STATE OF MICHIGAN
IN THE CIRCUIT COURT FOR THE COUNTY OF OAKLAND
BUSINESS COURT

PULSE PARTNERS, LLC.

Plaintiff,

Case No. 23-202776-CB
v **Hon. Michael Warren**

NTBS HOLDINGS, LP, et al.,

Defendants.

OPINION AND ORDER GRANTING
DEFENDANTS THOMAS, PURAJ, NATRABIS LLC,
NATRABIS PROCESSING LLC AND NATRABIS CULTIVATION LLC'S
JOINT MOTION FOR SUMMARY DISPOSITION
PURSUANT TO MCR 2.116(C)(7) AND MCR 2.116(C)(8)

At a session of said Court, held in the
County of Oakland, State of Michigan
October 14, 2024

PRESENT: HON. MICHAEL WARREN

OPINION

The present cause of action arises out of a cannabis business consisting of multiple related companies and the purported breach of a note and related loan documents. In the First Amended Complaint, Pulse Partners, LLC, successor in interest of former Plaintiffs AFC Agent LLC and AFC Gamma, Inc., alleges Breach of Note (Count I) against NTBS Holdings LP, NTBS Properties, LLC, NTBS Equipment LLC, NTBS Services LLC (collectively, the "Borrowers"); Breach of Guaranty (Count II) against Michael Thomas,

Charles Simpson and Arben Puraj (collectively the "Guarantors"), Judicial Foreclosure (Count III), Breach of Contract/Collateral Assignment (Count IV) against Borrowers, Guarantors, and Natrabis LLC, Natrabis Cultivation LLC and Natrabis Processing LLC (the "Natrabis entites"); and Appointment of Receiver (Count V).[1]

Before the Court is Defendant Thomas, Puraj, Natrabis LLC, Natrabis Processing LLC and Natrabis Cultivation LLC's Joint Motion for Summary Disposition Pursuant to MCR 2.116(C)(7) and MCR 2.116(C)(8). Oral argument is dispensed as it would not assist the Court in its decision-making process.[2]

At stake is whether dismissal of the Natrabis entites and dismissal of Pulse Partners' claims against Thomas and Puraj related to the Membership Transfer Agreement is warranted? Because Pulse Partners concurs with the dismissal of the Natrabis entities and the dismissal of the claims against Thomas and Puraj relating to the Membership Transfer Agreement in lieu of arbitration, the answer is "yes," and the Motion is granted.

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[1] On July 10, 2024, Pulse Partners was substituted as Plaintiff, Counter-Defendant and Third-Party Defendant in place of AFC Agent, LLC, AFC Gamma, Inc. and Advanced Flower Capital Management, LLC.

[2] MCR 2.119(E)(3) provides courts with discretion to dispense with or limit oral argument and to require briefing. MCR 2.116(G)(1) specifically recognizes application of MCR 2.119(E)(3) to summary disposition motions. Subrule (G)(1) additionally authorizes courts to issue orders establishing times for raising and asserting arguments. This Court's Scheduling Order clearly and unambiguously set the time for asserting and raising arguments, and legal authorities to be in the briefing – not to be raised and argued for the first time at oral argument. Therefore, both parties have been afforded due process as they each had notice of the arguments and an opportunity to be heard by responding and replying in writing, and this Court has considered the submissions to be fully apprised of the parties' positions before ruling. Because due process simply requires parties to have a meaningful opportunity to know and respond to the arguments and submissions which has occurred here, the parties have received the process due.

Also, at stake is whether sanctions are warranted in the form of the reasonable attorney fees incurred in filing the Motion? Because the Motion was filed before Pulse Partners became the successor in interest of former Plaintiffs AFC Agent LLC and AFC Gamma, Inc. and therefore does not address whether sanctions are warranted against Pulse Partners, the answer is "no."

ORDER

In light of the foregoing Opinion, Defendant Thomas, Puraj, Natrabis LLC, Natrabis Processing LLC and Natrabis Cultivation LLC's Joint Motion for Summary Disposition Pursuant to MCR 2.116(C)(7) and MCR 2.116(C)(8) is GRANTED.

1. Natrabis LLC, Natrabis Processing LLC and Natrabis Cultivation LLC are dismissed.

2. The claims against Michael Thomas and Arben Puraj relating to the Membership Transfer Agreement are dismissed.

3. All other relief is denied.

/s/ Michael Warren

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HON. MICHAEL WARREN
CIRCUIT COURT JUDGE

