 2020

Address: 580 Shenfield Rd.
Au Gres, MI 48703

GUARANTY

CURA MI, LLC ("Guarantor") unconditionally agrees to guaranty, for the benefit of Supplier, the prompt payment of all sums due to Supplier and performance of all other obligations of Purchaser under this Amended and Restated Purchase Order Agreement and the Amended and Restated Terms and Conditions. This Guaranty is a guaranty of payment and not collection. The Supplier is not required to exhaust any remedies or take any action against Purchaser, except Supplier shall notify the Guarantor of any default by Purchaser under this Agreement and the Terms and Conditions.

GUARANTOR:

CURA MI, LLC

By: Joseph Bayern

Name: Joseph Bayern
Title: President

Date: 11/24/2020

Exhibit A

	Q3 2020				Q3 2021				AVG % Change	% Applied to Curleaf Pricing
	July	August*	September*	Average	July	August*	September*	Average		
<i>S/lb - USD</i>										
MRA Retail price of flower	\$4,279	\$4,000	\$3,900	\$4,060	\$3,500	\$3,300	\$3,300	\$3,367	-17.1%	-15.0%
MRA Retail price of trim	\$2,669	\$2,500	\$2,300	\$2,490	\$2,300	\$2,200	\$2,100	\$2,200	-11.6%	-11.6%
Average	\$3,474	\$3,250	\$3,100	\$3,275	\$2,900	\$2,750	\$2,700	\$2,783	-15.0%	-15.0%

	Current Price	% Applied to Curleaf Price	New Price per lb
Blended Biomass Price per lb	\$1,000	-15.0%	\$850.0

**All future MRA figures are for example purposes only, and do not reflect and expected projections or actuals*

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AMENDED AND RESTATED CURALEAF TERMS AND CONDITIONS

I. Warranty, Guaranty and Indemnity

In consideration of the purchase, from time to time, by GR VENDING MI, LLC (together with its employees, agents, affiliates, parents, and subsidiaries, "Buyer"), of goods and services (together, "Goods") from the undersigned ("Seller") Seller, on behalf of itself, its employees, agents, affiliates, parents, affiliates and subsidiaries ("Seller Parties"), hereby agree to these Terms and Conditions ("Terms") which are incorporated by reference into the applicable purchase order(s) ("Orders") by and between the parties. Seller hereby:

A. Represents, warrants, and guarantees that, as of the time of delivery, all Goods shall: (i) conform to the Purchase Order Agreement testing and THC Potency qualifications and bulk packaging requirements sent to Seller in writing by Buyer, and (ii) be merchantable and fit for their intended purpose, and pass without objection in trade at the time of delivery to Buyer, and (iii) be accompanied a passing Certificate of Analysis (COA) that meets or exceeds applicable standards set by Buyer for a Passing COA, as defined in the Purchase Order Agreement;

B. Represents and warrants that it has, or immediately prior to delivery shall have, title to all Goods and all rights necessary to transfer such rights and title to Buyer free of any lien, pledge, hypothecation or other encumbrance, including but not limited to all patent, copyright, trademark, service mark, and trade secret (collectively, "Intellectual Property") rights required or appropriate for its production of Goods, and sale of Goods to Buyer;

C. Agrees to indemnify, hold harmless, and, if requested by Buyer, to defend Buyer from and against any and all claims, demands, lawsuits, actions, proceedings, liabilities, fines, penalties, imposts, fees, costs, losses, and expenses (including, but not limited to, reasonable attorney fees and costs) brought against or incurred by or on behalf of Buyer and/or Goods:

1. Arising out of or pertaining to any breach or alleged breach by Seller of paragraphs IA or IB above;

2. For or because of the injury, illness and/or death of any person, or loss of or damage to any property (including, but not limited to, any judgment rendered against or settlement paid by or on behalf of Buyer in any such action), that arises in the course of Seller's handling, shipment, or delivery of Goods.

3. Notwithstanding any provision hereof to the contrary, Seller provides no indemnity under these Terms against liability arising out of the negligence or intentional misconduct of Buyer or acts of the Buyer after delivery of the Goods to Buyer including, but not limited to, the Buyer's processing of the Goods.

D. Agrees that, in the event that Goods, or any of them, violate or infringe upon the Intellectual Property rights of a third party, Seller shall obtain for Buyer all

rights necessary for Buyer to lawfully continue using or selling the Goods as contemplated (or shall obtain for Buyer the opinion of an attorney acceptable to Buyer that such use or sale is lawful), and shall repurchase from Buyer, at Buyer's cost, Goods that Buyer cannot reasonably and lawfully sell or use as contemplated due to such infringement or violation.

II. Seller provides no warranty under paragraphs IA or IB (nor indemnity under paragraph ID) of these Terms against the adulteration or misbranding of any Goods within the meaning of the FD&C Act or any other applicable laws or ordinances which occurs after delivery to Buyer and is not caused by any act or failure to act on the part of Seller (provided that any adulteration which is found to exist after delivery and which is caused by any defect in the packing of Goods or by any defect in the packaging in which Goods are packed by Seller shall be deemed to have existed at the time of delivery);

III. Buyer will provide reasonable notice to Seller of any seizure of Goods or service of process in any proceeding or action alleging any act or omission contrary to the requirements of paragraphs IA or IB above.

IV. Purchase Orders; Documents; Sales

Buyer may, as Buyer and Seller may from time to time agree, place Orders hereunder by Electronic Data Interchange (EDI), by facsimile, or by other written means. Seller shall comply with all reasonable Buyer billing, payment, pricing, and document rules, as may be agreed upon by the parties. Neither the terms of the Order nor these Terms shall be modified by any terms set forth in an invoice or shipping documents.

V. General Specifications

A. Buyer may, from time to time, establish and/or change reasonable safety, logistical, and other specifications and requirements generally applicable to vendors, products, or services of a particular category or type ("General Specifications") in writing sent to Seller, the then-current version of which shall be deemed into each Order. Buyer may, from time to time, by providing at least twenty (20) days' advance written notice (which may include electronic mail) to Seller, revise such General Specifications; Seller shall promptly notify Buyer of any revised General Specifications with which it is unable to comply. Except as the parties may otherwise agree, in writing, if Seller is not able, or otherwise fails, to comply with any General Specification, Buyer shall have the option, in its sole discretion, of terminating any purchasing arrangement or agreement Buyer may have with Seller, and such termination shall not constitute a breach of any such arrangement or agreement. Notwithstanding the foregoing, such General Specifications, as amended, shall not materially change the Purchase Order Agreement between Buyer and Seller or materially increase the Seller's costs.

B. Seller shall, at Seller's expense, package, mark, and document all Goods in accordance with good commercial practices, and shall be responsible for

any additional cost Buyer may incur resulting from Seller's failure to do so.

VI. Shipment; Delivery

A. Buyer shall notify, in writing, of order for Goods and Seller shall make such Goods available at its Au Gres facility for pick-up by Buyer, subject to prior payment to Seller, pursuant to Section VII below.

VII. Payment

A. Unless otherwise agreed in writing between the parties, payment shall be made in accordance with the Purchase Order Agreement.

B. Unless otherwise stated, Buyer's purchases for resale and Seller's pricing should not include sales, use, or like taxes. Seller's invoicing of Buyer for any tax or fee shall constitute Seller's warranty that it is duly registered with the agency which levies the tax or fee. If Seller collects a sales or use tax but does not remit the tax or fee to the appropriate agency, or if the same tax or fee is subsequently assessed against Buyer, Seller shall reimburse Buyer for all amounts of tax or fee Buyer has remitted and Seller shall defend, indemnify and hold Buyer harmless against all losses, fines, penalties, interest and expenses (including reasonable attorneys' fees) related in any way to such unpaid tax or fee.

VIII. Rejection (and Revocation of Acceptance) of Non-Conforming Goods

In accordance with the terms set forth in the Purchase Order Agreement, Buyer, at its sole option, may (within a reasonable time after it has had an opportunity to inspect) reject (or revoke acceptance of) and either return to the Seller or hold at Seller's risk and expense any Goods that at the time of or prior to delivery at Seller's Au Gres facility (a) do not conform to Buyer's specifications, as specifically stated in the Purchase Order Agreement, (b) do not otherwise conform to the applicable order, (c) violate any law, regulation, or court or administrative order, or (d) infringe any third party's patent, trademark, copyright or other intellectual property right, *provided, however*, that Buyer's failure to reject (or to revoke acceptance of) any Goods shall not relieve Seller of responsibility for any warranty with respect to such Goods under these Terms or otherwise. Payment of any invoice shall not waive Buyer's right to reject or revoke acceptance of Goods at the time or prior to delivery to Buyer at the Seller's Au Gres facility. Buyer's right to reject (or revoke acceptance of) and to return or hold Goods shall, without limiting such right, extend to Goods returned by Buyer's customers for any reason stated in this Section except where due to any intervening act or cause after delivery to Buyer. At Buyer's option, with respect to any Goods that Buyer rejects or revokes acceptance of hereunder, Seller shall refund or credit to Buyer, or Buyer may offset against amounts it owes to Seller, the cost of such rejected Goods.

IX. Recalls; Tainted Products Claims

A. If Goods, because of a condition which exists at the time of delivery to Buyer (or which results from such condition), are the subject of a recall (or safety notice) initiated by Seller, Buyer, or a government or consumer protection agency, Seller shall be responsible for all reasonable costs and expenses associated with the recall or notice and shall reimburse Buyer for all reasonable costs and expenses incurred by Buyer in

recalling, publishing notices about, shipping and/or destroying such Goods (and, where applicable, any products with which such Goods have been packaged, consolidated or commingled) at Buyer's net landed cost therefor, including Buyer's reasonable administrative fees and refunds to customers.

B. Upon learning or receiving notice of a credible claim or potential claim of a defect in, or tampering with, any Goods, Seller shall promptly notify Buyer and, if appropriate, contact the MRA and/or other appropriate government agency, and shall immediately conduct at its expense sufficient analyses of such Goods to reliably determine the accuracy of such claim and the cause of any such defect or tampering.

C. The parties shall assist each other in all reasonable ways to resolve any claims involving Goods subject to a recall or safety notice.

X. Trademarks; Trade Dress; Service Marks

All of Buyers' trademarks, service marks, and trade dress ("Buyer Trademarks") shall be and remain the property of the owner thereof, notwithstanding any provision of these Terms. Seller shall not use Buyer Trademarks in connection with the sale or endorsement to any third party of any goods or services without the prior written consent of Buyer. Seller shall issue no press release, article, or other publication with respect to transactions under these Terms without the prior approval of such publication by Buyer. Seller acknowledges that violation of this provision may cause irreparable harm to Buyer, and shall entitle Buyer to equitable relief, including injunction, in addition to all remedies available at law.

XI. Labeling and Packaging

(Intentionally left blank.)

XII. No Salvage

(Intentionally left blank.)

XIII. Compliance with Laws and Standards

A. Seller represents and warrants that: (i) it is a legal entity duly organized and in good standing under the laws of the state (or other governmental entity) of its organization, with full capacity to sue and to be sued; (ii) it is authorized to enter into and be bound by the terms of these Terms; and (iii) neither these Terms nor Seller's performance hereof shall be a violation of applicable law or the terms of any material contract, instrument or agreement to which Seller is subject.

B. Seller represents and warrants that the Seller Parties (i) shall comply with all applicable laws and local government regulations regarding labor, child labor, minimum wage, living conditions, overtime, working conditions, and the environment, and (ii) shall not use forced prison labor or the labor of children under the age of 14. Seller hereby certifies, as of the date of these Terms and the date of each delivery of Goods hereunder, that no involuntary labor (including, but not limited to, prison labor or slave labor) or child labor (as defined by applicable law) has been used in manufacture, sale, or delivery of such Goods.

C. Seller agrees to provide such information as Buyer may reasonably request to enable Buyer to comply, and to facilitate Buyer's compliance, with applicable federal, state, and local statutes, rules, regulations, ordinances, orders, and other imperatives (collectively, "Requirements"). Seller further agrees to comply with such rules as may be promulgated by Buyer with respect to such Requirements, so long as they have been mutually agreed upon by Seller and Buyer. Seller warrants, now and as of the time of each delivery of Goods hereunder, that such information as it shall provide to Buyer under this Section XIII.C shall be true, accurate, and complete in all material respects.

D. With respect to any of Buyer's employees who are on-site at Hello Farms' Au Gres premises, the Buyer shall cause its employees to cooperate with Seller in all state law or regulations compliance, including providing employee information and submitting to a background check.

XIV. Insurance

A. Seller shall obtain and maintain, at its expense for so long as it shall provide Goods hereunder, a policy or policies of Commercial General Liability Insurance (including product and completed operations, personal and advertising injury and contractual liability coverages) covering the Seller Parties written on an occurrence form with minimum limits of \$2,000,000 per occurrence/\$2,000,000 aggregate (which limits may be satisfied by the combination of underlying and excess (umbrella) policies). Each such policy shall be underwritten by insurers rated "A- VI" or better by A.M. Best Company subject to final approval by the Buyer, which shall not be unreasonably withheld. If Seller's employees will enter Buyer's premises or perform work on Buyer's behalf at the facilities of any of Buyer's customers, Seller shall obtain and maintain, at its expense and for so long as such employees shall conduct such operations, a policy or policies of Workers' Compensation insurance with statutory limits and Employers' Liability (Stop-Gap Liability) insurance with minimum limits of \$1,000,000.

B. Seller will provide Certificates of Insurance naming Buyer as "Additional Insured," with respect to General Liability including products liability and shall cause a Broad Form Vendor's Endorsement (ISO Form CG2015) in favor of Buyer to be attached to such policies. Seller shall provide such Certificates of Insurance upon Buyer's written request, and shall provide updated Certificates of Insurance when coverage is renewed or materially changed and as may be requested from time to time by Buyer.

C. Policy limits will not be reduced, terms changed, or policy canceled upon less than thirty (30) days prior written notice to Buyer. Seller's insurance will be primary with respect to all Seller obligations under these Terms. Seller shall assure that all of its agents, representatives, subcontractors and independent contractors comply

with the foregoing insurance requirements. Insurance coverage and limits referred to above will not in any way limit the liability of the Seller.

D. In the event Seller fails to obtain and maintain the required insurance as set forth in this Section within thirty (30) days of signing the Agreement, Buyer shall have the right to terminate the Agreement and receive a refund of any deposit or amounts paid under the Purchase Order Agreement for Goods not yet delivered.

E. Buyer shall maintain and keep in full force an effect, for so long as Buyer's employees shall conduct any business at or be on the Hello Farms' Au Gres premises, a policy or policies of Workers' Compensation insurance with Statutory Limits and Employer's Liability (Stop-Gap Liability) insurance with limits of \$1,000,000.

XV. General Terms

A. These Terms shall be governed by and construed in accordance with the laws of the State of Michigan. In the event that any term or provision hereof is held by a court having competent jurisdiction to be invalid or unenforceable, such term or provision shall be deemed severable, and the remainder hereof shall remain in full force and effect. Seller shall remain bound by these Terms notwithstanding any assignment or attempted assignment by Seller of its interests herein. These Terms shall be and remain binding upon the parties hereto and their respective successors and assigns.

B. No amendment, modification or waiver of any term of these Terms shall be effective unless set forth in writing and signed by an authorized representative of each party.

C. These Terms shall be effective as of the date of execution by Seller and shall continue in effect with respect to all Goods purchased or ordered by Buyer from Seller until revoked, in writing, by Buyer and Seller. When executed (without modification) by Seller and delivered to Buyer, these Terms shall supersede any previous Terms and Conditions executed by Seller for the benefit of Buyer.

D. In the event of any conflict between the Purchase Order Agreement and these Terms and Conditions, the provisions of the Purchase Order Agreement shall control and be binding.

XVI. Amended and Restated Terms and Conditions

This Amended and Restated Curaleaf Terms and Conditions amends, replaces and restates the terms and conditions previously signed as "10/1/2020 Revision" by and between GR Vending MI, LLC and Hello Farms, LLC.

.....

BUYER:

GR VENDING MI, LLC

By: 

Its: Authorized Signatory

SELLER:

HELLO FARMS LICENSING MI, LLC

By: 

Its: Member

Exhibit 2



Paper Application Instruction Booklet
Medical Marijuana Facility Licensing

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IMPORTANT NOTICE REGARDING TIME SENSITIVITY:

Applying for a medical marijuana facility license is a time-sensitive venture. The Marijuana Regulatory Agency requires that a license determination be made—and the state operating license or notice of denial be issued—within 180 days after receiving a complete application.

In order to meet this statutory timeframe, the Marijuana Regulatory Agency (MRA) requires that any information or documentation requested by the agency be submitted to the agency within 5 calendar days.

Failure to provide any of the requested items to MRA within 5 days may result in the denial of the application. If you need additional time, please let the MRA know.

OVERVIEW – TWO-STEP APPLICATION PROCESS

The medical marijuana facility licensing application process is divided into two steps.

Step 1 is the prequalification application. During prequalification, background checks are completed on the main applicant and all supplemental applicants. There is a \$6,000 application fee for the main applicant. The application fee is nonrefundable and does not apply to supplemental applicants.

Step 2 of the application process is the medical marijuana facility license application. During Step 2, review of the proposed marijuana facility is completed.

In short, prequalification involves vetting the applicant and the supplemental applicants; facility licensing involves vetting the physical facility.

An application is considered complete when Step 1, the application fee, and Step 2 have been submitted. It is not advised to submit a Step 2 application unless the facility seeking a state operating license is fully built and ready to pass an inspection within 60 days after the Step 2 license application is submitted.

Prequalification status is valid for a period of two years after MRA issues a notice of prequalification. If the applicant does not submit a Step 2 application within that timeframe, the prequalification status will expire. If the applicant wishes to complete the medical marijuana facility application process after that time, a new application and fee will be required.

If any questions arise while completing the application, please do not hesitate to contact MRA by telephone at:

517-284-8599

Or by e-mail at:

MRA-MedicalMarijuana@Michigan.gov

MAIN AND SUPPLEMENTAL APPLICANTS EXPLANATION

The **main applicant** and all **supplemental applicants** are required to submit prequalification applications.

Who is the Main Applicant?

The main applicant is whomever is seeking to hold the marijuana facility license in their name. When the license prints, it will print in the name of the main applicant.

The main applicant can be either an **entity** (limited liability company, corporation, partnership, trust, etc.) or an **individual** (sole proprietor).

Who is a Supplemental Applicant?

Supplemental applicants will depend on the ownership structure of the main applicant. Supplemental applicants include the following:

- **All managerial employees** of the main applicant who control or direct the affairs of the marijuana facility and/or have the ability to make policy concerning the marijuana facility. Please note, an employee with the title of “manager” without aforementioned responsibilities is not required to complete prequalification.
- **All entities with greater than 10 percent ownership interest**, either directly or indirectly, in the main applicant entity.
- **All individuals with greater than 10 percent ownership interest**, either directly or indirectly, in the main applicant entity.
- **And the following for each type of main applicant:**
 - For an **individual** or **sole proprietorship**:
 - The individual or proprietor
 - Spouse of the individual or proprietor
 - For a **partnership** and **limited liability partnership**:
 - All partners
 - Spouses of all partners
 - For a **limited partnership** and **limited liability limited partnership**:
 - All general and limited partners holding a direct or indirect ownership interest of **greater than 10 percent**
 - Spouses of all general and limited partners holding a direct or indirect ownership interest of **greater than 10 percent**

- For a **limited liability company**:
 - All managers
 - Spouses of all managers
 - All members holding a direct or indirect ownership interest of **greater than 10 percent**
 - Spouses of all members and managers holding a direct or indirect ownership interest of **greater than 10 percent**
- For a **publicly held corporation**:
 - All corporate officers or persons with equivalent titles
 - Spouses of all corporate officers or persons with equivalent titles
 - All directors
 - Spouses of all directors
 - All shareholders holding a direct or indirect ownership interest of **greater than 10 percent**
 - Spouses of all shareholders holding a direct or indirect ownership interest of **greater than 10 percent**
- For a **privately held corporation**:
 - All corporate officers or persons with equivalent titles
 - Spouses of all corporate officers or persons with equivalent titles
 - All directors
 - Spouses of all directors
 - All shareholders holding a direct or indirect ownership interest of **greater than 10 percent**
 - Spouses of all shareholders holding a direct or indirect ownership interest of **greater than 10 percent**
- For a **trust**:
 - All trustees
 - All beneficiaries who receive or have the right to receive **greater than 10 percent** of the gross or net profit of the trust during any full or partial calendar or fiscal year
 - Spouses of all beneficiaries who receive or have the right to receive **greater than 10 percent** of the gross or net profit of the trust during any full or partial calendar or fiscal year
- For a **nonprofit corporation**:
 - All individuals and entities with membership or shareholder rights
 - Spouses of all individuals and entities with membership or shareholder rights

Please see the business structure examples on Pages 6-7 of this instruction booklet for a visual representation of supplemental applicants.

Step 1 – Prequalification Application Types

- **Applicant Entity Prequalification:** This application must be completed for entities who intend to hold a license in their name as a main applicant entity.
- **Sole Proprietor Prequalification:** This application must be completed for individuals who intend to hold a license in their name as a sole proprietor.
- **Supplemental Entity Prequalification:** This application must be completed for each entity meeting the above definition of a supplemental applicant.

- **Supplemental Individual Prequalification:** This application must be completed for each individual meeting the above definition of a supplemental applicant.

Prequalification Application Fee

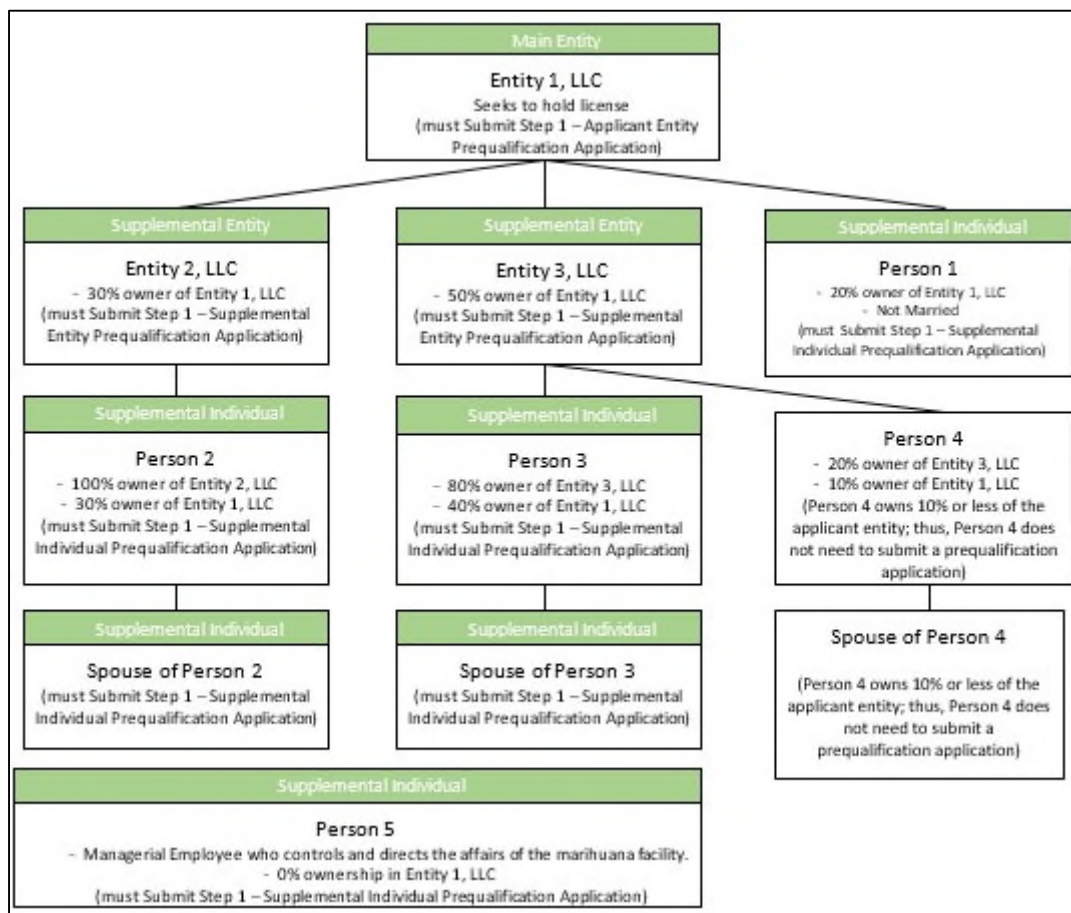
The prequalification application fee for the main applicant is \$6,000.00 and must be paid in full at the time of submitting the prequalification application materials. The application fee is non-refundable and does not apply to supplemental applicants. No review of the application will take place until the application fee is paid.

Upon payment of the application fee, review of the application will begin. Please do not submit the application fee until the main application and all supplemental applications are submitted.

The application fee can be paid in person at our office with cash, check, or money order, or paid via postal mail by sending a check or money order with the application materials.

Checks or money orders should be made payable to: **State of Michigan.**

Business Structure Example – Main Applicant Entity



In this business structure example, **Entity 1 seeks to hold a medical marijuana facility license.** The license would print under the name “Entity 1, LLC.” This entity is considered the main entity as they will hold the license. Entity 1 must complete the Applicant Entity Prequalification.

Entity 1 is owned by Entity 2, Entity 3, and Person 1.

Entity 2 owns 30% of Entity 1. Entity 2 is considered a supplemental applicant as they directly hold greater than 10% ownership interest in the main applicant. Entity 2 must complete a supplemental entity prequalification.

Entity 3 owns 50% of Entity 1. Entity 3 is considered a supplemental applicant as they directly hold greater than 10% ownership interest in the main applicant. Entity 3 must complete a supplemental entity prequalification.

Person 1 owns 20% of Entity 1. Person 1 is considered a supplemental applicant as they directly hold greater than 10% ownership interest in the main applicant. Person 1 must complete a supplemental individual prequalification. Person 1 is not married. If Person 1 was married, their spouse would be required to complete supplemental individual prequalification.

Entity 2 is owned by Person 2.

Person 2 owns 100% of Entity 2. Entity 2 owns 30% of Entity 1. Therefore, **Person 2 indirectly owns 30% of Entity 1** ($100\% \times 30\% = 30\%$). Person 2 is considered a supplemental applicant as they indirectly hold greater than 10% ownership interest in the main applicant. Person 2 must complete a supplemental individual prequalification.

Person 2 is married. Spouse of Person 2 is considered a supplemental applicant as their spouse indirectly holds greater than 10% ownership interest in the main applicant. Spouse of Person 2 must complete a supplemental individual prequalification.

Entity 3 is owned by Person 3 and Person 4.

Person 3 owns 80% of Entity 3. Entity 3 owns 50% of Entity 1. Therefore, **Person 3 indirectly owns 40% of Entity 1** ($80\% \times 50\% = 40\%$). Person 3 is considered a supplemental applicant as they indirectly hold greater than 10% ownership interest in the main applicant. Person 3 must complete a supplemental individual prequalification.

Person 3 is married. Spouse of Person 3 is considered a supplemental applicant as their spouse indirectly holds greater than 10% ownership interest in the main applicant. Spouse of Person 3 must complete a supplemental individual prequalification.

Person 4 owns 20% of Entity 3. Entity 3 owns 50% of Entity 1. Therefore, **Person 4 indirectly owns 10% of Entity 1** ($20\% \times 50\% = 10\%$). Person 4 is not considered a supplemental applicant as they do not hold greater than 10% ownership interest in the main applicant and do not participate in the management of the company. Person 4 is not required to submit an application for prequalification.

Person 4 is married. Spouse of Person 4 is not considered a supplemental applicant as their spouse does not hold greater than 10% ownership interest in the main applicant. Spouse of Person 4 is not required to submit a prequalification application.

Person 5 does not have ownership interest in Entity 1, but is a managerial employee who controls or directs the affairs of Entity 1. Person 5 is considered a supplemental applicant and must complete a supplemental individual prequalification (Spouses of managerial employees are not required to complete prequalification).

APPLICANT ENTITY PREQUALIFICATION

The Applicant Entity Prequalification Application can be found at the following link: [Applicant Entity Prequalification](#).

Download the Applicant Entity Prequalification Application.

The main applicant entity will need to complete an Applicant Entity Prequalification Application in its entirety.

APPLICATION CHECKLIST

Ensure you have gathered all applicable items on the checklist before submitting the application. The last page of the application instruction booklet contains a checklist that provides further information on what each supporting document should entail.

APPLICANT ENTITY PREQUALIFICATION	
<input type="checkbox"/> \$6,000 Application Fee	
Applicant Entity Prequalification Application <ul style="list-style-type: none"> <input type="checkbox"/> Page 1: Applicant Entity Prequalification Checklist <input type="checkbox"/> Page 2: Medical License Types & Descriptions <input type="checkbox"/> Page 3: Entity Demographics <input type="checkbox"/> Page 4: ATTESTATION A – Acknowledgment, Agreement, & Consent <input type="checkbox"/> Page 5: ATTESTATION B – Authorization to Release Information <input type="checkbox"/> Page 6: ATTESTATION C – Verification & Affidavit of Full Disclosure <input type="checkbox"/> Page 7: ATTESTATION D – Acknowledgment of Federal Law & Release of Liability <input type="checkbox"/> Page 8: ATTESTATION F – Confirmation of Tax Compliance <input type="checkbox"/> Page 9: Acknowledgement of Attestations (signed and notarized) <input type="checkbox"/> Page 10: DISCLOSURE 1 – Entity Information <input type="checkbox"/> Pages 11-14: DISCLOSURE 2 – Affiliated Parties <input type="checkbox"/> Page 15: DISCLOSURE 3 – Interests of Public Officials <input type="checkbox"/> Page 16: DISCLOSURE 4 – Debt, Insolvency, or Bankruptcy Actions <input type="checkbox"/> Page 17: DISCLOSURE 5 – Tax & Tax Compliance <input type="checkbox"/> Pages 18-19: DISCLOSURE 6 – Government Regulation <input type="checkbox"/> Page 20: DISCLOSURE 8 – Litigation History 	Supporting Documents <ul style="list-style-type: none"> Entity Information Documents <ul style="list-style-type: none"> <input type="checkbox"/> Copy of Governing Documents (e.g., Operating Agreement, Bylaws) <input type="checkbox"/> Certificate of Good Standing <input type="checkbox"/> Approval to Conduct Business Transactions in Michigan (if applicable) <input type="checkbox"/> Certificate of Assumed Name (if applicable) (obtained from LARA Corporations Division) <input type="checkbox"/> Copy of Organizational Structure (required) <input type="checkbox"/> Authorizing Resolution Capitalization Documents <ul style="list-style-type: none"> <input type="checkbox"/> CPA Attestation <input type="checkbox"/> Statement of Money Lender Form <input type="checkbox"/> Promissory Note/Line of Credit Documents Debt, Insolvency, or Bankruptcy Documents <ul style="list-style-type: none"> <input type="checkbox"/> Copy of Discharge Documentation (if applicable) Tax Liability and Delinquency Documents <ul style="list-style-type: none"> <input type="checkbox"/> Copy of Initial Notice and Notice of Release (if applicable) <input type="checkbox"/> Copy of Payment Plan Documentation (if applicable) Regulation Documents <ul style="list-style-type: none"> <input type="checkbox"/> Copy of Marijuana Licenses (if applicable) <input type="checkbox"/> Copy of Any Other Commercial Licenses or Any Comparable License from Other Jurisdictions (if applicable) <input type="checkbox"/> Summary of Facts and Circumstances Concerning License Denial, Restriction, Revocation, Suspension, or Nonrenewal (if applicable) Litigation Documents <ul style="list-style-type: none"> <input type="checkbox"/> Copy of Complaint (if applicable) <input type="checkbox"/> Copy of Judgment (if applicable)

PAGE 2 – MEDICAL LICENSE TYPES & DESCRIPTIONS

Within the **Medical License Types & Descriptions** table, indicate which license type(s) and the number of licenses the main applicant entity intends to apply for in Step 2.

<u>MEDICAL LICENSE TYPES & DESCRIPTIONS</u>			
<p>There is a non-refundable \$6,000 application fee for main applicants. The main applicant is the entity which intends to hold the medical marijuana facility license. No review of the application will take place until the fee had been paid.</p> <p>Indicate the license type(s) the main entity applicant intends to apply for in step two. This selection is not permanent until step two of the application is completed.</p>			
	License Type	Number of Licenses	Description of License
<input type="checkbox"/>	Grower Class A		Licensee is authorized to grow not more than 500 marijuana plants.
<input type="checkbox"/>	Grower Class B		Licensee is authorized to grow not more than 1000 marijuana plants.
<input type="checkbox"/>	Grower Class C		Licensee is authorized to grow not more than 1500 marijuana plants.
<input type="checkbox"/>	Processor		Licensee is authorized to purchase marijuana only from a grower and sale of marijuana-infused products or marijuana only to a provisioning center or another processor.
<input type="checkbox"/>	Provisioning Center		Licensee is authorized to 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.
<input type="checkbox"/>	Safety Compliance Facility		Licensee is authorized to receive marijuana from, test marijuana for, and return marijuana to only a marijuana facility.
<input type="checkbox"/>	Secure Transporter		Licensee is authorized to store and transport marijuana and associated money between marijuana facilities.

The following is a detailed description of each license type:

Grower Class A

- License authorizes the licensee to grow not more than 500 marijuana plants.
- Authorizes the sale of marijuana plants to a grower only by means of a secure transporter.
- Authorizes the sale or transfer of seeds, seedlings, or tissue cultures to a grower from a registered primary caregiver or another grower without using a secure transporter.
- Authorizes sale of marijuana, other than seeds, seedlings, tissue cultures, and cuttings, to a processor or a provisioning center.
- The applicant and each investor in the grower must not have an interest in a secure transporter or safety compliance facility.

Grower Class B

- License authorizes the licensee to grow not more than 1,000 marijuana plants.
- Authorizes the sale of marijuana plants to a grower only by means of a secure transporter.
- Authorizes the sale or transfer of seeds, seedlings, or tissue cultures to a grower from a registered primary caregiver or another grower without using a secure transporter.
- Authorizes sale of marijuana, other than seeds, seedlings, tissue cultures, and cuttings, to a processor or a provisioning center.
- The applicant and each investor in the grower must not have an interest in a secure transporter or safety compliance facility.

Grower Class C

- License authorizes the licensee to grow not more than 1,500 marijuana plants.
- Authorizes the sale of marijuana plants to a grower only by means of a secure transporter.
- Authorizes the sale or transfer of seeds, seedlings, or tissue cultures to a grower from a registered primary caregiver or another grower without using a secure transporter.
- Authorizes sale of marijuana, other than seeds, seedlings, tissue cultures, and cuttings, to a processor or a provisioning center.
- The applicant and each investor in the grower must not have an interest in a secure transporter or safety compliance facility.

Processor

- License authorizes the licensee to purchase marijuana only from a grower and sale of marijuana-infused products or marijuana only to a provisioning center or another processor.
- The applicant and each investor in the processor must not have an interest in a secure transporter or safety compliance facility.

Provisioning Center

- License authorizes the licensee to purchase or transfer marijuana only from a grower or processor and sale or transfer to only a registered qualifying patient or registered primary caregiver.
- The applicant and each investor in the provisioning center must not have an interest in a secure transporter or safety compliance facility.

Safety Compliance Facility

- License authorizes the licensee to receive marijuana from, test marijuana for, and return marijuana to only a marijuana facility.
- Must be accredited by an entity approved by the agency by 1 year after the date the license is issued or have previously provided drug testing services to this state or this state's court system and be a vendor in good standing in regard to those services.
- The applicant and each investor with any interest in the safety compliance facility must not have an interest in a grower, secure transporter, processor, or provisioning center.
- Retain and employ at least 1 laboratory manager with a relevant advanced degree in a medical or laboratory science.

Secure Transporter

- License authorizes the licensee to store and transport marijuana and associated money between marijuana facilities.
- The applicant and each investor with an interest in the secure transporter must not have an interest in a grower, processor, provisioning center, or safety compliance facility
- The applicant and each investor must not be a registered qualifying patient or registered primary caregiver.
- Each driver transporting marijuana must have a chauffeur's license issued by this state.
- Each employee who has custody of marijuana or money that is related to a marijuana transaction shall not have been convicted of or released from incarceration for a felony under the laws of this state, any other state, or the United States within the past 5 years or have been convicted of a misdemeanor involving a controlled substance within the past 5 years.

PAGE 3 – DEMOGRAPHIC INFORMATION

Check the appropriate box to indicate if the Applicant Entity Prequalification Application is the initial filing of the prequalification application or if the applicant entity's prequalification previously expired and a prequalification application is being refilled.

<u>ENTITY DEMOGRAPHICS</u> <input type="checkbox"/> Initial Prequalification Application <input type="checkbox"/> Refiled Application of Lapsed Prequalification

In the **DEMOGRAPHIC INFORMATION** section, provide the following information for the main applicant entity in the corresponding field on the application:

- **Entity Name** as it appears on official business documents
- **Assumed Name** of the main applicant entity, if operating under a name other than the main applicant entity's official name.
- **Mailing Address** of the main applicant entity
- **Federal Employer Identification Number (FEIN)** of the applicant entity
- **Phone Number** of the main applicant entity
- **Email Address** of the main applicant entity

DEMOGRAPHIC INFORMATION Please provide the following information regarding the entity applicant.				
Entity Name (as appears on official business documents)			Assumed Name (attach copy of filed assumed name certificate, if applicable)	
Entity Mailing Address			FEIN	
City	State	Zip Code	Entity Phone	Entity Email Address

In the **PERSON COMPLETING APPLICATION** section, provide the following information in the corresponding field on the application:

- **Name** of the individual completing the application
- **Date of Birth** of the individual completing the application
- **Mailing Address** of the individual completing the application
- **Phone Number** of the individual completing the application
- **Email Address** of the individual completing the application

PERSON COMPLETING APPLICATION Please provide the following information regarding the person completing this application.				
Name (First, Middle, Last)			Date of Birth (mm/dd/yyyy)	
Mailing Address			Phone	
City	State	Zip Code	Email Address	

Ensure all contact information is accurate and that current email addresses have been provided, as most correspondence from MRA will be sent via email.

PAGES 4-9 – ATTESTATIONS

Read all attestations carefully as the applicant will be acknowledging and agreeing to the information and stipulations contained in these attestations.

If you are unsure of what an item within an application means, please consult an attorney. MRA cannot provide legal interpretation of the statute or rules.

PAGE 4 - ATTESTATION A – ACKNOWLEDGMENT, AGREEMENT, AND CONSENT

After reading the attestation, provide the name of the main applicant entity and the name of the individual authorized to sign on behalf of the main applicant entity in the spaces provided.

<u>ATTESTATION A - ENTITY</u> <u>ACKNOWLEDGMENT, AGREEMENT, & CONSENT</u> <small>(To be completed and submitted by the applicant)</small>	
On behalf of _____,	I _____,
Name of Entity	Name & Title of Individual Authorized to Sign on Behalf of Entity
acknowledge that I am the person responsible for submitting this application and supporting documents.	
I hereby acknowledge that the Marijuana Regulatory Agency (Agency) may require supplemental materials in order to carry out its statutory duties. I hereby agree to submit such supplemental materials as requested by the Agency in a timely manner. I understand that if the Agency identifies a deficiency in an application, the Agency shall notify the applicant and the applicant shall submit the missing information or proof that the deficiency has been corrected to the agency within 5 days of the date the applicant received the deficiency notice. I acknowledge that failure to provide requested disclosures and documentation or to correct any notice of deficiency within 5 days of its receipt may result in the <u>denial</u> of an application.	
I hereby acknowledge that any issuance of a license is a privilege. I have the responsibility to prove that it is eligible, suitable, and qualified to be licensed. I must accept any risk of adverse public notice, embarrassment, criticism, or other action, or financial loss, which may result from action with respect to an application or the public disclosure of information requested in this application, and expressly waive any claim for damages as a result thereof. Information not called for in this application or in addition to that provided in response to this application, may be requested.	
I, as the applicant submitting this application, hereby certify that I do not have an interest in any other state operating license that is prohibited by the Medical Marijuana Facilities Licensing Act, 2016 PA 261 (MMFLA).	
I hereby acknowledge that I am under a continuing duty to promptly disclose to the Agency any changes in the information provided in the application and supporting documents submitted to the Agency. To comply with this requirement, I hereby acknowledge that I must submit a letter to the Agency stating any changes with reference to the specific information within the application to which the changes pertain.	
I hereby consent to investigations of compliance, regular inspections, examinations, searches, seizures, and auditing of books and records as provided in MMFLA Section 303(1)(c)(i) to (iv) and the MMFLA Administrative Rules, and to disclose to the Agency and its agents of otherwise confidential records, including tax records held by any federal, state, or local agency, or credit agency or financial institution, while applying for or holding a state operating license. This consent is authorization to review and inspect tax records administered under the Michigan Revenue Act, 1941 PA 121.	
I hereby acknowledge that the finding of prequalification status for a pending application is valid for two years after the Agency issues a notice of prequalification status unless otherwise determined by the agency. I understand that after two years have expired, I may be required to submit a new application and pay a new nonrefundable application fee.	
I hereby consent to receive all service of process via electronic service as opposed to certified mail. This consent is valid unless otherwise revoked in writing.	

PAGE 5 - ATTESTATION B – AUTHORIZATION TO RELEASE INFORMATION

After reading the attestation, provide the name of the main applicant entity and the name and title of the individual authorized to sign on behalf of the main applicant entity in the spaces provided.

ATTESTATION B - ENTITY
AUTHORIZATION TO RELEASE INFORMATION
(To be completed and submitted by the applicant)

To all courts, probation departments, selective service boards, employers, educational institutions, banks, financial and other such institutions, and all governmental agencies federal, state and local, without exception, both foreign and domestic:

On behalf of _____, I _____
Name of Entity Name & Title of Individual Authorized to Sign on Behalf of Entity

I authorize the Marijuana Regulatory Agency (Agency) and its agents to conduct a full investigation into the background and activities of the applicant for purposes of determining the applicant's eligibility for a marijuana facility prequalification and state operating license.

I understand that by the signing of this authorization, a financial background check will be performed. I authorize any financial institution to surrender to the Agency a complete and accurate record of such transactions that may have occurred with that institution, including, but not limited to, internal banking memoranda, past and present loan applications, financial statements and any other documents relating to my personal financial records in whatever form and wherever located. I authorize my employers to release any employment information required to validate my financial history. I understand that the financial background check will include a credit history examination and that my credit report, credit history, and credit capacity information will be obtained.

I understand that by signing this authorization, a financial background check of my tax filing and tax obligation status will be performed. I authorize my respective state taxing agency to surrender to the Agency a complete and accurate record of any and all tax information or records relating to me for the purposes of this application. I authorize the Agency to obtain, receive, review, copy, discuss, and use any such tax information or documents relating to me. I authorize the release of this type of information, even though such information may be designated as "confidential" or "nonpublic" under the provisions of state or federal laws.

I understand that by signing this authorization, a criminal history background check will be performed. I authorize the Agency to obtain and use from any source, any information concerning me contained in any type of criminal history record files, wherever located for purposes of completing this application. I understand that the criminal history record files contain records of arrests which may have resulted in a disposition other than a finding of guilt (i.e., dismissed charges, or charges that resulted in a not guilty finding). I understand that the information may contain listings of charges that resulted in suspended imposition of sentence, even though I successfully completed the conditions of said sentence and the sentence was discharged pursuant to law. I authorize the release of this type of information, even though this record may be designated as "confidential" or "nonpublic" under the provisions of state or federal laws.

Therefore, you are hereby authorized, to release any and all information pertaining to this applicant, documentary or otherwise, as requested by any employee or agent of the Agency, provided that he or she certifies to you that said applicant has an application pending before the Agency or that said applicant is a licensee or other person required to be qualified under the provisions of the Medical Marijuana Facilities Licensing Act (MMFLA).

This authorization shall supersede any prior request or authorization to the contrary and shall be in effect during the pendency of this application. A photocopy of this authorization will be considered as effective and valid as the original.

PAGE 6 - ATTESTATION C – VERIFICATION & AFFIDAVIT OF FULL DISCLOSURE

After reading the attestation, provide the name of the main applicant entity and the name and title of the individual authorized to sign on behalf of the main applicant entity in the spaces provided.

In Section 2, provide the name of the contact person who is authorized to speak with the Agency about the application in the space provided on the form. Provide their email address, phone number, and Accela Citizen Access Login User ID (if known) in the spaces provided.

If you wish to designate more than one contact person, please add additional pages of this form to the application with each contact person on a separate Attestation C form.

NOTE: If an individual contacts MRA about the application and that individual is not a supplemental applicant, not the individual completing the application, and not an authorized contact person listed on Attestation C, the Agency will not provide information to that individual.

<u>ATTESTATION C - ENTITY</u> <u>VERIFICATION & AFFIDAVIT OF FULL DISCLOSURE</u> (To be completed and submitted by the applicant)	
Add additional pages of this form if authorizing more than one contact person.	
On behalf of _____, I _____ <small style="display: block; text-align: center;">Name of Entity</small>	<small style="display: block; text-align: center;">Name & Title of Individual Authorized to Sign on Behalf of Entity</small>
confirm the following:	
1. I am the individual responsible for submitting this application and have full authority to execute this affidavit of full disclosure.	
2. I authorize _____ to be a contact person for the Marijuana Regulatory Agency (Agency). I understand that this person will have access to records and material submitted to the Agency for the purposes of this application. Further, I understand that this person will retain access and receive communication from the Agency regarding the applicant/licensee until the applicant/licensee submits an official request to remove this person's access and cease communication with this person. Please provide the information for this contact person below.	
E-mail Address: _____	Phone Number: _____
Accela Citizen Access Login User ID (if applicable): _____	
3. I authorize the person listed as the Person Completing Application within the demographic section of the application to be a contact person for the Agency. I understand that this person will have access to records and material submitted to the Agency for the purposes of this application. Further, I understand that this person will retain access and receive communication from the Agency regarding the applicant/licensee until the applicant/licensee submits an official request to remove this person's access and cease communication with this person.	
4. I affirm that the information contained in this application is true, complete, and accurate to the best of my knowledge and belief.	
5. Except as reported in this application, I have no agreements or understandings with any person or entity and no present intent to hold as agent, nominee, or otherwise any interest in the application.	
6. Except as reported in this application, I have no agreements or understanding with any person or entity and no present intent to pay any sums of money or give anything of value as, including but without limitation, a finder's fee or commission to any person or entity related to the interest in this application.	
7. I understand that the entity has an ongoing obligation to notify the Agency should the entity enter into any such agreement contemplated by this attestation.	

PAGE 7 - ATTESTATION D – ACKNOWLEDGMENT OF FEDERAL LAW & RELEASE OF LIABILITY

After reading the attestation, provide the name of the main applicant entity and the name and title of the individual authorized to sign on behalf of the main applicant entity in the spaces provided.

<u>ATTESTATION D - ENTITY</u> <u>ACKNOWLEDGMENT OF FEDERAL LAW & RELEASE OF LIABILITY</u> (To be completed and submitted by the applicant)	
On behalf of _____, I _____ <div style="text-align: center; font-size: small;">Name of Entity</div>	<div style="text-align: center; font-size: small;">Name & Title of Individual Authorized to Sign on Behalf of Entity</div>
hereby acknowledge and affirm the following:	
<p>The Federal Controlled Substances Act, Title II of the Comprehensive Drug Abuse Prevention and Control Act of 1970, 21 U.S.C. § 801 <i>et seq.</i>, regulates marijuana as a Schedule I controlled substance, for which there is “no currently accepted medical use in treatment in the United States.” 21 U.S.C. § 812(b)(1)(B). Although the state of Michigan has recognized and authorized the use of medical marijuana pursuant to the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26421 to 333.26430, has authorized the issuance of state operating licenses to medical marijuana facilities pursuant to the Medical Marihuana Facilities Licensing Act, 2016 PA 281, MCL 333.27101 to MCL 333.27801, and has provided for a statewide monitoring system in the Marihuana Tracking Act, 2016 PA 282, MCL 333.27901 to 333.27904, these state authorized activities remain prohibited by federal law.</p>	
<p>I understand that a state operating license does not insulate or shield me or my business from federal seizure and/or forfeiture as allowed by federal law and does not insulate me from federal criminal arrest and/or prosecution.</p>	
<p>I understand that choosing to file an application for a state operating license and, if issued a license, choosing to establish and operate a marijuana facility pursuant to that license, is done so at my own risk.</p>	
<p>By my signature and attestation to this form, I hereby completely release and forever discharge the State of Michigan, the Michigan Department of Licensing and Regulatory Affairs, and the Marijuana Regulatory Agency, and its respective employees, agents, facilities, insurers, indemnors, successors, heirs and/or assigns from any and all past, present or future claims, demands, obligations, actions, causes of action, wrongful death claims, rights, damages, costs, losses of services, expenses and compensation of any nature whatsoever, whether based on a tort, contract or other theory of recovery, which I may now have, or which may hereafter accrue or otherwise be acquired, on account of, or may in any way arise out of my application for a state operating license and, if issued a license, my operation of a marijuana facility.</p>	

PAGE 8 – ATTESTATION F – CONFIRMATION OF TAX COMPLIANCE

PART A – After reading this section of the attestation, provide the name of the main applicant entity, the name and title of the individual authorized to sign on behalf of the main applicant entity, the signature of the individual authorized to sign, the entity FEIN, and the date in the spaces provided. Ensure a return mailing address is provided so the Department of Treasury is able to return the form.

<u>ATTESTATION F – ENTITY</u>	
<u>CONFIRMATION OF TAX COMPLIANCE</u>	
(To be completed by the designee of the Michigan Department of Treasury and submitted by the applicant)	
PART A (to be completed by the applicant before submitting to the Department of Treasury):	
On behalf of _____,	I _____,
<small>Name of Entity</small>	<small>Name & Title of Individual Authorized to Sign on Behalf of Entity</small>
<p>understand that I am submitting this Attestation in compliance with the Medical Marihuana Facilities Licensing Act (MMFLA) and the Administrative Rules. I hereby attest that the statements that will be confirmed in Part B below are true to the best of my knowledge and belief. I further affirm that if I have been making sales, I am registered and remitting sales tax to the Michigan Department of Treasury, as required.</p> <p>The Revenue Act, 1941 PA 122, MCL 205.28(1)(f), makes taxpayer information acquired in the administration of a tax confidential. I authorize the Michigan Department of Treasury to furnish tax returns and provide tax return information to the Marijuana Regulatory Agency for the limited purpose of determining my qualification and fitness for licensure under MMFLA. This limited authorization relates to all tax types administered under the Revenue Act. This limited authorization continues for two years from the date of my signature below or until the applicant is no longer licensed, whichever is later.</p>	
_____ Signature of Individual Authorized to Sign on Behalf of Entity	_____ Date
_____ Entity FEIN	
<u>Return Address for Completed Form:</u>	
_____ Name	
_____ Street Address	
_____ City, State, Zip Code	

PART B – The applicant must have this section of the attestation completed by an authorized designee of the Michigan Department of Treasury. The designee will confirm the required information and sign the form if applicable.

An authorized designee of the Michigan Department of Treasury can be contacted at:

Michigan Department of Treasury
Hours: Monday – Friday, 8:00 a.m. to 4:00 p.m.
Phone: 517-636-6925
Fax: 517-636-4520
Email: Treas-MI-Marihuana-Tax@michigan.gov

PART B (to be completed by a designee of the Michigan Department of Treasury and returned to the applicant):	
I, _____ (designee) of the Michigan Department of Treasury, hereby confirm to the Marijuana Regulatory Agency (Agency) that the applicant for a state operating license as named above in Part A, has no delinquency in payments and has satisfied all obligations for any sales or any other taxes that were to be levied on the sale of marijuana in accordance with the treasury bulletin titled "Marihuana Provisioning Center Tax and Sales and Use Tax Treatment of Marihuana" which was issued January 18, 2018 as updated. This attestation is provided in accordance with the Medical Marihuana Facilities Licensing Act, 2016 PA 281 (MMFLA), and the Administrative Rules.	
I further confirm that:	
<ol style="list-style-type: none">1. The applicant is in good standing with the Michigan Department of Treasury for any taxes for which the applicant is responsible.2. There are no outstanding obligations for any taxes levied for which the applicant is responsible.3. Any tax delinquencies for which the applicant is responsible, have been satisfied, if applicable.	
_____ Signature of Treasury Designee	_____ Date

Failure to submit this attestation with the signature of an authorized Michigan Department of Treasury designee will result in a Notice of Deficiency. Failure to correct any deficiencies within 5 days after receiving a Notice of Deficiency may result in the denial of the application.

PAGE 9 - ACKNOWLEDGMENT OF ATTESTATIONS

Do not sign this form until in the presence of a notary. Provide the name of the main applicant entity and the name and title of the individual authorized to sign on behalf of the main applicant entity in the spaces provided. Indicate by checking the boxes that the main applicant entity acknowledges and consents to each attestation.

The individual who is authorized to sign documents on behalf of the main applicant entity should sign this form in the presence of an active notary, providing the entity name, their name, signature, and date in the spaces provided. The individual who is authorized to sign on behalf of the main applicant entity signature date and notary signature date must match.

If the notary signature is invalid and/or the dates do not match, the applicant will receive a Notice of Deficiency. Failure to correct any deficiencies within 5 days after receiving a Notice of Deficiency may result in the denial of the application.

<u>ACKNOWLEDGMENT OF ATTESTATIONS</u> (To be completed and submitted by the applicant) <small>Do not sign until notary is present</small>	
On behalf of _____,	I _____,
Name of Entity	Name & Title of Individual Authorized to Sign on Behalf of Entity
hereby swear, acknowledge, and consent to the following attestations (check all that apply to indicate the applicant's acknowledgment and consent):	
<input type="checkbox"/> Attestation A: Acknowledgment, Agreement & Consent <input type="checkbox"/> Attestation B: Authorization to Release Information <input type="checkbox"/> Attestation C: Verification & Affidavit of Full Disclosure (with contact designated, if applicable) <input type="checkbox"/> Attestation D: Acknowledgment of Federal Law & Release of Liability <input type="checkbox"/> Attestation F: Confirmation of Tax Compliance	
Further, I affirm, under the penalties of perjury, that the information set forth in this application and all supporting documents is true, complete, and correct, and that no material information has been omitted.	
Signature of Individual Authorized to Sign on Behalf of Entity _____	Date _____
Subscribed and sworn to by _____ before me on _____.	
(Authorized Individual Name)	(Date)
(Notary Public Signature) _____	(Notary Public Printed Name) _____
State of _____, County of _____, Acting in the county of _____.	
(county)	(state)
My commission expires: _____.	

PAGE 10 - DISCLOSURE 1 – ENTITY INFORMATION

PAGE 10 - Provide the main applicant entity's name and phone number in the space provided at the top of this disclosure form.

<u>DISCLOSURE 1 – ENTITY INFORMATION</u>	
Entity Name _____	Phone No. _____

In the (1) **ENTITY STRUCTURE** section, check the box that best describes the business structure of the main applicant entity. If you select "Other," indicate the entity structure type in the space provided.

(1) ENTITY STRUCTURE	
<input type="checkbox"/> Limited Liability Company (LLC)	<input type="checkbox"/> Partnership
<input type="checkbox"/> Privately Held Corporation	<input type="checkbox"/> Trust
<input type="checkbox"/> Publicly Held Corporation	<input type="checkbox"/> Other: _____
<input type="checkbox"/> Publicly Held Corporation	

In the (2) **ENTITY PRIOR NAMES** section, provide any prior names used by the main applicant entity during the past three years. Add additional pages if necessary. If the main applicant entity has not had any previous names, this section can be left blank.

(2) ENTITY PRIOR NAMES		
Provide any prior name used by the entity during the past 3 years, if applicable. Add additional pages if necessary.		
Entity Prior Name	Date Use Began	Date Use Ceased

In the (3) **ENTITY PRIOR ADDRESSES** section, provide any prior addresses used by the main applicant entity during the past three years. Add additional pages if necessary. If the main applicant entity has not had any previous addresses, this section can be left blank.

(3) ENTITY PRIOR ADDRESSES			
Provide any prior address used by the entity during the past 3 years, if applicable. Add additional pages if necessary.			
Entity Prior Street Address	City, State, Zip Code	Date Use Began	Date Use Ceased

In the (4) **ENTITY OTHER BUSINESS INTERESTS** section, provide any other business interests of the main applicant entity. Add additional pages if necessary. If the main applicant entity does not have any other business interests, this section can be left blank.

(4) ENTITY OTHER BUSINESS INTERESTS			
Provide any other business interests of the main applicant entity, regardless of whether the business is related to the marijuana industry. Add additional pages if necessary.			
Name of Other Business Interest	Type of Business Entity (e.g., LLC, Corporation, Sole Proprietor, etc.)	Type of Business Conducted	Extent of Involvement

The main applicant entity should gather the following documentation in support of the Entity Information disclosure:

- Copy of Governing Documents (e.g., Operating Agreement or Bylaws)
- Certificate of Good Standing
- Approval to Conduct Business Transactions in Michigan (if applicable)
- Certificate of Assumed Name (if applicable)
- Copy of Organizational Structure (see requirements and example within application)
- Authorizing Resolution (if applicable)

PAGES 11 & 12 – MAIN ENTITY ORGANIZATIONAL STRUCTURE REQUIREMENTS & EXAMPLE

Each main applicant entity is required to submit an organizational structure with their application as one of the supporting documents. This page of the application outlines the requirements of the organizational chart and gives an example of how to format this document.

When creating the organizational structure document for the main applicant entity, be sure to include the ownership interest percentage for any entity or individual involved in the business.

NOTE: All parties listed below must be disclosed; however, some parties listed below may not rise to the level of being a supplemental applicant.

Limited Liability Companies (LLCs) must disclose:

- All members holding any direct or indirect ownership interest of 2.5% or greater in the main applicant seeking licensure
 - Important: Members that exercise control over or participate in the management of the applicant must be disclosed regardless of their ownership percentage
 - Spouses of members (if the member holds a direct or indirect ownership interest of greater than 10% in the main applicant seeking licensure and/or exercises control over or participates in the management of the applicant)
- All managers (for manager-managed LLCs)
 - Spouses of all managers (for manager-managed LLCs)
- All managerial employees (employees who can control and direct the affairs of the marihuana business and/or can make policy concerning the marihuana business)

Publicly Held Corporations must disclose:

- All corporate officers or persons with equivalent titles
 - Spouses of all corporate officers or persons with equivalent titles
- All directors
 - Spouses of all directors
- All shareholders holding a direct or indirect interest of greater than 5% in the main applicant seeking licensure
 - Spouses of shareholders (if the shareholder holds a direct or indirect ownership interest of greater than 10% in the main applicant seeking licensure)
- All managerial employees (employees who can control and direct the affairs of the marihuana business and/or can make policy concerning the marihuana business)

Privately Held Corporations must disclose:

- All corporate officers or persons with equivalent titles
 - Spouses of all corporate officers or persons with equivalent titles
- All directors
 - Spouses of all directors
- All shareholders holding a direct or indirect interest of 2.5% or greater in the main applicant seeking licensure
 - Spouses of shareholders (if the shareholder holds a direct or indirect ownership interest of greater than 10% in the main applicant seeking licensure)
- All managerial employees (employees who can control and direct the affairs of the marihuana business and/or can make policy concerning the marihuana business)

For a Trust, the following must be disclosed:

- All beneficiaries that have an ownership interest of 2.5% or greater in the main applicant seeking licensure
 - Important: Beneficiaries that exercise control over or participate in the management of the applicant must be disclosed regardless of their ownership percentage
 - Spouses of beneficiaries (if the beneficiary receives or has the right to receive greater than 10% of the gross or net profit of the trust during any full or partial calendar or fiscal year)
- All trustees

Partnerships and Limited Liability Partnerships must disclose:

- All partners
 - Spouses of all partners
- All managerial employees (employees who can control and direct the affairs of the marihuana business and/or can make policy concerning the marihuana business)

Limited Partnerships and Limited Liability Limited Partnerships must disclose:

- All general and limited partners that have an ownership interest of 2.5% or greater in the main applicant seeking licensure
 - Important: Partners that exercise control over or participate in the management of the applicant must be disclosed regardless of their ownership percentage
 - Spouses of all general and limited partners (if the partner holds a direct or indirect ownership interest of greater than 10% in the main applicant seeking licensure and/or exercises control over or participates in the management of the main applicant seeking licensure)
- All managerial employees (employees who can control and direct the affairs of the marihuana business and/or can make policy concerning the marihuana business)

Nonprofit corporations must disclose:

- All entities and individuals with membership or shareholder rights of 2.5% or greater in the main applicant seeking licensure
 - Spouses of all individuals with membership or shareholder rights
- All managerial employees (employees who can control and direct the affairs of the marihuana business and/or can make policy concerning the marihuana business)

PAGE 13 - DISCLOSURE 2 – AFFILIATED PARTIES (Affiliated Parties & Spouses)

PAGE 13 - Provide the main applicant entity's name and phone number in the space provided at the top of this disclosure form.

<u>DISCLOSURE 2 – AFFILIATED PARTIES</u>	
<div style="border: 1px solid black; height: 40px; margin-bottom: 5px;"></div> <div style="display: flex; justify-content: space-between; padding: 0 10px;"> Entity Name Phone No. </div>	
<u>Affiliated Parties & Spouses</u>	

In the table provided on the disclosure, list the following:

If the entity is a:	Disclose:
Main applicant	All managerial employees and the following for the entity types below:
Limited Liability Company	All managers (for manager-managed LLC's), all members that have greater than 10% ownership interest in the main applicant seeking licensure and/or that exercise control over or participate in the management of the main applicant, and the spouses of these individuals.
Publicly or Privately Held Corporation	All corporate officers or persons with equivalent titles, all directors, all shareholders holding greater than 10% ownership interest, and the spouses of these individuals.
Trust	All beneficiaries, their spouses, and all trustees.
Partnership or Limited Liability Partnership	All partners and their spouses.
Limited Partnership or Liability Limited Partnership	All general and limited partners with greater than 10% ownership interest and their spouses.
Nonprofit Corporation	All entities and individuals with membership or shareholder rights and their spouses.

NOTE: Managerial employees are individuals who can control and direct the affairs of the marijuana facility and/or can make policy concerning the marijuana facility.

E.g., If the application is being filled out for the main applicant entity, Entity 1 from the MAIN ENTITY ORGANIZATIONAL STRUCTURE REQUIREMENTS & EXAMPLE on page 11 the application, **Managerial Employee 1** and **Managerial Employee 2** would be listed on page 13- DISCLOSURE 2 – AFFILIATED PARTIES (Affiliated Parties & Spouses), as they are managerial employees who can direct the affairs of and make policy concerning the marijuana facility.

Entity 2, Entity 3, and Entity 4 would be listed on this section of the disclosure as they directly hold greater than 10% ownership interest in Entity 1.

Entity 6, Individual 2, Individual 3, and Individual 5 would be listed on this section of the disclosure as they indirectly hold greater than 10% ownership interest in Entity 1.

Additionally, **Spouse of Individual 2, Spouse of Individual 3, and Spouse of Individual 5** would also be listed on this section of the disclosure as they are spouses of individual's who directly or indirectly hold greater than 10% ownership interest in Entity 1.

Provide the following information for each entity or individual with direct or indirect ownership interest in the main applicant entity for which the application is being completed in the corresponding field on the table:

- Full Name as it appears on legal documents
- FEIN if an entity, SSN if an individual
- Email Address
- Date of Birth if an individual
- If the entity or individual is from out of the country, select “Yes” in the “Out of Country Applicant?” column
 - **NOTE:** If the out-of-country applicant has greater than 10 percent direct or indirect ownership interest in the main applicant entity, their supplemental application **must** be submitted via paper documents. The online system cannot account for out-of-country addresses.

PAGE 13 - DISCLOSURE 2 – AFFILIATED PARTIES (Affiliated Parties & Spouses)
EXAMPLE FOR ENTITY 1:

Entity or Individual Name	FEIN or SSN	E-mail Address	Date of Birth (if applicable)	Out of Country Applicant?
Managerial Employee 1	012-34-5678	managerialemp1@email.com	01/01/1961	<input type="checkbox"/> Yes
Managerial Employee 2	123-45-6789	managerialemp2@email.com	02/02/1962	<input type="checkbox"/> Yes
Entity 2, LLC	23-4567890	entity2llc@email.com		<input type="checkbox"/> Yes
Entity 3, LLC	34-5678901	entity3llc@email.com		<input type="checkbox"/> Yes
Entity 4, LLC	45-6789012	entity4llc@email.com		<input type="checkbox"/> Yes
Entity 6, LLC	56-7890123	entity6llc@email.com		<input type="checkbox"/> Yes
Individual 2	234-56-7890	individual2@email.com	03/03/1963	<input type="checkbox"/> Yes
Spouse of Individual 2	345-67-8901	spouseind2@email.com	04/04/1964	<input type="checkbox"/> Yes
Individual 3	456-78-9012	individual3@email.com	05/05/1965	<input type="checkbox"/> Yes
Spouse of Individual 3	567-89-0123	spouseind3@email.com	06/06/1966	<input type="checkbox"/> Yes
Individual 5	678-90-1234	individual5@email.com	07/07/1967	<input type="checkbox"/> Yes
Spouse of Individual 5	789-01-2345	spouseind5@email.com	08/08/1968	<input checked="" type="checkbox"/> Yes
				<input type="checkbox"/> Yes
				<input type="checkbox"/> Yes
				<input type="checkbox"/> Yes
				<input type="checkbox"/> Yes
				<input type="checkbox"/> Yes
				<input type="checkbox"/> Yes
				<input type="checkbox"/> Yes
				<input type="checkbox"/> Yes
				<input type="checkbox"/> Yes
				<input type="checkbox"/> Yes

PAGE 14- DISCLOSURE 2 – AFFILIATED PARTIES, CONTINUED
(Ten Percent or Less)

PAGE 14 - Provide the main applicant entity's name and phone number in the space provided at the top of this disclosure form.

<u>DISCLOSURE 2 – AFFILIATED PARTIES, CONTINUED</u>	
<div style="border: 1px solid black; height: 30px; margin-bottom: 5px;"></div> <div style="border: 1px solid black; height: 30px;"></div>	<div style="border: 1px solid black; height: 30px; margin-bottom: 5px;"></div> <div style="border: 1px solid black; height: 30px;"></div>
<u>Ten Percent or Less</u>	

In the table provided on the disclosure, list the following:

If the entity is a:	Disclose:
Limited Liability Company	All members holding 2.5% to 10% ownership interest.
Publicly Held Corporation	All shareholders holding greater than 5% to 10% ownership interest.
Privately Held Corporation	All shareholders holding 2.5% to 10% ownership interest.
Trust	All beneficiaries receiving or who have the right to receive 2.5% to 10% of the gross or net profit of the trust during any full or partial calendar or fiscal year.
Limited Partnership or Liability Limited Partnership	All general and limited partners holding 2.5% to 10% ownership interest.

E.g., If the application is being filled out for Entity 1 in the MAIN ENTITY ORGANIZATIONAL STRUCTURE REQUIREMENTS & EXAMPLE on page 11 the application, **Individual 1** would be listed on DISCLOSURE 2 – AFFILIATED PARTIES, CONTINUED (Ten Percent or Less), as they directly hold 10% or less ownership interest in Entity 1. If Individual 1 is married, their spouse is not required to be disclosed.

Entity 5 would be listed on this section of the disclosure, as it indirectly holds 10% or less ownership interest in Entity 1 ($15\% \times 60\% = 9\%$).

Individual 4 would be listed on this section of the disclosure, as they indirectly hold 10% or less ownership interest in Entity 1 ($100\% \times 15\% \times 60\% = 9\%$). If Individual 4 is married, their spouse is not required to be disclosed.

Provide the following information in the corresponding field on the table for each entity or individual with direct or indirect ownership interest of 10% or less in the main applicant entity for which the application is being completed:

- Full Name as it appears on legal documents
- Mailing Address
- Email Address
- Date of Birth if an individual

PAGE 14 - DISCLOSURE 2 – AFFILIATED PARTIES, CONTINUED (Ten Percent or Less)**EXAMPLE FOR ENTITY 1**

Entity or Individual Name	Address	E-Mail Address	Date of Birth (if applicable)
Individual 1	123 Main Street, Lansing, MI 48906	Individuall@email.com	9/9/1969
Entity 5, LLC	123 Main Street, Lansing, MI 48906	Entit5llc@email.com	
Individual 4	123 Main Street, Lansing, MI 48906	Individuall4@email.com	10/10/1970

PAGE 15 - DISCLOSURE 3 – INTERESTS OF PUBLIC OFFICIALS

PAGE 15 - Provide the main applicant entity's name and phone number in the space provided at the top of this disclosure form.

DISCLOSURE 3 – INTERESTS OF PUBLIC OFFICIALS	
Entity Name _____	Phone No. _____

List the names and titles of all public officials or officers of any unit of government as well as the spouses, parents, and children of those public officials or officers, who directly, or indirectly:

- Own any financial interest in the entity
- Have any beneficial interest in the entity
- Are the creditors of the entity
- Hold any debt instrument issued by the entity
- Hold or have any interest in any contractual or service relationship with the entity

Please list the names and titles of all public officials or officers of any unit of government as well as the spouses, parents, and children of those public officials or officers, who directly, or indirectly:

1. Own any financial interest in the entity
2. Have any beneficial interest in the entity
3. Are the creditors of the entity
4. Hold any debt instrument issued by the entity
5. Hold or have any interest in any contractual or service relationship with the entity

Name of Public Official/Office of Governmental Unit

Title

Check the appropriate box to indicate if the interest of the public official or officer is of a governmental unit.

Is the interest that of the public official or officer of a governmental unit? ☐ Yes ☐ No

If Yes", state the percentage/capacity of interest on the space provided.

If yes, state the percentage/capacity of interest _____

If “No”, provide the following information about the interest of the family member of the public official or officer in the table provided:

- **Name** of family member
- **Relationship** of family member
- **Date of Birth** of family member
- **Address** of family member
- **Percentage/Capacity of Interest** of family member

Name of Family Member	Relationship	Date of Birth	Address	Percentage/ Capacity of Interest

PAGE 16 - DISCLOSURE 4 – DEBT, INSOLVENCY, OR BANKRUPTCY ACTIONS

PAGE 16 - Provide the main applicant entity’s name and phone number in the space provided at the top of this disclosure form.

<u>DISCLOSURE 4 – DEBT, INSOLVENCY, OR BANKRUPTCY ACTIONS</u>	
Entity Name _____	Phone No. _____

Check the appropriate box to indicate if the main applicant entity has filed or had filed against it, a proceeding for bankruptcy or been involved in any formal process to adjust, defer, suspend, or otherwise work out payment of a debt in the past seven years?

(1) Has the main applicant entity filed, or had filed against it, a proceeding for bankruptcy or been involved in any formal process to adjust, defer, suspend or otherwise work out payment of a debt in the past seven years?	
<input type="checkbox"/> Yes <input type="checkbox"/> No	If yes , provide information in the following sections. If no , this disclosure form is complete.

If the answer to this question is “No,” you are finished with this disclosure.

If “Yes”, provide the following information related to the main applicant entity’s past or current debt, bankruptcy, or other insolvency proceeding.

- **Date of Filing** of the debt, bankruptcy, or other insolvency proceeding
- **Name & Location of Court** of the debt, bankruptcy, or other insolvency proceeding
- **Case Number** of the debt, bankruptcy, or other insolvency proceeding
- **Date of Disposition** of the debt, bankruptcy, or other insolvency proceeding
- **Disposition** of the debt, bankruptcy, or other insolvency proceeding

Date of Filing	Name & Location of Court	Case No.	Date of Disposition	Disposition

The main applicant entity should gather the following supporting documents in relation to the Debt, Insolvency, or Bankruptcy Actions disclosure:

- [Copy of Discharge Documentation \(if applicable\)](#)

PAGE 17 - DISCLOSURE 5 – TAX & TAX COMPLIANCE

PAGE 17 - Provide the main applicant entity’s name and phone number in the space provided at the top of this disclosure form.

<u>DISCLOSURE 5 - TAX & TAX COMPLIANCE</u>	
<div style="border: 1px solid black; height: 40px; margin-bottom: 5px;"></div> <div style="display: flex; justify-content: space-between; padding: 0 10px;"> Entity Name Phone No. </div>	

In the (1) **TAXING AGENCIES** section, indicate if the main applicant entity was subject to taxation during the past 12 months by selecting “Yes” or “No” to the question at the top of the page.

If “Yes,” list all federal, state, local, and foreign taxing agencies in which the main applicant entity was subject to taxation for the past 12 months in the table provided.

(1) TAXING AGENCIES
Has the main applicant entity been subject to taxation during the last year?

☐ Yes ☐ No If you answered **yes**, provide the information requested below for each federal, state, local, and foreign jurisdictions in which the main applicant entity was subject to taxation during the last year. Add additional pages if necessary.

Taxing Agency	Type of Tax (E.g., Federal income tax, state income tax, sales tax)

E.g., “Taxing Agency” = IRS, “Type of Tax” = Federal Income Tax;

E.g., “Taxing Agency” = Michigan Department of Treasury, Type of Tax = State Income Tax, Sales Tax

In the (2) **TAX COMPLIANCE** section, indicate if the main applicant entity has had a tax complaint filed against them or been served with a notice regarding a tax delinquency by selecting “Yes” or “No” to this question.

If “Yes,” provide the taxing agency, type of tax, tax period, and amount of the delinquent tax payment in the table provided in this section.

(2) TAX COMPLIANCE
Has the main applicant entity ever been served with, or had filed against it, a complaint or other notice regarding the delinquent payment of any tax required under federal, state, local, or foreign jurisdictions?

☐ Yes ☐ No If you answered **yes**, provide the requested information for each delinquent tax payment and provide all applicable required supporting documents (e.g., copy of notice of tax liability due). Add additional pages if necessary.

Taxing Agency	Type of Tax	Tax Year	Amount	Disposition

The main applicant entity should gather the following supporting documents in relation to the Tax & Tax Compliance disclosure:

- Copy of Initial Notice and Notice of Release (if applicable)
- Copy of Payment Plan Documentation (if applicable)

PAGE 18 - DISCLOSURE 6 – GOVERNMENT REGULATION

PAGE 18 - Provide the main applicant entity's name and phone number in the space provided at the top of this disclosure form.

<u>DISCLOSURE 6 - GOVERNMENT REGULATION</u>	
Entity Name _____	Phone No. _____

Select “Yes” or “No” to the three questions in the top section of the page.

<p>Is the main applicant entity subject to regulation by a public agency in any other jurisdiction (e.g., Does the main applicant entity hold any license, certificate, permit, etc., that is regulated by a department of a local, state, federal, or foreign government)?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>Does the main applicant entity hold any commercial licenses? (Not including the license in which they are currently applying.)</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>Has the main applicant entity ever applied for or been granted any commercial license or certificate issued by a licensing authority in any jurisdiction, that has been denied, restricted, suspended, revoked, or not renewed?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>

Question 1 - If the main applicant entity is subject to regulation by a public agency (holds any license, certificate, permit, etc. which is regulated by a department of a local, state, federal, or foreign government—such as a liquor license, building permit, sales tax license, other marijuana licenses, etc.), select “Yes.”

If “Yes,” disclose any marijuana businesses in Section (1) **MARIJUANA BUSINESS INTERESTS** and any other regulation type in Section (2) **COMMERCIAL LICENSES OR CERTIFICATES**.

Question 2 - If the main applicant entity holds any commercial licenses (e.g. food establishment license, retail gas outlet license, marijuana license, liquor license, commercial driver’s license, etc.) select “Yes.”

If “Yes,” disclose any marijuana businesses in Section (1) **MARIJUANA BUSINESS INTERESTS** and any other regulation type in Section (2) **COMMERCIAL LICENSES OR CERTIFICATES**.

Question 3 - If the main applicant entity has ever applied for a license or certificate that was denied, or if the main applicant entity has ever been granted a license or certificate that has been restricted, suspended, revoked, or not renewed, select “Yes.”

If “Yes,” disclose these licenses in Section (3) **COMMERCIAL LICENSES OR CERTIFICATES DENIED, RESTRICTED, SUSPENDED, REVOKED, OR NOT RENEWED** on the second page of this disclosure.

If the answer to all three of these questions is “No,” you are finished with this disclosure.

In the (1) **MARIJUANA BUSINESS INTERESTS** section, list any marijuana business in which the main applicant entity has any direct or indirect equity interest. For each marijuana business, provide the business entity's name, license number, and the state of license issuance. If the entity does not own other marijuana businesses, this section can be left blank.

(1) MARIJUANA BUSINESS INTERESTS

Provide the requested information for any interest that the main applicant entity has in any other corporation, partnership or other business entity that is directly or indirectly involved in the *growing, processing, testing, transporting, or sale of marijuana*. Add additional pages if necessary.

Marijuana Business Entity Name	License Number	State of Issuance	Country of Issuance

In Section (2) **COMMERCIAL LICENSES OR CERTIFICATES**, list any (non-marijuana) commercial licenses or certificates held by the main applicant entity.

(2) COMMERCIAL LICENSES OR CERTIFICATES

Provide the requested information for all non-marijuana commercial licenses or certificates held by the main applicant entity. Add additional pages if necessary.

License or Certificate Type	License Number or Other Identifying Number	Issuing Agency

E.g., "License or Certificate Type" = *Liquor license*, "License No. or Other Identifying No." = *RQ-1810-12345*, "Issuing Agency" = *Michigan Liquor Control Commission*

E.g., "License or Certificate Type" = *Sales tax license*, "License No. or Other Identifying No." = *89-6745231*, "Issuing Agency" = *Michigan Department of Treasury*

PAGE 19 - DISCLOSURE 6 – GOVERNMENT REGULATION, CONTINUED

PAGE 19 – Provide the main applicant entity's name and phone number in the space provided at the top of this disclosure form.

DISCLOSURE 6 - GOVERNMENT REGULATION, CONTINUED

Entity Name

Phone No.

In the **(3) COMMERCIAL LICENSES OR CERTIFICATES DENIED, RESTRICTED, SUSPENDED, REVOKED, OR NOT RENEWED** section, list any license or certificate that was applied for and denied, and list any license or certificate that has been restricted, suspended, revoked, or not renewed.

(3) <u>COMMERCIAL LICENSES OR CERTIFICATES DENIED, RESTRICTED, SUSPENDED, REVOKED, OR NOT RENEWED</u>			
Provide the requested information for all commercial licenses or certificates with which the main applicant entity has had an application or license denied, restricted, suspended, revoked, or not renewed. Add additional pages if necessary.			
#	License or Certificate Type	License Number or Other Identifying Number	Issuing Agency
1			
	Action Taken	Reason for Action	Date Action Taken
#	License or Certificate Type	License Number or Other Identifying Number	Issuing Agency
2			
	Action Taken	Reason for Action	Date Action Taken
#	License or Certificate Type	License Number or Other Identifying Number	Issuing Agency
3			
	Action Taken	Reason for Action	Date Action Taken

“Action Taken” = *denied, restricted, suspended, revoked, or not renewed*

In the **(4) PENDING LICENSES OR CERTIFICATES** section, list any pending licenses or certificates in which the main applicant entity has applied for and a determination has not yet been made.

(4) <u>PENDING LICENSES OR CERTIFICATES</u>		
Disclose any application for a commercial license or certificate in this state or any other jurisdiction that is currently pending and for which a determination has not been made. Do not include this current application for a marijuana license or any commercial license or certificate previously disclosed on this application. Add additional pages if necessary.		
License or Certificate Type	Issuing Agency	Application Number or Other Identifying Number

The main applicant entity should gather the following documentation in support of the Government Regulation disclosures:

- Copy of Marijuana Licenses (if applicable)
- Copy of Any Other Commercial Licenses or Any Comparable Licenses from Other Jurisdictions (if applicable)
- Summary of Facts and Circumstances Concerning A License Denial, Restriction, Revocation, Suspension, or Nonrenewal (If Applicable)

PAGE 20- DISCLOSURE 8 – LITIGATION HISTORY

PAGE 20 - Provide the main applicant entity's name and phone number in the space provided at the top of this disclosure form.

<u>DISCLOSURE 8 – LITIGATION HISTORY</u>	
Entity Name _____	Phone No. _____

In the **LITIGATION HISTORY** section, select “Yes” or “No” to indicate if the main applicant entity has been a party to any litigation during the past five years.

If “Yes”, disclose the case caption, docket or case number, name and location of court, and the cause of action for the litigation in the table provided. Add additional pages if necessary.

(1) LITIGATION HISTORY Has the main applicant entity been a party to any litigation during the past five years (e.g., fraud, environmental, food safety, alcohol, tobacco, labor, employment, worker's compensation, discrimination, and tax laws and regulations)? <div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> Yes <input type="checkbox"/> No </div> <div style="font-size: small;"> If you answered yes, provide the requested information for all litigation related to the main applicant entity (e.g., fraud, environmental, food safety, labor, employment, worker's compensation, discrimination, and tax laws and regulations) pending or concluded, for the past 5 years. Add additional pages if necessary. </div> </div>				
Case Caption	Docket/Case No.	Name & Location of Court	Cause of Action	Disposition

In the **PENDING LITIGATION** section, for any cases that are currently pending, provide a brief explanation in the area provided. Add additional pages if necessary.

(2) PENDING LITIGATION For any cases that are currently initiated or pending, provide a brief explanation regarding the allegations of the case. Add additional pages if necessary. <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div>
--

In the **GOVERNMENT CHARGES & INVESTIGATIONS** section, disclose any charges and/or government investigations related to the main applicant entity's business operations (e.g. fraud, environmental, food safety, alcohol, tobacco, labor, employment, worker's compensation, discrimination, and tax laws and regulation), whether initiated, pending, or concluded in the area provided. Add additional pages if necessary.

(3) GOVERNMENT CHARGES & INVESTIGATIONS

Disclose any charges and government investigations, whether initiated, pending, or concluded, related to the main applicant entity's business operations unless they have been previously disclosed on this application (e.g., fraud, environmental, food safety, alcohol, tobacco, labor, employment, worker's compensation, discrimination, and tax laws and regulations). Add additional pages if necessary.

The main applicant entity should gather the following documentation in support of the Litigation History disclosure:

- Copy of Complaint (if applicable)
- Copy of Judgment (if applicable)

SUPPLEMENTAL APPLICATIONS FOR MAIN APPLICANT ENTITIES

Supplemental applications are required to be submitted along with the main applicant entity application. Each entity and individual considered a supplemental applicant is required to submit a prequalification application. Refer to the **MAIN AND SUPPLEMENTAL APPLICANTS EXPLANATION** in this application instruction booklet for more information regarding supplemental applicants.

SUBMITTING THE APPLICATION

When submitting the application, ensure the main application, all supplemental applications, and all supporting documents are provided. Failure to submit all applications and supporting documents will result in a Notice of Deficiency. Failure to correct any deficiencies within 5 days after receiving a Notice of Deficiency may result in the denial of the application.

The application can be submitted online at: <https://aca3.accela.com/MIMM/Default.aspx>, in person at: 2407 North Grand River Avenue, Lansing, MI 49806, or via postal mail to:

Marijuana Regulatory Agency
Medical Facilities Licensing
P.O. Box 30205
Lansing, MI 48909

If any questions arise while completing the application, please do not hesitate to contact MRA by telephone at:
517-284-8599

The medical application submission should contain the following supporting documents:

- Copy of Governing Documents (e.g., Operating Agreement or Bylaws)
- Certificate of Good Standing
- Approval to Conduct Business Transactions in Michigan (if applicable)
- Certificate of Assumed Name (if applicable)
- Copy of Organizational Structure
- Authorization Resolution
- CPA Attestation
- Statement of Money Lender Form
- Promissory Note/Line of Credit Documents
- Copy of Discharge Documentation (if applicable)
- Copy of Initial Notice and Notice of Release (if applicable)
- Copy of Payment Plan Documentation (if applicable)
- Copy of Marijuana Licenses (if applicable)
- Copy of Any Other Commercial Licenses or Any Comparable License from Other Jurisdictions (if applicable)
- Summary of Facts and Circumstances Concerning License Denial, Restriction, Revocation, Suspension, or Nonrenewal (If Applicable)
- Copy of Complaint (if applicable)
- Copy of Judgment (if applicable)

SUPPLEMENTAL ENTITY PREQUALIFICATION

The Supplemental Entity Prequalification Application can be found at the following link: [Supplemental Entity Prequalification](#).

Download the Supplemental Entity Prequalification Application.

The supplemental entity will need to complete a Supplemental Entity Prequalification Application in its entirety.

APPLICATION CHECKLIST

Ensure you have gathered all applicable items on the checklist before submitting the application. The last page of the application instruction booklet contains a checklist that provides further information on what each supporting document should entail.

SUPPLEMENTAL ENTITY PREQUALIFICATION	
Supplemental Entity Prequalification Application <ul style="list-style-type: none"> <input type="checkbox"/> Page 1: Supplemental Entity Prequalification Checklist <input type="checkbox"/> Page 2: Supplemental Entity Demographics <input type="checkbox"/> Page 3: ATTESTATION A – Acknowledgment, Agreement, & Consent <input type="checkbox"/> Page 4: ATTESTATION B – Authorization to Release Information <input type="checkbox"/> Page 5: ATTESTATION C – Verification & Affidavit of Full Disclosure <input type="checkbox"/> Page 6: ATTESTATION D – Acknowledgment of Federal Law & Release of Liability <input type="checkbox"/> Page 7: ATTESTATION F – Confirmation of Tax Compliance <input type="checkbox"/> Page 8: Acknowledgement of Attestations (signed and notarized) <input type="checkbox"/> Page 9: DISCLOSURE 1 – Entity Information <input type="checkbox"/> Pages 10-11: DISCLOSURE 2 – Affiliated Parties <input type="checkbox"/> Page 12: DISCLOSURE 3 – Interests of Public Officials <input type="checkbox"/> Page 13: DISCLOSURE 4 – Debt, Insolvency, or Bankruptcy Actions <input type="checkbox"/> Page 14: DISCLOSURE 5 – Tax & Tax Compliance <input type="checkbox"/> Pages 15-16: DISCLOSURE 6 – Government Regulation <input type="checkbox"/> Pages 17: DISCLOSURE 8 – Litigation History 	Supporting Documents <ul style="list-style-type: none"> Entity Information Documents <ul style="list-style-type: none"> <input type="checkbox"/> Copy of Governing Documents (e.g., Operating Agreement, Bylaws) <input type="checkbox"/> Certificate of Good Standing <input type="checkbox"/> Approval to Conduct Business Transactions in Michigan (if applicable) <input type="checkbox"/> Certificate of Assumed Name (if applicable) (obtained from LARA Corporations Division) <input type="checkbox"/> Authorizing Resolution Debt, Insolvency, or Bankruptcy Documents <ul style="list-style-type: none"> <input type="checkbox"/> Copy of Discharge Documentation (if applicable) Tax Liability and Delinquency Documents <ul style="list-style-type: none"> <input type="checkbox"/> Copy of Initial Notice and Notice of Release (if applicable) <input type="checkbox"/> Copy of Payment Plan Documentation (if applicable) Regulation Documents <ul style="list-style-type: none"> <input type="checkbox"/> Copy of Marijuana Licenses (if applicable) <input type="checkbox"/> Copy of Any Other Commercial Licenses or Any Comparable License from Other Jurisdictions (if applicable) <input type="checkbox"/> Summary of Facts and Circumstances Concerning License Denial, Restriction, Revocation, Suspension, or Nonrenewal (if applicable) Litigation Documents <ul style="list-style-type: none"> <input type="checkbox"/> Copy of Complaint (if applicable) <input type="checkbox"/> Copy of Judgment (if applicable)

PAGE 2 – DEMOGRAPHIC INFORMATION

At the top of the form, provide the name of the main applicant in which this supplemental entity is supporting, and the Accela Citizen Access (ACA) application ID, if known. The application ID number is assigned after an online application is submitted via Accela Citizen Access (ACA - the online citizen portal) or after a paper application is processed within the Agency. **The name in this space should not be the name of the supplemental entity.**

<u>SUPPLEMENTAL ENTITY DEMOGRAPHICS</u>	
This supplemental entity prequalification application is in support of:	
Main Entity Name	ACA Application ID (if known)

In the **DEMOGRAPHIC INFORMATION** section, provide the following information for the supplemental entity in the corresponding field on the application:

- **Entity Name** as it appears on official business documents
- **Assumed Name** of the supplemental entity, if operating under a name other than the supplemental entity's official name
- **Mailing Address** of the supplemental entity
- **Federal Employer Identification Number (FEIN)** of the supplemental entity
- **Phone Number** of the supplemental entity
- **Email Address** of the supplemental entity

DEMOGRAPHIC INFORMATION	
Please provide the following information regarding the supplemental entity.	
Entity Name (as appears on official business documents)	Assumed Name (attach copy of filed assumed name certificate, if applicable)
Entity Mailing Address	FEIN
City State Zip Code	Entity Phone Entity Email Address

In the **PERSON COMPLETING APPLICATION** section, provide the following information in the corresponding field on the application:

- **Name** of the individual completing the application
- **Date of Birth** of the individual completing the application
- **Mailing Address** of the individual completing the application
- **Phone Number** of the individual completing the application
- **Email Address** of the individual completing the application

PERSON COMPLETING APPLICATION	
Please provide the following information regarding the person completing this application.	
Name (First, Middle, Last)	Date of Birth (mm/dd/yyyy)
Mailing Address	Phone
City State Zip Code	Email Address

Ensure all contact information is accurate and that current email addresses have been provided, as most correspondence from MRA will be sent via email.

PAGES 3-8 – ATTESTATIONS

Read all the attestations carefully as the applicant will be acknowledging and agreeing to the information and stipulations contained in these attestations.

If you are unsure of what an item within an attestation means, please consult an attorney. MRA cannot provide legal interpretation of the statute or rules.

PAGE 3 - ATTESTATION A – ACKNOWLEDGMENT, AGREEMENT, AND CONSENT

After reading the attestation, provide the name of the supplemental entity and the name of the individual authorized to sign on behalf of the supplemental entity in the spaces provided.

<u>ATTESTATION A – ENTITY</u> <u>ACKNOWLEDGMENT, AGREEMENT, & CONSENT</u> (To be completed and submitted by the applicant)	
On behalf of _____,	I _____
Name of Entity	Name & Title of Individual Authorized to Sign on Behalf of Entity
acknowledge that I am the person responsible for submitting this application and supporting documents.	
I hereby acknowledge that the Marijuana Regulatory Agency (Agency) may require supplemental materials in order to carry out its statutory duties. I hereby agree to submit such supplemental materials as requested by the Agency in a timely manner. I understand that if the Agency identifies a deficiency in an application, the Agency shall notify the applicant and the applicant shall submit the missing information or proof that the deficiency has been corrected to the agency within 5 days of the date the applicant received the deficiency notice. I acknowledge that failure to provide requested disclosures and documentation or to correct any notice of deficiency within 5 days of its receipt may result in the denial of an application.	
I hereby acknowledge that any issuance of a license is a privilege. I have the responsibility to prove that it is eligible, suitable, and qualified to be licensed. I must accept any risk of adverse public notice, embarrassment, criticism, or other action, or financial loss, which may result from action with respect to an application or the public disclosure of information requested in this application, and expressly waive any claim for damages as a result thereof. Information not called for in this application or in addition to that provided in response to this application, may be requested.	
I, as the applicant submitting this application, hereby certify that I do not have an interest in any other state operating license that is prohibited by the Medical Marijuana Facilities Licensing Act, 2016 PA 281 (MMFLA).	
I hereby acknowledge that I am under a continuing duty to promptly disclose to the Agency any changes in the information provided in the application and supporting documents submitted to the Agency. To comply with this requirement, I hereby acknowledge that I must submit a letter to the Agency stating any changes with reference to the specific information within the application to which the changes pertain.	
I hereby consent to investigations of compliance, regular inspections, examinations, searches, seizures, and auditing of books and records as provided in MMFLA Section 303(1)(c)(i) to (iv) and the MMFLA Administrative Rules, and to disclose to the Agency and its agents of otherwise confidential records, including tax records held by any federal, state, or local agency, or credit agency or financial institution, while applying for or holding a state operating license. This consent is authorization to review and inspect tax records administered under the Michigan Revenue Act, 1941 PA 122.	
I hereby acknowledge that the finding of prequalification status for a pending application is valid for two years after the Agency issues a notice of prequalification status unless otherwise determined by the agency. The entity understands that after two years have expired, the entity may be required to submit a new application and pay a new nonrefundable application fee.	
I hereby consent to receive all service of process via electronic service as opposed to certified mail. This consent is valid unless otherwise revoked in writing.	

PAGE 4 - ATTESTATION B – AUTHORIZATION TO RELEASE INFORMATION

After reading the attestation, provide the name of the supplemental entity and the name and title of the individual authorized to sign on behalf of the supplemental entity in the spaces provided.

ATTESTATION B – ENTITY
AUTHORIZATION TO RELEASE INFORMATION
(To be completed and submitted by the applicant)

To all courts, probation departments, selective service boards, employers, educational institutions, banks, financial and other such institutions, and all governmental agencies federal, state and local, without exception, both foreign and domestic:

On behalf of _____, I _____
Name of Entity Name & Title of Individual Authorized to Sign on Behalf of Entity

authorize the Marijuana Regulatory Agency (Agency) and its agents to conduct a full investigation into the background and activities of the applicant for purposes of determining the applicant's eligibility for a marijuana facility prequalification and state operating license.

I understand that by the signing of this authorization, a financial background check will be performed. I authorize any financial institution to surrender to the Agency a complete and accurate record of such transactions that may have occurred with that institution, including, but not limited to, internal banking memoranda, past and present loan applications, financial statements and any other documents relating to my personal financial records in whatever form and wherever located. I authorize my employers to release any employment information required to validate my financial history. I understand that the financial background check will include a credit history examination and that my credit report, credit history, and credit capacity information will be obtained.

I understand that by signing this authorization, a financial background check of my tax filing and tax obligation status will be performed. I authorize my respective state taxing agency to surrender to the Agency a complete and accurate record of any and all tax information or records relating to me for the purposes of this application. I authorize the Agency to obtain, receive, review, copy, discuss, and use any such tax information or documents relating to me. I authorize the release of this type of information, even though such information may be designated as "confidential" or "nonpublic" under the provisions of state or federal laws.

I understand that by signing this authorization, a criminal history background check will be performed. I authorize the Agency to obtain and use from any source, any information concerning me contained in any type of criminal history record files, wherever located for purposes of completing this application. I understand that the criminal history record files contain records of arrests which may have resulted in a disposition other than a finding of guilt (i.e., dismissed charges, or charges that resulted in a not guilty finding). I understand that the information may contain listings of charges that resulted in suspended imposition of sentence, even though I successfully completed the conditions of said sentence and the sentence was discharged pursuant to law. I authorize the release of this type of information, even though this record may be designated as "confidential" or "nonpublic" under the provisions of state or federal laws.

Therefore, you are hereby authorized to release any and all information pertaining to this applicant, documentary or otherwise, as requested by any employee or agent of the Agency, provided that he or she certifies to you that said applicant has an application pending before the Agency or that said applicant is a licensee or other person required to be qualified under the provisions of the Michigan Medical Marihuana Facilities Licensing Act (MMFLA).

This authorization shall supersede any prior request or authorization to the contrary and shall be in effect during the pendency of this application. A photocopy of this authorization will be considered as effective and valid as the original.

PAGE 6 - ATTESTATION D – ACKNOWLEDGMENT OF FEDERAL LAW & RELEASE OF LIABILITY

After reading the attestation, provide the name of the supplemental entity and the name and title of the individual authorized to sign on behalf of the supplemental entity in the spaces provided.

<u>ATTESTATION D – ENTITY</u> <u>ACKNOWLEDGMENT OF FEDERAL LAW & RELEASE OF LIABILITY</u> (To be completed and submitted by the applicant)	
On behalf of _____, I _____ <div style="text-align: center; font-size: small;">Name of Entity</div>	<div style="text-align: center; font-size: small;">Name & Title of Individual Authorized to Sign on Behalf of Entity</div>
hereby acknowledge and affirm the following:	
<p>The Federal Controlled Substances Act, Title II of the Comprehensive Drug Abuse Prevention and Control Act of 1970, 21 U.S.C. § 801 <i>et seq.</i>, regulates marijuana as a Schedule I controlled substance, for which there is “no currently accepted medical use in treatment in the United States.” 21 U.S.C. § 812(b)(1)(B). Although the state of Michigan has recognized and authorized the use of medical marijuana pursuant to the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26421 to 333.26430, has authorized the issuance of state operating licenses to medical marijuana facilities pursuant to the Medical Marihuana Facilities Licensing Act, 2016 PA 281, MCL 333.27101 to MCL 333.27801, and has provided for a statewide monitoring system in the Marihuana Tracking Act, 2016 PA 282, MCL 333.27901 to 333.27904, these state authorized activities remain prohibited by federal law.</p>	
<p>I understand that a state operating license does not insulate or shield me or my business from federal seizure and/or forfeiture as allowed by federal law and does not insulate me from federal criminal arrest and/or prosecution.</p>	
<p>I understand that choosing to file an application for a state operating license and, if issued a license, choosing to establish and operate a marijuana facility pursuant to that license, is done so at my own risk.</p>	
<p>By my signature and attestation to this form, I hereby completely release and forever discharge the State of Michigan, the Michigan Department of Licensing and Regulatory Affairs, the Marijuana Regulatory Agency, and its respective employees, agents, facilities, insurers, indemnors, successors, heirs and/or assigns from any and all past, present or future claims, demands, obligations, actions, causes of action, wrongful death claims, rights, damages, costs, losses of services, expenses and compensation of any nature whatsoever, whether based on a tort, contract or other theory of recovery, which I may now have, or which may hereafter accrue or otherwise be acquired, on account of, or may in any way arise out of my application for a state operating license and, if issued a license, my operation of a marijuana facility.</p>	

PAGE 7 – ATTESTATION F – CONFIRMATION OF TAX COMPLIANCE

PART A – After reading this section of the attestation, provide the name of the supplemental entity, the name and title of the individual authorized to sign on behalf of the supplemental entity, the signature of the individual authorized to sign, the entity FEIN, and the date in the spaces provided. Ensure a return mailing address is provided so the Department of Treasury is able to return the form.

ATTESTATION F – SUPPLEMENTAL ENTITY CONFIRMATION OF TAX COMPLIANCE	
(To be completed by the designee of the Michigan Department of Treasury and submitted by the applicant)	
PART A (to be completed by the applicant before submitting to the Department of Treasury):	
On behalf of _____, I _____ <div style="display: flex; justify-content: space-between; font-size: small; margin-top: 2px;"> Name of Entity Name & Title of Individual Authorized to Sign on Behalf of Entity </div>	
understand that I am submitting this Attestation in compliance with the Medical Marihuana Facilities Licensing Act (MMFLA) and the Administrative Rules. I hereby attest that the statements that will be confirmed in Part B below are true to the best of my knowledge and belief. I further affirm that if I have been making sales, I am registered and remitting sales tax to the Michigan Department of Treasury, as required.	
The Revenue Act, 1941 PA 122, MCL 205.28(1)(f), makes taxpayer information acquired in the administration of a tax confidential. I authorize the Michigan Department of Treasury to furnish tax returns and provide tax return information to the Marijuana Regulatory Agency for the limited purpose of determining my qualification and fitness for licensure under MMFLA. This limited authorization relates to all tax types administered under the Revenue Act. This limited authorization continues for two years from the date of my signature below or until the applicant is no longer licensed, whichever is later.	
_____ <small>Signature of Individual Authorized to Sign on Behalf of Entity</small>	_____ <small>Date</small>
_____ <small>Entity FEIN</small>	
<u>Return Address for Completed Form:</u>	
_____ <small>Name</small>	
_____ <small>Street Address</small>	
_____ <small>City, State, Zip Code</small>	
Department of Treasury Phone: 517-636-6925 Department of Treasury Fax: 517-636-4520 Department of Treasury Email: Treas-MI-Marihuana-Tax@michigan.gov	

PART B – The supplemental entity must have this section of the attestation completed by an authorized designee of the Michigan Department of Treasury. The designee will confirm the required information and sign the form if applicable.

An authorized designee of the Michigan Department of Treasury can be contacted at:

Michigan Department of Treasury
Hours: Monday – Friday, 8:00 a.m. to 4:00 p.m.
Phone: 517-636-6925
Fax: 517-636-4520
Email: Treas-MI-Marihuana-Tax@michigan.gov

<p>PART B (to be completed by a designee of the Michigan Department of Treasury and returned to the applicant):</p> <p>I, _____ (designee) of the Michigan Department of Treasury, hereby confirm to the Marijuana Regulatory Agency (Agency) that the applicant for a state operating license as named above in Part A, has no delinquency in payments and has satisfied all obligations for any sales or any other taxes that were to be levied on the sale of marijuana in accordance with the treasury bulletin titled "Marihuana Provisioning Center Tax and Sales and Use Tax Treatment of Marihuana" which was issued January 18, 2018 as updated. This attestation is provided in accordance with the Medical Marihuana Facilities Licensing Act, 2016 PA 281 (MMFLA), and the Administrative Rules.</p> <p>I further confirm that:</p> <ol style="list-style-type: none">1. The applicant is in good standing with the Michigan Department of Treasury for any taxes for which the applicant is responsible.2. There are no outstanding obligations for any taxes levied for which the applicant is responsible.3. Any tax delinquencies for which the applicant is responsible, have been satisfied, if applicable. <div style="display: flex; justify-content: space-between; margin-top: 20px;"><div style="width: 45%;"><hr style="border: 0; border-top: 1px solid black;"/><div style="text-align: center; font-size: small;">Signature of Treasury Designee</div></div><div style="width: 45%;"><hr style="border: 0; border-top: 1px solid black;"/><div style="text-align: center; font-size: small;">Date</div></div></div>	
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Failure to submit this attestation with the signature of an authorized Michigan Department of Treasury designee will result in a Notice of Deficiency. Failure to correct any deficiencies within 5 days after receiving a Notice of Deficiency may result in the denial of the application.

PAGE 8 - ACKNOWLEDGMENT OF ATTESTATIONS

Do not sign this form until in the presence of a notary. Provide the name of the supplemental entity and the name and title of the individual authorized to sign on behalf of the supplemental entity in the spaces provided. Indicate by checking the boxes that the supplemental entity acknowledges and consents to each attestation.

The individual who is authorized to sign documents on behalf of the supplemental entity should sign this form in the presence of an active notary, providing the entity name, their name, signature, and date in the spaces provided. The individual who is authorized to sign on behalf of the supplemental entity signature date and notary signature date must match.

If the notary signature is invalid and/or the dates do not match, the applicant will receive a Notice of Deficiency. Failure to correct any deficiencies within 5 days after receiving a Notice of Deficiency may result in the denial of the application.

<u>ACKNOWLEDGMENT OF ATTESTATIONS</u> (To be completed and submitted by the applicant) <small>Do not sign until notary is present</small>	
On behalf of _____,	I _____,
Name of Entity	Name & Title of Individual Authorized to Sign on Behalf of Entity
hereby swear, acknowledge, and consent to the following attestations (check all that apply to indicate the applicant's acknowledgment and consent):	
<input type="checkbox"/> Attestation A: Acknowledgment, Agreement & Consent <input type="checkbox"/> Attestation B: Authorization to Release Information <input type="checkbox"/> Attestation C: Verification & Affidavit of Full Disclosure (with contact designated, if applicable) <input type="checkbox"/> Attestation D: Acknowledgment of Federal Law & Release of Liability <input type="checkbox"/> Attestation F: Confirmation of Tax Compliance	
Further, I affirm, under the penalties of perjury, that the information set forth in this application and all supporting documents is true, complete, and correct, and that no material information has been omitted.	
_____ <small>Signature of Individual Authorized to Sign on Behalf of Entity</small>	_____ <small>Date</small>
Subscribed and sworn to by _____ before me on _____ <div style="display: flex; justify-content: space-around; font-size: x-small;"> (Authorized Individual Name) (Date) </div>	
_____ <small>(Notary Public Signature)</small>	_____ <small>(Notary Public Printed Name)</small>
State of _____, County of _____, Acting in the county of _____ <div style="display: flex; justify-content: space-around; font-size: x-small;"> (county) (state) </div>	
My commission expires: _____	

PAGE 9 - DISCLOSURE 1 – SUPPLEMENTAL ENTITY INFORMATION

PAGE 9 - Provide the supplemental entity's name and phone number in the space provided at the top of this disclosure form.

<u>DISCLOSURE 1 – SUPPLEMENTAL ENTITY INFORMATION</u>	
_____ <small>Entity Name</small>	_____ <small>Phone No.</small>

In the (1) **ENTITY STRUCTURE** section, check the box that best describes the business structure of the supplemental entity. If you select “Other,” indicate the entity structure type in the space provided.

(1) ENTITY STRUCTURE	
<input type="checkbox"/> Limited Liability Company (LLC)	<input type="checkbox"/> Partnership
<input type="checkbox"/> Privately Held Corporation	<input type="checkbox"/> Trust
<input type="checkbox"/> Publicly Held Corporation	<input type="checkbox"/> Other: _____
<input type="checkbox"/> Publicly Held Corporation	

In the (2) **ENTITY PRIOR NAMES** section, provide any prior names used by the supplemental entity during the past three years. Add additional pages if necessary. If the supplemental entity has not had any previous names, this section can be left blank.

(2) ENTITY PRIOR NAMES		
Provide any prior name used by the entity during the past 3 years, if applicable. Add additional pages if necessary.		
Entity Prior Name	Date Use Began	Date Use Ceased

In the (3) **ENTITY PRIOR ADDRESSES** section, provide any prior addresses used by the supplemental entity during the past three years. Add additional pages if necessary. If the supplemental entity has not had any previous addresses, this section can be left blank.

(3) ENTITY PRIOR ADDRESSES			
Provide any prior address used by the entity during the past 3 years, if applicable. Add additional pages if necessary.			
Entity Prior Street Address	City, State, Zip Code	Date Use Began	Date Use Ceased

In the **(4) ENTITY OTHER BUSINESS INTERESTS** section, provide any other business interests of the supplemental entity. Add additional pages if necessary. If the supplemental entity does not have any other business interests, this section can be left blank.

(4) ENTITY OTHER BUSINESS INTERESTS Provide any other business interests of the supplemental entity, regardless of whether the business is related to the marijuana industry. Add additional pages if necessary.			
Name of Other Business Interest	Type of Business Entity (e.g., LLC, Corporation, Sole Proprietor, etc.)	Type of Business Conducted	Extent of Involvement

The supplemental entity applicant should gather the following documentation in support of the Entity Information disclosure:

- Copy of Governing Documents (e.g., Operating Agreement or Bylaws)
- Certificate of Good Standing
- Approval to Conduct Business Transactions in Michigan (if applicable)
- Certificate of Assumed Name (if applicable)
- Authorizing Resolution (if applicable)

PAGE 12 - DISCLOSURE 2 – AFFILIATED PARTIES (Affiliated Parties & Spouses)

PAGE 12 - Provide the supplemental entity's name and phone number in the space provided at the top of this disclosure form.

<u>DISCLOSURE 2 - AFFILIATED PARTIES</u>	
Entity Name _____	Phone No. _____
<u>Affiliated Parties & Spouses</u>	

In the table provided on the disclosure, list the following:

If the entity is a:	Disclose:
Limited Liability Company	All managers (for manager-managed LLC's), all members that have greater than 10% ownership interest in the main applicant seeking licensure, and the spouses of these individuals.
Publicly or Privately Held Corporation	All corporate officers or persons with equivalent titles, all directors, all shareholders holding greater than 10% ownership interest in the main applicant seeking licensure, and the spouses of these individuals.
Trust	All beneficiaries, their spouses, and all trustees.
Partnership or Limited Liability Partnership	All partners and their spouses.
Limited Partnership or Liability Limited Partnership	All general and limited partners with greater than 10% ownership interest and their spouses.
Nonprofit Corporation	All entities and individuals with membership or shareholder rights and their spouses.

Provide the following information for each entity or individual with direct or indirect ownership interest in the main applicant entity seeking licensure in the corresponding field on the table:

- Full Name as it appears on legal documents
- FEIN if an entity, SSN if an individual
- Email Address
- Date of Birth if an individual
- If the entity or individual is from out of the country, select "Yes" in the "Out of Country Applicant?" column
 - **NOTE:** If the out-of-country applicant has greater than 10 percent direct or indirect ownership interest in the main entity, their supplemental application **must** be submitted via paper documents. The online system cannot account for out-of-country addresses.

PAGE 13- DISCLOSURE 2 – AFFILIATED PARTIES, CONTINUED
(Ten Percent or Less)

PAGE 13 - Provide the supplemental entity's name and phone number in the space provided at the top of this disclosure form.

<u>DISCLOSURE 2 – AFFILIATED PARTIES, CONTINUED</u>	
<div style="border: 1px solid black; height: 40px; margin-bottom: 5px;"></div> <div style="display: flex; justify-content: space-between; padding: 0 10px;"> Entity Name Phone No. </div>	
<u>Ten Percent or Less</u>	

In the table provided on the disclosure, list the following:

If the entity is a:	Disclose:
Limited Liability Company	All members holding 2.5% to 10% direct or indirect ownership interest in the main applicant seeking licensure.
Publicly Held Corporation	All shareholders holding greater than 5% to 10% ownership interest in the main applicant seeking licensure.
Privately Held Corporation	All shareholders holding 2.5% to 10% ownership interest in the main applicant seeking licensure.
Trust	All beneficiaries receiving or who have the right to receive 10% or less of the gross or net profit of the trust during any full or partial calendar or fiscal year.
Limited Partnership or Liability Limited Partnership	All general and limited partners holding 2.5% to 10% ownership interest in the main applicant seeking licensure.

Provide the following information in the corresponding field on the table for each entity or individual with direct or indirect ownership interest of 10% or less in the main applicant entity for which the application is being completed:

- Full Name as it appears on legal documents
- Mailing Address
- Email Address
- Date of Birth if an individual

PAGE 14 - DISCLOSURE 3 – INTERESTS OF PUBLIC OFFICIALS

PAGE 14 - Provide the supplemental entity's name and phone number in the space provided at the top of this disclosure form.

<u>DISCLOSURE 3 – INTERESTS OF PUBLIC OFFICIALS</u>	
<div style="border: 1px solid black; height: 40px; margin-bottom: 5px;"></div> <div style="border: 1px solid black; height: 40px;"></div>	<div style="border: 1px solid black; height: 40px; margin-bottom: 5px;"></div> <div style="border: 1px solid black; height: 40px;"></div>

List the names and titles of all public officials or officers of any unit of government as well as the spouses, parents, and children of those public officials or officers, who directly, or indirectly:

- Own any financial interest in the entity
- Have any beneficial interest in the entity
- Are the creditors of the entity
- Hold any debt instrument issued by the entity
- Hold or have any interest in any contractual or service relationship with the entity

Please list the names and titles of all public officials or officers of any unit of government as well as the spouses, parents, and children of those public officials or officers, who directly, or indirectly:

1. Own any financial interest in the entity
2. Have any beneficial interest in the entity
3. Are the creditors of the entity
4. Hold any debt instrument issued by the entity
5. Hold or have any interest in any contractual or service relationship with the entity

Name of Public Official/Office of Governmental Unit

Title

Check the appropriate box to indicate if the interest of the public official or officer is of a governmental unit.

Is the interest that of the public official or officer of a governmental unit? ☐ Yes ☐ No

If Yes", state the percentage/capacity of interest on the space provided.

If yes, state the percentage/capacity of interest _____

If "No", provide the following information about the interest of the family member of the public official or officer in the table provided:

- **Name** of family member
- **Relationship** of family member
- **Date of Birth** of family member
- **Address** of family member
- **Percentage/Capacity of Interest** of family member

Name of Family Member	Relationship	Date of Birth	Address	Percentage/ Capacity of Interest

PAGE 15 - DISCLOSURE 4 – DEBT, INSOLVENCY, OR BANKRUPTCY ACTIONS

PAGE 15 - Provide the supplemental entity's name and phone number in the space provided at the top of this disclosure form.

<u>DISCLOSURE 4 – DEBT, INSOLVENCY, OR BANKRUPTCY ACTIONS</u>	
Entity Name _____	Phone No. _____

Check the appropriate box to indicate if the supplemental entity has filed or had filed against it, a proceeding for bankruptcy or been involved in any formal process to adjust, defer, suspend, or otherwise work out payment of a debt in the past seven years?

(1) Has the supplemental entity filed, or had filed against it, a proceeding for bankruptcy or been involved in any formal process to adjust, defer, suspend or otherwise work out payment of a debt in the past seven years?	
<input type="checkbox"/> Yes <input type="checkbox"/> No	If yes , provide information in the following sections. If no , this disclosure form is complete.

If the answer to this question is “No,” you are finished with this disclosure.

If “Yes”, provide the following information related to the supplemental entity's past or current debt, bankruptcy, or other insolvency proceeding.

- **Date of Filing** of the debt, bankruptcy, or other insolvency proceeding
- **Name & Location of Court** of the debt, bankruptcy, or other insolvency proceeding
- **Case Number** of the debt, bankruptcy, or other insolvency proceeding
- **Date of Disposition** of the debt, bankruptcy, or other insolvency proceeding
- **Disposition** of the debt, bankruptcy, or other insolvency proceeding

Date of Filing	Name & Location of Court	Case No.	Date of Disposition	Disposition

The supplemental entity applicant should gather the following supporting documents in relation to the Debt, Insolvency, or Bankruptcy Actions disclosure:

- [Copy of Discharge Documentation \(if applicable\)](#)

PAGE 16 - DISCLOSURE 5 – TAX & TAX COMPLIANCE

PAGE 16 - Provide the supplemental entity's name and phone number in the space provided at the top of this disclosure form.

<u>DISCLOSURE 5 - TAX & TAX COMPLIANCE</u>	
<div style="border: 1px solid black; height: 40px; margin-bottom: 5px;"></div> <div style="border: 1px solid black; height: 40px;"></div>	<div style="border: 1px solid black; height: 40px; margin-bottom: 5px;"></div> <div style="border: 1px solid black; height: 40px;"></div>

In the **(1) TAXING AGENCIES** section, indicate if the supplemental entity was subject to taxation during the past 12 months by selecting “Yes” or “No” to the question at the top of the page.

If “Yes,” list all federal, state, local, and foreign taxing agencies in which the supplemental entity was subject to taxation for the past 12 months in the table provided.

(1) <u>TAXING AGENCIES</u>	
Has the supplemental entity been subject to taxation during the last year?	
<input type="checkbox"/> Yes <input type="checkbox"/> No	If you answered yes , provide the information requested below for each federal, state, local, and foreign jurisdictions in which the supplemental entity was subject to taxation during the last year. Add additional pages if necessary.
Taxing Agency	Type of Tax (E.g., Federal income tax, state income tax, sales tax)

E.g., “Taxing Agency” = IRS, “Type of Tax” = Federal Income Tax;

E.g., “Taxing Agency” = Michigan Department of Treasury, Type of Tax = State Income Tax, Sales Tax

In the (2) **TAX COMPLIANCE** section, indicate if the supplemental entity has had a tax complaint filed against them or been served with a notice regarding a tax delinquency by selecting “Yes” or “No” to this question.

If “Yes,” provide the taxing agency, type of tax, tax period, and amount of the delinquent tax payment in the table provided in this section.

(2) <u>TAX COMPLIANCE</u> Has the supplemental entity ever been served with, or had filed against it, a complaint or other notice regarding the delinquent payment of any tax required under federal, state, local, or foreign jurisdictions? <input type="checkbox"/> Yes <input type="checkbox"/> No If you answered <u>yes</u> , provide the requested information for each delinquent tax payment and provide all applicable required supporting documents (e.g., copy of notice of tax liability due). Add additional pages if necessary.				
Taxing Agency	Type of Tax	Tax Year	Amount	Disposition

The supplemental entity applicant should gather the following supporting documents in relation to the Tax & Tax Compliance disclosure:

- Copy of Initial Notice and Notice of Release (if applicable)
- Copy of Payment Plan Documentation (if applicable)

PAGE 17 - DISCLOSURE 6 – GOVERNMENT REGULATION

PAGE 17 - Provide the supplemental entity’s name and phone number in the space provided at the top of this disclosure form.

<u>DISCLOSURE 6 - GOVERNMENT REGULATION</u>	
Entity Name _____	Phone No. _____

Select “Yes” or “No” to the three questions in the top section of the page.

Is the supplemental entity subject to regulation by a public agency in any other jurisdiction (e.g., Does the supplemental entity hold any license, certificate, permit, etc., that is regulated by a department of a local, state, federal, or foreign government)? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Does the supplemental entity hold any commercial licenses? (Not including the license in which they are currently applying.) <input type="checkbox"/> Yes <input type="checkbox"/> No	
Has the supplemental entity ever applied for or been granted any commercial license or certificate issued by a licensing authority in Michigan, or any other jurisdiction, that has been denied, restricted, suspended, revoked, or not renewed? <input type="checkbox"/> Yes <input type="checkbox"/> No	

Question 1 - If the supplemental entity is subject to regulation by a public agency (holds any license, certificate, permit, etc. which is regulated by a department of a local, state, federal, or foreign government—such as a liquor license, building permit, sales tax license, other marijuana licenses, etc.), select “Yes.”

If “Yes,” disclose any marijuana businesses in Section (1) **MARIJUANA BUSINESS INTERESTS** and any other regulation type in Section (2) **COMMERCIAL LICENSES OR CERTIFICATES**.

Question 2 - If the supplemental entity holds any commercial licenses (e.g. food establishment license, retail gas outlet license, marijuana license, liquor license, commercial driver’s license, etc.) select “Yes.”

If “Yes,” disclose any marijuana businesses in Section (1) **MARIJUANA BUSINESS INTERESTS** and any other regulation type in Section (2) **COMMERCIAL LICENSES OR CERTIFICATES**

Question 3 - If the supplemental entity has ever applied for a license or certificate that was denied, or if the supplemental entity has ever been granted a license or certificate that has been restricted, suspended, revoked, or not renewed, select “Yes.”

If “Yes,” disclose these licenses in Section (3) **COMMERCIAL LICENSES OR CERTIFICATES DENIED, RESTRICTED, SUSPENDED, REVOKED, OR NOT RENEWED** on the second page of this disclosure.

If the answer to all three of these questions is “No,” you are finished with this disclosure.

In the (1) **MARIJUANA BUSINESS INTERESTS** section, list any marijuana business in which the supplemental entity has any direct or indirect equity interest. For each marijuana business, provide the business entity’s name, license number, and the state of license issuance. If the entity does not own other marijuana businesses, this section can be left blank.

(1) MARIJUANA BUSINESS INTERESTS

Provide the requested information for any interest that the supplemental entity has in any other corporation, partnership or other business entity that is directly or indirectly involved in the *growing, processing, testing, transporting, or sale of marijuana*. Add additional pages if necessary.

Marijuana Business Entity Name	License Number	State of Issuance	Country of Issuance

In Section (2) **COMMERCIAL LICENSES OR CERTIFICATES**, list any (non-marijuana) commercial licenses or certificates held by the supplemental entity.

(2) COMMERCIAL LICENSES OR CERTIFICATES

Provide the requested information for all non-marijuana commercial licenses or certificates held by the supplemental entity.
Add additional pages if necessary.

License or Certificate Type	License Number or Other Identifying Number	Issuing Agency

E.g., “License or Certificate Type” = *Liquor license*, “License No. or Other Identifying No.” = *RQ-1810-12345*, “Issuing Agency” = *Michigan Liquor Control Commission*

E.g., “License or Certificate Type” = *Sales tax license*, “License No. or Other Identifying No.” = *89-6745231*, “Issuing Agency” = *Michigan Department of Treasury*

PAGE 18 - DISCLOSURE 6 – GOVERNMENT REGULATION, CONTINUED

PAGE 18 – Provide the supplemental entity’s name and phone number in the space provided at the top of this disclosure form.

<u>DISCLOSURE 6 - GOVERNMENT REGULATION, CONTINUED</u>	
<div style="border: 1px solid black; height: 30px; margin-bottom: 5px;"></div> <div style="border: 1px solid black; height: 30px;"></div>	<div style="border: 1px solid black; height: 30px; margin-bottom: 5px;"></div> <div style="border: 1px solid black; height: 30px;"></div>

In the (3) **COMMERCIAL LICENSES OR CERTIFICATES DENIED, RESTRICTED, SUSPENDED, REVOKED, OR NOT RENEWED** section, list any license or certificate that was applied for and denied, and list any license or certificate that has been restricted, suspended, revoked, or not renewed.

(3) COMMERCIAL LICENSES OR CERTIFICATES DENIED, RESTRICTED, SUSPENDED, REVOKED, OR NOT RENEWED			
Provide the requested information for all commercial licenses or certificates with which the supplemental entity has had an application or license denied, restricted, suspended, revoked, or not renewed. Add additional pages if necessary.			
#	License or Certificate Type	License Number or Other Identifying Number	Issuing Agency
1			
	Action Taken	Reason for Action	Date Action Taken
#	License or Certificate Type	License Number or Other Identifying Number	Issuing Agency
2			
	Action Taken	Reason for Action	Date Action Taken
#	License or Certificate Type	License Number or Other Identifying Number	Issuing Agency
3			
	Action Taken	Reason for Action	Date Action Taken

"Action Taken" = *denied, restricted, suspended, revoked, or not renewed*

In the (4) **PENDING LICENSES OR CERTIFICATES** section, list any pending licenses or certificates in which the supplemental entity has applied for and a determination has not yet been made.

(4) PENDING LICENSES OR CERTIFICATES		
Disclose any application for a commercial license or certificate in this state or any other jurisdiction that is currently pending and for which a determination has not been made. Do not include this current application for a marijuana license or any commercial license or certificate previously disclosed on this application. Add additional pages if necessary.		
License or Certificate Type	Issuing Agency	Application Number or Other Identifying Number

The supplemental entity applicant should gather the following documentation in support of the Government Regulation disclosures:

- Copy of Marijuana Licenses (if applicable)
- Copy of Any Other Commercial Licenses or Any Comparable Licenses from Other Jurisdictions (if applicable)
- Summary of Facts and Circumstances Concerning A License Denial, Restriction, Revocation, Suspension, or Nonrenewal (If Applicable)

PAGE 19 - DISCLOSURE 8 – LITIGATION HISTORY

PAGE 19 - Provide the supplemental entity's name and phone number in the space provided at the top of this disclosure form.

<u>DISCLOSURE 8 – LITIGATION HISTORY</u>	
Entity Name _____	Phone No. _____

In the **LITIGATION HISTORY** section, select “Yes” or “No” to indicate if the supplemental entity has been a party to any litigation during the past five years.

If “Yes”, disclose the case caption, docket or case number, name and location of court, and the cause of action for the litigation in the table provided. Add additional pages if necessary.

(1) <u>LITIGATION HISTORY</u> Has the supplemental entity been a party to any litigation during the past five years (e.g., fraud, environmental, food safety, alcohol, tobacco, labor, employment, worker's compensation, discrimination, and tax laws and regulations)? <div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> Yes <input type="checkbox"/> No </div> <div> If you answered yes, provide the requested information for all litigation related to the main applicant entity (e.g., fraud, environmental, food safety, labor, employment, worker's compensation, discrimination, and tax laws and regulations) pending or concluded, for the past 5 years. Add additional pages if necessary. </div> </div>				
Case Caption	Docket/Case No.	Name & Location of Court	Cause of Action	Disposition

In the **PENDING LITIGATION** section, for any cases that are currently pending, provide a brief explanation in the area provided. Add additional pages if necessary.

(2) <u>PENDING LITIGATION</u> For any cases that are currently initiated or pending, provide a brief explanation regarding the allegations of the case. Add additional pages if necessary. <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div>

In the **GOVERNMENT CHARGES & INVESTIGATIONS** section, disclose any charges and/or government investigations related to the supplemental entity's business operations (e.g. fraud, environmental, food safety, alcohol, tobacco, labor, employment, worker's compensation, discrimination, and tax laws and regulation), whether initiated, pending, or concluded in the area provided. Add additional pages if necessary.

(3) GOVERNMENT CHARGES & INVESTIGATIONS

Disclose any charges and government investigations, whether initiated, pending, or concluded, related to the supplemental entity's business operations unless they have been previously disclosed on this application (e.g., fraud, environmental, food safety, alcohol, tobacco, labor, employment, worker's compensation, discrimination, and tax laws and regulations). Add additional pages if necessary.

The supplemental entity applicant should gather the following documentation in support of the Litigation History disclosure:

- Copy of Complaint (if applicable)
- Copy of Judgment (if applicable)

SUBMITTING THE APPLICATION

When submitting the application, ensure the main application, all supplemental applications, and all supporting documents are provided. Failure to submit all applications and supporting documents will result in a Notice of Deficiency. Failure to correct any deficiencies within 5 days after receiving a Notice of Deficiency may result in the denial of the application.

The application can be submitted online at: <https://aca3.accela.com/MIMM/Default.aspx>, in person at: 2407 North Grand River Avenue, Lansing, MI 49806, or via postal mail to:

Marijuana Regulatory Agency
Medical Facilities Licensing
P.O. Box 30205
Lansing, MI 48909

If any questions arise while completing the application, please do not hesitate to contact MRA by telephone at:

517-284-8599

The medical application submission should contain the following supporting documents:

- Copy of Governing Documents (e.g., Operating Agreement or Bylaws)
- Certificate of Good Standing
- Approval to Conduct Business Transactions in Michigan (if applicable)
- Certificate of Assumed Name (if applicable)
- Copy of Organizational Structure
- Authorization Resolution
- Copy of Discharge Documentation (if applicable)
- Copy of Initial Notice and Notice of Release (if applicable)
- Copy of Payment Plan Documentation (if applicable)
- Copy of Marijuana Licenses (if applicable)
- Copy of Any Other Commercial Licenses or Any Comparable License from Other Jurisdictions (if applicable)
- Summary of Facts and Circumstances Concerning License Denial, Restriction, Revocation, Suspension, or Nonrenewal (If Applicable)
- Copy of Complaint (if applicable)
- Copy of Judgment (if applicable)

SOLE PROPRIETOR PREQUALIFICATION

The Sole Proprietor Prequalification Application can be found at the following link: [Sole Proprietor Prequalification](#).

Download the Sole Proprietor Prequalification Application.

The sole proprietor will need to complete a Sole Proprietor Prequalification Application in its entirety.

APPLICATION CHECKLIST

Ensure you have gathered all applicable items on the checklist before submitting the application. The last page of the application instruction booklet contains a checklist that provides further information on what each supporting document should entail.

SOLE PROPRIETOR PREQUALIFICATION	
<input type="checkbox"/> \$6,000 Application Fee	
Sole Proprietor Prequalification Application <ul style="list-style-type: none"> <input type="checkbox"/> Page 1: Sole Proprietor Prequalification Checklist <input type="checkbox"/> Page 2: Medical License Types and Descriptions <input type="checkbox"/> Page 3: Sole Proprietor Demographics <input type="checkbox"/> Page 4: ATTESTATION A – Acknowledgment, Agreement, & Consent <input type="checkbox"/> Page 5: ATTESTATION B – Authorization to Release Information <input type="checkbox"/> Page 6: ATTESTATION C – Verification & Affidavit of Full Disclosure <input type="checkbox"/> Page 7: ATTESTATION D – Acknowledgment of Federal Law & Release of Liability <input type="checkbox"/> Page 8: ATTESTATION F – Confirmation of Tax Compliance <input type="checkbox"/> Page 9: Acknowledgement of Attestations (signed and notarized) <input type="checkbox"/> Page 10: DISCLOSURE 1 – Sole Proprietor Information <input type="checkbox"/> Page 11: DISCLOSURE 3 – Interests of Public Officials <input type="checkbox"/> Page 12: DISCLOSURE 4 – Debt, Insolvency, or Bankruptcy Actions <input type="checkbox"/> Page 13: DISCLOSURE 5 – Tax & Tax Compliance <input type="checkbox"/> Pages 14-15: DISCLOSURE 6 – Government Regulation <input type="checkbox"/> Page 16: DISCLOSURE 7 – Criminal History <input type="checkbox"/> Page 17: DISCLOSURE 8 – Litigation History 	Supporting Documents <ul style="list-style-type: none"> Identity Documents <ul style="list-style-type: none"> <input type="checkbox"/> Copy of Government Issued ID <input type="checkbox"/> DBA Documentation (if applicable) (obtained at county-level) Capitalization Documents <ul style="list-style-type: none"> <input type="checkbox"/> CPA Attestation <input type="checkbox"/> Statement of Money Lender Form <input type="checkbox"/> Promissory Note/Line of Credit Documents Debt, Insolvency, or Bankruptcy Documents <ul style="list-style-type: none"> <input type="checkbox"/> Copy of Discharge Documentation (if applicable) Tax Liability and Delinquency Documents <ul style="list-style-type: none"> <input type="checkbox"/> W2s, 1099s and/or Schedule K-1s for most recent year (if no W2s, 1099s and/or Schedule K-1s exist, submit an explanation) <input type="checkbox"/> Copy of Initial Notice and Notice of Release (if applicable) <input type="checkbox"/> Copy of Payment Plan Documentation (if applicable) Regulation Documents <ul style="list-style-type: none"> <input type="checkbox"/> Copy of Marijuana Licenses (if applicable) <input type="checkbox"/> Copy of Any Other Commercial Licenses or Any Comparable License from Other Jurisdictions (if applicable) <input type="checkbox"/> Summary of Facts and Circumstances Concerning License Denial, Restriction, Revocation, Suspension, or Nonrenewal (if applicable) Criminal History Documents <ul style="list-style-type: none"> <input type="checkbox"/> Copy of Criminal History Documents (if applicable) Litigation History <ul style="list-style-type: none"> <input type="checkbox"/> Copy of Complaint (if applicable) <input type="checkbox"/> Copy of Judgment (if applicable)

PAGE 2 - MEDICAL LICENSE TYPES & DESCRIPTIONS

Within the **Medical License Types & Descriptions** table, indicate which license type(s) and the number of licenses the sole proprietor intends to apply for in Step 2.

<u>MEDICAL LICENSE TYPES & DESCRIPTIONS</u>			
There is a non-refundable \$6,000 application fee. No review of the application will take place until the fee had been paid.			
Indicate the license type(s) the sole proprietor intends to apply for in step two. This selection is not permanent until step two of the application is completed.			
	License Type	Number of Licenses	Description of License
<input type="checkbox"/>	Grower Class A		Licensee is authorized to grow not more than 500 marijuana plants.
<input type="checkbox"/>	Grower Class B		Licensee is authorized to grow not more than 1000 marijuana plants.
<input type="checkbox"/>	Grower Class C		Licensee is authorized to grow not more than 1500 marijuana plants.
<input type="checkbox"/>	Processor		Licensee is authorized to purchase marijuana only from a grower and sale of marijuana-infused products or marijuana only to a provisioning center or another processor.
<input type="checkbox"/>	Provisioning Center		Licensee is authorized to 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.
<input type="checkbox"/>	Safety Compliance Facility		Licensee is authorized to receive marijuana from, test marijuana for, and return marijuana to only a marijuana facility.
<input type="checkbox"/>	Secure Transporter		Licensee is authorized to store and transport marijuana and associated money between marijuana facilities.

The following is a detailed description of each license type:

Grower Class A

- License authorizes the licensee to grow not more than 500 marijuana plants.
- Authorizes the sale of marijuana plants to a grower only by means of a secure transporter.
- Authorizes the sale or transfer of seeds, seedlings, or tissue cultures to a grower from a registered primary caregiver or another grower without using a secure transporter.
- Authorizes sale of marijuana, other than seeds, seedlings, tissue cultures, and cuttings, to a processor or a provisioning center.
- The applicant and each investor in the grower must not have an interest in a secure transporter or safety compliance facility.

Grower Class B

- License authorizes the licensee to grow not more than 1,000 marijuana plants.
- Authorizes the sale of marijuana plants to a grower only by means of a secure transporter.
- Authorizes the sale or transfer of seeds, seedlings, or tissue cultures to a grower from a registered primary caregiver or another grower without using a secure transporter.
- Authorizes sale of marijuana, other than seeds, seedlings, tissue cultures, and cuttings, to a processor or a provisioning center.
- The applicant and each investor in the grower must not have an interest in a secure transporter or safety compliance facility.

Grower Class C

- License authorizes the licensee to grow not more than 1,500 marijuana plants.
- Authorizes the sale of marijuana plants to a grower only by means of a secure transporter.
- Authorizes the sale or transfer of seeds, seedlings, or tissue cultures to a grower from a registered primary caregiver or another grower without using a secure transporter.
- Authorizes sale of marijuana, other than seeds, seedlings, tissue cultures, and cuttings, to a processor or a provisioning center.
- The applicant and each investor in the grower must not have an interest in a secure transporter or safety compliance facility.

Processor

- License authorizes the licensee to purchase marijuana only from a grower and sale of marijuana-infused products or marijuana only to a provisioning center or another processor.
- The applicant and each investor in the processor must not have an interest in a secure transporter or safety compliance facility.

Provisioning Center

- License authorizes the licensee to purchase or transfer marijuana only from a grower or processor and sale or transfer to only a registered qualifying patient or registered primary caregiver.
- The applicant and each investor in the provisioning center must not have an interest in a secure transporter or safety compliance facility.

Safety Compliance Facility

- License authorizes the licensee to receive marijuana from, test marijuana for, and return marijuana to only a marijuana facility.
- Must be accredited by an entity approved by the agency by 1 year after the date the license is issued or have previously provided drug testing services to this state or this state's court system and be a vendor in good standing in regard to those services.
- The applicant and each investor with any interest in the safety compliance facility must not have an interest in a grower, secure transporter, processor, or provisioning center.
- Retain and employ at least 1 laboratory manager with a relevant advanced degree in a medical or laboratory science.

Secure Transporter

- License authorizes the licensee to store and transport marijuana and associated money between marijuana facilities.
- The applicant and each investor with an interest in the secure transporter must not have an interest in a grower, processor, provisioning center, or safety compliance facility.
- The applicant and each investor must not be a registered qualifying patient or registered primary caregiver.
- Each driver transporting marijuana must have a chauffeur's license issued by this state.
- Each employee who has custody of marijuana or money that is related to a marijuana transaction shall not have been convicted of or released from incarceration for a felony under the laws of this state, any other state, or the United States within the past 5 years or have been convicted of a misdemeanor involving a controlled substance within the past 5 years.

PAGE 3 – DEMOGRAPHIC INFORMATION

Check the appropriate box to indicate if the Sole Proprietor Prequalification Application is the initial filing of the prequalification application or if the sole proprietor's prequalification previously expired and a prequalification application is being refilled.

<u>SOLE PROPRIETOR DEMOGRAPHICS</u>	
<input type="checkbox"/> Initial Prequalification Application	
<input type="checkbox"/> Refilled Application of Lapsed Prequalification	

In the **DEMOGRAPHIC INFORMATION** section, provide the following information for the sole proprietor in the corresponding field on the application:

- **Name** of the sole proprietor as it appears on official government documents
- **Doing Business As (DBA)** name of the sole proprietor, if operating under a name other than the sole proprietor's official name
- **Mailing Address** of the sole proprietor
- **Social Security Number** of the sole proprietor
- **Date of Birth** of the sole proprietor
- **Phone Number** of the sole proprietor
- **Email Address** of the sole proprietor

DEMOGRAPHIC INFORMATION				
Please provide the following information regarding the sole proprietor.				
Sole Proprietor Name (as it appears on government issued ID)			Doing Business As (attach copy of filed DBA documentation, if applicable)	
Mailing Address			Social Security Number	Date of Birth (mm/dd/yyyy)
City	State	Zip Code	Phone	Email Address

In the **PERSON COMPLETING APPLICATION** section, provide the following information in the corresponding field on the application:

- **Name** of the individual completing the application
- **Date of Birth** of the individual completing the application
- **Mailing Address** of the individual completing the application
- **Phone Number** of the individual completing the application
- **Email Address** of the individual completing the application

PERSON COMPLETING APPLICATION			
Please provide the following information regarding the person completing this application.			
Name (First, Middle, Last)		Date of Birth (mm/dd/yyyy)	
Mailing Address		Phone	
City	State	Zip Code	Email Address

Ensure all contact information is accurate and that current email addresses have been provided, as most correspondence from MRA will be sent via e-mail.

In the **AFFILIATED INDIVIDUALS** section, provide the name, social security number, email address, date of birth, and association to the sole proprietor for the spouse of the sole proprietor, if applicable, and all managerial employees of the sole proprietor, if applicable.

AFFILIATED INDIVIDUALS				
Please list the spouse of the sole proprietor and all managerial employees. Add additional pages if necessary.				
Individual Name	SSN	E-mail Address	Date of Birth	Affiliation to Sole Proprietor (E.g., Spouse or Managerial Employee)

PAGES 4-9 – ATTESTATIONS

Read all the attestations carefully as the applicant will be acknowledging and agreeing to the information and stipulations contained in these attestations.

If you are unsure of what an item within an attestation means, please consult an attorney. MRA cannot provide legal interpretation of the statute or rules.

PAGE 4 - ATTESTATION A – ACKNOWLEDGMENT, AGREEMENT, AND CONSENT

After reading the attestation, provide the name of the sole proprietor in the space provided.

<p style="text-align: center;"><u>ATTESTATION A - INDIVIDUAL</u> <u>ACKNOWLEDGEMENT, AGREEMENT, & CONSENT</u> (To be completed and submitted by the applicant)</p> <p>I, _____</p> <p style="text-align: center;"><small>Name of Sole Proprietor</small></p> <p>acknowledge that I am the person responsible for submitting this application and supporting documents.</p> <p>I hereby acknowledge that the Marijuana Regulatory Agency (Agency) may require supplemental materials in order to carry out its statutory duties. I hereby agree to submit such supplemental materials as requested by the Agency in a timely manner. I understand that if the Agency identifies a deficiency in an application, the Agency shall notify the applicant and the applicant shall submit the missing information or proof that the deficiency has been corrected to the agency within 5 days of the date the applicant received the deficiency notice. I acknowledge that failure to provide requested disclosures and documentation or to correct any notice of deficiency within 5 days of its receipt may result in the <u>denial</u> of an application.</p> <p>I hereby acknowledge that any issuance of a license is a privilege. I have the responsibility to prove that I am eligible, suitable, and qualified to be licensed. I must accept any risk of adverse public notice, embarrassment, criticism, or other action, or financial loss, which may result from action with respect to an application or the public disclosure of information requested in this application, and expressly waive any claim for damages as a result thereof. Information not called for in this application or in addition to that provided in response to this application, may be requested.</p> <p>I, as the applicant submitting this application, hereby certify that I do not have an interest in any other state operating license that is prohibited by the Medical Marijuana Facilities Licensing Act, 2016 PA 281 (MMFLA).</p> <p>I hereby acknowledge that I am under a continuing duty to promptly disclose to the Agency any changes in the information provided in the application and supporting documents submitted to the Agency. To comply with this requirement, I hereby acknowledge that I must submit a letter to the Agency stating any changes with reference to the specific information within the application to which the changes pertain.</p> <p>I hereby consent to investigations of compliance, regular inspections, examinations, searches, seizures, and auditing of books and records as provided in MMFLA Section 303(1)(c)(i) to (iv) and the MMFLA Administrative Rules, and to disclose to the Agency and its agents of otherwise confidential records, including tax records held by any federal, state, or local agency, or credit agency or financial institution, while applying for or holding a state operating license. This consent is authorization to review and inspect tax records administered under the Michigan Revenue Act, 1941 PA 122.</p> <p>I hereby acknowledge that the finding of prequalification status for a pending application is valid for two years after the Agency issues a notice of prequalification status unless otherwise determined by the agency. I understand that after two years have expired, I may be required to submit a new application and pay a new nonrefundable application fee.</p> <p>I hereby consent to receive all service of process via electronic service as opposed to certified mail. This consent is valid unless otherwise revoked in writing.</p>

PAGE 5 - ATTESTATION B – AUTHORIZATION TO RELEASE INFORMATION

After reading the attestation, provide the name of the sole proprietor in the space provided.

<p style="text-align: center;"><u>ATTESTATION B - INDIVIDUAL</u> <u>AUTHORIZATION TO RELEASE INFORMATION</u> (To be completed and submitted by the applicant)</p> <p>To all courts, probation departments, selective service boards, employers, educational institutions, banks, financial and other such institutions, and all governmental agencies federal, state and local, without exception, both foreign and domestic:</p> <p>I, _____ <small>Name of Sole Proprietor</small></p> <p>authorize the Marijuana Regulatory Agency (Agency) and its agents to conduct a full investigation into the background and activities of the applicant for purposes of determining the applicant's eligibility for a marijuana facility prequalification and state operating license.</p> <p>I understand that by signing this authorization, a financial background check will be performed. I authorize any financial institution to surrender to the Agency a complete and accurate record of such transactions that may have occurred with that institution, including, but not limited to, internal banking memoranda, past and present loan applications, financial statements and any other documents relating to my personal financial records in whatever form and wherever located. I authorize my employers to release any employment information required to validate my financial history. I understand that the financial background check will include a credit history examination and that my credit report, credit history, and credit capacity information will be obtained.</p> <p>I understand that by signing this authorization, a financial background check of my tax filing and tax obligation status will be performed. I authorize my respective state taxing agency to surrender to the Agency a complete and accurate record of any and all tax information or records relating to me for the purposes of this application. I authorize the Agency to obtain, receive, review, copy, discuss, and use any such tax information or documents relating to me. I authorize the release of this type of information, even though such information may be designated as "confidential" or "nonpublic" under the provisions of state or federal laws.</p> <p>I understand that by signing this authorization, a criminal history background check will be performed. I authorize the Agency to obtain and use from any source, any information concerning me contained in any type of criminal history record files, wherever located for purposes of completing this application. I understand that the criminal history record files contain records of arrests which may have resulted in a disposition other than a finding of guilt (i.e., dismissed charges, or charges that resulted in a not guilty finding). I understand that the information may contain listings of charges that resulted in suspended imposition of sentence, even though I successfully completed the conditions of said sentence and the sentence was discharged pursuant to law. I authorize the release of this type of information, even though this record may be designated as "confidential" or "nonpublic" under the provisions of state or federal laws.</p> <p>By signing this authorization, I authorize the Agency's Michigan Medical Marijuana Program (MMMP) to release my MMMP patient and/or caregiver registration history to the Agency's Medical Marijuana Facility Licensing Division (MMFL) and/or law enforcement for use in determining licensure eligibility under the Medical Marijuana Facilities Licensing Act (MMFLA). I further authorize the release of this information to the Marijuana Regulatory Agency and the use of this information during administrative proceedings under the MMFLA.</p> <p>Therefore, you are hereby authorized to release any and all information pertaining to this applicant, documentary or otherwise, as requested by any employee or agent of the Agency, provided that he or she certifies to you that said applicant has an application pending before the Agency, or that said applicant is a licensee or other person required to be qualified under the provisions of the Medical Marijuana Facilities Licensing Act (MMFLA).</p> <p>This authorization shall supersede any prior request or authorization to the contrary and shall be in effect during the pendency of this application. A photocopy of this authorization will be considered as effective and valid as the original.</p>

PAGE 6 - ATTESTATION C – VERIFICATION & AFFIDAVIT OF FULL DISCLOSURE

After reading the attestation, provide the name of the sole proprietor in the space provided.

In Section 2, provide the name of the contact person who is authorized to speak with the Agency about the application in the space provided on the form. Provide their email address, phone number, and Accela Citizen Access Login User ID (if known) in the spaces provided.

If you wish to designate more than one contact person, please add additional pages of this form to the application with each contact person on a separate Attestation C form.

NOTE: If an individual contacts MRA about the application and that individual is not a supplemental applicant, not the person completing the application, and not an authorized contact person listed on Attestation C, the Agency will not provide information to that individual.

<u>ATTESTATION C - INDIVIDUAL</u> <u>VERIFICATION & AFFIDAVIT OF FULL DISCLOSURE</u> <small>(To be completed and submitted by the applicant)</small>	
Add additional pages of this form if authorizing more than one contact person.	
I, _____	<small>Name of Sole Proprietor</small>
confirm the following:	
1. I am the individual responsible for submitting this application and have full authority to execute this affidavit of full disclosure.	
2. I authorize _____ to be a contact person for the Marijuana Regulatory Agency (Agency). I understand that this person will have access to records and material submitted to the Agency for the purposes of this application. Further, I understand that this person will retain access and receive communication from the Agency regarding the applicant/licensee until the applicant/licensee submits an official request to remove this person's access and cease communication with this person. Please provide the information for this contact person below.	
E-mail Address: _____ Phone Number: _____	
Accela Citizen Access Login User ID (if applicable): _____	
3. I authorize the person listed as the Person Completing Application within the demographic section of the application to be a contact person for the Agency. I understand that this person will have access to records and material submitted to the Agency for the purposes of this application. Further, I understand that this person will retain access and receive communication from the Agency regarding the applicant/licensee until the applicant/licensee submits an official request to remove this person's access and cease communication with this person.	
4. I affirm that the information contained in this application is true, complete, and accurate to the best of my knowledge and belief.	
5. Except as reported in this application, I have no agreements or understandings with any person or entity and no present intent to hold as agent, nominee, or otherwise any interest in the application.	
6. Except as reported in this application, I have no agreements or understanding with any person or entity and no present intent to pay any sums of money or give anything of value as, including but without limitation, a finder's fee or commission to any person or entity related to the interest in this application.	
7. I understand that the sole proprietor has an ongoing obligation to notify the Agency should the sole proprietor enter into any such agreement contemplated by this attestation.	

PAGE 7 - ATTESTATION D – ACKNOWLEDGMENT OF FEDERAL LAW & RELEASE OF LIABILITY

After reading the attestation, provide the name of the sole proprietor in the space provided.

<p><u>ATTESTATION D - INDIVIDUAL</u> <u>ACKNOWLEDGMENT OF FEDERAL LAW & RELEASE OF LIABILITY</u> (To be completed and submitted by the applicant)</p>
<p>I, _____</p> <p style="text-align: center; font-size: small;">Name of Sole Proprietor</p>
<p>hereby acknowledge and affirm the following:</p>
<p>The Federal Controlled Substances Act, Title II of the Comprehensive Drug Abuse Prevention and Control Act of 1970, 21 U.S.C. § 801 <i>et seq.</i>, regulates marijuana as a Schedule I controlled substance, for which there is “no currently accepted medical use in treatment in the United States.” 21 U.S.C. § 812(b)(1)(B). Although the state of Michigan has recognized and authorized the use of medical marijuana pursuant to the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26421 to 333.26430, has authorized the issuance of state operating licenses to medical marijuana facilities pursuant to the Medical Marihuana Facilities Licensing Act, 2016 PA 281, MCL 333.27101 to MCL 333.27801, and has provided for a statewide monitoring system in the Marihuana Tracking Act, 2016 PA 282, MCL 333.27901 to 333.27904, these state authorized activities remain prohibited by federal law.</p>
<p>I understand that a state operating license does not insulate or shield me or my business from federal seizure and/or forfeiture as allowed by federal law and does not insulate me from federal criminal arrest and/or prosecution.</p>
<p>I understand that choosing to file an application for a state operating license and, if issued a license, choosing to establish and operate a marijuana facility pursuant to that license, is done so at my own risk.</p>
<p>By my signature and attestation to this form, I hereby completely release and forever discharge the State of Michigan, the Michigan Department of Licensing and Regulatory Affairs, the Marijuana Regulatory Agency, and its respective employees, agents, facilities, insurers, indemnors, successors, heirs and/or assigns from any and all past, present or future claims, demands, obligations, actions, causes of action, wrongful death claims, rights, damages, costs, losses of services, expenses and compensation of any nature whatsoever, whether based on a tort, contract or other theory of recovery, which I may now have, or which may hereafter accrue or otherwise be acquired, on account of, or may in any way arise out of my application for a state operating license and, if issued a license, my operation of a marijuana facility.</p>

PAGE 8 – ATTESTATION F – CONFIRMATION OF TAX COMPLIANCE

PART A – After reading this section of the attestation, provide the name of the sole proprietor in the space provided. Provide the sole proprietor’s signature, printed name, social security number, and the date in the spaces provided in this section. Ensure a return mailing address is provided so the Department of Treasury is able to return the form.

ATTESTATION F - INDIVIDUAL CONFIRMATION OF TAX COMPLIANCE	
(To be completed by the designee of the Michigan Department of Treasury and submitted by the applicant)	
PART A (to be completed by the applicant before submitting to the Department of Treasury):	
I, _____	
<small>Name of Sole Proprietor</small>	
<p>understand that I am submitting this Attestation in compliance with the Medical Marihuana Facilities Licensing Act (MMFLA) and the Administrative Rules. I hereby attest that the statements that will be confirmed in Part B below are true to the best of my knowledge and belief. I further affirm that if I have been making sales, I am registered and remitting sales tax to the Michigan Department of Treasury, as required.</p> <p>The Revenue Act, 1941 PA 122, MCL 205.28(1)(f), makes taxpayer information acquired in the administration of a tax confidential. I authorize the Michigan Department of Treasury to furnish tax returns and provide tax return information to the Marijuana Regulatory Agency for the limited purpose of determining my qualification and fitness for licensure under MMFLA. This limited authorization relates to all tax types administered under the Revenue Act. This limited authorization continues for two years from the date of my signature below or until the applicant is no longer licensed, whichever is later.</p>	
_____ <small>Signature of Sole Proprietor</small>	_____ <small>Date</small>
_____ <small>Sole Proprietor SSN</small>	_____ <small>Return Address for Completed Form:</small>
_____ <small>Name</small>	
_____ <small>Street Address</small>	
_____ <small>City, State, Zip Code</small>	
Department of Treasury Phone: 517-636-6925 Department of Treasury Fax: 517-636-4520 Department of Treasury Email: Treas-MI-Marihuana-Tax@michigan.gov	

PART B – The sole proprietor must have this section of the attestation completed by an authorized designee of the Michigan Department of Treasury. The designee will confirm the required information and sign the form if applicable.

An authorized designee of the Michigan Department of Treasury can be contacted at:

Michigan Department of Treasury
Hours: Monday – Friday, 8:00 a.m. to 4:00 p.m.
Phone: 517-636-6925
Fax: 517-636-4520
Email: Treas-MI-Marihuana-Tax@michigan.gov

PART B (to be completed by a designee of the Michigan Department of Treasury and returned to the applicant):	
I, _____ (designee) of the Michigan Department of Treasury, hereby confirm to the Marijuana Regulatory Agency (Agency) that the applicant for a state operating license as named above in Part A, has no delinquency in payments and has satisfied all obligations for any sales or any other taxes that were to be levied on the sale of marijuana in accordance with the treasury bulletin titled "Marihuana Provisioning Center Tax and Sales and Use Tax Treatment of Marihuana" which was issued January 18, 2018 as updated. This attestation is provided in accordance with the Medical Marihuana Facilities Licensing Act (MMFLA), and the Administrative Rules.	
I further confirm that:	
<ol style="list-style-type: none">1. The applicant is in good standing with the Michigan Department of Treasury for any taxes for which the applicant is responsible.2. There are no outstanding obligations for any taxes levied for which the applicant is responsible.3. Any tax delinquencies for which the applicant is responsible, have been satisfied, if applicable.	
_____ <small>Signature of Treasury Designee</small>	_____ <small>Date</small>

Failure to submit this attestation with the signature of an authorized Michigan Department of Treasury designee will result in a Notice of Deficiency. Failure to correct any deficiencies within 5 days after receiving a Notice of Deficiency may result in the denial of the application.

PAGE 9 - ACKNOWLEDGMENT OF ATTESTATIONS

Do not sign this form until in the presence of a notary. Provide the name of the sole proprietor in the space provided. Indicate by checking the boxes that the sole proprietor acknowledges and consents to each attestation.

The sole proprietor should sign this form in the presence of an active notary. In the notary block at the bottom, the sole proprietor's signature date and notary signature date must match.

If the notary signature is invalid and/or the dates do not match, you will receive a Notice of Deficiency. Failure to correct any deficiencies within 5 days after receiving a Notice of Deficiency may result in the denial of the application.

<u>ACKNOWLEDGMENT OF ATTESTATIONS</u> (To be completed and submitted by the applicant) <small>Do not sign until notary is present</small>	
I, _____ <div style="text-align: center; font-size: small;">Name of Sole Proprietor</div>	
hereby swear, acknowledge, and consent to the following attestations (check all that apply to indicate the applicant's acknowledgment and consent):	
<div style="list-style-type: none; padding-left: 0;"> <input type="checkbox"/> Attestation A: Acknowledgment, Agreement & Consent <input type="checkbox"/> Attestation B: Authorization to Release Information <input type="checkbox"/> Attestation C: Verification & Affidavit of Full Disclosure (with contact designated, if applicable) <input type="checkbox"/> Attestation D: Acknowledgment of Federal Law & Release of Liability <input type="checkbox"/> Attestation F: Confirmation of Tax Compliance </div>	
Further, I affirm, under the penalties of perjury, that the information set forth in this application and all supporting documents is true, complete, and correct, and that no material information has been omitted.	
_____ <small>Signature of Sole Proprietor</small>	_____ <small>Date</small>
Subscribed and sworn to by _____ before me on _____ <div style="display: flex; justify-content: space-around; font-size: x-small;"> (Sole Proprietor Name) (Date) </div>	
_____ <small>(Notary Public Signature)</small>	_____ <small>(Notary Public Printed Name)</small>
State of _____, County of _____, Acting in the county of _____ <div style="display: flex; justify-content: space-around; font-size: x-small;"> (county) (state) </div>	
My commission expires: _____	

PAGE 10 - DISCLOSURE 1 – SOLE PROPRIETOR INFORMATION

PAGE 10 - Provide the sole proprietor's name and phone number in the space provided at the top of this disclosure form.

<u>DISCLOSURE 1 – SOLE PROPRIETOR INFORMATION</u>	
_____ <small>Sole Proprietor Name</small>	_____ <small>Phone No.</small>

In the (1) **SOLE PROPRIETOR PRIOR NAMES** section, provide any prior names used by the sole proprietor during the past three years. Add additional pages if necessary. If the sole proprietor has not had any previous names, this section can be left blank.

(1) <u>SOLE PROPRIETOR PRIOR NAMES</u>		
Provide any prior name used by the sole proprietor during the past 3 years, if applicable. Add additional pages if necessary.		
Prior Name	Date Use Began	Date Use Ceased

In the (2) **SOLE PROPRIETOR PRIOR ADDRESSES** section, provide any prior addresses used by the sole proprietor during the past three years. Add additional pages if necessary. If the sole proprietor has not had any previous addresses, this section can be left blank.

(2) <u>SOLE PROPRIETOR PRIOR ADDRESSES</u>			
Provide any prior address used by the sole proprietor during the past 3 years, if applicable. Add additional pages if necessary.			
Prior Street Address	City, State, Zip Code	Date Use Began	Date Use Ceased

In the (3) **SOLE PROPRIETOR OTHER BUSINESS INTERESTS** section, provide any other business interests of the sole proprietor. Add additional pages if necessary. If the sole proprietor does not have any other business interests, this section can be left blank.

(3) <u>SOLE PROPRIETOR OTHER BUSINESS INTERESTS</u>			
Provide any other business interests of the sole proprietor, regardless of whether the business is related to the marijuana industry. Add additional pages if necessary.			
Name of Other Business Interest	Type of Business Entity (e.g., LLC, Corporation, Sole Proprietor, etc.)	Type of Business Conducted	Extent of Involvement

The sole proprietor applicant should gather the following documentation in support of the Sole Proprietor Information disclosure:

- Copy of Government Issued ID
- DBA Documentation (if applicable)

PAGE 11 - DISCLOSURE 3 – INTERESTS OF PUBLIC OFFICIALS

PAGE 11 - Provide the sole proprietor's name and phone number in the space provided at the top of this disclosure form.

<u>DISCLOSURE 3 – INTERESTS OF PUBLIC OFFICIALS</u>	
Sole Proprietor Name _____	Phone No. _____

List the names and titles of all public officials or officers of any unit of government as well as the spouses, parents, and children of those public officials or officers, who directly, or indirectly:

- Are the creditors of the individual
- Hold any debt instrument issued by the individual
- Hold or have any interest in any contractual or service relationship with the individual

Please list the names and titles of all public officials or officers of any unit of government as well as the spouses, parents, and children of those public officials or officers, who directly, or indirectly:	
<ol style="list-style-type: none"> 1. Are the creditors of the individual 2. Hold any debt instrument issued by the individual 3. Hold or have any interest in any contractual or service relationship with the individual 	
Name of Public Official/Office of Governmental Unit _____	Title _____

Check the appropriate box to indicate if the interest of the public official or officer is of a governmental unit.

Is the interest that of the public official or officer of a governmental unit? <input type="checkbox"/> Yes <input type="checkbox"/> No

If Yes", state the percentage/capacity of interest on the space provided.

If <u>yes</u> , state the percentage/capacity of interest _____

If “No”, provide the following information about the interest of the family member of the public official or officer in the table provided:

- **Name** of family member
- **Relationship** of family member
- **Date of Birth** of family member
- **Address** of family member
- **Percentage/Capacity of Interest** of family member

Name of Family Member	Relationship	Date of Birth	Address	Percentage/ Capacity of Interest

PAGE 12 - DISCLOSURE 4 – DEBT, INSOLVENCY, OR BANKRUPTCY ACTIONS

PAGE 12 - Provide the sole proprietor’s name and phone number in the space provided at the top of this disclosure form.

<u>DISCLOSURE 4 – DEBT, INSOLVENCY, OR BANKRUPTCY ACTIONS</u>	
<div style="border: 1px solid black; height: 40px; margin-bottom: 5px;"></div> <div style="display: flex; justify-content: space-between; padding: 0 10px;"> Sole Proprietor Name Phone No. </div>	

Check the appropriate box to indicate if the sole proprietor has filed or had filed against it, a proceeding for bankruptcy or been involved in any formal process to adjust, defer, suspend, or otherwise work out payment of a debt in the past seven years?

<p>(1) Has the sole proprietor filed, or had filed against it, a proceeding for bankruptcy or been involved in any formal process to adjust, defer, suspend or otherwise work out payment of a debt in the past seven years?</p>	
<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>If <u>yes</u>, provide information in the following sections. If <u>no</u>, this disclosure form is complete.</p>

If the answer to this question is “No,” you are finished with this disclosure.

If “Yes”, provide the following information related to the sole proprietor’s past or current debt, bankruptcy, or other insolvency proceeding.

- **Date of Filing** of the debt, bankruptcy, or other insolvency proceeding
- **Name & Location of Court** of the debt, bankruptcy, or other insolvency proceeding
- **Case Number** of the debt, bankruptcy, or other insolvency proceeding
- **Date of Disposition** of the debt, bankruptcy, or other insolvency proceeding
- **Disposition** of the debt, bankruptcy, or other insolvency proceeding

Date of Filing	Name & Location of Court	Case No.	Date of Disposition	Disposition

The sole proprietor applicant should gather the following supporting documents in relation to their Debt, Insolvency, or Bankruptcy Actions disclosure:

- [Copy of Discharge Documentation \(if applicable\)](#)

PAGE 13 - DISCLOSURE 5 – TAX & TAX COMPLIANCE

PAGE 13 – Provide the sole proprietor’s name and phone number in the space provided at the top of this disclosure form.

<u>DISCLOSURE 5 - TAX & TAX COMPLIANCE</u>	
Sole Proprietor Name _____	Phone No. _____

In the **(1) TAXING AGENCIES** section, list all federal, state, local and foreign taxing agencies in which the sole proprietor was subject to taxation for the past 12 months.

(1) TAXING AGENCIES List all federal, state, local, and foreign jurisdictions in which the sole proprietor was subject to taxation during the last year. Add additional pages if necessary.	
Taxing Agency	Type of Tax (E.g., Federal income tax, state income tax, sales tax)

E.g., “Taxing Agency” = IRS, “Type of Tax” = Federal Income Tax;

E.g., “Taxing Agency” = Michigan Department of Treasury, Type of Tax = State Income Tax, Sales Tax

In the **(2) TAX COMPLIANCE** section, indicate if the sole proprietor has had a tax complaint filed against them or been served with a notice regarding a tax delinquency by selecting “Yes” or “No” to this question.

If “Yes,” provide the taxing agency, type of tax, tax period, and amount of the delinquent tax payment in the table provided in this section.

(2) <u>TAX COMPLIANCE</u> Has the sole proprietor ever been served with, or had filed against it, a complaint or other notice regarding the delinquent payment of any tax required under federal, state, local, or foreign jurisdictions? <input type="checkbox"/> Yes <input type="checkbox"/> No If you answered yes , provide the requested information for each delinquent tax payment and provide all applicable required supporting documents (e.g., copy of notice of tax liability due). Add additional pages if necessary.				
Taxing Agency	Type of Tax	Tax Year	Amount	Disposition

The sole proprietor applicant should gather the following documentation in support of the Tax & Tax Compliance disclosure:

- W2s, 1099s, and/or Schedule K-1s for Past 12 Months (if no W2s, 1099s and/or Schedule K-1s exist, submit an explanation)
- Copy of Initial Notice and Notice of Release (if applicable)
- Copy of Payment Plan Documentation (if applicable)

PAGE 14 - DISCLOSURE 6 – GOVERNMENT REGULATION

PAGE 14 - Provide the sole proprietor’s name and phone number in the space provided at the top of this disclosure form.

<u>DISCLOSURE 6 - GOVERNMENT REGULATION</u>	
Sole Proprietor Name _____	Phone No. _____

Select “Yes” or “No” in response to the three questions in the top section of the page.

Is the sole proprietor subject to regulation by a public agency in any other jurisdiction (e.g., Does the sole proprietor hold any license, certificate, permit, etc., that is regulated by a department of a local, state, federal, or foreign government)?	
<input type="checkbox"/> Yes	<input type="checkbox"/> No
Does the sole proprietor hold any commercial licenses? (Not including the license in which they are currently applying.)	
<input type="checkbox"/> Yes	<input type="checkbox"/> No
Has the sole proprietor ever applied for or been granted any commercial license or certificate issued by a licensing authority in any jurisdiction that has been denied, restricted, suspended, revoked, or not renewed?	
<input type="checkbox"/> Yes	<input type="checkbox"/> No

Question 1 - If the sole proprietor is subject to regulation by a public agency (holds any license, certificate, permit, etc. which is regulated by a department of a local, state, federal, or foreign government (e.g. liquor license, building permit, sales tax license, other marijuana licenses, concealed carry permits, chauffeur’s licenses, etc.)), select “Yes”.

If “Yes,” disclose any marijuana businesses in Section (1) **MARIJUANA BUSINESS INTERESTS** and any other regulation type in Section (2) **COMMERCIAL LICENSES OR CERTIFICATES**.

Question 2 - If the sole proprietor holds any commercial licenses (e.g. food establishment license, retail gas outlet license, marijuana license, liquor license, commercial driver’s license, etc.), select “Yes.”

If “Yes,” disclose any marijuana businesses in Section (1) **MARIJUANA BUSINESS INTERESTS** and any other regulation type in Section (2) **COMMERCIAL LICENSES OR CERTIFICATES**.

Question 3 – If the sole proprietor has ever applied for a license or certificate that was denied, or if the sole proprietor has ever been granted a license or certificate that has been restricted, suspended, revoked, or not renewed, select “Yes”.

If “Yes,” disclose these licenses in Section (3) **COMMERCIAL LICENSES OR CERTIFICATES DENIED, RESTRICTED, SUSPENDED, REVOKED, OR NOT RENEWED** on the second page of this disclosure.

If the answer to all three of these questions is “No,” you are finished with this disclosure.

In the (1) **MARIJUANA BUSINESS INTERESTS** section, list any marijuana business in which the sole proprietor has any direct or indirect equity interest. For each marijuana business, provide the business entity's name, license number, state of license issuance, and the country of issuance. If the sole proprietor does not own other marijuana businesses, this section can be left blank.

(1) **MARIJUANA BUSINESS INTERESTS**

Provide the requested information any interest that the sole proprietor has in any other corporation, partnership, sole proprietorship, or other business entity that is directly or indirectly involved in the *growing, processing, testing, transporting, or sale of marijuana*. Add additional pages if necessary.

Marijuana Business Entity Name	License Number	State of Issuance	Country of Issuance

In the (2) **COMMERCIAL LICENSES OR CERTIFICATES** section, list any (non-marijuana) commercial licenses or certificates held by the sole proprietor.

(2) **COMMERCIAL LICENSES OR CERTIFICATES**

Provide the requested information for all non-marijuana commercial licenses or certificates held by the sole proprietor. Add additional pages if necessary.

License or Certificate Type	License Number or Other Identifying Number	Issuing Agency

Ex.

“License or Certificate Type” = *Liquor license*, “License No. or Other Identifying No.” = *RQ-1810-12345*, “Issuing Agency” = *Michigan Liquor Control Commission*

Ex. “License or Certificate Type” = *Sales tax license*, “License No. or Other Identifying No.” = *89-6745231*, “Issuing Agency” = *Michigan Department of Treasury*

PAGE 15 - DISCLOSURE 6 – GOVERNMENT REGULATION, CONTINUED

PAGE 15 – Provide the sole proprietor's name and phone number in the space provided at the top of this disclosure form.

<u>DISCLOSURE 6 - GOVERNMENT REGULATION, CONTINUED</u>	
Sole Proprietor Name _____	Phone No. _____

In the (3) **COMMERCIAL LICENSES OR CERTIFICATES DENIED, RESTRICTED, SUSPENDED, REVOKED, OR NOT RENEWED** section, list any license or certificate that was applied for and denied, and list any license or certificate that has been restricted, suspended, revoked, or not renewed.

(3) COMMERCIAL LICENSES OR CERTIFICATES DENIED, RESTRICTED, SUSPENDED, REVOKED, OR NOT RENEWED

Provide the requested information for all commercial licenses or certificates with which the sole proprietor has had an application or license denied, restricted, suspended, revoked, or not renewed. Add additional pages if necessary.

#	License or Certificate Type	License Number or Other Identifying Number	Issuing Agency
1			
	Action Taken	Reason for Action	Date Action Taken
#	License or Certificate Type	License Number or Other Identifying Number	Issuing Agency
2			
	Action Taken	Reason for Action	Date Action Taken
#	License or Certificate Type	License Number or Other Identifying Number	Issuing Agency
3			
	Action Taken	Reason for Action	Date Action Taken

“Action Taken” = *denied, restricted, suspended, revoked, or not renewed*

In the (4) **PENDING LICENSES OR CERTIFICATES** section, list any pending licenses or certificates in which the sole proprietor has applied for and a determination has not yet been made.

(4) PENDING LICENSES OR CERTIFICATES

Disclose any application for a commercial license or certificate in this state or any other jurisdiction that is currently pending and for which a determination has not been made. Do not include this current application for a marijuana license or any commercial license or certificate previously disclosed on this application. Add additional pages if necessary.

License or Certificate Type	Issuing Agency	Application Number or Other Identifying Number

In the **(5) GOVERNMENT EMPLOYMENT** section, select “Yes” or “No” in response to the four questions related to government employment. If the answer to all three questions is “No,” you are done with this disclosure. (Elected officers of or employees of a federally recognized Indian tribe and elected precinct delegates are not ineligible to receive a state operating license.)

If “Yes,” write an explanation in the space provided. (E.g., “*I am a state employee within the Licensing and Regulatory Affairs division.*”)

(5) <u>GOVERNMENT EMPLOYMENT</u>		
Do any of the following apply to the sole proprietor?		
<input type="checkbox"/> Yes	<input type="checkbox"/> No	Employee, advisor, or consultant of the Marijuana Regulatory Agency.
<input type="checkbox"/> Yes	<input type="checkbox"/> No	Holds an elective office of a governmental unit of this state, another state, or the federal government.
<input type="checkbox"/> Yes	<input type="checkbox"/> No	Member of or employed by a regulatory body of a governmental unit of this state, another state, or the federal government.
<input type="checkbox"/> Yes	<input type="checkbox"/> No	Employed by a governmental unit of this state.
<p>If you answered yes to any of the above questions, provide an explanation. If you are an elected officer of or employee of a federally recognized Indian tribe or an elected precinct delegate, please include this information in the explanation:</p> <hr/> <hr/>		

The sole proprietor applicant should gather the following documentation in support of the Government Regulation disclosures:

- Copy of Marijuana Licenses (if applicable)
- Copy of Any Other Commercial Licenses or Any Comparable License from Other Jurisdictions (if applicable)
- Summary of Facts and Circumstances Concerning a License Denial, Restriction, Revocation, Suspension, or Nonrenewal (if applicable)

PAGE 16 - DISCLOSURE 7 – CRIMINAL HISTORY

PAGE 16 – Provide the sole proprietor’s name and phone number in the space provided at the top of this disclosure form.

<u>DISCLOSURE 7 – CRIMINAL HISTORY</u>	
Sole Proprietor Name _____	Phone No. _____

Question 1 – select “Yes” or “No” to indicate if the sole proprietor has been indicted for, charged with, arrested for, convicted of, pled guilty or nolo contendere to, or forfeited bail under the laws of any jurisdiction (state, federal, or foreign) concerning any felony criminal offense or a misdemeanor involving a controlled substance, dishonesty, theft, or fraud, not including traffic violations, regardless of whether the offense has been reversed on appeal, reduced, expunged, set aside, pardoned or otherwise?

(1) Has the sole proprietor been indicted for, charged with, arrested for, convicted of, pled guilty or nolo contendere to, or forfeited bail under the laws of any jurisdiction (state, federal, or foreign) concerning any felony criminal offense or a misdemeanor involving a controlled substance, dishonesty, theft, or fraud, **not including traffic violations**, regardless of whether the offense has been reversed on appeal, reduced, expunged, set aside, pardoned or otherwise?

☐ Yes ☐ No

Question 2 – select “Yes” or “No” to indicate if the sole proprietor has been found responsible for violating a local ordinance in any state involving a controlled substance, dishonesty, theft, or fraud that substantially corresponds to a misdemeanor in that state, whether the offense has been reversed on that appeal, reduced, expunged, set aside, pardoned or otherwise?

(2) Has the sole proprietor been found responsible for violating a local ordinance in any state involving a controlled substance, dishonesty, theft, or fraud that substantially corresponds to a misdemeanor in that state, whether the offense has been reversed on that appeal, reduced, expunged, set aside, pardoned or otherwise?

☐ Yes ☐ No

Question 3 – select “Yes” or “No” to indicate if the sole proprietor has any criminal offense, either felony or misdemeanor, in the laws of any jurisdiction, not including traffic violations, regardless of whether the offense has been reversed on appeal, reduced, expunged, set aside, pardoned or otherwise, has the sole proprietor ever:

(3) As to any criminal offense, either felony or misdemeanor, in the laws of any jurisdiction, **not including traffic violations**, regardless of whether the offense has been reversed on appeal, reduced, expunged, set aside, pardoned or otherwise, has the sole proprietor ever:

Yes No

☐ ☐ been arrested
☐ ☐ been charged
☐ ☐ been indicted
☐ ☐ been convicted

Yes No

☐ ☐ pled nolo contendere (no contest)
☐ ☐ forfeit bail concerning an offense
☐ ☐ had a criminal record expunged
☐ ☐ been incarcerated

If “Yes”, provide the following information for all offenses in the table provided:

- **Name** of offense
- **Type** of offense
- **Date** of the offense
- **Arresting Agency/Jurisdiction** of the offense
- **Name and Location of Court** where offense was litigated
- **Docket/Case Number** of criminal litigation
- **Disposition** of offense

#	Name of Offense	Type of Offense	Date	Arresting Agency/Jurisdiction
1				
	Name & Location of Court	Docket/Case #	Disposition	
#	Name of Offense	Type of Offense	Date	Arresting Agency/Jurisdiction
2				
	Name & Location of Court	Docket/Case #	Disposition	
#	Name of Offense	Type of Offense	Date	Arresting Agency/Jurisdiction
3				
	Name & Location of Court	Docket/Case #	Disposition	
#	Name of Offense	Type of Offense	Date	Arresting Agency/Jurisdiction
4				
	Name & Location of Court	Docket/Case #	Disposition	

The sole proprietor applicant should gather the following documentation in support of the Criminal History disclosure:

- Copy of Criminal History Documents (if applicable)

PAGE 17 - DISCLOSURE 8 – LITIGATION HISTORY

PAGE 17 – Provide the sole proprietor’s name and phone number in the space provided at the top of this disclosure form.

<u>DISCLOSURE 8 – LITIGATION HISTORY</u>	
Sole Proprietor Name _____	Phone No. _____

In the **LITIGATION HISTORY** section, select “Yes” or “No” to indicate if the sole proprietor or any of the sole proprietor’s other business interests have been a party to any litigation during the past five years.

If “Yes”, disclose the case caption, docket or case number, name and location of court, the cause of action, and disposition for the litigation in the table provided. Add additional pages if necessary.

(1) LITIGATION HISTORY

Has the sole proprietor or any of the sole proprietor’s other business interests been a party to any litigation during the past five years (e.g., fraud, environmental, food safety, alcohol, tobacco, labor, employment, worker’s compensation, discrimination, and tax laws and regulations)?

☐ Yes ☐ No

If you answered yes, provide the requested information for all litigation related to the sole proprietor (e.g., fraud, environmental, food safety, labor, employment, worker’s compensation, discrimination, and tax laws and regulations) pending or concluded, for the past 5 years. Add additional pages if necessary.

Case Caption	Docket/Case No.	Name & Location of Court	Cause of Action	Disposition

In the **PENDING LITIGATION** section, for any cases that are currently pending, provide a brief explanation in the area provided.

(2) PENDING LITIGATION

For any cases that are currently initiated or pending, provide a brief explanation regarding the allegations of the case. Add additional pages if necessary.

In the **GOVERNMENT CHARGES & INVESTIGATIONS** section, disclose any charges and/or government investigations related to the sole proprietor's business operations (e.g. fraud, environmental, food safety, alcohol, tobacco, labor, employment, worker's compensation, discrimination, and tax laws and regulation), whether initiated, pending, or concluded in the area provided.

(3) GOVERNMENT CHARGES & INVESTIGATIONS

Disclose any charges and government investigations, whether initiated, pending, or concluded, related to the sole proprietor's business operations unless they have been previously disclosed on this application (e.g., fraud, environmental, food safety, alcohol, tobacco, labor, employment, worker's compensation, discrimination, and tax laws and regulations). Add additional pages if necessary.

The sole proprietor applicant should gather the following documentation in support of the Litigation History disclosure:

- Copy of Complaint (if applicable)
- Copy of Judgment (if applicable)

SUPPLEMENTAL APPLICATIONS FOR SOLE PROPRIETORS

Supplemental applications are required to be submitted for the spouse of the sole proprietors, if applicable, and all managerial employees of the sole proprietor, if applicable. If the sole proprietor has a spouse or managerial employees, each of these individuals must submit a Supplemental Individual Prequalification Application.

SUBMITTING THE APPLICATION

When submitting the application, ensure the main application, all supplemental applications, and all supporting documents are provided. Failure to submit all applications and supporting documents will result in a Notice of Deficiency. Failure to correct any deficiencies within 5 days after receiving a Notice of Deficiency may result in the denial of the application.

The application can be submitted online at: <https://aca3.accela.com/MIMM/Default.aspx>, in person at: 2407 North Grand River Avenue, Lansing, MI 49806, or via postal mail to:

Marijuana Regulatory Agency
Medical Facilities Licensing
P.O. Box 30205
Lansing, MI 48909

If any questions arise while completing the application, please do not hesitate to contact MRA by telephone at:
517-284-8599

The medical application submission should contain the following supporting documents:

- Copy of Government Issued ID (e.g., driver's license, passport)
- DBA Documentation (if applicable) (obtained at county-level)
- CPA Attestation
- Statement of Money Lender Form
- Promissory Note/Line of Credit Documents
- Copy of Discharge Documentation (if applicable)
- W2s, 1099s and/or Schedule K-1s for past 12 months (if no W2s, 1099s and/or Schedule K-1s exist, submit an explanation)
- Copy of Initial Notice and Notice of Release (if applicable)
- Copy of Payment Plan Documentation (if applicable)
- Copy of Marijuana Licenses (if applicable)
- Copy of Any other Commercial Licenses or Any Comparable License from Other Jurisdictions (if applicable)
- Summary of Facts and Circumstances Concerning License Denial, Restriction, Revocation, Suspension, or Nonrenewal (if applicable)
- Copy of Criminal History Documents (if applicable)
- Copy of Complaint (if applicable)
- Copy of Judgment (if applicable)

SUPPLEMENTAL INDIVIDUAL PREQUALIFICATION

The Supplemental Individual Prequalification Application can be found at the following link: [Supplemental Individual Prequalification](#).

Download the Supplemental Individual Prequalification Application.

The supplemental individual will need to complete a Supplemental Individual Prequalification Application in its entirety.

APPLICATION CHECKLIST

Ensure you have gathered all applicable items on the checklist before submitting the application. The last page of the application instruction booklet contains a checklist that provides further information on what each supporting document should entail.

SUPPLEMENTAL INDIVIDUAL PREQUALIFICATION	
Supplemental Individual Prequalification Application <ul style="list-style-type: none"> <input type="checkbox"/> Page 1: Supplemental Individual Prequalification Checklist <input type="checkbox"/> Page 2: Supplemental Individual Demographics <input type="checkbox"/> Page 3: ATTESTATION A – Acknowledgment, Agreement, & Consent <input type="checkbox"/> Page 4: ATTESTATION B – Authorization to Release Information <input type="checkbox"/> Page 5: ATTESTATION C – Verification & Affidavit of Full Disclosure <input type="checkbox"/> Page 6: ATTESTATION D – Acknowledgment of Federal Law & Release of Liability <input type="checkbox"/> Page 7: ATTESTATION F – Confirmation of Tax Compliance <input type="checkbox"/> Page 8: Acknowledgement of Attestations (signed and notarized) <input type="checkbox"/> Page 9: DISCLOSURE 1 – Individual Information <input type="checkbox"/> Page 10: DISCLOSURE 3 – Interests of Public Officials <input type="checkbox"/> Page 11: DISCLOSURE 4 – Debt, Insolvency, or Bankruptcy Actions <input type="checkbox"/> Page 12: DISCLOSURE 5 – Tax & Tax Compliance <input type="checkbox"/> Pages 13-14: DISCLOSURE 6 – Government Regulation <input type="checkbox"/> Page 15: DISCLOSURE 7 – Criminal History <input type="checkbox"/> Page 16: DISCLOSURE 8 – Litigation History 	Supporting Documents <ul style="list-style-type: none"> Identity Documents <ul style="list-style-type: none"> <input type="checkbox"/> Copy of Government Issued ID Debt, Insolvency, or Bankruptcy Documents <ul style="list-style-type: none"> <input type="checkbox"/> Copy of Discharge Documentation (if applicable) Tax Liability and Delinquency Documents <ul style="list-style-type: none"> <input type="checkbox"/> W2s, 1099s and/or Schedule K-1s for most recent year (if no W2s, 1099s and/or Schedule K-1s exist, submit an explanation) <input type="checkbox"/> Copy of Initial Notice and Notice of Release (if applicable) <input type="checkbox"/> Copy of Payment Plan Documentation (if applicable) Regulation Documents <ul style="list-style-type: none"> <input type="checkbox"/> Copy of Marijuana Licenses (if applicable) <input type="checkbox"/> Copy of Any Other Commercial Licenses or Any Comparable License from Other Jurisdictions (if applicable) <input type="checkbox"/> Summary of Facts and Circumstances Concerning License Denial, Restriction, Revocation, Suspension, or Nonrenewal (if applicable) Criminal History Documents <ul style="list-style-type: none"> <input type="checkbox"/> Copy of Criminal History Documents (if applicable) Litigation History <ul style="list-style-type: none"> <input type="checkbox"/> Copy of Complaint (if applicable) <input type="checkbox"/> Copy of Judgment (if applicable)

PAGE 2 – DEMOGRAPHIC INFORMATION

At the top of the form, provide the name of the main applicant in which this supplemental individual is supporting, and the Accela Citizen Access (ACA) application ID, if known. The ACA application ID number is assigned after an online application is submitted via Accela Citizen Access (ACA - the online citizen portal) or after a paper application is processed within the Agency. **The name in this space should not be the name of the supplemental individual.**

<u>SUPPLEMENTAL INDIVIDUAL DEMOGRAPHICS</u>	
This supplemental individual prequalification application is in support of:	
Main Entity or Sole Proprietor Name	ACA Application ID (if known)

In the **DEMOGRAPHIC INFORMATION** section, provide the following information for the supplemental individual in the corresponding field on the application:

- **Name** of the supplemental individual as it appears on official government documents
- **Social Security Number** of the supplemental individual
- **Mailing Address** of the supplemental individual
- **Date of Birth** of the supplemental individual
- **Phone Number** of the supplemental individual
- **Email Address** of the supplemental individual

DEMOGRAPHIC INFORMATION	
<div style="display: flex; align-items: center;"> <div style="border: 1px solid black; width: 20px; height: 20px; margin-right: 5px; text-align: center; line-height: 20px;">+</div> <div>Please provide the following information regarding the supplemental individual.</div> </div>	
Name (as appears on government issued ID)	Social Security Number
Mailing Address	Date of Birth (mm/dd/yyyy)
<div style="display: flex; justify-content: space-between;"> City State Zip Code </div>	<div style="display: flex; justify-content: space-between;"> Phone Email Address </div>

In the **PERSON COMPLETING APPLICATION** section, provide the following information in the corresponding field on the application:

- **Name** of the individual completing the application
- **Date of Birth** of the individual completing the application
- **Mailing Address** of the individual completing the application
- **Phone Number** of the individual completing the application
- **Email Address** of the individual completing the application

PERSON COMPLETING APPLICATION			
Please provide the following information regarding the person completing this application.			
Name (First, Middle, Last)			Date of Birth (mm/dd/yyyy)
Mailing Address			Phone
City	State	Zip Code	Email Address

Ensure all contact information is accurate and that current email addresses have been provided, as most correspondence from MRA will be sent via email.

PAGES 3-8 – ATTESTATIONS

Read all the attestations carefully as the applicant will be acknowledging and agreeing to the information and stipulations contained in these attestations.

If you are unsure of what an item within an attestation means, please consult an attorney. MRA cannot provide legal interpretation of the statute or rules.

PAGE 3 - ATTESTATION A – ACKNOWLEDGMENT, AGREEMENT, AND CONSENT

After reading the attestation, provide the name of the supplemental individual in the space provided.

<p style="text-align: center;"><u>ATTESTATION A - INDIVIDUAL</u> <u>ACKNOWLEDGEMENT, AGREEMENT, & CONSENT</u> (To be completed and submitted by the applicant)</p> <p>I, _____ <small>Name of Supplemental Individual</small></p> <p>acknowledge that I am the person responsible for submitting this application and supporting documents.</p> <p>I hereby acknowledge that the Marijuana Regulatory Agency (Agency) may require supplemental materials in order to carry out its statutory duties. I hereby agree to submit such supplemental materials as requested by the Agency in a timely manner. I understand that if the Agency identifies a deficiency in an application, the Agency shall notify the applicant and the applicant shall submit the missing information or proof that the deficiency has been corrected to the agency within 5 days of the date the applicant received the deficiency notice. I acknowledge that failure to provide requested disclosures and documentation or to correct any notice of deficiency within 5 days of its receipt may result in the <u>denial</u> of an application.</p> <p>I hereby acknowledge that any issuance of a license is a privilege. I have the responsibility to prove that I am eligible, suitable, and qualified to be licensed. I must accept any risk of adverse public notice, embarrassment, criticism, or other action, or financial loss, which may result from action with respect to an application or the public disclosure of information requested in this application, and expressly waive any claim for damages as a result thereof. Information not called for in this application or in addition to that provided in response to this application, may be requested.</p> <p>I, as the applicant submitting this application, hereby certify that I do not have an interest in any other state operating license that is prohibited by the Medical Marijuana Facilities Licensing Act, 2016 PA 281 (MMFLA).</p> <p>I hereby acknowledge that I am under a continuing duty to promptly disclose to the Agency any changes in the information provided in the application and supporting documents submitted to the Agency. To comply with this requirement, I hereby acknowledge that I must submit a letter to the Agency stating any changes with reference to the specific information within the application to which the changes pertain.</p> <p>I hereby consent to investigations of compliance, regular inspections, examinations, searches, seizures, and auditing of books and records as provided in MMFLA Section 303(1)(c)(i) to (iv) and the MMFLA Administrative Rules, and to disclose to the Agency and its agents of otherwise confidential records, including tax records held by any federal, state, or local agency, or credit agency or financial institution, while applying for or holding a state operating license. This consent is authorization to review and inspect tax records administered under the Michigan Revenue Act, 1941 PA 122.</p> <p>I hereby acknowledge that the finding of prequalification status for a pending application is valid for two years after the Agency issues a notice of prequalification status unless otherwise determined by the agency. I understand that after two years have expired, I may be required to submit a new application and pay a new nonrefundable application fee.</p> <p>I hereby consent to receive all service of process via electronic service as opposed to certified mail. This consent is valid unless otherwise revoked in writing.</p>

PAGE 4 - ATTESTATION B – AUTHORIZATION TO RELEASE INFORMATION

After reading the attestation, provide the name of the supplemental individual in the space provided.

<p style="text-align: center;"><u>ATTESTATION B - INDIVIDUAL</u> <u>AUTHORIZATION TO RELEASE INFORMATION</u> (To be completed and submitted by the applicant)</p> <p>To all courts, probation departments, selective service boards, employers, educational institutions, banks, financial and other such institutions, and all governmental agencies federal, state and local, without exception, both foreign and domestic:</p> <p>I, _____ <small>Name of Supplemental Individual</small></p> <p>authorize the Marijuana Regulatory Agency (Agency) and its agents to conduct a full investigation into the background and activities of the applicant for purposes of determining the applicant's eligibility for a marijuana facility prequalification and state operating license.</p> <p>I understand that by signing this authorization, a financial background check will be performed. I authorize any financial institution to surrender to the Agency a complete and accurate record of such transactions that may have occurred with that institution, including, but not limited to, internal banking memoranda, past and present loan applications, financial statements and any other documents relating to my personal financial records in whatever form and wherever located. I authorize my employers to release any employment information required to validate any financial history. I understand that the financial background check will include a credit history examination and that my credit report, credit history, and credit capacity information will be obtained.</p> <p>I understand that by signing this authorization, a financial background check of my tax filing and tax obligation status will be performed. I authorize my respective state taxing agency to surrender to the Agency a complete and accurate record of any and all tax information or records relating to me for the purposes of this application. I authorize the Agency to obtain, receive, review, copy, discuss, and use any such tax information or documents relating to me. I authorize the release of this type of information, even though such information may be designated as "confidential" or "nonpublic" under the provisions of state or federal laws.</p> <p>I understand that by signing this authorization, a criminal history background check will be performed. I authorize the Agency to obtain and use from any source, any information concerning me contained in any type of criminal history record files, wherever located for purposes of completing this application. I understand that the criminal history record files contain records of arrests which may have resulted in a disposition other than a finding of guilt (i.e., dismissed charges, or charges that resulted in a not guilty finding). I understand that the information may contain listings of charges that resulted in suspended imposition of sentence, even though I successfully completed the conditions of said sentence and the sentence was discharged pursuant to law. I authorize the release of this type of information, even though this record may be designated as "confidential" or "nonpublic" under the provisions of state or federal laws.</p> <p>By signing this authorization, I authorize the Agency's Michigan Medical Marijuana Program (MMMP) to release my MMMP patient and/or caregiver registration history to the Agency's Medical Marijuana Facility Licensing Division (MMFL) and/or law enforcement for use in determining licensure eligibility under the Medical Marijuana Facilities Licensing Act (MMFLA). I further authorize the release of this information to the Marijuana Regulatory Agency and the use of this information during administrative proceedings under the MMFLA.</p> <p>Therefore, you are hereby authorized to release any and all information pertaining to this applicant, documentary or otherwise, as requested by any employee or agent of the Agency, provided that he or she certifies to you that said applicant has an application pending before the Agency or that said applicant is a licensee or other person required to be qualified under the provisions of the Medical Marijuana Facilities Licensing Act (MMFLA).</p> <p>This authorization shall supersede any prior request or authorization to the contrary and shall be in effect during the pendency of this application. A photocopy of this authorization will be considered as effective and valid as the original.</p>

PAGE 5 - ATTESTATION C – VERIFICATION & AFFIDAVIT OF FULL DISCLOSURE

After reading the attestation, provide the name of the supplemental individual in the space provided.

In Section 2, provide the name of the contact person who is authorized to speak with the Agency about the application in the space provided on the form. Provide their email address, phone number, and Accela Citizen Access Login User ID (if known) in the spaces provided.

If you wish to designate more than one contact person, please add additional pages of this form to the application with each contact person on a separate Attestation C form.

NOTE: If an individual contacts MRA about the application and that individual is not a supplemental applicant, not the person completing the application, and not an authorized contact person listed on Attestation C, the Agency will not provide information to that individual.

<u>ATTESTATION C - INDIVIDUAL</u> <u>VERIFICATION & AFFIDAVIT OF FULL DISCLOSURE</u> <small>(To be completed and submitted by the applicant)</small>	
Add additional pages of this form if authorizing more than one contact person.	
I, _____	<small>Name of Supplemental Individual</small>
confirm the following:	
1. I am the individual responsible for submitting this application and have full authority to execute this affidavit of full disclosure.	
2. I authorize _____ to be a contact person to the Marijuana Regulatory Agency (Agency). I understand that this person will have access to records and material submitted to the Agency for the purposes of this application. Further, I understand that this person will retain access and receive communication from the Agency regarding the applicant/licensee until the applicant/licensee submits an official request to remove this person's access and cease communication with this person. Please provide the information for this contact person below.	
E-mail Address: _____ Phone Number: _____	
Accela Citizen Access Login User ID (if applicable): _____	
3. I authorize the person listed as the Person Completing Application within the demographic section of the application to be a contact person for the Agency. I understand that this person will have access to records and material submitted to the Agency for the purposes of this application. Further, I understand that this person will retain access and receive communication from the Agency regarding the applicant/licensee until the applicant/licensee submits an official request to remove this person's access and cease communication with this person.	
4. I affirm that the information contained in this application is true, complete, and accurate to the best of my knowledge and belief.	
5. Except as reported in this application, I have no agreements or understandings with any person or entity and no present intent to hold as agent, nominee, or otherwise any interest in the application.	
6. Except as reported in this application, I have no agreements or understanding with any person or entity and no present intent to pay any sums of money or give anything of value as, including but without limitation, a finder's fee or commission to any person or entity related to the interest in this application.	
7. I understand that the supplemental individual has an ongoing obligation to notify the Agency should the supplemental individual enter into any such agreement contemplated by this attestation.	

PAGE 6 -ATTESTATION D – ACKNOWLEDGMENT OF FEDERAL LAW & RELEASE OF LIABILITY

After reading the attestation, provide the name of the supplemental individual in the space provided.

<p style="text-align: center;"><u>ATTESTATION D - INDIVIDUAL</u> <u>ACKNOWLEDGMENT OF FEDERAL LAW & RELEASE OF LIABILITY</u> (To be completed and submitted by the applicant)</p> <p>I, _____ <small>Name of Supplemental Individual</small></p> <p>hereby acknowledge and affirm the following:</p> <p>The Federal Controlled Substances Act, Title II of the Comprehensive Drug Abuse Prevention and Control Act of 1970, 21 U.S.C. § 801 <i>et seq.</i>, regulates marijuana as a Schedule I controlled substance, for which there is “no currently accepted medical use in treatment in the United States.” 21 U.S.C. § 812(b)(1)(B). Although the state of Michigan has recognized and authorized the use of medical marijuana pursuant to the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26421 to 333.26430, has authorized the issuance of state operating licenses to medical marijuana facilities pursuant to the Medical Marihuana Facilities Licensing Act, 2016 PA 281, MCL 333.27101 to MCL 333.27801, and has provided for a statewide monitoring system in the Marihuana Tracking Act, 2016 PA 282, MCL 333.27901 to 333.27904, these state authorized activities remain prohibited by federal law.</p> <p>I understand that a state operating license does not insulate or shield me or my business from federal seizure and/or forfeiture as allowed by federal law and does not insulate me from federal criminal arrest and/or prosecution.</p> <p>I understand that choosing to file an application for a state operating license and, if issued a license, choosing to establish and operate a marijuana facility pursuant to that license, is done so at my own risk.</p> <p>By my signature and attestation to this form, I hereby completely release and forever discharge the State of Michigan, the Michigan Department of Licensing and Regulatory Affairs, the Marijuana Regulatory Agency, and its respective employees, agents, facilities, insurers, indemnors, successors, heirs and/or assigns from any and all past, present or future claims, demands, obligations, actions, causes of action, wrongful death claims, rights, damages, costs, losses of services, expenses and compensation of any nature whatsoever, whether based on a tort, contract or other theory of recovery, which I may now have, or which may hereafter accrue or otherwise be acquired, on account of, or may in any way arise out of my application for a state operating license and, if issued a license, my operation of a marijuana facility.</p>
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PAGE 7 – ATTESTATION F – CONFIRMATION OF TAX COMPLIANCE

PART A – After reading this section of the attestation, provide the name of the supplemental individual in the space provided. Provide the supplemental individual’s signature, social security number, and the date in the spaces provided in the section. Ensure a return mailing address is provided so the Department of Treasury is able to return the form.

<u>ATTESTATION F - INDIVIDUAL</u> <u>CONFIRMATION OF TAX COMPLIANCE</u> (To be completed by the designee of the Michigan Department of Treasury and submitted by the applicant)	
PART A (to be completed by the applicant before submitting to the Department of Treasury): I, _____, <div style="text-align: center; font-size: small;">Name of Supplemental Individual</div> <p>understand that I am submitting this Attestation in compliance with the Medical Marihuana Facilities Licensing Act (MMFLA) and the Administrative Rules. I hereby attest that the statements that will be confirmed in Part B below are true to the best of my knowledge and belief. I further affirm that if I have been making sales, I am registered and remitting sales tax to the Michigan Department of Treasury, as required.</p> <p>The Revenue Act, 1941 PA 122, MCL 205.28(1)(f), makes taxpayer information acquired in the administration of a tax confidential. I authorize the Michigan Department of Treasury to furnish tax returns and provide tax return information to the Marijuana Regulatory Agency for the limited purpose of determining my qualification and fitness for licensure under MMFLA. This limited authorization relates to all tax types administered under the Revenue Act. This limited authorization continues for two years from the date of my signature below or until the applicant is no longer licensed, whichever is later.</p> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="width: 60%;"> _____ Signature of Supplemental Individual </div> <div style="width: 35%;"> _____ Date </div> </div> <div style="margin-top: 10px;"> _____ Supplemental Individual SSN </div> <div style="margin-top: 10px; text-align: center;"> <u>Return Address for Completed Form:</u> _____ Name _____ Street Address _____ City, State, Zip Code </div>	
Department of Treasury Phone: 517-636-6925 Department of Treasury Fax: 517-636-4520 Department of Treasury Email: Treas-MI-Marihuana-Tax@michigan.gov	

PART B – The supplemental individual must have this section of the attestation completed by an authorized designee of the Michigan Department of Treasury. The designee will confirm the required information and sign the form if applicable.

An authorized designee of the Michigan Department of Treasury can be contacted at:

Michigan Department of Treasury
Hours: Monday – Friday, 8:00 a.m. to 4:00 p.m.
Phone: 517-636-6925
Fax: 517-636-4520
Email: Treas-MI-Marihuana-Tax@michigan.gov

PART B (to be completed by a designee of the Michigan Department of Treasury):

I, _____ (designee) of the Michigan Department of Treasury, hereby confirm to the Marijuana Regulatory Agency (Agency) that the applicant for a state operating license as named above in Part A, has no delinquency in payments and has satisfied all obligations for any sales or any other taxes that were to be levied on the sale of marijuana in accordance with treasury bulletin RAB 2018-2 titled "Marihuana Provisioning Center Tax and Sales and Use Tax Treatment of Marihuana" which was issued January 18, 2018, as well as any subsequent bulletins released regarding tax obligations. This attestation is provided in accordance with the Medical Marihuana Facilities Licensing Act, 2016 PA 281 (MMFLA), and the Administrative Rules.

I further confirm that:

1. The applicant is in good standing with the Michigan Department of Treasury for any taxes for which the applicant is responsible.
2. There are no outstanding obligations for any taxes levied for which the applicant is responsible.
3. Any tax delinquencies for which the applicant is responsible, have been satisfied, if applicable.

Signature of Treasury Designee

Date

Failure to submit this attestation with the signature of an authorized Michigan Department of Treasury designee will result in a Notice of Deficiency. Failure to correct any deficiencies within 5 days after receiving a Notice of Deficiency may result in the denial of the application.

PAGE 8 - ACKNOWLEDGMENT OF ATTESTATIONS

Do not sign this form until in the presence of a notary. Provide the name of the supplemental individual in the space provided. Indicate by checking the boxes that the supplemental individual acknowledges and consents to each attestation.

The supplemental individual should sign this form in the presence of an active notary. In the notary block at the bottom, the supplemental individual's signature date and notary signature date must match.

If the notary signature is invalid and/or the dates do not match, you will receive a Notice of Deficiency. Failure to correct any deficiencies within 5 days after receiving a Notice of Deficiency may result in the denial of the application.

<u>ACKNOWLEDGMENT OF ATTESTATIONS</u> (To be completed and submitted by the applicant) Do not sign until notary is present	
I, _____ <div style="text-align: center; font-size: small;">Name of Supplemental Individual</div>	
hereby swear, acknowledge, and consent to the following attestations (check all that apply to indicate the applicant's acknowledgment and consent):	
<div style="list-style-type: none; padding-left: 0;"> <input type="checkbox"/> Attestation A: Acknowledgment, Agreement & Consent <input type="checkbox"/> Attestation B: Authorization to Release Information <input type="checkbox"/> Attestation C: Verification & Affidavit of Full Disclosure (with contact designated, if applicable) <input type="checkbox"/> Attestation D: Acknowledgment of Federal Law & Release of Liability <input type="checkbox"/> Attestation F: Confirmation of Tax Compliance </div>	
Further, I affirm, under the penalties of perjury, that the information set forth in this application and all supporting documents is true, complete, and correct, and that no material information has been omitted.	
Signature of Supplemental Individual _____	Date _____
Subscribed and sworn to by _____ before me on _____ <div style="text-align: center; font-size: x-small;">(Supplemental Individual Name) (Date)</div>	
(Notary Public Signature) _____	(Notary Public Printed Name) _____
State of _____, County of _____, Acting in the county of _____ <div style="text-align: center; font-size: x-small;">(county) (state)</div>	
My commission expires: _____	

PAGE 9 - DISCLOSURE 1 – INDIVIDUAL INFORMATION

PAGE 10 - Provide the supplemental individual's name and phone number in the space provided at the top of this disclosure form.

<u>DISCLOSURE 1 – INDIVIDUAL INFORMATION</u>	
Supplemental Individual Name _____	Phone No. _____

In the (1) **SUPPLEMENTAL INDIVIDUAL PRIOR NAMES** section, provide any prior names used by the supplemental individual during the past three years. Add additional pages if necessary. If the supplemental individual has not had any previous names, this section can be left blank.

(1) SUPPLEMENTAL INDIVIDUAL PRIOR NAMES		
Provide any prior name used by the individual during the past 3 years, if applicable. Add additional pages if necessary.		
Prior Name	Date Use Began	Date Use Ceased

In the (2) **SUPPLEMENTAL INDIVIDUAL PRIOR ADDRESSES** section, provide any prior addresses used by the supplemental individual during the past three years. Add additional pages if necessary. If the supplemental individual has not had any previous addresses, this section can be left blank.

(2) SUPPLEMENTAL INDIVIDUAL PRIOR ADDRESSES			
Provide any prior address used by the individual during the past 3 years, if applicable. Add additional pages if necessary.			
Prior Street Address	City, State, Zip Code	Date Use Began	Date Use Ceased

In the (3) **SUPPLEMENTAL INDIVIDUAL OTHER BUSINESS INTERESTS** section, provide any other business interests of the supplemental individual. Add additional pages if necessary. If the supplemental individual does not have any other business interests, this section can be left blank.

(3) SUPPLEMENTAL INDIVIDUAL OTHER BUSINESS INTERESTS			
Provide any other business interests of the supplemental individual, regardless of whether the business is related to the marijuana industry. Add additional pages if necessary.			
Name of Other Business Interest	Type of Business Entity (e.g., LLC, Corporation, Sole Proprietor, etc.)	Type of Business Conducted	Extent of Involvement

The supplemental individual applicant should gather the following documentation in support of the Individual Information disclosure:

- Copy of Government Issued ID

PAGE 10 - DISCLOSURE 3 – INTERESTS OF PUBLIC OFFICIALS

PAGE 10 - Provide the supplemental individual's name and phone number in the space provided at the top of this disclosure form.

<u>DISCLOSURE 3– INTERESTS OF PUBLIC OFFICIALS</u>	
<div style="border: 1px solid black; height: 40px; margin-bottom: 5px;"></div> <div style="border: 1px solid black; padding: 5px;"> <div style="display: flex; justify-content: space-between;"> Supplemental Individual Name Phone No. </div> </div>	

List the names and titles of all public officials or officers of any unit of government as well as the spouses, parents, and children of those public officials or officers, who directly, or indirectly:

- Are the creditors of the individual
- Hold any debt instrument issued by the individual
- Hold or have any interest in any contractual or service relationship with the individual

<p>Please list the names and titles of all public officials or officers of any unit of government as well as the spouses, parents, and children of those public officials or officers, who directly, or indirectly:</p> <ol style="list-style-type: none"> 1. Are the creditors of the individual 2. Hold any debt instrument issued by the individual 3. Hold or have any interest in any contractual or service relationship with the individual 	
<div style="border-bottom: 1px solid black; height: 20px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 20px;"></div>	<div style="border-bottom: 1px solid black; height: 20px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 20px;"></div>

Check the appropriate box to indicate if the interest of the public official or officer is of a governmental unit.

Is the interest that of the public official or officer of a governmental unit? <input type="checkbox"/> Yes <input type="checkbox"/> No

If Yes", state the percentage/capacity of interest on the space provided.

If <u>yes</u> , state the percentage/capacity of interest _____

If “No”, provide the following information about the interest of the family member of the public official or officer in the table provided:

- **Name** of family member
- **Relationship** of family member
- **Date of Birth** of family member
- **Address** of family member
- **Percentage/Capacity of Interest** of family member

Name of Family Member	Relationship	Date of Birth	Address	Percentage/ Capacity of Interest

PAGE 11 - DISCLOSURE 4 – DEBT, INSOLVENCY, OR BANKRUPTCY ACTIONS

PAGE 11 - Provide the supplemental individual’s name and phone number in the space provided at the top of this disclosure form.

<u>DISCLOSURE 4 – DEBT, INSOLVENCY, OR BANKRUPTCY ACTIONS</u>	
Supplemental Individual Name _____	Phone No. _____

Check the appropriate box to indicate if the supplemental individual has filed or had filed against it, a proceeding for bankruptcy or been involved in any formal process to adjust, defer, suspend, or otherwise work out payment of a debt in the past seven years?

<p>(1) Has the supplemental individual filed, or had filed against it, a proceeding for bankruptcy or been involved in any formal process to adjust, defer, suspend or otherwise work out payment of a debt in the past seven years?</p> <p> <input type="checkbox"/> Yes <input type="checkbox"/> No </p> <p style="margin-left: 150px;"> If <u>yes</u>, provide information in the following sections. If <u>no</u>, this disclosure form is complete. </p>	
---	--

If the answer to this question is “No,” you are finished with this disclosure.

If “Yes”, provide the following information related to the supplemental individual’s past or current debt, bankruptcy, or other insolvency proceeding.

- **Date of Filing** of the debt, bankruptcy, or other insolvency proceeding
- **Name & Location of Court** of the debt, bankruptcy, or other insolvency proceeding
- **Case Number** of the debt, bankruptcy, or other insolvency proceeding
- **Date of Disposition** of the debt, bankruptcy, or other insolvency proceeding
- **Disposition** of the debt, bankruptcy, or other insolvency proceeding

Date of Filing	Name & Location of Court	Case No.	Date of Disposition	Disposition

The supplemental individual applicant should gather the following supporting documents in relation to their Debt, Insolvency, or Bankruptcy Actions disclosure:

- [Copy of Discharge Documentation \(if applicable\)](#)

PAGE 12 - DISCLOSURE 5 – TAX & TAX COMPLIANCE

PAGE 12 – Provide the supplemental individual’s name and phone number in the space provided at the top of this disclosure form.

<u>DISCLOSURE 5 - TAX & TAX COMPLIANCE</u>	
<div style="border: 1px solid black; height: 40px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; padding-bottom: 5px;">Supplemental Individual Name</div>	<div style="border: 1px solid black; height: 40px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; padding-bottom: 5px;">Phone No.</div>

In the **(1) TAXING AGENCIES** section, list all federal, state, local and foreign taxing agencies in which the supplemental individual was subject to taxation for the past 12 months.

(1) <u>TAXING AGENCIES</u> List all federal, state, local, and foreign jurisdictions in which the supplemental individual was subject to taxation during the last year. Add additional pages if necessary.	
Taxing Agency	Type of Tax (E.g., Federal income tax, state income tax, sales tax)

E.g., “Taxing Agency” = IRS, “Type of Tax” = Federal Income Tax;

E.g., “Taxing Agency” = Michigan Department of Treasury, Type of Tax = State Income Tax, Sales Tax

In the **(2) TAX COMPLIANCE** section, indicate if the supplemental individual has had a tax complaint filed against them or been served with a notice regarding a tax delinquency by selecting “Yes” or “No” to this question.

If “Yes,” provide the taxing agency, type of tax, tax period, and amount of the delinquent tax payment in the table provided in this section.

(2) <u>TAX COMPLIANCE</u> Has the supplemental individual ever been served with, or had filed against it, a complaint or other notice regarding the delinquent payment of any tax required under federal, state, local, or foreign jurisdictions? <input type="checkbox"/> Yes <input type="checkbox"/> No If you answered <u>yes</u> , provide the requested information for each delinquent tax payment and provide all applicable required supporting documents (e.g., copy of notice of tax liability due). Add additional pages if necessary.				
Taxing Agency	Type of Tax	Tax Year	Amount	Disposition

The supplemental individual applicant should gather the following documentation in support of the Tax & Tax Compliance disclosure:

- W2s, 1099s, and/or Schedule K-1s for Past 12 Months (if no W2s, 1099s and/or Schedule K-1s exist, submit an explanation)
- Copy of Initial Notice and Notice of Release (if applicable)
- Copy of Payment Plan Documentation (if applicable)

PAGE 13 - DISCLOSURE 6 – GOVERNMENT REGULATION

PAGE 13 - Provide the supplemental individual’s name and phone number in the space provided at the top of this disclosure form.

<u>DISCLOSURE 6 - GOVERNMENT REGULATION</u>	
Supplemental Individual Name _____	Phone No. _____

Select “Yes” or “No” in response to the three questions in the top section of the page.

<p>Is the supplemental individual subject to regulation by a public agency in any other jurisdiction (e.g., Does the supplemental individual hold any license, certificate, permit, etc., that is regulated by a department of a local, state, federal, or foreign government)?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Does the supplemental individual hold any commercial licenses? (Not including the license in which they are currently applying.)</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Has the supplemental individual ever applied for or been granted any commercial license or certificate issued by a licensing authority in any jurisdiction that has been denied, restricted, suspended, revoked, or not renewed?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
--

Question 1 - If the supplemental individual is subject to regulation by a public agency (holds any license, certificate, permit, etc. which is regulated by a department of a local, state, federal, or foreign government (e.g. liquor license, building permit, sales tax license, other marijuana licenses, concealed carry permits, chauffeur’s licenses, etc.)), select “Yes”.

If “Yes,” disclose any marijuana businesses in Section (1) **MARIJUANA BUSINESS INTERESTS** and any other regulation type in Section (2) **COMMERCIAL LICENSES OR CERTIFICATES**.

Question 2 - If the supplemental individual holds any commercial licenses (e.g. food establishment license, retail gas outlet license, marijuana license, liquor license, commercial driver’s license, etc.), select “Yes.”

If “Yes,” disclose any marijuana businesses in Section (1) **MARIJUANA BUSINESS INTERESTS** and any other regulation type in Section (2) **COMMERCIAL LICENSES OR CERTIFICATES**.

Question 3 – If the supplemental individual has ever applied for a license or certificate that was denied, or if the supplemental individual has ever been granted a license or certificate that has been restricted, suspended, revoked, or not renewed, select “Yes”.

If “Yes,” disclose these licenses in Section (3) **COMMERCIAL LICENSES OR CERTIFICATES DENIED, RESTRICTED, SUSPENDED, REVOKED, OR NOT RENEWED** on the second page of this disclosure.

If the answer to all three of these questions is “No,” you are finished with this disclosure.

In the (1) **MARIJUANA BUSINESS INTERESTS** section, list any marijuana business in which the supplemental individual has any direct or indirect equity interest. For each marijuana business, provide the business entity's name, license number, state of license issuance, and the country of issuance. If the supplemental individual does not own other marijuana businesses, this section can be left blank.

(1) **MARIJUANA BUSINESS INTERESTS**

Provide the requested information any interest that the supplemental individual has in any other corporation, partnership, sole proprietorship, or other business entity that is directly or indirectly involved in the *growing, processing, testing, transporting, or sale of marijuana*. Add additional pages if necessary.

Marijuana Business Entity Name	License Number	State of Issuance	Country of Issuance

In the (2) **COMMERCIAL LICENSES OR CERTIFICATES** section, list any (non-marijuana) commercial licenses or certificates held by the supplemental individual.

(2) **COMMERCIAL LICENSES OR CERTIFICATES**

Provide the requested information for all non-marijuana commercial licenses or certificates held by the supplemental individual. Add additional pages if necessary.

License or Certificate Type	License Number or Other Identifying Number	Issuing Agency

Ex. "License or Certificate Type" = *Liquor license*, "License No. or Other Identifying No." = *RQ-1810-12345*, "Issuing Agency" = *Michigan Liquor Control Commission*

Ex. "License or Certificate Type" = *Sales tax license*, "License No. or Other Identifying No." = *89-6745231*, "Issuing Agency" = *Michigan Department of Treasury*

PAGE 14 - DISCLOSURE 6 – GOVERNMENT REGULATION, CONTINUED

PAGE 14 – Provide the supplemental individual's name and phone number in the space provided at the top of this disclosure form.

DISCLOSURE 6 - GOVERNMENT REGULATION. CONTINUED

Supplemental Individual Name

Phone No.

In the (3) **COMMERCIAL LICENSES OR CERTIFICATES DENIED, RESTRICTED, SUSPENDED, REVOKED, OR NOT RENEWED** section, list any license or certificate that was applied for and denied, and list any license or certificate that has been restricted, suspended, revoked, or not renewed.

(3) **COMMERCIAL LICENSES OR CERTIFICATES DENIED, RESTRICTED, SUSPENDED, REVOKED, OR NOT RENEWED**

Provide the requested information for all commercial licenses or certificates with which the supplemental individual has had an application or license denied, restricted, suspended, revoked, or not renewed. Add additional pages if necessary.

#	License or Certificate Type	License Number or Other Identifying Number	Issuing Agency
1			
	Action Taken	Reason for Action	Date Action Taken
2			
	Action Taken	Reason for Action	Date Action Taken
3			
	Action Taken	Reason for Action	Date Action Taken

“Action Taken” = *denied, restricted, suspended, revoked, or not renewed*

In the (4) **PENDING LICENSES OR CERTIFICATES** section, list any pending licenses or certificates in which the supplemental individual has applied for and a determination has not yet been made.

(4) **PENDING LICENSES OR CERTIFICATES**

Disclose any application for a commercial license or certificate in this state or any other jurisdiction that is currently pending and for which a determination has not been made. Do not include this current application for a marijuana license or any commercial license or certificate previously disclosed on this application. Add additional pages if necessary.

License or Certificate Type	Issuing Agency	Application Number or Other Identifying Number

In the **(5) GOVERNMENT EMPLOYMENT** section, select “Yes” or “No” in response to the four questions related to government employment. If the answer to all three questions is “No,” you are done with this disclosure. (Elected officers of or employees of a federally recognized Indian tribe and elected precinct delegates are not ineligible to receive a state operating license.)

If “Yes,” write an explanation in the space provided. (E.g., “*I am a state employee within the Licensing and Regulatory Affairs division.*”)

(5) <u>GOVERNMENT EMPLOYMENT</u>				
Do any of the following apply to the supplemental individual?				
<input type="checkbox"/>	Yes	<input type="checkbox"/>	No	Employee, advisor, or consultant of the Marijuana Regulatory Agency.
<input type="checkbox"/>	Yes	<input type="checkbox"/>	No	Holds an elective office of a governmental unit of this state, another state, or the federal government.
<input type="checkbox"/>	Yes	<input type="checkbox"/>	No	Member of or employed by a regulatory body of a governmental unit of this state, another state, or the federal government.
<input type="checkbox"/>	Yes	<input type="checkbox"/>	No	Employed by a governmental unit of this state.
If you answered yes to any of the above questions, provide an explanation. If you are an elected officer of or employee of a federally recognized Indian tribe or an elected precinct delegate, please include this information in the explanation:				

The supplemental individual applicant should gather the following documentation in support of the Government Regulation disclosures:

- Copy of Marijuana Licenses (if applicable)
- Copy of Any Other Commercial Licenses or Any Comparable License from Other Jurisdictions (if applicable)
- Summary of Facts and Circumstances Concerning a License Denial, Restriction, Revocation, Suspension, or Nonrenewal (if applicable)

PAGE 15 - DISCLOSURE 7 – CRIMINAL HISTORY

PAGE 15 – Provide the supplemental individual’s name and phone number in the space provided at the top of this disclosure form.

<u>DISCLOSURE 7 – CRIMINAL HISTORY</u>	
Supplemental Individual Name	Phone No.

Question 1 – select “Yes” or “No” to indicate if the supplemental individual has been indicted for, charged with, arrested for, convicted of, pled guilty or nolo contendere to, or forfeited bail under the laws of any jurisdiction (state, federal, or foreign) concerning any felony criminal offense or a misdemeanor involving a controlled substance, dishonesty, theft, or fraud, not including traffic violations, regardless of whether the offense has been reversed on appeal, reduced, expunged, set aside, pardoned or otherwise?

(1) Has the supplemental individual been indicted for, charged with, arrested for, convicted of, pled guilty or nolo contendere to, or forfeited bail under the laws of any jurisdiction (state, federal, or foreign) concerning any felony criminal offense or a misdemeanor involving a controlled substance, dishonesty, theft, or fraud, **not including traffic violations**, regardless of whether the offense has been reversed on appeal, reduced, expunged, set aside, pardoned or otherwise?

☐ Yes ☐ No

Question 2 – select “Yes” or “No” to indicate if the supplemental individual has been found responsible for violating a local ordinance in any state involving a controlled substance, dishonesty, theft, or fraud that substantially corresponds to a misdemeanor in that state, whether the offense has been reversed on that appeal, reduced, expunged, set aside, pardoned or otherwise?

(2) Has the supplemental individual been found responsible for violating a local ordinance in any state involving a controlled substance, dishonesty, theft, or fraud that substantially corresponds to a misdemeanor in that state, whether the offense has been reversed on that appeal, reduced, expunged, set aside, pardoned or otherwise?

☐ Yes ☐ No

Question 3 – select “Yes” or “No” to indicate if the supplemental individual has any criminal offense, either felony or misdemeanor, in the laws of any jurisdiction, not including traffic violations, regardless of whether the offense has been reversed on appeal, reduced, expunged, set aside, pardoned or otherwise, has the supplemental individual ever:

(3) As to any criminal offense, either felony or misdemeanor, in the laws of any jurisdiction, **not including traffic violations**, regardless of whether the offense has been reversed on appeal, reduced, expunged, set aside, pardoned or otherwise, has the sole proprietor ever:

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
<input type="checkbox"/>	<input type="checkbox"/>	been arrested	<input type="checkbox"/>	<input type="checkbox"/>	pled nolo contendere (no contest)
<input type="checkbox"/>	<input type="checkbox"/>	been charged	<input type="checkbox"/>	<input type="checkbox"/>	forfeit bail concerning an offense
<input type="checkbox"/>	<input type="checkbox"/>	been indicted	<input type="checkbox"/>	<input type="checkbox"/>	had a criminal record expunged
<input type="checkbox"/>	<input type="checkbox"/>	been convicted	<input type="checkbox"/>	<input type="checkbox"/>	been incarcerated

If “Yes”, provide the following information for all offenses in the table provided:

- **Name** of offense
- **Type** of offense
- **Date** of the offense
- **Arresting Agency/Jurisdiction** of the offense
- **Name and Location of Court** where offense was litigated
- **Docket/Case Number** of criminal litigation
- **Disposition** of offense

#	Name of Offense	Type of Offense	Date	Arresting Agency/Jurisdiction
1				
	Name & Location of Court	Docket/Case #	Disposition	
#	Name of Offense	Type of Offense	Date	Arresting Agency/Jurisdiction
2				
	Name & Location of Court	Docket/Case #	Disposition	
#	Name of Offense	Type of Offense	Date	Arresting Agency/Jurisdiction
3				
	Name & Location of Court	Docket/Case #	Disposition	
#	Name of Offense	Type of Offense	Date	Arresting Agency/Jurisdiction
4				
	Name & Location of Court	Docket/Case #	Disposition	

The supplemental individual applicant should gather the following documentation in support of the Criminal History disclosure:

- Copy of Criminal History Documents (if applicable)

PAGE 16 - DISCLOSURE 8 – LITIGATION HISTORY

PAGE 16 – Provide the supplemental individual’s name and phone number in the space provided at the top of this disclosure form.

<u>DISCLOSURE 8 – LITIGATION HISTORY</u>	
Supplemental Individual Name	Phone No.

In the **LITIGATION HISTORY** section, select “Yes” or “No” to indicate if the supplemental individual or any of the supplemental individual’s other business interests have been a party to any litigation during the past five years.

If “Yes”, disclose the case caption, docket or case number, name and location of court, the cause of action, and disposition for the litigation in the table provided. Add additional pages if necessary.

(1) LITIGATION HISTORY

Has the supplemental individual or any of the supplemental individual’s other business interests been a party to any litigation during the past five years (e.g., fraud, environmental, food safety, alcohol, tobacco, labor, employment, worker’s compensation, discrimination, and tax laws and regulations)?

☐ Yes ☐ No

If you answered yes, provide the requested information for all litigation related to the supplemental individual (e.g., fraud, environmental, food safety, labor, employment, worker’s compensation, discrimination, and tax laws and regulations) pending or concluded, for the past 5 years. Add additional pages if necessary.

Case Caption	Docket/Case No.	Name & Location of Court	Cause of Action	Disposition

In the **PENDING LITIGATION** section, for any cases that are currently pending, provide a brief explanation in the area provided.

(2) PENDING LITIGATION

For any cases that are currently initiated or pending, provide a brief explanation regarding the allegations of the case. Add additional pages if necessary.

In the **GOVERNMENT CHARGES & INVESTIGATIONS** section, disclose any charges and/or government investigations related to the supplemental individual's business operations (e.g. fraud, environmental, food safety, alcohol, tobacco, labor, employment, worker's compensation, discrimination, and tax laws and regulation), whether initiated, pending, or concluded in the area provided.

(3) GOVERNMENT CHARGES & INVESTIGATIONS

Disclose any charges and government investigations, whether initiated, pending, or concluded, related to the sole proprietor's business operations unless they have been previously disclosed on this application (e.g., fraud, environmental, food safety, alcohol, tobacco, labor, employment, worker's compensation, discrimination, and tax laws and regulations). Add additional pages if necessary.

The supplemental individual applicant should gather the following documentation in support of the Litigation History disclosure:

- Copy of Complaint (if applicable)
- Copy of Judgment (if applicable)

SUBMITTING THE APPLICATION

When submitting the application, ensure the main application, all supplemental applications, and all supporting documents are provided. Failure to submit all applications and supporting documents will result in a Notice of Deficiency. Failure to correct any deficiencies within 5 days after receiving a Notice of Deficiency may result in the denial of the application.

The application can be submitted online at: <https://aca3.accela.com/MIMM/Default.aspx>, in person at: 2407 North Grand River Avenue, Lansing, MI 49806, or via postal mail to:

Marijuana Regulatory Agency
Medical Facilities Licensing
P.O. Box 30205
Lansing, MI 48909

If any questions arise while completing the application, please do not hesitate to contact MRA by telephone at:

517-284-8599

The medical application submission should contain the following supporting documents:

- Copy of Government Issued ID (e.g., driver's license, passport)
- Debt, Insolvency, or Bankruptcy Documents
- Copy of Discharge Documentation (if applicable)
- W2s, 1099s and/or Schedule K-1s for past 12 months (if no W2s, 1099s and/or Schedule K-1s exist, submit an explanation)
- Copy of Initial Notice and Notice of Release (if applicable)
- Copy of Payment Plan Documentation (if applicable)
- Copy of Marijuana Licenses (if applicable)
- Copy of Any Other Commercial Licenses or Any Comparable License from Other Jurisdictions (if applicable)
- Summary of Facts and Circumstances Concerning License Denial, Restriction, Revocation, Suspension, or Nonrenewal (if applicable)
- Copy of Criminal History Documents (if applicable)
- Copy of Complaint (if applicable)
- Copy of Judgment (if applicable)

STEP 2 – LICENSE APPLICATION

If any questions arise while completing the application, please do not hesitate to contact MRA by telephone at:
517-284-8599

After prequalification status has been granted to the main applicant and all applicable supplemental applicants, the main applicant should submit a Step 2 license application.

It is not recommended to submit a Step 2 license application unless the physical location of the facility is in place and will be ready to pass an inspection within 60 days after the Step 2 application is submitted.

Prequalification status expires after two years. If you do not submit a medical Step 2 license application within that timeframe, you will be required to submit a new Step 1 prequalification application and application fee if you still wish to continue the medical marijuana facility licensing process.

Step 2 – Facility License Application Types

License Type	Description of License
Grower Class A	Licensee is authorized to grow not more than 500 marijuana plants.
Grower Class B	Licensee is authorized to grow not more than 1000 marijuana plants.
Grower Class C	Licensee is authorized to grow not more than 1500 marijuana plants.
Processor	Licensee is authorized to purchase marijuana only from a grower and sale of marijuana-infused products or marijuana only to a provisioning center or another processor.
Provisioning Center	Licensee is authorized to 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.
Safety Compliance Facility	Licensee is authorized to receive marijuana from, test marijuana for, and return marijuana to only a marijuana facility.
Secure Transporter	Licensee is authorized to store and transport marijuana and associated money between marijuana facilities.

The following is a detailed description of each license type:

Grower Class A

- License authorizes the licensee to grow not more than 500 marijuana plants.
- Authorizes the sale of marijuana plants to a grower only by means of a secure transporter.
- Authorizes the sale or transfer of seeds, seedlings, or tissue cultures to a grower from a registered primary caregiver or another grower without using a secure transporter.
- Authorizes sale of marijuana, other than seeds, seedlings, tissue cultures, and cuttings, to a processor or a provisioning center.
- The applicant and each investor in the grower must not have an interest in a secure transporter or safety compliance facility.

Grower Class B

- License authorizes the licensee to grow not more than 1,000 marijuana plants.
- Authorizes the sale of marijuana plants to a grower only by means of a secure transporter.
- Authorizes the sale or transfer of seeds, seedlings, or tissue cultures to a grower from a registered primary caregiver or another grower without using a secure transporter.
- Authorizes sale of marijuana, other than seeds, seedlings, tissue cultures, and cuttings, to a processor or a provisioning center.
- The applicant and each investor in the grower must not have an interest in a secure transporter or safety compliance facility.

Grower Class C

- License authorizes the licensee to grow not more than 1,500 marijuana plants.
- Authorizes the sale of marijuana plants to a grower only by means of a secure transporter.
- Authorizes the sale or transfer of seeds, seedlings, or tissue cultures to a grower from a registered primary caregiver or another grower without using a secure transporter.
- Authorizes sale of marijuana, other than seeds, seedlings, tissue cultures, and cuttings, to a processor or a provisioning center.
- The applicant and each investor in the grower must not have an interest in a secure transporter or safety compliance facility.

Processor

- License authorizes the licensee to purchase marijuana only from a grower and sale of marijuana-infused products or marijuana only to a provisioning center or another processor.
- The applicant and each investor in the processor must not have an interest in a secure transporter or safety compliance facility.

Provisioning Center

- License authorizes the licensee to purchase or transfer marijuana only from a grower or processor and sale or transfer to only a registered qualifying patient or registered primary caregiver.
- The applicant and each investor in the provisioning center must not have an interest in a secure transporter or safety compliance facility.

Safety Compliance Facility

- License authorizes the licensee to receive marijuana from, test marijuana for, and return marijuana to only a marijuana facility.
- Must be accredited by an entity approved by the agency by 1 year after the date the license is issued or have previously provided drug testing services to this state or this state's court system and be a vendor in good standing in regard to those services.
- The applicant and each investor with any interest in the safety compliance facility must not have an interest in a grower, secure transporter, processor, or provisioning center.
- Retain and employ at least 1 laboratory manager with a relevant advanced degree in a medical or laboratory science.

Secure Transporter

- License authorizes the licensee to store and transport marijuana and associated money between marijuana facilities.
- The applicant and each investor with an interest in the secure transporter must not have an interest in a grower, processor, provisioning center, or safety compliance facility
- The applicant and each investor must not be a registered qualifying patient or registered primary caregiver.
- Each driver transporting marijuana must have a chauffeur's license issued by this state.
- Each employee who has custody of marijuana or money that is related to a marijuana transaction shall not have been convicted of or released from incarceration for a felony under the laws of this state, any other state, or the United States within the past 5 years or have been convicted of a misdemeanor involving a controlled substance within the past 5 years.

MEDICAL MARIJUANA FACILITY LICENSE APPLICATION

This application is intended for applicants seeking a license for a marijuana grower (class A, B, or C), processor, provisioning center, safety compliance facility, or secure transporter.

The marijuana facility license application can be found at the following link: [Marijuana Facility License Application](#).

APPLICATION CHECKLIST

Ensure you have gathered all applicable items on the checklist before submitting the application. The last page of the application instruction booklet contains a checklist that provides further information on what each supporting document should entail.

MEDICAL MARIJUANA FACILITY LICENSE APPLICATION	
Medical Marijuana Facility License Application <ul style="list-style-type: none"> <input type="checkbox"/> Page 1: Facility License Checklist <input type="checkbox"/> Page 2: Facility Demographics <input type="checkbox"/> Page 3: Attestation G – Acknowledgment & Consent to Investigations, Statute & Rule Compliance <input type="checkbox"/> Page 4: Attestation H – Interest & Experience Attestation <input type="checkbox"/> Page 5: Attestation I – Confirmation of Section 205 Compliance – Part 1: Municipality <input type="checkbox"/> Page 6: Attestation I – Confirmation of Section 205 Compliance – Part 2: Applicant <input type="checkbox"/> Page 7: Attestation J – Confirmation of Section 408 Compliance – Insurance <input type="checkbox"/> Page 8: Acknowledgment of Attestations <input type="checkbox"/> Pages 9-10: Disclosures: (1) Business Specifications, (2) Municipality Information, (3) Employee Information, (4) Facility Information <input type="checkbox"/> Page 11: Consent to Publish Licensee Public Contact Information 	Supporting Documents <ul style="list-style-type: none"> <input type="checkbox"/> Copy of Certificate of Occupancy <input type="checkbox"/> Copy of Deed or Lease Agreement <input type="checkbox"/> Copy of Insurance – Premises Liability and Casualty (e.g., insurance policy, constant value bond) <input type="checkbox"/> Copy of Marijuana Business Location Plan complying with Rule 8 in the Marijuana Licenses Rule Set (R 420.8) <input type="checkbox"/> Copy of Floor Plan <input type="checkbox"/> Copy of Business Plan, including but not limited to: <ul style="list-style-type: none"> <input type="checkbox"/> Technology Plan <input type="checkbox"/> Marketing Plan <input type="checkbox"/> Staffing Plan <input type="checkbox"/> Inventory and Recordkeeping Plan <input type="checkbox"/> Copy of Certified Mail Receipt with Letter Sent to Municipality <input type="checkbox"/> DBA Documentation (if applicable) (obtained at county-level) <input type="checkbox"/> Certificate of Assumed Name (if applicable) (obtained from LARA Corporations Division) <p><u>Secure Transporter Applicants Only:</u></p> <ul style="list-style-type: none"> <input type="checkbox"/> Proof of Auto Insurance (for any vehicles used to transport marijuana product) <input type="checkbox"/> Vehicle Registration (for any vehicles used to transport marijuana product) <input type="checkbox"/> Registration as a Commercial Motor Vehicle (for any vehicles used to transport marijuana product)

PAGE 2 – DEMOGRAPHIC INFORMATION

In the **LICENSE TYPE** section, select the license type in which the applicant is applying for. Please note, only one license type can be selected per application.

LICENSE TYPE Please indicate the license type for which you are applying:		
<input type="checkbox"/> Grower Class A	<input type="checkbox"/> Processor	<input type="checkbox"/> Safety Compliance Facility
<input type="checkbox"/> Grower Class B	<input type="checkbox"/> Provisioning Center	
<input type="checkbox"/> Grower Class C	<input type="checkbox"/> Secure Transporter	

In the **MARIJUANA FACILITY INFORMATION** section, provide the following information for the applicant in the corresponding field on the application:

- **Applicant name** as it appears on official documents.
- **Assumed name/DBA** of the applicant, if operating under a name other than the applicant's official name.
- **Mailing Address** of the applicant.
- **Federal Employer Identification Number (FEIN) or Social Security Number (SSN)** of the applicant.
- **Phone Number** of the applicant
- **Email Address** of the applicant
- **Business Location Zoning Category** of the marijuana facility

MARIJUANA FACILITY INFORMATION Please provide the following information regarding the marijuana facility seeking a state operating license.	
Applicant Name (as appears on official business documents)	Assumed Name/DBA (Attach copy of filed assumed name certificate, if applicable)
Mailing Address	FEIN/SSN
<div style="display: flex; justify-content: space-between;"> City State Zip Code </div>	Phone
Email Address	Business Location Zoning Category (e.g., agriculture, commercial, residential)

In the **PERSON COMPLETING APPLICATION** section, provide the following information in the corresponding field on the application:

- **Name** of the individual completing the application
- **Date of Birth** of the individual completing the application
- **Mailing Address** of the individual completing the application
- **Phone Number** of the individual completing the application
- **Email Address** of the individual completing the application

PERSON COMPLETING APPLICATION Please provide the following information for the individual who will act as the primary contact for this license application.	
Name (First, Middle, Last)	Date of Birth (mm/dd/yyyy)
Mailing Address	Phone
<div style="display: flex; justify-content: space-between;"> City State Zip Code </div>	Email Address

PAGE 4 – ATTESTATION H – APPLICANT’S INTEREST & EXPERIENCE

After reading the attestation, provide the name of the main applicant and the name and title of the individual authorized to sign on behalf of the main applicant in the spaces provided.

ATTESTATION H	
APPLICANT’S INTEREST & EXPERIENCE	
(To be completed and submitted by the applicant)	
On behalf of _____	I _____
<small>Name of Main Applicant</small>	<small>Name & Title of Individual Authorized to Sign on Behalf of Main Applicant</small>
hereby acknowledge and affirm the following:	
<p>I attest and affirm that if I am applying for a GROWER A, B, or C license that I do not have any interest in a secure transporter or safety compliance facility. I attest that my investors do not have any interest in a secure transporter or safety compliance facility. I further acknowledge that I am not a registered primary caregiver as defined in the Medical Marihuana Act, 2008 Initiated Law 1 (MMA) Sec. 3(k); MCL § 333.26423(3)(k). I attest that I will not employ an individual who is simultaneously a primary caregiver. I further attest that I am or will employ an individual who has a minimum of 2 years’ experience as a registered primary caregiver.</p>	
<p>I attest and affirm that if I am applying for a PROCESSOR license that I do not have any interest in a secure transporter or safety compliance facility. I attest that my investors do not have any interest in a secure transporter or safety compliance facility. I further acknowledge that I am not a registered primary caregiver as defined in the MMA Sec. 3(k); MCL § 333.26423(3)(k). I attest that I will not employ an individual who is simultaneously a primary caregiver. I further attest that I am or will employ an individual who has a minimum of 2 years’ experience as a registered primary caregiver.</p>	
<p>I attest and affirm that if I am applying for a SECURE TRANSPORTER license that I do not have any interest in a grower, processor, provisioning center, or safety compliance facility. I further acknowledge that I am not a registered primary caregiver as defined in the MMA Sec. 3(k); MCL § 333.26423(3)(k). In addition to the requirements in sub-rule (1) of this rule, a marihuana transporter shall show proof of auto insurance, vehicle registration, and registration as a commercial motor vehicle, as applicable, for any vehicles used to transport marihuana product as required by the acts and these rules.</p>	
<p>I attest and affirm that if I am applying for a PROVISIONING CENTER license that I do not have any interest in a secure transporter or safety compliance facility. I attest that my investors do not have any interest in a secure transporter or safety compliance facility.</p>	
<p>I attest and affirm that if I am applying for a SAFETY COMPLIANCE FACILITY license that I do not have any interest in a grower, secure transporter, processor, or provisioning center. I attest that my investors do not have any interest in a grower, secure transporter, processor, or provisioning center. I further acknowledge that I am, or have employed at least 1 staff member, with an advanced degree in medical or laboratory science relevant to the processes at my marijuana facility.</p>	
<p>I hereby understand that if I am found to be noncompliant with these requirements, as set forth in the Medical Marihuana Facility Licensing Act (MMFLA), 2016 P.A. 281 Sec. 501 <i>et. seq.</i>, I may be subject to disciplinary action or risk loss of licensure.</p>	

PAGE 5 – ATTESTATION I – CONFIRMATION OF SECTION 205 COMPLIANCE – PART 1:
MUNICIPALITY

This attestation must have this page completed by their municipal clerk or a designee of the municipal clerk. The clerk or designee will confirm the required information and sign the form if applicable.

Failure to submit this attestation with the signature of the municipal clerk or their designee will result in a Notice of Deficiency letter. Failure to correct any deficiencies within 5 days after receiving a Notice of Deficiency may result in the denial of the application.

ATTESTATION I		
CONFIRMATION OF SECTION 205 COMPLIANCE		
PART 1: MUNICIPALITY		
(To be completed by the municipal clerk or their designee and submitted by the applicant)		
<small>Do not sign until notary is present</small>		
Proposed Facility Name:	_____	
Proposed Facility Address:	_____	
Proposed Facility Type:	_____	
I, _____ (clerk/designee) of _____ (municipality), attest to and confirm the following:		
1. The municipality has not adopted an ordinance prohibiting medical marijuana facilities.		
2. The following regulations and ordinances within the municipality, including zoning ordinances, will apply to the proposed medical marijuana facility (identify and briefly describe):		

3. The proposed facility is in compliance with all regulations and ordinances within the municipality, including zoning ordinances.		
4. The municipality will report to the Marijuana Regulatory Agency (MRA) any changes to any municipal ordinance that the municipality has adopted under Section 205 of the Medical Marijuana Facilities Licensing Act (MMFLA).		
5. The municipality will report to the MRA any violations by the proposed facility of any municipal regulations or ordinances, including zoning ordinances.		
_____	_____	_____
<small>Clerk (or designee) Signature</small>	<small>Clerk (or designee) Email Address</small>	<small>Date</small>
Subscribed and sworn to by _____ before me on _____		
<small>(Clerk/Designee Name) (Date)</small>		
_____	_____	
<small>(Notary Public Signature)</small>	<small>(Notary Public Printed Name)</small>	
State of _____, County of _____, Acting in the county of _____		
<small>(County) (State)</small>		
My commission expires: _____		

PAGE 6 – ATTESTATION I – CONFIRMATION OF SECTION 205 COMPLIANCE – PART 2:
APPLICANT

After reading the attestation, provide the proposed facility name, proposed facility address, proposed facility type, and the municipality in which the proposed facility will be located on the spaces provided.

Provide the name of the main applicant and the name and title of the individual authorized to sign on behalf of the main applicant in the spaces provided. The individual authorized to sign on behalf of the main applicant must also provide their signature and the date in the spaces provided.

<p style="text-align: center;"><u>ATTESTATION I</u> <u>CONFIRMATION OF SECTION 205 COMPLIANCE</u> <u>PART 2: APPLICANT</u> (To be completed and submitted by the applicant)</p>			
Proposed Facility Name:	_____		
Proposed Facility Address:	_____		
Proposed Facility Type:	_____		
Municipality:	_____		
<p>On behalf of _____, I _____, <small>Name of Main Applicant</small> <small>Name & Title of Individual Authorized to Sign on Behalf of Main Applicant</small></p> <p>am authorized to sign this attestation on behalf of the proposed medical marijuana facility identified above and attest to and confirm the following:</p> <ol style="list-style-type: none">1. The municipality in which the proposed facility is to be located has not adopted an ordinance prohibiting medical marijuana facilities.2. The proposed facility is in compliance with all regulations and ordinances within the municipality, including zoning ordinances.3. The proposed facility will report to the Marijuana Regulatory Agency (MRA) any changes to any municipal ordinance that the municipality has adopted under Section 205 of the Medical Marijuana Facilities Licensing Act (MMFLA).4. The proposed facility will report to the MRA any violations by the proposed facility of any municipal regulations or ordinances, including zoning ordinances. <table><tr><td>Authorized Individual Signature _____</td><td>Date _____</td></tr></table>		Authorized Individual Signature _____	Date _____
Authorized Individual Signature _____	Date _____		

PAGE 7 – ATTESTATION J – CONFIRMATION OF SECTION 408 COMPLIANCE

PART A – After reading the attestation, provide the name of the main applicant and the name and title of the individual authorized to sign on behalf of the main applicant in the spaces provided. The applicant must also provide their signature, the facility name/insured party name, the address of the marijuana facility/insured party address, and date in the spaces provided.

ATTESTATION J CONFIRMATION OF SECTION 408 COMPLIANCE <small>(To be completed by the applicant and an authorized representative or designee of the insurance or surety company, and submitted by the applicant) Do not sign until notary is present</small>	
PART A (to be completed by the applicant):	
On behalf of _____, I _____,	
<small>Name of Main Applicant Entity (if applicable)</small>	<small>Name & Title of Individual Authorized to Sign on Behalf of Main Applicant</small>
understand that I am submitting this attestation in accordance with Section 408 of the MMFLA and the Administrative Rules.	
_____ <small>Applicant Signature</small>	_____ <small>Date</small>
_____ <small>Facility Name/Insured Party Name</small>	
_____ <small>Facility Address/Insured Party Address</small>	

PART B – The applicant must have this section of the attestation completed by the agent or designee of the insurance or surety company. The agent or designee will need to provide the required information and sign the form in the presence of a notary. Ensure the agent or designee provides a copy of the insurance policy or constant value bond.

Failure to submit this attestation with the signature of the agent or designee will result in a Notice of Deficiency letter. Failure to correct any deficiencies within 5 days after receiving a Notice of Deficiency may result in the denial of the application.

PART B (to be completed by an authorized representative or designee of the insurance or surety company):	
I, _____, of _____,	
<small>Name of Representative/Designee</small>	<small>Name of Insurance or Surety Company Authorized to do Business in this State</small>
hereby attest to the Marijuana Regulatory Agency (Agency) that the applicant for a state operating license as named above in Part A, has liability coverage for bodily injury to lawful users resulting from the manufacture, distribution, transportation, or sale of adulterated marijuana or adulterated marijuana-infused products in an amount not less than \$100,000.00 and that no products liability exclusion exists in the liability coverage issued to the applicant and/or licensee that would exclude the coverage mandated in MCL 333.27408 or any corresponding sub-rule.	
I further attest that:	
<input type="checkbox"/> The policy number for the above-referenced insurance policy is _____, with an effective date of _____, and expiration date of _____. The declaration page of the above-referenced policy is attached hereto.	
<input type="checkbox"/> The bond number for the above-referenced constant value bond is _____, with an effective date of _____, and expiration date of _____. A copy of the bond is attached hereto.	
The policy or surety bond listed above covers the following locations (list all locations covered by the policy or bond): _____	
_____ <small>Representative or Designee Signature</small>	_____ <small>Company Address</small>
_____ <small>Date</small>	
Subscribed and sworn to by _____ before me on _____.	
<small>(Representative/Designee Name)</small>	<small>(Date)</small>
_____ <small>(Notary Public Signature)</small>	_____ <small>(Notary Public Printed Name)</small>
State of _____, County of _____, Acting in the county of _____.	
<small>(county)</small> <small>(State)</small>	
My commission expires: _____.	

PAGE 8 - ACKNOWLEDGMENT OF ATTESTATIONS

Do not sign this form until in the presence of a notary. After reading the attestation, provide the name of the main applicant and the name and title of the individual authorized to sign on behalf of the main applicant in the spaces provided.

Indicate by checking the boxes that the applicant acknowledges and consents to the attestations.

The applicant should sign this form in the presence of an active notary. In the notary block at the bottom, the applicant signature date and notary signature date must match.

If the notary signature is invalid and/or the dates do not match, the applicant will receive a Notice of Deficiency. Failure to correct any deficiencies within 5 days after receiving a Notice of Deficiency may result in the denial of the application.

<p align="center"><u>ACKNOWLEDGMENT OF ATTESTATIONS</u> (To be completed and submitted by the applicant) <i>Do not sign until notary is present</i></p>	
On behalf of _____ <i>Name of Main Applicant</i>	I _____ <i>Name & Title of Individual Authorized to Sign on Behalf of Main Applicant</i>
I hereby swear, acknowledge, and consent to the following attestations (check all that apply to indicate the applicant's acknowledgment and consent):	
<input type="checkbox"/> Attestation G: Acknowledgment & Consent to Investigations, Statute & Rule Compliance <input type="checkbox"/> Attestation H: Interest & Experience Attestation <input type="checkbox"/> Attestation I: Confirmation of Section 205 Compliance – Part 2: Applicant <input type="checkbox"/> Attestation J: Confirmation of Section 408 Compliance – Insurance	
Further, I affirm, under the penalties of perjury, that the information set forth in this application and all supplemental materials is true, complete, and correct, and that no material information has been omitted.	
_____ Signature of Individual Authorized to Sign on Behalf of Main Applicant	_____ Date
Subscribed and sworn to by _____ before me on _____. <i>(Authorized Individual Name) (Date)</i>	
_____ <i>(Notary Public Signature)</i>	_____ <i>(Notary Public Printed Name)</i>
State of _____, County of _____, Acting in the county of _____, <i>(county) (state)</i>	
My commission expires: _____	

PAGE 9 – DISCLOSURES

(1) BUSINESS SPECIFICATIONS

- A. Facility Ownership Information** – Provide the property tax ID number of the facility, the name of the individual or entity that owns the property, the property street address, and the type of ownership or use interest in the property (e.g., own, rent, have a land contract).

<u>(1) BUSINESS SPECIFICATIONS</u>	
A. Facility Ownership Information: Provide the following information regarding ownership of the marijuana facility to be licensed:	
Property Tax ID Number	Owner of Property
Property Street Address	Type of Ownership or Use Interest (e.g., own, rent, land contract)

- B. Estimated Income** – Provide the amount of actual income earned annually in Michigan or provide the amount of annual income you project the business will earn in Michigan.

B. Estimated Income: Provide the projected or actual gross annual income in Michigan. (check one box)
<input type="checkbox"/> Less than \$100,000 <input type="checkbox"/> \$100,001 – \$150,000 <input type="checkbox"/> \$150,001 – \$200,000 <input type="checkbox"/> \$200,001 – \$300,000 <input type="checkbox"/> \$300,001 and above

(2) MUNICIPALITY INFORMATION

Part **A.** – Provide the name of the municipality where the marijuana facility is located.

Part **B.** – Provide the city, state, and zip code of the municipality where the marijuana facility is located.

Part **C.** – Provide the contact person's name of the municipality where the marijuana facility is located.

Part **D.** – Provide the email address of the municipality where the marijuana facility is located.

Part **E.** – Provide the date the applicant submitted a medical marijuana application to the municipality where the marijuana facility is located (if applicable).

Part **F.** – Provide the phone number of the municipality where the marijuana facility is located.

Part **G.** – Provide the name of the county of the municipality where the marijuana facility is located.

Part **H.** – Check the appropriate box indicating if the applicant notified the municipality (via certified mail), where the marijuana facility is located, a Step 2 application has been submitted with MRA.

Part **I.** – Provide the date the applicant sent notification to the municipality, where the marijuana facility is located, that a Step 2 application has been submitted with MRA.

(2) MUNICIPALITY INFORMATION

A. Name of Municipality in which the marijuana facility will be located: _____

B. City, State, and Zip Code of Municipality: _____

C. Contact Person for Municipality: _____

D. Municipality's Email Address: _____

E. Date of Municipal Application (if applicable): _____

F. Municipality Phone: _____

G. County of Municipality: _____

H. Municipality Notice Sent Via Certified Mail ☐ Yes ☐ No

I. Date Municipality Notice was sent via Certified Mail: _____

(3) EMPLOYEE INFORMATION

Part **A.** – Indicate the number of employees who will work for the marijuana facility. If unknown, provide an estimate.

Part **B.** – Check the appropriate box indicating if the applicant plans to hire independent contractors. (An independent contractor is a person or entity that provides services to or works for the business as a nonemployee.)

(3) <u>EMPLOYEE INFORMATION</u>	
A. Number of employees who will work for this marijuana facility: _____	(if unknown, estimate)
B. Do you plan to hire independent contractors (e.g., people you will report on a 1099 form)?	<input type="checkbox"/> Yes <input type="checkbox"/> No

PAGE 10 – DISCLOSURES, CONT.

(4) FACILITY INFORMATION

Part **A.** – Check the appropriate box indicating if the location of the facility is currently licensed or the subject of another facility license application.

Part **B.** – If yes, provide the name of the current applicant or licensee currently located at the facility and any documentation related to the transfer of ownership, if applicable.

Part **C.** – Check the appropriate box indicating if the facility is ready for inspection by MRA and Bureau of Fire Services (BFS).

Part **D.** – Check the appropriate box indicating if the facility is ready for plan review by BFS (growers and processors only). If the facility is not a grower or processor, check N/A.

Part **E.** – If no to questions C or D, provide an anticipated date or timeline of when the facility will be ready for inspection and/or BFS plan review. Please note, a facility is ready for inspection when the business is ready to begin operations.

(4) <u>FACILITY INFORMATION</u>	
A. Is this location currently licensed or the subject of another facility license application?	<input type="checkbox"/> Yes <input type="checkbox"/> No
B. If yes, name the current applicant or licensee (provide any documentation related to the transfer of ownership)	_____
C. Is the facility ready for inspection by MRA and Bureau of Fire Services (BFS)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
D. Is the facility ready for plan review by BFS (growers and processors only)?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
E. If no for either question above, indicate anticipated date or provide a timeline when the facility will be ready for MRA and BFS inspection and/or plan review. Please note, a facility is ready for inspection when the business is ready to begin operations.	_____ _____

PAGE 11 – CONSENT TO PUBLISH LICENSEE PUBLIC CONTACT INFORMATION

The following information must be provided regarding whether the applicant/proposed licensee consents to public contact information being posted on the MRA's website upon licensure.

If opting in, check the first box and provide the public contact person's name, phone number, email address, and website address. From the public contact information list (name, phone number, email address, website address), the applicant/proposed licensee can choose what specific information they want posted on the website.

If opting out, check the second box.

After one box is checked, provide the name of the main applicant, date, signature of individual authorized to sign on behalf of the main applicant, and printed name of individual authorized to sign on behalf of the main applicant.

<u>CONSENT TO PUBLISH LICENSEE PUBLIC CONTACT INFORMATION</u>	
The Marijuana Regulatory Agency (MRA) is requesting authorization to post licensee contact information on the public MRA website in an effort to make it easier for the public to communicate with licensees.	
Please indicate below whether the applicant/proposed licensee consents to public contact information for the licensee being posted on our website upon licensure.	
<input type="checkbox"/> I, on behalf of the applicant/proposed licensee, consent to the MRA publishing the following public contact information for the applicant/proposed licensee on the MRA website upon licensure (select all that apply and provide the requested information):	
<input type="checkbox"/> Public Contact Person's Name: _____	
<input type="checkbox"/> Telephone Number: _____	
<input type="checkbox"/> Email Address: _____	
<input type="checkbox"/> Website Address: _____	
<input type="checkbox"/> I, on behalf of the applicant/proposed licensee, do not consent to the MRA publishing public contact information for the applicant/proposed licensee on the MRA website upon licensure.	
Applicant Entity/Proposed Licensee Name or Sole Proprietor Name	Date
Signature of Individual Authorized to Sign on Behalf of Entity	
Individual Authorized to Sign on Behalf of Entity: Printed Name and Title	

SUBMITTING THE APPLICATION

When submitting the application, ensure all supporting documents are provided. Failure to submit all application pages and supporting documents will result in a Notice of Deficiency letter. Failure to correct any deficiencies within 5 days after receiving a Notice of Deficiency may result in the denial of the application.

The application can be submitted online at: <https://aca3.accela.com/MIMM/Default.aspx>, in person at: 2407 North Grand River Avenue, Lansing, MI 49806, or via postal mail to:

Marijuana Regulatory Agency
Medical Facilities Licensing
P.O. Box 30205
Lansing, MI 48909

If any questions arise while completing the application, please do not hesitate to contact MRA by telephone at:
517-284-8599

The medical marijuana facility Step 2 application should contain the following supporting documents:

- Copy of Certificate of Occupancy
- Copy of Deed or Lease Agreement
- Copy of Insurance – Premises Liability and Casualty (e.g., insurance policy, constant value bond)
- Copy of Marijuana Business Location Plan complying with Rule 8 in the Marijuana Licensees Rule Set (R 420.8)
- Copy of Floor Plan
- Copy of Business Plan, including but not limited to:
 - Technology Plan
 - Marketing Plan
 - Staffing Plan
 - Inventory and Recordkeeping Plan
- Copy of Certified Mail Receipt with Letter Sent to Municipality
- DBA Documentation (if applicable) (obtained at county-level)
- Certificate of Assumed Name (if applicable) (obtained from LARA Corporations Division)

Secure Transporter applicants must also provide:

- Proof of Auto Insurance (for any vehicles used to transport marijuana product)
- Vehicle Registration (for any vehicles used to transport marijuana product)
- Registration as a Commercial Motor Vehicle (for any vehicles used to transport marijuana product)

Exhibit 3

From: Joe Bayern <Joe.Bayern@curaleaf.com> on behalf of Joe Bayern
Sent on: Wednesday, September 2, 2020 9:56:15 AM
To: Joseph Lusardi <jlusardi@palliatech.com>; Mike Carlotti <mike.carlotti@curaleaf.com>; Neil Davidson <Neil.Davidson@curaleaf.com>
Subject: FW: MI Supply Agreement Scenarios - Hello Farms
Attachments: Summary Hello Farms MI Supply Agreement.docx (26.32 KB), Hello Farms Scenarios.xlsx (35.99 KB)

Hey guys – this was raised on our weekly expansion market call, but here are the numbers. We have an opportunity to buy an entire harvest from Hello Farms in Michigan. They're expecting 9,000 lbs of product in total. We'll structure the agreement to only pay for actual yield of usable product but this would get us up and running in Michigan. Net/Net we'd have to layout \$13.5M for ~\$30M of revenue potential. We're still working on the math, but 9,000 lbs would represent ~6 months of supply. The only reason we're getting this pricing is we're willing to commit to the entire harvest. Neil and I discussed this and we may have a couple alternatives:

1. We can simply pass on the deal given the large upfront cash requirement and hope to buy on the spot market (this has proven very difficult thus far)
2. We can execute the agreement as written and try to accelerate the revenue generation through pricing (sell more flower through our 4 stores by being more aggressive)
3. We can execute the agreement then wholesale roughly 3 months of supply in the open market (shouldn't be a problem given how tight the market is)
4. We can try to syndicate the deal before executing (probably best solution, but complicated given the timing)

Let me know your thoughts.

From: Whitney Conroy <Whitney.Conroy@curaleaf.com>
Sent: Wednesday, September 2, 2020 12:15 AM
To: Joe Bayern <Joe.Bayern@curaleaf.com>
Cc: Robert Sciarone <robert@m8vp.com>
Subject: MI Supply Agreement Scenarios - Hello Farms

Hi Joe,

See attached Word document for a summary of the proposed terms for the Hello Farms supply agreement in Michigan. We're still waiting for confirmation on one item related to the pricing of B buds. As such, two scenarios are included in the analysis. Excel model is attached as well. Please let me know if you'd like me to walk you through it or if you have any questions.

Whitney

Whitney Conroy - Vice President of Strategy
 6344 Arizona Cr - Los Angeles, CA - 90045
 817.569.9448 - Whitney.Conroy@curaleaf.com

Confidential

CURA000719



PLAINTIFF'S
EXHIBIT

11

Hello Farms Michigan Supply Agreement
9/1/20

Below is a summary of the proposed terms for the Hello Farms supply agreement in Michigan. One item on the pricing of B buds is outstanding in the negotiation. As such, below are two scenarios.

The following terms pertain to both scenarios:

- Two harvest contract (1 harvest per year) with option to renew for 2 additional harvests
- Right to terminate contract if Curaleaf's operational grow license status changes (either through acquisition or build out of existing license)
- Curaleaf can reject or renegotiate pricing on biomass:
 - with THC content less than 12%
 - that does not meet MI state testing standards
- Curaleaf payments:
 - 20% deposit due before October 1; refundable if all biomass does not meet standards; forfeited if Curaleaf backs out of deal
 - Remaining balance due on delivery of biomass to EGP or Curaleaf tolling facility
- Harvest size is projected to double between Harvest 1 and Harvest 2 (estimated 9k lbs. to estimated 18k lbs.)

Scenario #1 (9,000 total pounds): Assumes Curaleaf takes 100% of Harvest 1

Total payment due to Hello Farms: \$13.545M

Total Curaleaf projected revenue: \$29.928M

Projected GM (including production costs): 45%

A buds: 4,950 lbs. at \$2100/lb.

B buds 2,250 lbs. at \$1,000/lb.

Trim: 1800 lbs. at \$500/lb.

Scenario #2 (8,000 total pounds): Assumes Curaleaf forfeits 1,000 lbs of Harvest 1 A buds to Hello Farms to sell at current market price

Total payment due to Hello Farms: \$11.445M

Total Curaleaf projected revenue: \$26.228M

Projected GM (including production costs): 46%

A buds: 3,950 lbs. at \$2100/lb.

B buds 2,250 lbs. at \$1,000/lb.

Trim: 1800 lbs. at \$500/lb.

Of note: in both scenarios fresh frozen is prohibitively expensive (~\$1,500/lb.), so I do not recommend allocating any biomass to Elite Live production (-128% GM).

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Scenario A1		
SUMMARY		
Hello Farms	Cost/LB	Contract Spli
A Buds	\$2,100	55%
B Buds	\$1,000	25%
Trim	\$500	20%
FRESH FROZEN (WHOLE PLANT)		
HTE + Distillate*		
Cost / LB	Lbs.	Dist. Grams
\$1,505	-	
Biomass Split		
	Lbs.	Contract Spli
Whole Plant	-	0%
Flower	4,950	55%
Trim/Distillate	4,050	45%
Total	9,000	100%
A-BUDS		
Bulk Wholesale Flower		
Split	Lbs.	Rev Per Lb.
90%	4,455	\$3,500
Grassroots Retail Flower		
Split	Lbs.	Rev Per Lb.
10%	495	\$5,500
Blended Flower Total		
Split	Lbs.	Rev Per Lb.
100%	4,950	\$3,700
B-BUDS AND TRIM		
Distillate (Select Elite Wholesale)**		
Split	Trim Lbs.	Dist. Grams
100%	4,050	183,870
Bulk Trim Wholesale		
Split	Trim Lbs.	Rev Per Lb.
0%	-	\$750
Blended Trim Total		
Split	Lbs.	Rev Per Lb.
100%	4,050	\$2,867
*Assumes \$3/g toll for both HTE and distillate (\$6 total per unit), 15%/85% HTE/distillate split, and 70% return from crude/extracted oil to distillate		
**Assumes \$3/g toll and 10% yield; GR average BHO yield per lbs @ 13% THC = 11% yield		

Scenario A (1)

D	E	F	G	H	I	J	K	L	M	N
Lbs.	WA Cost/Lb	Total Cost		Curaleaf	Revenue	Total COGS	GM			
4,950	\$1,155	\$10,395,000		Fresh Frozen	\$0	\$0	0%			
2,250	\$250	\$2,250,000		Flower	\$18,315,000	\$10,711,800	42%			
1,800	\$100	\$900,000		Trim/Distillate	\$11,612,842	\$5,637,084	51%			
9,000	\$1,505	\$13,545,000			\$29,927,842	\$16,348,884	45%			
Cost / Gram	HTE Grams	Cost / Gram	Revenue	Cost	Prod OH	Cost + OH	Margin %	0.5g Units	AWSC	Prod OH/Unit
\$0	0	\$0	\$0	\$0	\$0	\$0	0%	0	\$35.00	\$6.00
WA Cost										
\$1,505										
\$2,100										
\$778										
1,505										
Revenue	Cost	Margin %								
\$15,592,500	\$9,355,500	40%								
Revenue	Cost	Prod. OH	Cost + OH	Margin %	Total 1/8 Units	1/8 Sell Price	Prod OH/Unit			
\$2,722,500	\$1,039,500	\$316,800	\$1,356,300	50%	63,360	\$42.97	\$5.00			
Revenue	Cost + OH	Margin %								
\$18,315,000	\$10,711,800	42%								
Cost / Gram	Revenue	Cost	Prod OH	Cost + OH	Margin %	0.5g Units	AWSC	Prod OH/Unit		
\$20.13	\$11,612,842	\$3,701,610	\$1,935,474	\$5,637,084	51%	387,095	\$30.00	\$5.00		
Revenue	Cost	Margin %								
\$0	\$0	0%								
Revenue	Cost + OH	Margin %								
\$11,612,842	\$5,637,084	51%								

Scenario A (1)

A		B	C
SUMMARY		Scenario A2	
Hello Farms		Cost/LB	Split
A Buds		\$2,100	49%
B Buds		\$1,000	28%
Trim		\$500	23%
FRESH FROZEN (WHOLE PLANT)			
		HTE + Distillate*	
	Cost / LB	Lbs.	Dist. Grams
	\$1,431	-	0
Biomass Split		Lbs.	Split
		-	0%
	Whole Plant	3,950	49%
	Flower	4,050	51%
	Trim/Distillate	8,000	100%
	Total		
A-BUDS			
Bulk Wholesale Flower			
	Split	Lbs.	Rev Per Lb.
	90%	3,555	\$3,500
Grassroots Retail Flower			
	Split	Lbs.	Rev Per Lb.
	10%	395	\$5,500
Blended Flower Total			
	Split	Lbs.	Rev Per Lb.
	100%	3,950	\$3,700
B-BUDS AND TRIM			
Distillate (Select Elite Wholesale)**			
	Split	Trim Lbs.	Dist. Grams
	100%	4,050	183,870
Bulk Trim Wholesale			
	Split	Trim Lbs.	Rev Per Lb.
	0%	-	\$750
Blended Trim Total			
	Split	Lbs.	Rev Per Lb.
	100%	4,050	\$2,867
*Assumes \$3/g toll for both HTE and distillate (\$6 total per unit), 15%/85% HTE/distillate split, and 70% return from crude/extracted oil to distillate			
**Assumes \$3/g toll and 10% yield; GR average BHO yield per lbs @ 13% THC = 11% yield			

Scenario A (2)

D	E	F	G	H	I	J	K	L	M	N	
	Lbs.	WA Cost/Lb	Total Cost		Curaleaf	Revenue	Total COGS	GM			
	3,950	\$1,037	\$8,295,000		Fresh Frozen	\$0	\$0	0%			
	2,250	\$281	\$2,250,000		Flower	\$14,615,000	\$8,547,800	42%			
	1,800	\$113	\$900,000		Trim/Distillate	\$11,612,842	\$5,637,084	51%			
	8,000	\$1,431	\$11,445,000			\$26,227,842	\$14,184,884	46%			
	Cost / Gram	HTE Grams	Cost / Gram	Revenue	Cost	Prod OH	Cost + OH	Margin %	0.5g Units	AWSC	Prod OH/Unit
	\$0	0	\$0	\$0	\$0	\$0	\$0	0%	0	\$35.00	\$6.00
	WA Cost										
	\$1,431										
	\$2,100										
	\$778										
	1,431										
	Revenue	Cost	Margin %								
	\$12,442,500	\$7,465,500	40%								
	Revenue	Cost	Prod. OH	Cost + OH	Margin %	Total 1/8 Units	1/8 Sell Price	Prod OH/Unit			
	\$2,172,500	\$829,500	\$252,800	\$1,082,300	50%	50,560	\$42.97	\$5.00			
	Revenue	Cost + OH	Margin %								
	\$14,615,000	\$8,547,800	42%								
	Cost / Gram	Revenue	Cost	Prod OH	Cost + OH	Margin %	0.5g Units	AWSC	Prod OH/Unit		
	\$20.13	\$11,612,842	\$3,701,610	\$1,935,474	\$5,637,084	51%	387,095	\$30.00	\$5.00		
	Revenue	Cost	Margin %								
	\$0	\$0	0%								
	Revenue	Cost + OH	Margin %								
	\$11,612,842	\$5,637,084	51%								

Scenario A (2)

A			B	C
			Scenario B	
SUMMARY				
Hello Farms			Cost/LB	Split
A Buds			\$500	55%
B Buds			\$500	25%
Trim			\$200	20%
FRESH FROZEN (WHOLE PLANT)*				
			Distillate (Select Wholesale)	
	Cost / LB		Lbs.	Dist. Grams
	\$440		-	0
	Biomass Split			
			Lbs.	Split
	Whole Plant		-	0%
	Flower		-	0%
	Trim/Distillate		7,500	100%
	Total		7,500	100%
A-BUDS				
	Bulk Wholesale Flower			
	Split		Lbs.	Rev Per Lb.
	90%		-	\$3,500
	Grassroots Retail Flower			
	Split		Lbs.	Rev Per Lb.
	10%		-	\$5,500
	Blended Flower Total			
	Split		Lbs.	Rev Per Lb.
	100%		-	\$0
ALL BIOMASS				
	Distillate (Select Wholesale)*			
	Split		Trim Lbs.	Dist. Grams
	100%		7,500	340,500
	Bulk Wholesale			
	Split		Trim Lbs.	Rev Per Lb.
	0%		-	\$750
	Blended Trim Total			
	Split		Lbs.	Rev Per Lb.
	100%		7,500	\$2,389
*Assumes \$3/g toll for both HTE and distillate (\$6 total per unit), 15%/85% HTE/distillate split, and 70% return from crude/extracted oil to distillate				
**Assumes \$3/g toll and 10% yield; GR average BHO yield per lbs @ 13% THC = 11% yield				

Scenario B

[illegible]

Scenario B