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**IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION**

In re Cannabis Dispensary Litigation

Case No. 21 CH 3730
Hon. Judge Celia Gamrath
Calendar 6

**THE DEPARTMENT'S PLAN TO CONDUCT CORRECTIVE LOTTERIES
AS DIRECTED BY THE COURT'S MAY 17, 2022 ORDER**

The Illinois Department of Financial and Professional Regulation, by its attorney, Illinois Attorney General Kwame Raoul, respectfully submits its plan to conduct 51 corrective lotteries as ordered by the Court on May 17, 2022. The Department plans to conduct the corrective lotteries over three days—June 21 (Qualifying Applicant Lottery), June 22 (Social Equity Justice Involved Lottery), and June 23 (Tied Applicant Lottery). Seventeen regional corrective lotteries will be held on each day for a total of 51 corrective lotteries. The Department's corrective lottery plan includes six discrete stages.

Stage 1: In the first stage, the Department will identify the participants that it intends to include in the corrective lotteries. Attached as Exhibit A is a chart listing all participants that the Department intends to include in the corrective lotteries, along with the number of each participant's entries in each of the various corrective lotteries. As evident from the chart in Exhibit A, the Department intends to include in the corrective lotteries (1) all plaintiffs that claim they were wrongfully excluded from the original lotteries; (2) the six applicants that the Department has advised were inadvertently excluded from the original Qualifying Applicant Lottery; and (3) the *Big City Ventures* plaintiffs (applicants that currently have claims pending before Judge Demacopoulos). On May 25, 2022, the Department advised the six applicants that were inadvertently omitted from the original Qualifying Applicant Lottery that they will be included in the corrective lotteries unless they decline participation (opt out) by June 10, 2022.

Stage 2: In the second stage, through June 10, 2022, applicants can address any claimed errors in Exhibit A or opt out of the corrective lotteries. By June 10, 2022, any plaintiff that wishes to participate in the corrective lotteries should advise the Department, through its legal counsel with the Attorney General's Office, of any alleged errors with respect to its application entries identified in Exhibit A. The Department will investigate any errors and either reach an agreement with the plaintiff claiming the error on Exhibit A, or seek court intervention if an agreement cannot be reached. Also by June 10, any plaintiff that wishes not to participate in the corrective lotteries must file an Opt-Out Notice with the Court, as directed in the May 17 Order. (Order, 5/17/22 at 8.)

Stage 3: Once the opt outs are known and any claimed errors with Exhibit A are addressed, the Department will publish, by June 17, 2022, the final lists of the participants' entries to be included, along with blank entries, in each of the corrective lotteries. The final lists will resemble the lists of applicants that participated in the original lotteries (*see* common record at R.242–345, R.383–473, and R.509–552). For each of the 51 corrective lotteries, the application entry for each participant will be identified with a unique application and lottery number. The remaining entries in each corrective lottery will consist of blank rows, with each blank row assigned a unique lottery number. The total number of entries in a particular corrective lottery for a region will be identical to the total number of entries in the parallel original lottery for that region. Therefore, each application entry in a corrective lottery will have the same chance of success that every application entry had in the corresponding original lottery, creating the same odds that existed in the original lotteries (subject to possible abandonments, discussed below). For example, because the original Tied Applicant Lottery for the Chicago region had 901 entries (R.535), the corrective Tied Applicant Lottery for the Chicago region will also have 901

entries (the total number of corrective lottery participants' entries plus blank entries).

Stage 4: In stage four, the Department will conduct the corrective lotteries using officials from the Illinois Lottery, as was done in the original lotteries. The corrective lotteries will take place on the following dates: June 21 (the corrective Qualifying Applicant Lottery); June 22 (the corrective Social Equity Justice Involved Lottery); and June 23 (the corrective Tied Applicant Lottery). Seventeen separate corrective lotteries (one for each BLS region) will be held on each day, for a total of 51 corrective lotteries. As with the original lotteries, an independent external auditor from Stopp & VanHoy CPA and Business Advisors, LLC ("Stopp & Van Hoy") (Creve Coeur, Missouri), will be present on each day in the lottery drawing room to ensure the integrity of the corrective lottery process. The Illinois Lottery, with the auditor present, will compile the final printed lottery drawings (similar to the lottery drawings found at R.351–381; 480–507; 559–581) in envelopes and deliver them to the Department of Financial and Professional Regulation.

Stage 5: At the end of each day of corrective lotteries, the Department will receive from the Illinois Lottery 17 envelopes with the lottery drawings for each of the regional corrective lotteries conducted that day. The Department will use four teams to review and prepare the final list of winners using the following process:

- Team 1 will consist of two officials who will open an envelope correlated to a particular corrective lottery and read aloud each unique lottery number with a winning position in the corrective lottery.
- Team 2 will consist of two officials who will listen to the unique lottery numbers read by Team 1, match each unique lottery number with either an applicant's name or a blank entry, and read aloud the name or blank entry.
- Team 3 will consist of two officials who will listen to the results announced by Team 2 and will make sure that the unique lottery number matches the name of the winning

applicant or blank entry.

- Team 4 will enter the unique lottery number and applicant name (or blank entry) into a Lottery Results List.
- Throughout this process, an auditor from the Department of Central Management Service as well as from Stopp & VanHoy will be present, listening to the results and looking over shoulders to ensure that the results are accurately recorded.

The final Lottery Results List for the Chicago and West Central regions for the Social Equity Justice Involved Lottery will account for the abandonment of licenses that occurred in the parallel original lotteries, as ordered by the Court. (Order, 5/17/22 at 7–8.) Thus, if a runner-up entry by an applicant in one of those corrective lotteries (not a blank entry) corresponds to a runner-up entry in the original lottery that was entitled to a license due to an abandonment, the applicant with that runner-up entry in the corrective lottery will also be considered a winner in that corrective lottery.

At the end of each day’s lottery drawings, the Department will publish on its website the final Lottery Results List for that day. In addition, the Department will publish the official lottery drawing records on its website on June 23, 2022, after conducting all 51 corrective lotteries. Also on June 23, 2022, the Department will file into the record in this consolidated proceeding the final Lottery Results List for all 51 corrective lotteries.

* * *

After the filing of the final Lottery Results List, those applicants that do not prevail in the corrective lotteries should be given one week, until June 30, 2022, to determine whether they will voluntarily dismiss their actions, or whether they will continue to litigate the merits of their legal claims. The Department reserves the right to seek dismissal of these plaintiffs’ legal claims where appropriate, including on grounds of mootness.

For those applicants that are successful in the corrective lotteries, the Department, after further investigating the merits of those applicants' legal claims, will determine whether it will object to the legal claims or confess error.

The Court has scheduled a status hearing on July 7, 2022 at 8 a.m. to discuss next steps, including setting a schedule to brief the legal claims that remain at issue.

Dated: June 3, 2022

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Respectfully submitted,

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EXHIBIT A

In re Cannabis Dispensary Litigation
The Department's Chart of Proposed Corrective Lottery Entries

<i>Entrant</i>	<i>Qualifying Applicant Corrective Lottery 6/21/22</i>	<i>Social Equity Justice Involved Corrective Lottery 6/22/22</i>	<i>Tied Applicant Corrective Lottery 6/23/22</i>
24th Regiment Latino Vets [Tighe]	Danville (1)	Danville (1)	Chicago (1) Danville (1) Kankakee (1) Peoria (1) Rockford (1) St. Louis (1) Springfield (1) NW IL (1) E. Central (1) South (1)
All Good [Holmen]	—	—	Chicago (2)
Ayway [McClurkin]	Chicago (1) Kankakee (1)	Chicago (1) Kankakee (1)	Chicago (1) Kankakee (1)
BDMT dba Premier Canna [Standa]	—	—	Chicago (2)
Big City Ventures [Standa]	—	—	Chicago (10) Kankakee (2) Rockford (2) St. Louis (2) Springfield (1) NW IL (3)
Brothas & Sistas [Tighe]	—	—	Champaign (1) Chicago (2) Kankakee (1) Peoria (1) Rockford (1) NW IL (1) E. Central (1)
Brown Bess [Tighe]	NW IL (1) South (1)	NW IL (1) South (1)	Chicago (1) Peoria (1) NW IL (1) E. Central (1) South (1)
Buddies [McClurkin]	—	—	Chicago (1)
Chicago Canna Operator [McClurkin]	—	—	Chicago (4) Peoria (1) Rockford (1) St. Louis (1)

Entrant	Qualifying Applicant Corrective Lottery 6/21/22	Social Equity Justice Involved Corrective Lottery 6/22/22	Tied Applicant Corrective Lottery 6/23/22
CNS Wellness [McClurkin]	—	—	Cape Gir. (1) Decatur (1) Peoria (3) NW IL (3) South (2)
Eagle Dispensaries [Shapiro]	Chicago (5)	Chicago (5)	Chicago (5)
Earthmed [Standa]	—	Chicago (14) Kankakee (2)	Chicago (14) Kankakee (2)
Emerald Valley [Industries] – Emerald King [Craven]	—	—	St. Louis (1)
Factory and Farm	East Central (1)	—	—
FMA Illinois 1 [McClurkin]	—	—	Carbondale (1) Chicago (1)
Foliage 40 [McClurkin]	—	—	Chicago (1)
Green Equity Ventures 1 [Holz/Standa]	—	Chicago (3) Kankakee (1)	—
Green Equity Ventures [Craven]	—	—	Chicago (2) Kankakee (1)
Green Gold Industries [Craven]	—	—	Springfield (1)
Greenulux	NW IL (1)	—	—
Haaayy [Walker]	—	—	Chicago (4)
Hall of Flame [Jesser]	Chicago (1)	Chicago (1)	Chicago (1)
Heartland Leaf	Rockford (1)	—	—
Hempathy [Standa]	Chicago (1)	Chicago (1)	Chicago (1)
Herb Haus [Craven]	—	—	Chicago (2)
Herbal Care Center	Champaign (1)	—	—
Herbal Releaf [Langone/Lavery]	—	—	Chicago (4)

Entrant	Qualifying Applicant Corrective Lottery 6/21/22	Social Equity Justice Involved Corrective Lottery 6/22/22	Tied Applicant Corrective Lottery 6/23/22
High Haven [Grabenstein]	Bloomington (1) Carbondale (1) Champaign (1) Chicago (10) Decatur (1) Kankakee (1) Peoria (2) Rockford (1) St. Louis (2) Springfield (1) NW IL (2)	Bloomington (1) Carbondale (1) Champaign (1) Chicago (10) Decatur (1) Kankakee (1) Peoria (2) Rockford (1) St. Louis (2) Springfield (1) NW IL (2)	Bloomington (1) Carbondale (1) Champaign (1) Chicago (10) Decatur (1) Kankakee (1) Peoria (2) Rockford (1) St. Louis (2) Springfield (1) NW IL (2)
Highlife Group [Moran]	—	—	Cape Gir. (1) Carbondale (1) Champaign (1) Chicago (10) Danville (1) Davenport (1) Decatur (1) Peoria (2) Rockford (2) St. Louis (1) Springfield (2) NW Ill. (2) W. Central (2) E. Central (1) South (2)
HMS Partners [Shapiro]	—	—	Chicago (1)
Illinois Elemental Holding [McClurkin]	Chicago (1) Springfield (1)	Chicago (1) Springfield (1)	Chicago (1) Springfield (1)
Il-Lustrius [Tighe]	—	—	Bloomington (1) Carbondale (1) Chicago (2) Danville (1) Rockford (1) Springfield (1) NW IL (1) W. Central (1) South (1) St. Louis (1)
InLabs 1 [Craven]	—	—	Chicago (1)

Entrant	Qualifying Applicant Corrective Lottery 6/21/22	Social Equity Justice Involved Corrective Lottery 6/22/22	Tied Applicant Corrective Lottery 6/23/22
JG IL [Loevy/Brashers-Krug]	Bloomington (1) Cape Gir. (1) Carbondale (1) Champaign (1) Chicago (47) Danville (1) Davenport (1) Decatur (1) Kankakee (1) Peoria (3) Rockford (2) St. Louis (4) Springfield (1) NW IL (3) W. Central (3) E. Central (2) South (2)	—	Bloomington (1) Cape Gir. (1) Carbondale (1) Champaign (1) Chicago (47) Danville (1) Davenport (1) Decatur (1) Kankakee (1) Peoria (3) Rockford (2) St. Louis (4) Springfield (1) NW IL (3) W. Central (3) E. Central (2) South (2)
The Joynt [Davis]	Chicago (3)	Chicago (3)	Chicago (3)
Land of Lincoln Dispensary [Dashevsky/Standa]	—	—	Bloomington (1) Cape Gir. (1) Carbondale (1) Champaign (1) Chicago (7) Danville (1) Davenport (1) Decatur (1) Kankakee (1) Peoria (1) Rockford (1) St. Louis (1) Springfield (1) NW IL (1) W. Central (1) E. Central (1) South (1)
Leafsie [Standa]	Peoria (1)	Peoria (1)	Peoria (1)
Lerolero [McClurkin]	Champaign (1) Chicago (1)	Champaign (1) Chicago (1)	Champaign (1) Chicago (1)
Little Fish [Shapiro]	—	—	Peoria (3)
Live the Bloom [Craven]	—	—	Decatur (1) St. Louis (1)

Entrant	Qualifying Applicant Corrective Lottery 6/21/22	Social Equity Justice Involved Corrective Lottery 6/22/22	Tied Applicant Corrective Lottery 6/23/22
MKPG [Big City] [Standa]	—	—	Bloomington (1) Champaign (1) Chicago (10) Danville (1) Davenport (1) Decatur (1) Peoria (3) Rockford (2) Springfield (1) NW Ill (3)
Magic Sparks [Standa]	Chicago (1)	Chicago (1)	Chicago (1)
Michin [McClurkin]	Cape Gir. (1) Chicago (1)	Cape Gir. (1) Chicago (1)	Cape Gir. (1) Chicago (1)
Natural Select 2 [McClurkin]	Chicago (1) Springfield (1)	Chicago (1) Springfield (1)	Chicago (1) Springfield (1)
Natural Select 3 [McClurkin]	Chicago (1) E. Central (1)	Chicago (1) E. Central (1)	Chicago (1) E. Central (1)
Natural Select 4 [McClurkin]	Chicago (1) South (1)	Chicago (1) South (1)	Chicago (1) South (1)
Nature Med of Illinois, LLC	Rockford (1)	—	—
NK Holdings 3 [McClurkin]	Kankakee (1) E. Central (1)	Kankakee (1) E. Central (1)	Kankakee (1) E. Central (1)
NK Holdings 4 [McClurkin]	Chicago (1) Peoria (1)	Chicago (1) Peoria (1)	Chicago (1) Peoria (1)
NWA Holdings 2 [McClurkin]	—	—	Davenport (1) Decatur (1)
Pelu [McClurkin]	Chicago (1) E. Central (1)	Chicago (1) E. Central (1)	Chicago (1) E. Central (1)
Piff Patch [Standa]	—	—	Chicago (1)
PLCCA / Redemption Botanicals [Rosenzweig/Wing]	—	—	Chicago (4)
Qurebliss [Shapiro]	—	—	Peoria (1)

Entrant	Qualifying Applicant Corrective Lottery 6/21/22	Social Equity Justice Involved Corrective Lottery 6/22/22	Tied Applicant Corrective Lottery 6/23/22
ReNu IL [Loevy/Bashers-Krug]	—	—	Bloomington (1) Cape Gir. (1) Carbondale (1) Champaign (1) Chicago (47) Danville (1) Davenport (1) Decatur (1) Kankakee (1) Peoria (3) Rockford (2) St. Louis (4) Springfield (1) NW IL (3) W. Central (3) E. Central (2) South (2)
The Rec Room, LLC [Craven]	—	—	East Central (1) Peoria (1) West Central (1)
Royal Highness [Langone/Lavery]	—	—	Chicago (2)
RQI Investments [Shapiro]	—	Chicago (1) Kankakee (1) Rockford (1) NW IL (1)	Chicago (1) Kankakee (1) Rockford (1) NW IL (1)
Sound Off [Tighe]	Champaign (1) Chicago (7) Danville (1) Kankakee (1) Peoria (1) Rockford (1) St. Louis (1) Springfield (1) NW IL (1) W. Central (1) E. Central (1) South (1)	Champaign (1) Chicago (7) Danville (1) Kankakee (1) Peoria (1) Rockford (1) St. Louis (1) Springfield (1) NW IL (1) W. Central (1) E. Central (1) South (1)	Champaign (1) Chicago (7) Danville (1) Kankakee (1) Peoria (1) Rockford (1) St. Louis (1) Springfield (1) NW IL (1) W. Central (1) E. Central (1) South (1)
Truerb [Standa]	Rockford (1) St. Louis (1)	Rockford (1) St. Louis (1)	Rockford (1) St. Louis (1)

Entrant	Qualifying Applicant Corrective Lottery 6/21/22	Social Equity Justice Involved Corrective Lottery 6/22/22	Tied Applicant Corrective Lottery 6/23/22
VHEA d/b/a Grassroots Holistics [Langone/Lavery]	Bloomington (1) Chicago (4) Peoria (1) Rockford (1) St. Louis (1) NW IL (1) E. Central (1)	Bloomington (1) Chicago (4) Peoria (1) Rockford (1) St. Louis (1) NW IL (1) E. Central (1)	Bloomington (1) Chicago (4) Peoria (1) Rockford (1) St. Louis (1) NW IL (1) E. Central (1)
WAH Group [Harris]	St. Louis (1)	—	—
Z-Armistice [Tighe]	Cape Gir. (1) Champaign (1) Chicago (1) Danville (1) Davenport (1) Peoria (1) St. Louis (1) NW Ill (1) W. Central (1) E. Central (1) South (1)	Cape Gir. (1) Champaign (1) Chicago (1) Danville (1) Davenport (1) Peoria (1) St. Louis (1) NW Ill (1) W. Central (1) E. Central (1) South (1)	Cape Gir. (1) Champaign (1) Chicago (1) Danville (1) Davenport (1) Peoria (1) St. Louis (1) NW Ill (1) W. Central (1) E. Central (1) South (1)
Zen Euphoria [McClurkin]	Chicago (1) Peoria (1)	Chicago (1) Peoria (1)	Chicago (1) Peoria (1)
ZS Holding 3 [McClurkin]	—	—	NW IL (1) South (1)