



State of New Jersey
CANNABIS REGULATORY COMMISSION

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March 10, 2023

VIA CERTIFIED AND ELECTRONIC MAIL to: l.sheckler@acreageholdings.com

Lynsi Sheckler, Senior Director
Acreage CCF NJ
366 Madison Ave., 14th Floor
New York, New York 10017

Re: NOTICE OF CIVIL MONETARY PENALTY – ACREAGE CCF NJ LLC

Dear Ms. Sheckler,

This letter is a Notice of Civil Monetary Penalty, issued by the New Jersey Cannabis Regulatory Commission (“NJ-CRC”) in accordance with N.J.A.C. 17:30-17 to Acreage CCF NJ LLC (“Acreage” or “ATC”). This penalty assessment follows the Notice of Violation issued to Acreage on January 18, 2023, for the below violation.

On Saturday, January 7, 2023, at its Botanist dispensary in Williamstown, New Jersey, Acreage was found to have committed the following violation:

1. **Violations 1:** 4/12/2022 and 8/3/2022 Final Agency Decisions and N.J.A.C. 17:30-7.1(d) – Acreage prioritized Adult Use consumers over patients by limiting point-of-sale locations at a 5 (for Adult Use) to 1 (for Medicinal patients) ratio, resulting in a patient waiting 17 minutes to reach the point-of-sale system, while in excess of fifteen Adult Use consumers were attended to.

Pursuant to the law, implementing regulations, and the 4/12/2022 and 8/3/2022 Final Agency Decisions (“FADs”), the NJ-CRC is authorized to impose civil monetary penalties in amounts not to exceed \$50,000 per violation of the regulations (and up to \$500,000 for “major license violations”), and not to exceed \$10,000 per day for violations of the FAD.

The NJ-CRC has determined to impose **a monetary penalty of \$5,000.00** on Acreage for the violation listed above. The amount is based on **one violation** of the 4/12/2022 FAD.

The leniency in establishing this penalty is the result of the corrective action plan that was submitted on and immediately implemented by the license holder in relation to the current violation. N.J.A.C. 17:30-17.4(b) provides that, within 20 business days of the receipt of the Notice of Violation, the cannabis

business shall (1) Correct the violations; (2) Notify the Commission, in writing, with a postmark date that is within 20 business days of the date of receipt of the Notice of Violation, of any corrective actions taken to correct the violations, and the date of implementation of such corrective actions. Acreage's corrective action plan was submitted and received at the NJ-CRC on February 2, 2023. Acreage has further confirmed that it will ensure that all Point-of-Sale systems will be available for use by medical patients during operating hours, and that no Point-of-Sale systems will be solely designated for Adult Use transactions.

The NJ-CRC has attached to this Notice of Civil Monetary Penalty its Compliance Monitoring Report, which is the basis for this penalty assessment. If Acreage wishes to contest the imposition of this civil monetary penalty, it may request an adjudicatory hearing within 14 days of receipt of this Notice of Civil Monetary Penalty. The NJ-CRC may, in its discretion, retain jurisdiction over the matter, or transmit the matter to the Office of Administrative Law pursuant to the Administrative Procedure Act (N.J.S.A. 52:14B-1 *et seq.* and 52:14F-1 *et seq.*).


If Acreage determines to pay this monetary penalty without contest, it may do so through the NJ-CRC's website at the following link: <https://www.nj.gov/cannabis/businesses/resources/>, by following the prompt for "Annual Permit Fee" and submitting the "Application Type Information" as "Other", with a "Description" of "Civil Monetary Penalty Assessment."

If determined to contest this civil monetary penalty, Acreage shall request an adjudicatory hearing within 14 days of receipt of this Notice by submitting its request in writing via e-mail to Chief Counsel Christopher Riggs at Christopher.Riggs@crc.nj.gov, **and via certified mail to:**

New Jersey Cannabis Regulatory Commission
c/o Office of the Chief Counsel
225 East State Street
2nd Floor West
Trenton, New Jersey 08608

The NJ-CRC appreciates your expeditious cooperation in this matter. Any questions regarding this correspondence can be sent to your assigned Field Monitor.

Sincerely,



Paul Thomas Urbish, Esq.
Director
Office of Compliance and Investigations
New Jersey Cannabis Regulatory Commission

w/ attachment